REGIONS FOR ALL AGES
FOR ALL AGES

REGIONS FOR ALL AGES: THE IMPLICATIONS OF DEMOGRAPHIC AGEING FOR REGIONAL POLICY

Final Report

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PREFACE

This report has been prepared by the European Policies Research Centre (University of Strathclyde, Glasgow) as a study of the implications of demographic ageing for regional development polices. The project was supported by the following organisations, whose sponsorship is gratefully acknowledged in making the research possible:

- The European Older People's Platform (AGE)
- Age Concern England (ACE)
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- North West Regional Assembly (NWRA)
- Scottish Enterprise

The report is a contribution to the Regions for All Ages programme, which aims to highlight the importance of demographic ageing at sub-national level and point out main issues for regional policy. Regions for All Ages is a collaborative and inclusive programme supported by a number of organisations from all sectors.

The research also acknowledges the assistance provided by the broader Regions for All Ages Advisory Group comprising a mix of academic experts, policy makers and organisations active in the field of demographic ageing, who advised on data sources and potential case studies. The Advisory Group consists of the following people:

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TABLE OF CONTENTS

EXECUTIVE SUMMARY

The European Union (EU) is facing a substantial ageing of its population over coming decades, and demographic ageing is increasingly recognised as an important challenge for policy-makers. In the past, population ageing has often been treated as a 'pensions and care' issue, but there is growing awareness that it is critical for policies related to economic growth, employment and social cohesion. In particular, the impact is increasingly felt at the regional level. This report provides an overview of regional responses to ageing in the EU.

Following an introduction, Section 2 of the report analyses the drivers of emerging regional responses to population ageing. The significance of the regional dimension is a result of several factors. There is increasing awareness of the wide variation in demographic trends at sub-national levels and the differentiated impact on regional labour markets, welfare services and regional policy issues such as regeneration, housing and transport. While the EU as a whole displays a combination of high and growing life expectancy and generally low fertility rates, the results of these broad demographic processes are increasingly observable at the regional level. Employment and migration patterns can interact with these trends to produce particular spatial characteristics and territorial effects. The influx of retired people can test the capacity of regional infrastructures or, alternatively, provide a potential driver for a regional economy. Out-migration of younger people can leave older people isolated in deprived urban centres or in peripheral, rural areas. A further factor is the location and population structure of groups based on ethnicity, gender, disability, income levels and occupation within regions. Different groups are ageing at different rates and are exhibiting different family and intergenerational infrastructures which can influence significantly the demographic composition of a region. Demographic indicators make clear the high degree of regional variation across the EU, as do statistics on the participation of older people in regional labour markets. At the same time, broad processes of regionalisation and devolution across the EU are equipping regional administrations and agencies with policy instruments to address the challenges and exploit the opportunities associated with ageing.

Section 3 assesses the different policy responses emerging at EU, national and regional levels thus far. Although EU institutions have only limited formal competencies to deal with demographic ageing, their impact on the policy debate has been notable in a variety of ways. First, Commission directives and papers have helped set the framework within which the debate has unfolded. A notable example has been the emphasis placed on ageing in the Lisbon agenda and the impact of anti-discrimination directives. The EU's key regional policy principles of long-term, regional strategy-building based on the partnership of public and private actors across administrative levels have also contributed to the more sophisticated and inclusive approach to ageing. At project level, Community funds have provided support and an arena to raise awareness of the ageing agenda and to develop innovative approaches in the field.

Although the level of EU funding available to different regions is likely to change considerably over the next few years, the strategic aspect of EU funding for regional policy responses to demographic ageing is expected to be boosted. In comparison to previous programming periods, demographic ageing is now a more explicit theme in EU funding guidelines.

Among the Member States, there is increasing recognition that new approaches to the challenges and opportunities presented by demographic ageing are necessary. In most countries, it is possible to identify a combination of national government strategies, programmes or plans which address ageing issues, as well as a wide range of local-level projects, often undertaken by local authorities and the voluntary sector. These responses address a broadening range of policy fields, though the challenge ageing offers to pension and welfare systems retains a high profile in many Member States. A series of reforms have been 'rolled out' across EU countries, retrenching health care provision and pensions benefits and lowering costs by reducing the basic level of benefits or incorporating the private sector.

Until recently, regional-level responses to demographic ageing have been piecemeal. The situation is changing, however. More sophisticated conceptualisations of ageing and the challenges and opportunities this offers beyond the fields of pensions and welfare, mean that ageing can no longer be regarded solely as a concern of national governments. The progressive regionalisation of policy responsibilities in many EU countries has given regional-level bodies a political mandate, institutional competences and financial resources to initiate and/or deliver regional strategies. In addition, as noted above, there is increasing awareness of sub-national variations in the impact of ageing and a more sophisticated understanding of the need for multi-stranded and multi-level responses. The task of regional policy makers is to translate the growing awareness and recognition of demographic ageing and the policy levers now available into strategic responses that ensure that the opportunities presented by population ageing are grasped. In order to explore how different regions are designing and delivering their strategic responses, Section 4 offers six cases studies from across the EU: Emilia-Romagna (Italy), Kainuu (Finland), Noord-Brabant (Netherlands), Nordrhein-Westfalen (Germany), North West (England, UK) and Wales (UK). The regions are drawn from a broad geographical spread of Member States: Mediterranean, Nordic, Continental European and United Kingdom. They include cases where the ageing challenge varies in terms of size and scale, institutional context, policy objectives and instruments. While not intended to be representative of all parts of the EU, the case studies indicate the different ways in which the regional dimension of demographic ageing are being addressed (see Table 1).

Table 1: Characteristics of regional case studies

Region	Administrative status	Strategic focus	Policy delivery	Key issues
Emilia-Romagna	Elected assembly with limited legislative powers	'Mainstreaming' ageing throughout regional policy Focus on welfare provision and care	Regional framework document implemented in partnership with municipalities	• Innovative 'mainstreaming' approach • Implementation method fosters strategic approaches to ageing amongst municipalities, extends co-financing opportunities • Strong steer needed from the region to avoid fragmentation
Kainuu	Elected regional board with limited legislative powers	Welfare provision Limited labour market initiatives	Combination of regional and municipal bodies, based on voluntary agreement and consensus on ageing challenge	• Regionalisation as a solution for services for older people in sparsely populated areas • Role of Information and Communication Technology • Coordination between national and regional levels is challenging
Noord-Brabant	Elected assembly with legislative powers	Raising awareness of ageing and 'mainstreaming' issue into regional and municipal policies	Publicity conducted by region but also with pilot projects involving the region, municipal governments and voluntary associations on a voluntary basis	• Demonstrates the value of awareness-raising exercises • Political commitment and the participation of motivated individuals important
Nordrhein-Westfalen	Elected *Land* parliament with legislative powers	Labour market initiatives Post-retirement strategy (*Silver Economy*)	Mainly through implementation of *Land* policies by government agencies	• Strong focus on coordinated labour market issues but barriers are ageist culture in business and inflexibility of older workers • Innovative *Silver Economy* initiative to strengthen markets for products and services for older people but may be limited to regions with relatively rich senior citizens
North West England	Non-elected government bodies, development agencies and voluntary organisations	Raising awareness of ageing in regional organisations and development strategies Focus on engaging older people; productive ageing; redesigning communities	Mainly through partnership with regional-level organisations but increasing focus on inter-regional and sub-regional coordination	• Combines 'mainstreaming' and awareness raising exercises • Partnership has been a crucial principle in developing regional responses to ageing • Benefits of decentralisation are apparent but coordination across administrative levels is a challenge
Wales	Elected assembly with limited legislative powers	Citizenship/valuing older people; developing older people's capacity to continue to work; integrated care for older people	Combination of regional and municipal bodies, based on voluntary agreement and consensus on the ageing challenge	• Role of devolution • Focus on citizenship • Combination of 'top-down' and 'bottom-up' approaches • Extended partnership a challenge to coordination, particularly with the private sector

The regional population of Emilia-Romagna is older than both Italian and EU averages. *The Plan of Action for the Regional Community - A Society for All Ages: The Ageing Population and Prospects for Development* is the main policy paper outlining the regional strategic response to the problem of ageing. By aiming to integrate the issue into broader regional policy-making, the *Plan* presents a significant example of emerging efforts to reflect the multi-faceted character of the ageing agenda. The *Plan* has an innovative approach to the implementation process, providing incentives to local authorities and other regional actors to develop their own ageing strategies while encouraging the development of a broad range of independent initiatives that can be launched by public, private or voluntary actors across the region.

The Finnish region of Kainuu has a significantly older demographic profile than the national average and a dispersed pattern of settlement. Ageing-related strategies in the region are concentrating on the provision of welfare support and other services for older people to prevent migration of older people away from peripheral rural areas. Regionalisation of government functions is seen as a key process in providing services to older people in sparsely populated areas. The Kainuu Regional Authority experiment, whereby the Regional Council has been given scope to take on a range of economic development, health, social care and education functions, is allowing the region to aggregate resources and coordinate service provision across municipalities.

The Dutch province of Noord-Brabant responded to an accelerating ageing process by developing the *Brabant Between Dejuvenation and Demographic Ageing* initiative. The main aim was to raise public awareness of the consequences of demographic ageing and to incorporate the ageing agenda into the daily work of provincial and municipal governments. The case of Noord-Brabant demonstrates the value of a 'three-step' promotion exercise in addressing the needs of older people at the regional level. First, this involved "explaining the problem" to politicians, administrators and the wider public in order for it to be understood and recognised as a political priority. Second, it made demographic ageing "somebody's problem" to guarantee the investment of money and time. Third, it stressed that regional communities should see the tangible results of ageing strategies, such as accessible houses, in order to retain their support.

As a federal country, many of the key policy responsibilities for addressing the consequences of ageing in Germany are at the *Land* level. Nordrhein-Westfalen is distinctive in having developed a series of innovative, regional level measures to address demographic ageing. The *Land* includes a large urban agglomeration. Ageing-related programmes have focused on labour market issues, such as the retention and training of older workers, policies for the older unemployed, and the health problems of older workers. At the same time, the *Silver Economy* initiative has aimed to provide goods and services for older consumers, thus mobilising their purchasing power and boosting the *Land* economy. These programmes are led and delivered by a variety of regional bodies and can be seen as a loose collection of initiatives rather than a coordinated strategy addressing the ageing issue in the region.

In North-West England, demographic forecasts show that the population of the region as a whole is projected to decline and age in the short to medium term. Existing research has

suggested that these processes would be more significant in some districts, including large urban areas. The increasing scope afforded to regional bodies, particularly Regional Development Agencies, to formulate and finance development plans and programmes has provided a framework on to which ageing issues could be projected. The policy approach has been to undertake coordinated activities aimed at promoting awareness and incorporating demographic ageing into the formulation and implementation of regional development strategies. This is carried out in particular by 5050vision, a regional network of individuals and public, private and voluntary bodies working together to identify, promote and spread knowledge on the issue of ageing.

In Wales, the creation of the devolved National Assembly has created a new network of public organisations with the mandate to develop measures tailored to the Welsh context. Varying demographic and migration trends in urban and rural areas have produced different challenges at the sub-regional level in Wales and this has informed the Assembly's main response to the implications of an ageing population, the *Strategy for Older People in Wales*. This overarching ageing strategy focuses on ensuring that Welsh public bodies and policies are prepared for an ageing population. It has three basic strands: citizenship; a changing society; and, integrated care for older people (strategic aims for health, housing and social care). The strategy tackles discrimination and promotes older people's capacity to work and learn, their health and well-being and the provision of services.

Section 5 of the report provides synthesis and discussion of the issues arising from these case studies. It emphasises the increasing relevance of regional-level responses to demographic ageing due to the varying sub-national impact of the ageing process and ongoing processes of political and economic regionalisation across the EU. The section highlights some common themes apparent in emerging approaches. A series of conclusions is drawn, under the headings policy focus, policy design and policy delivery.

The focus of policy responses to ageing is widening to include a broad range of policy fields. The emphasis is no longer on narrowly-defined problems concerning pensions and welfare. Strategic regional responses are gradually emerging with new, 'holistic' approaches that recognise the potential contribution of older people. Generally, these responses combine economic, social and civic aspects. In economic terms, increasing stress is placed on the contribution of older people as workers and consumers. Regional administrations and agencies have a potentially significant role to play in this respect. It is here that policies can be coordinated and closer ties can be developed between policy-makers, the business community and with older people themselves. In order to achieve this, a balance must be found between initiatives that seek to ensure that the ageing dimension is reflected in broad labour market programmes and those that target older people as a specific group in the working population. The coordination of 'supply' and 'demand' side instruments within an ageing perspective is also vital in order to match the available competencies of older people with new labour market opportunities. Mobilising regional firms by promoting age-related labour policies and employing a mixture of incentives and disincentives is another key issue. Finally, regional policy responses in this field must find ways of mobilising older people themselves, for instance by providing targeted training, developing softer skills and building the confidence of older people.

An emphasis on social inclusion and equity is also common to regional responses. There is increasing awareness of the impact of policy areas such as transport, housing and regeneration on specific groups of older people - the single, those with some form of disability and those living in deprived urban or peripheral rural areas. The main challenge here is ensuring that initiatives reach these groups. Finally, there is a broad recognition of the active role of older people in maintaining the cohesion of regional and local communities as voluntary workers, carers or service consumers. The balance between the economic, social and civic strands obviously varies according to different regional contexts. Also, the strength and direction of regional demographic trends can influence the perceived duration of strategic regional responses and the degree to which ageing is conceived as an opportunity rather than a challenge. In regions with a tradition of large but now declining heavy industries, the focus can be on the economic aspect of ageing policy. On the other hand, in peripheral, rural regions the provision of services to older people may be given emphasised.

Some questions of policy focus remain, however. Even within regional strategies, different partners may lay varying emphases on the challenges being addressed. Such differences are often definitional, relating to the specific age cohort being addressed and to definitions of the older person as a worker, carer, consumer or patient. For instance, competing perspectives within the ageing and economic growth agenda can blur strategic objectives. There may be a tension between strengthening policy that recognises the contribution of the aged in 'informal work' such as child care and voluntary roles and developing policies that encourage older people to participate in the mainstream labour market. The need for policy-makers to base strategies on sophisticated, flexible definitions of various groups of older people is, therefore, crucial. This, in turn, emphasises the principle of partnership between public, private and voluntary groups in setting the ageing policy agenda in a given region. There is also a noticeable drive to increase older people's 'ownership' of relevant policies and measures by including representative organisations in the policy debate.

In terms of policy design, there is a growing recognition that the regional level can be a good arena to develop more positive, ageing agendas. Regional administrations and agencies are in the process of shifting from policy responses based on advocacy to operationalising strategic, positive approaches to ageing. Some common stages in policy design can be identified. A basic feature of policy design is the initial establishment of a baseline or an analysis of the situation, based on a review of academic reports and studies and local and national statistics. Generally, the process also includes a period of policy debate to set the overall agenda. Policy design also includes arrangements for publicity and awareness-raising. Within this, emerging policy designs vary considerably, driven by variations in the trends and intensity of the ageing process, specific regional socio-economic profiles, diverse domestic policy traditions and the different allocation of finances and competences between administrative tiers. At one end of the spectrum, broad processes of devolution have created scope for elected regional assemblies to develop new, overarching organisations and strategies dedicated to the ageing issue. At the other end, smaller initiatives have been launched by regional agencies to influence broader strategies resulting from processes of administrative regionalisation. Most regional responses tend to fall between these points, combining efforts to integrate or 'mainstream'

age-related objectives throughout regional policy programming with the launch of specific, ageing initiatives designed to intervene directly in a given policy field.

A final set of conclusions concerns policy delivery. Across all administrative levels, a more strategic approach to ageing is discernible. It is arguable that the regional level is crucial in this respect. Regional administrations and agencies have a positional advantage: they are often close enough to the complex interaction of factors that dictate varied patterns of demographic change to develop commensurate ageing policy responses. Increasingly, regional bodies are also powerful enough to deliver them: they have growing political autonomy and financial resources to develop ageing strategies that cut across a variety of policy domains and address region-specific factors. Varying combinations of national, regional and local tiers and public, private and voluntary sectors can be identified in the delivery of ageing strategies. In some cases, regional governments or assemblies are taking the lead in the process of policy delivery, particularly where overarching regional ageing strategies have been launched. However, other regional organisations are also involved. Voluntary organisations and interest groups can play a vital part in targeting specific groups of older people at risk of social exclusion while regional economic development agencies can be important instruments in delivering aspects of ageing policies relating to the labour market. The potential involvement of a broad range of organisations in the delivery process stresses the role of policy coordination at regional level. As the requirements for greater consultative and participatory practices increase, so does the complexity of administering ageing policy. Institutions involved can compete for limited resources and duplicate functions. A fragmented system may mean that institutions are unable to develop the critical mass to operate effectively. This highlights the need for an authoritative and overarching policy framework with a regional-level institution setting development goals, planning initiatives or allocating resources.

Given the broadening scope of the ageing agenda, there is a danger that limited policy coordination at the national level will lead to the transfer of fragmented and contradictory policy signals to the regions. National-regional coordination mechanisms can be important: the process for developing regional ageing strategies is being driven by the regions and, thus far, there is little evidence of guidance from national government and institutions. National frameworks still determine important aspects of the ageing agenda, such as pension and labour market reforms. These may not always coincide with regional priorities. For example, regional interventions concerning older workers' participation in the labour market may have to take into account national priorities in this field. This emphasises the need for greater alignment of national and regional responses to ageing, involving the division of respective responsibilities, the development of formal mechanisms of coordination and clear guidelines on how national policies and interventions should be interpreted and implemented at regional level.

Regional-local coordination can also be crucial. Local structures and 'bottom-up' initiatives can be key devices for the implementation of regional initiatives and the mobilisation of older people. Local authorities often possess the policy-making competences, financial resources, and contacts with communities that are crucial to the success of regional policy responses to ageing. Finally, though still at an early stage, evaluation is one of the emerging aspects of approaches to delivering regional policy responses to ageing.

Evaluating the impact of initiatives as they are rolled out can strengthen coordination, inform overall strategic direction and demonstrate the strategy's credibility to potential stakeholders, particularly those in the private sector.

1.   INTRODUCTION

Demographic ageing is increasingly being recognised as an important challenge for national and regional development policies in the European Union (EU). In the past, demographic ageing has often been treated as a 'pensions and care' issue, but there is growing awareness that ageing has profound implications for wider economic and social policy-making and is critical for policies related to regional growth, employment and productivity and social cohesion. Countries and regions face a substantial ageing of their populations over coming decades, and this will put downward pressure on the currently- defined working age population, with implications for living standards and public budgets.

At the same time, negative assessments of these demographic trends can be overplayed. Policy-makers, economists and demographers are increasingly looking at effects of population ageing across a wide policy spectrum. They are identifying both opportunities and challenges and recognizing the cross-cutting nature of ageing. For some, the negative consequences of demographic change can be avoided if it stimulates incentives for more efficient utilisation of existing resources. This includes older people who are capable of working, and might do so if there were suitable jobs available, but who are currently on sickness benefits or prematurely retired.[1] It can also refer to the informal contribution older people can make to a region's economic and social cohesion, for instance as carers or babysitters as consumers and as politically and socially active citizens. It is important, therefore, to note from the outset that interpretations of the active ageing agenda and definitions of 'older people' vary. Governments apply a variety of thresholds in their policies for older people. For instance, the age at which a person can join a senior citizens' association or qualify for a state pension varies. If being 'old' is defined in terms of care provision, then the threshold would be higher. Responses to demographic ageing can provide opportunities for accelerating economic growth and strengthening social inclusion by supplementing the labour force, developing entrepreneurship and expanding services and markets for older consumers.[2]

Cutting across this are differences amongst older people in terms of age, health, income, lifestyle and aspirations. In particular, it should be noted that ageing will be experienced very differently from region to region according to factors such as gender, ethnicity, occupation and historic and projected migration flows. The regional policy response will be conditioned by the administrative context, regional policy framework and broader socio-economic profile of the region. Thus, rather than arriving at a narrow definition of 'older people', the report stresses the importance of sophisticated, flexible definitions of various groups in the older population (aged 50 and over).

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[1] R. Rowthorn, '"Don't Cross Your Bridges until You Come to Them" - a sceptical view of Scotland's demographic crisis', paper for the *Economic Development Association of Scotland seminar*, Edinburgh, 27 May 2004.

[2] J. Burniaux, R. Duval and F. Jaumotte, 'Coping with Ageing: A dynamic approach to quantify the impact of alternative policy options in future labour supply in OECD countries', *Economics Department Working Papers* No. 371, OECD, Paris, June 2004.

The report provides a comparative assessment of regional policy responses to the process of demographic ageing across the EU. The aims are to chart the broad direction of new regional approaches to an increasingly important issue, to identify examples of innovative practice and to gain insights into the challenges of policy design and delivery in this area. How is the issue of demographic ageing now perceived? What is driving changing approaches? In what ways should the regional dimension be taken into account in the design and delivery of ageing policy strategies, in the allocation of finance, choice of policy instruments and delivery mechanisms? In what kinds of regional socio-economic and administrative contexts would different approaches to demographic ageing be appropriate (e.g. centralised/decentralised administrative systems, peripheral/urban/ethnically diverse regions)?

The report appears at a key moment in the debate. Policy thinking about demographic ageing is widespread, but regional strategies and regionally-based interventions are only beginning to appear. There is a growing demand for more concrete policy advice, exemplars and toolkits to support regional policy-makers. This report intends to contribute to this policy debate by highlighting examples of regional initiatives in different policy contexts across the EU.

The report is based on a combination of desk research and fieldwork carried out across the EU. A review of relevant theoretical and policy literature established the conceptual context for the research and identified potential case studies. Interview-based fieldwork expanded the policy review, targeting organizations and individuals involved in the development of ageing strategies, drawing in more qualitative insights and highlighting the realities and subtleties of the governance structures and socio-economic environments in which regional ageing strategies are emerging and operating. The final stage of the research drew together the results of both the desk and fieldwork to form the basis for this report.

It should be noted that the case studies selected are not intended to be representative of broad processes across the EU. As noted above, regional ageing strategies are only now emerging and the process is uneven. Rather, the purpose of this case-study research was to gain in-depth insight into responses to ageing in different regional contexts and identify common themes which may be worth exploring further.

The report is structured in four further parts. The second section explores briefly the drivers of emerging regional responses to the demographic ageing challenge, charting demographic processes and examining broad changes in how the challenge is conceptualized and defined by academics and policy-makers. The third section provides a review of five groups of EU countries, outlining how different national and regional contexts fit into this broad definitional framework. The fourth section introduces six regional case studies from across the EU. In each case, it explains the national and regional contexts of regional ageing strategies, their content and their implementation. In the final section, an overview of these different regional approaches to population ageing will draw out emerging themes and issues and provide some questions for discussion and future research.

2. DRIVERS OF REGIONAL RESPONSES TO POPULATION AGEING

The emergence of the ageing issue on regional policy agendas across the EU is the result of increasing awareness of demographic trends, closer analysis of the implications, and evolving responses to the challenge in academic and policy-making circles. This section examines demographic trends across the EU and resulting analyses of the implications for Member States as drivers of emerging regional responses to ageing.

2.1 Demographic trends

Population ageing, driven by levels of fertility, mortality and net migration, represents a global "demographic revolution".[3] At present, the population of older persons is growing by two percent each year. It is predicted that worldwide ageing will accelerate in the twenty-first century and that the proportion of older people will reach 21 percent in 2050. By that year, the number of older persons is expected to exceed the number of young people below 15 for the first time.[4] Within this global trend, significant differences are apparent in ageing patterns at different territorial scales. In many countries, the shift towards older populations reflects general reductions in fertility rates and reduced mortality risks. Only six of 193 countries reveal a decrease in the projected old-age dependency ratio from 2000 to 2050. The old-age dependency ratio corresponds to the number of people of 65 and over relative to those aged 15 to 64 years. The rate of change to older populations is fastest in developing economies, such as Brazil, Mexico, China and most Middle Eastern countries. In absolute terms, however, it is the developed economies that will have the most aged populations by 2050 — particularly Japan and European countries such as Italy, Greece and Switzerland (see Figure 1).[5] Both the median age and the share of population aged over 65 will change substantially in the next fifty years.

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[3] World Health Organisation, International Plan of Action on Ageing: Report on implementation. Report by the Secretariat, EB115/29, November 2004, p.6.

[4] United Nations, Department of Economic and Social Affairs, *World Population Ageing: 1950-2050*, New York, 2001.

[5] Productivity Commission, *Economic Implications of an Ageing Australia*, Research Report, Canberra, 2005.

Figure 1: Demographic indicators in selected economies[6]
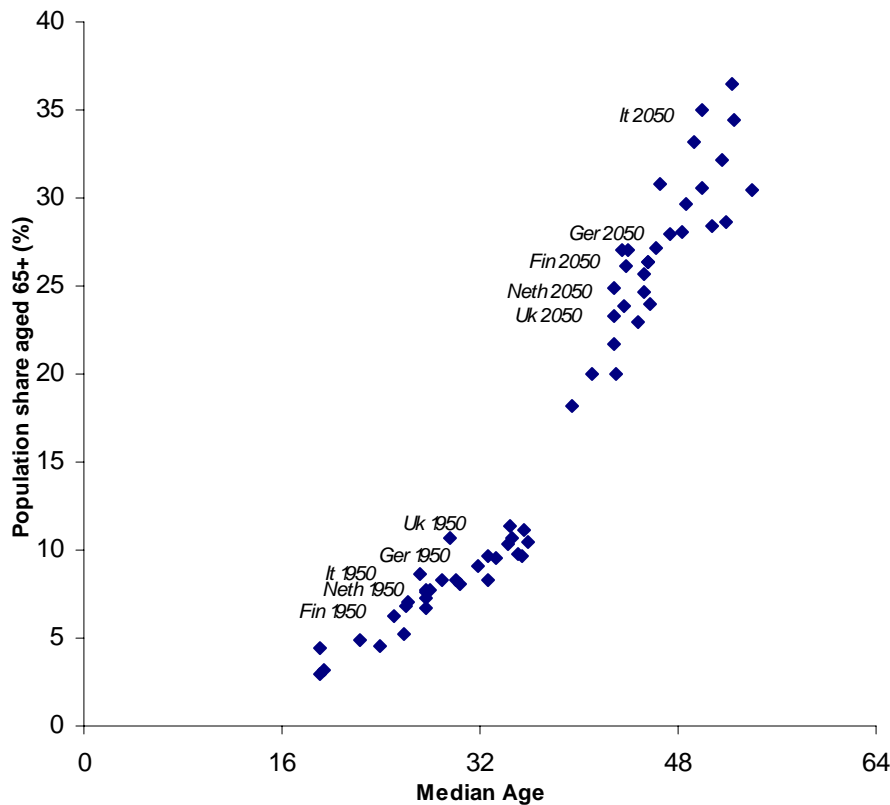
Source: United Nations Populations Division, *World Population Prospects. The 2002 Revision*, February 2003. Available at: <http://www.un.org/esa/population/unpop.htm>.

The EU as a whole displays a combination of high and growing life expectancy and an extremely low fertility rate (1.46 in 2002).[7] No EU Member State currently has a fertility rate to renew its population.[8] As a result of the accession of the new Member States (EU-10), EU population overall has become slightly younger. However, enlargement has not significantly changed the demographic map of the EU, because the recent drops in fertility rates in EU-10 countries mean that the demographic patterns will converge with those of the old Member States (EU-15). The country with the highest proportion of people over 60 in 2003 was Italy, with 24.7 percent, followed by Germany and Greece. Ireland was the 'youngest' country, with 15.1 percent of people over 60, followed by Slovakia, Malta and

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[6] Japan, Spain, Italy, Greece, The Czech Republic, South Korea, Austria, Portugal, Ukraine, Poland, Germany, Belarus, Sweden, Belgium, Russia, France, Finland, Norway, Canada, Netherlands, Denmark, Ireland, Australia, UK, China, USA, Mexico, Turkey. The figure highlights countries that are covered in case studies in this report.

[7] European Commission, *Population Statistics*, Luxembourg, 2004, p. 37; European Communities, Facing the Challenge. The Lisbon strategy for growth and employment. Report from the High Level Group chaired by Wim Kok, November 2004. Accessed at: <http://europa.eu.int/growthandjobs/pdf/2004-1866-EN-complet.pdf>. The fertility rate is defined as the average number of babies born to women during their reproductive years.

[8] European Commission, *Communication from the Commission. Green Paper "Confronting demographic change: a new solidarity between the generations"*, COM (2005) 94 final, 16 March 2005. This includes the candidate countries of Bulgaria and Romania.

Poland.[9] The outlook is similar for people over 65, with Italy the oldest (18.2 percent) and Ireland the youngest (11.1 percent).[10]

The impacts of these broad demographic processes in the EU are increasingly felt at regional level. Figure 2 shows that a high old-age dependency ratio (indicated by darker shading) can mainly be found in northern and central Spain and Italy, in the south-west of the United Kingdom, southern and central France and parts of Sweden. Regions with especially low dependency ratios can be observed in Poland, the Czech Republic, Slovakia, Ireland and Romania.

Figure 2: Map of regional differences in old-age dependency ratios (number of people aged 65 and over relative to those aged 15–64) for NUTS 2 units, 2002
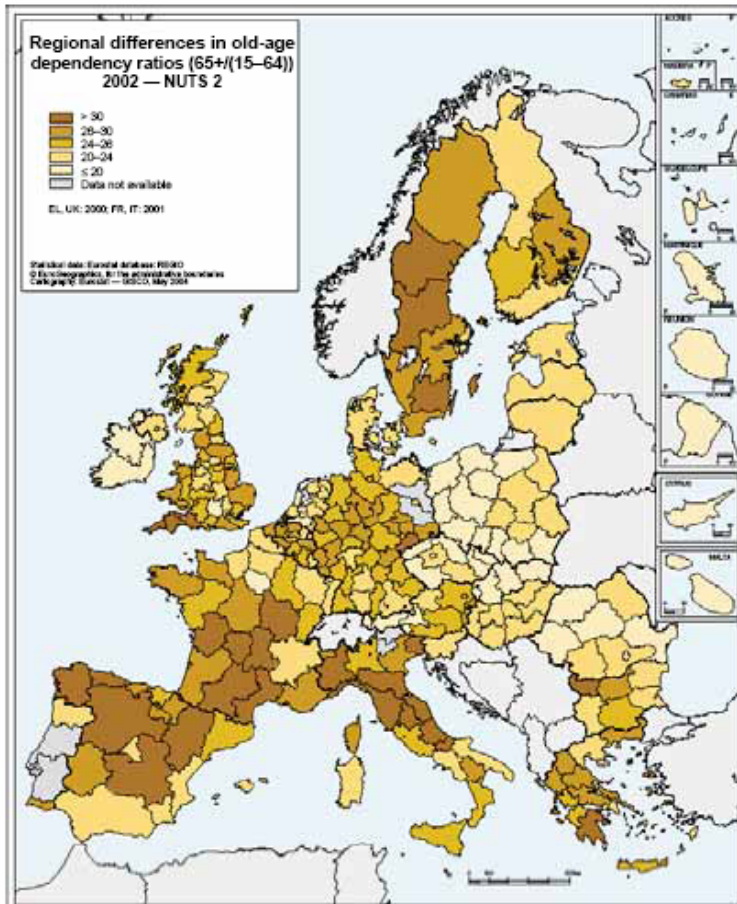
Source: European Commission, *Regions: Statistical Yearbook*, 2004, p.22.

Migration patterns can interact with ageing processes to produce particular spatial characteristics and territorial effects. Migration occurs at several levels: international, interregional and intraregional. All these aspects can accelerate or slow the ageing process in a given region or locality. Where the age structure of migrants is younger than that of the host population, migration could obviously play a part in offsetting population ageing.

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[9] European Commission, *Population Statistics*, Luxembourg, 2004.

[10] European Commission, *Portrait of the European Union*, 2004. Accessed at:
<http://epp.eurostat.cec.eu.int/cache/ITY_PUBLIC/KS-60-04-523/EN/KS-60-04-523-EN.PDF>.

However, studies suggest that inflows of migrants cannot prevent population declines, nor rejuvenate populations, unless the migration streams reach comparatively high levels.[11] The influx of retired people, while testing the capacity of regional infrastructures, can provide a potential driver for a regional economy. Out-migration of younger people can limit some regions' ability to provide services and facilities, isolating older people in deprived urban centres or in peripheral, rural areas. A further factor is the location and population structure of the various minority communities within regions. Different minority communities are ageing at different rates and are exhibiting different family and intergenerational infrastructure which can influence significantly the demographic composition of a region.[12]

The labour force participation of older people is an important indicator and it can inform policy responses to population ageing. Older people are less likely to work today that they were in the past. Worldwide between 1950 and 2000, labour participation among people over 65 years has declined from a ratio of 1:3 to 1:5. These trends are a result of the maturing of public pension systems, the accumulation of private savings, as well as the availability of employment opportunities for older people. [13] According to the OECD, the decline in participation became more pronounced after the oil crisis in the 1970s, when policies actually provided financial incentives for early retirement so as to free up 'space' for new employees. An additional factor discouraging labour force participation has been the decline with age of opportunities and incentives for training.[14] EU Member States display marked variations in employment rates of people over 65. According to Eurostat figures for 2003 (see Figure 3) the employment rate of people over 65 years was 3.5 percent in the EU-15 and 4.8 percent in the new Member States. There were significant differences both within the EU-15 and the EU-10. In the old Member States in 2003, employment rates of people over 65 ranged from 1.1 percent in France and 1.3 percent in Belgium and Luxembourg to 7.7 percent in Ireland and 18.6 percent in Portugal. In the new Member States, the rates ranged from 1.2 percent in Slovakia to 10 percent in Estonia and 12.3 percent in Cyprus.

Again, differences in levels of labour force participation are particularly marked at regional level (see Figure 3). The rates of employment of people over 65 varied from 0.3 percent in Alsace and 0.5 percent in several other regions in France to 35.5 percent in Centro in Portugal. Employment rates are influenced by a number of factors. It is generally recognised that in regions with better economic performance and higher employment rates,

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[11] United Nations Organisation, Department of Economic and Social Affairs, *Replacement Migration: Is it a Solution to Declining and Ageing Populations?* New York, March 2000.

[12] Age Concern England, *Statement on the 3rd Cohesion Report. Ageing and cohesion*, 'Regions for All Ages' programme, 2004.

[13] United Nations, Department of Economic and Social Affairs, *World Population Ageing: 1950-2050*, New York, 2001, chapter 5.

[14] U.S. Department of Health and Human Services, *Active Aging: A Shift in the Paradigm*, Washington, DC, May 1997; and B. Casey *et al.*, 'Policies for an Ageing Society: Recent Measures and Areas for Further Reform', *Economics Department Working Papers* No. 369, OECD, November 2003.

older people have higher participation rates.[15] In addition, the statistical data show that large urban centres and tourist destinations tended to have high employment rates amongst older people (e.g. Prague 9.6 percent; Kriti 13.1 percent; Stockholm 15.1 percent).

Figure 3: Employment rates for people over 65 in the EU (excluding overseas territories), 2003
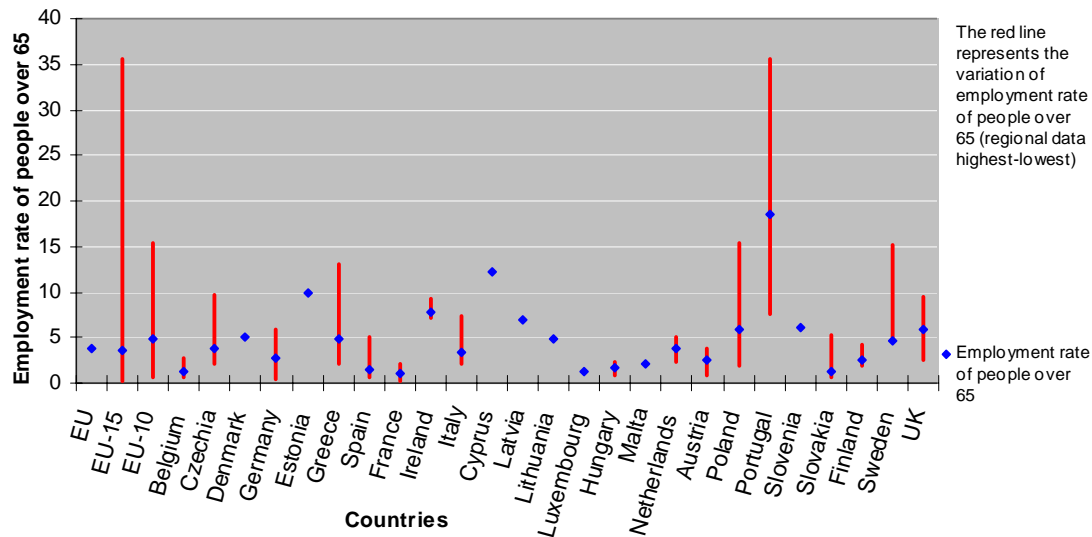
Source: Eurostat, *Data, Labour Market, Employment and Unemployment, Employment – Labour Force Survey, Regional Employment, Employment rates by sex and age, at NUTS levels 1 and 2 - EU 25* (in percent). Available at: <http://epp.eurostat.cec.eu.int/>. The graph includes rates for each Member State and for NUTS 2 units with the highest and lowest employment rates for people over 65.

The national and regional differences in labour force participation, coupled with differences in levels of unemployment among people of working age in the EU, highlight the limitations of demographic indicators such as the old-age dependency ratio. The old-age dependency ratio provides information about the demographics of a nation or region but it is misleading in analysing the actual levels of dependency. Age-neutral indicators might be more useful. For example, a recent report suggested using the 'economic support ratio' which corresponds to the number of people who are working relative to those not working, that is children below the age of 16, non-working adults of working age, and non-working people over the pension age.[16]

2.2   Analysing the implications of demographic trends

Recent years have seen growing academic and policy debate on the implications of demographic ageing. Among the main *economic* issues discussed are the consequences of

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[15] European Commission, *Report from the Commission to the Council, The European Parliament, the Economic and Social Committee and the Committee of the Regions. Report requested by Stockholm European Council: Increasing labour force participation and promoting active ageing*, COM (2002) 9 final, Brussels, 24 January 2002.

[16] Tomorrow's Company, *The Ageing Population, Pensions and Wealth Creation*, London, 2005, p.6.

ageing for labour markets and national pension systems.[17] Initially at least, a key economic issue for policy-makers was the 'pensions and care' challenge. Economists have forecast that ageing would raise the demand for pensions and health care at the same time as the proportion of working population declined. This has prompted policy-makers to alter social protection systems to cope with the projected intensification of demand. A series of reforms have been 'rolled out' across EU countries, retrenching health care provision and pensions benefits and lowering costs by reducing the basic level of benefits or incorporating the private sector.[18]

However, concerns about labour shortages, and evidence that the productivity of the existing workforce was being underutilised, has also driven the agenda. Policy-makers and academics have emphasised that endogenous resources, rather than national policy frameworks or interventions, guide economic development paths, particularly at the regional level. This has been accompanied by the broadening and deepening of regional-level competences across the EU. Since the 1970s, the traditional top-down redistributive approach to regional policy has been gradually supplanted by a new regional policy paradigm that stresses the utilisation of forces endogenous to the region.[19] At the sub-national level, new or reformed institutions are in operation, aiming to coordinate development policy horizontally with other social and economic partners and vertically with national and supranational tiers. Various mechanisms have emerged to facilitate these processes, depending on national constitutional, legal and political practices. In general, processes of devolution, regionalisation or deconcentration have provided increased scope for regions to design and implement their own development strategies and instruments to suit local potentials and needs.

The potential of older workers is regarded as a relatively untapped regional resource. As a result, investment in 'lifelong learning' and labour force policies for the older people, have become the focus of attention.[20] A key issue is recognition of the changing of the regional labour supply available. As populations age, the labour market will need to find ways to mobilise, invest in and accommodate an increasing potential supply of older workers, entrepreneurs and volunteers. To underpin economic growth, policies should attract more people into employment and ensure that they can achieve sustainable integration in jobs. In this respect, it is essential to increase employment through labour market policies that actively engage with older workers and there is an argument that this can be achieved

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[17] See, for example, B. Casey et al., 'Policies for an Ageing Society: Recent Measures and Areas for Further Reform', *Economics Department Working Papers* No. 369, OECD, November 2003; and J. Burniaux, R. Duval and F. Jaumotte, 'Coping with Ageing: A dynamic approach to quantify the impact of alternative policy options in future labour supply in OECD countries', *Economics Department Working Papers* No. 371, OECD, June 2004.

[18] B. Casey et al., 'Policies for an Ageing Society: Recent Measures and Areas for Further Reform', *Economics Department Working Papers* No. 369, OECD, November 2003.

[19] J. Bachtler, 'Where Is Regional Policy Going? Changing Concepts of Regional Policy', *EPRC Discussion Paper*, University of Strathclyde, October 2001.

[20] A. Zoubanov, *Population Ageing and Population Decline: Government views and policies. Report for expert group meeting on policy responses to population aging and population decline*, UN Population Division, 2000.

more efficiently at sub-national levels.[21] Older people can also make unpaid contributions as volunteers or as carers, perhaps of older relatives or of grandchildren. In addition, economic development policies are starting to recognise the significance of the purchasing potential of some older people in different markets. As a small but growing consumer group, affluent older people present new opportunities for the development of regional economies. This is particularly important in areas with higher concentration of relatively affluent older people, for example in rural parts of the UK and urban regions of Germany, such as Nordrhein-Westfalen.

A second area of potential policy responses to demographic ageing involves *social inclusion and equality* issues. Since pensioners generally have a lower income than working people, demographic ageing in virtually all European countries will mean that income inequality and poverty rates in Europe will increase over the next 25 years.[22] Older people are affected by policies targeted at specific social classes, occupations, ethnic groups and geographical locations, and the impact of demographic ageing varies spatially and socio-economically. In many Member States, different categories of older people - the single, those with some form of disability, those living in deprived urban areas or peripheral rural areas - are living at risk of poverty and social exclusion. Policy responses to demographic ageing are recognising the huge diversity of the wealth and inclusion of older people. The reform of labour markets to promote job creation and increased productivity among older people also requires accompanying policies to counter discrimination, improve social protection, gender equality and minority rights.

A more sophisticated approach has also been developed to the politics of old age and the role of pressure groups, political parties and charities. The mobilisation of groups of older people to press for the desired changes – the redistribution of power from service providers to service users – is a prominent theme.[23] Rather than outlooks that link concern with older people to the welfare state in an essentially negative way, new academic approaches argue for a society in which age is less relevant.[24] A number of academic publications explore the phenomenon of ageism, or age discrimination, in the workplace and in society.[25]

Although their contribution is difficult to quantify, older people, through their use of regional and local services, and voluntary and caring work, can be amongst the most active participants in local communities. At a time when the contribution of volunteers is

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[21] W. Kok, *Jobs, Jobs, Jobs: Creating more employment in Europe. Report of the Employment Taskforce chaired by Wim Kok*, 2003, p.9.

[22] Social and Cultural Planning Office of the Netherlands, *Unequal Welfare States. Distributive consequences of population ageing in six European countries*, The Hague, 2004. Accessed at :< http://www.scp.nl/english/publications/books/903770185x.shtml>.

[23] C. Phillipson and A. Walker (eds.), *Ageing and Social Policy. A Critical Assessment* (Gower, Hants, 1986).

[24] J. A. Vincent, *Politics, Power and Old Age* (Open University Press, Buckingham and Philadelphia, 1999) pp.71 and 145.

[25] See, for example, Czech authors L. Vidovićová with L. Rabušic, *Věková diskriminace – ageismus: úvod do teorie a výskyt diskriminačních přístupů ve vybraných oblastech s důrazem na pracovní trh* (Výzkumný ústav práce a sociálních věcí, Praha and Brno, 2005). Accessed at :< http://www.vupsv.cz/>.

increasingly important, given the rising demand for such services, many health and welfare agencies are seeking to recruit from the growing numbers of retirees. It appears that rates of volunteering among this generation are continuing to rise.[26] Volunteering is regarded as one measure of social capital and thus an indicator of a healthy civil society. This contribution to communities and regions can be facilitated or hindered depending on the degree to which the older population have a say on issues such as urban and spatial development, housing, services and transport networks.

2.2.1 The importance of the regional dimension

Implications of demographic ageing are increasingly important at the regional level. The more sophisticated conceptualisations being developed by academics and the new policy areas now incorporated into the ageing agenda imply the need for multi-faceted and multi-level policy approaches that inevitably involve the regional tier. The significance of the regional dimension is a result of two factors. First, there is increasing awareness of the wide variation in demographic trends and migration at sub-national levels and the differentiated impact on regional labour markets, welfare services and regional policy issues such as regeneration, housing and transport. Older peoples' contribution to the development of regional economies and the long-term social cohesion of regional and local communities is also increasingly stressed.[27] Second, broader processes of regionalisation and devolution across the EU are equipping regional administrations and agencies with policy instruments to address the challenges and exploit the opportunities associated with ageing.

Important questions to be answered concern how the variable regional dimensions of demographic ageing should be incorporated in the design and delivery of ageing policy strategies, in the allocation of finance, choice of policy instruments and delivery mechanisms. The design of new regional policy instruments must also take into account the need to interface at the work-place level in order to encourage more progressive attitudes to older workers. Finally, given the increasing focus on the rights of older people and the benefits that flow from their active involvement in regional communities, the extent to which policy formulation and delivery includes co-operation with social partners and the direct involvement of older people is important. Against this background, the following section explores in more detail different policy approaches to demographic ageing at the EU level and in different groupings of EU Member States.

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[26] J. Wilkinson and M. Bittman, 'Neighbourly acts? Volunteering, social capital and democracy' (2002) *Australian Journal on Volunteering* 7(2), 32-44.

[27] J. Healy, 'The Benefits of an Ageing Population', Australian National University Discussion Paper No. 63, March 2004.

3.   POLICY RESPONSES

Processes of demographic change and evolving analyses of the challenge they represent have prompted a series of policy responses at EU level and amongst Member States. The following section explores these responses and argues that the region is becoming an increasingly important arena for ageing policy.

3.1   The European Union

Although limited by the lack of legal competencies, the EU institutions are increasingly incorporating policies addressing population ageing into strategic policy documents. The need to respond to demographic developments has featured strongly in the Lisbon agenda for economic growth re-launched in Spring 2005. Both the economic growth and the anti-discrimination agenda are reflected in Cohesion policy funding under the current budget period (2000-2006) and in plans for the period 2007-2013.

3.1.1 Lisbon agenda

The European Union's approach clearly links active ageing policy with economic growth. The European Commission's 'Lisbon report' of 2000 was concerned with low growth rates, high unemployment and social exclusion. It recognised that there was an "employment deficit" in the age cohort 55-65, which contributed to weaknesses in low growth rates of the EU economy and the exclusion of many people from society. In response, the Commission suggested better labour market policies and establishing a knowledge-based economy. Social protections systems should "ensure sustainable pension provision within an 'ageing' population," so that people could devote themselves to training and learning.[28] As part of the Lisbon agenda, the European Council at Stockholm in 2001 called for raising the employment rate for older workers to 50 percent, that is by 5 million.[29]

Progress in meeting these objectives was criticised in the review of the Lisbon Strategy in the 2004 Kok report. This review stressed population ageing as one of three main challenges facing the EU economy, and it warned that strategies for lifelong learning and active ageing were not being put in place. It recommended that the Member States develop a "comprehensive active ageing strategy by 2006." Such a strategy should include providing incentives for workers to work longer and for employers to hire and keep old workers; increasing participation in lifelong learning for all ages, especially for low-skilled and older workers; and improving working conditions and quality in work. [30]

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[28] European Commission, *The Lisbon European Council – An Agenda of Economic and Social Renewal for Europe. Contribution of the European Commission to the Special European Council in Lisbon*, 23-24th March 2000, DOC/00/7, Brussels, 28 February 2000. Accessed at: <http://europa.eu.int/growthandjobs/pdf/lisbon_en.pdf on 16 May 2005>.

[29] European Commission, *Report from the Commission to the Council, The European Parliament, the Economic and Social Committee and the Committee of the Regions: Report requested by Stockholm European Council: "Increasing labour force participation and promoting active ageing"*, COM (2002) 9 final, Brussels, 24 January 2002.

[30] European Communities, *Facing the Challenge. The Lisbon strategy for growth and employment. Report from the High Level Group chaired by Wim Kok*, November 2004. Accessed at:

Partly in response to the Lisbon agenda, the EU institutions have produced several important reports on population ageing. In 2002, a Commission report on *Increasing Labour Force Participation and Promoting Active Ageing* stressed the potential difficulties with raising labour force participation among older workers because of attitudes to older employed people and because of required changes in policy.[31] In 2003, guidelines for the employment policies of the Member States recommended ensuring access to continuing training, recognising the importance of health and safety at work and eliminating incentives for early exit from the labour market. The gradual raising of the average retirement age in the individual Member States was another measure suggested. In March 2005, the Commission published its broadest EU document on demographic ageing. The Green Paper *Confronting Demographic Change* called for a "new solidarity between the generations". It suggested three essential priorities: returning to demographic growth by supporting the birth rate and judicious use of immigration; ensuring a balance between the generations in the distribution of the benefits of growth; and finding new bridges between activity and inactivity in both the old and young ages.[32]

It is also important to note that, in 2000, the European Council adopted an Employment Framework Directive which prohibits discrimination on the basis of age.[33] The Member States had until 2003 to transpose the requirements of the directive into national law although several countries have made use of the possibility not to do so for an additional three years.[34] By December 2006, all Member States will have laws against age discrimination.

3.1.2 Cohesion policy

Active steps to promote ageing initiatives are being funded through EU Cohesion policy instruments. In the current budget period 2000-2006, the European Social Fund (ESF) is financing a number of national and regional programmes for human resources development,

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http://europa.eu.int/growthandjobs/pdf/2004-1866-EN-complet.pdf; and J. Vignon, 'Responses to the New Demographics: Present and future strategies for the European Union', in M. Macura, A. MacDonald and W. Haug, *The New Demographic Regime. Population Challenges and Policy Responses* (United Nations, New York and Geneva, 2005). Accessed at: <http://www.unece.org/ead/pau/epf/epf_ndr.htm>.

[31] European Communities, *Facing the Challenge. The Lisbon strategy for growth and employment*, November 2004.

[32] European Commission, Communication from the Commission. *Green Paper "Confronting demographic change: a new solidarity between the generations"*, COM(2005) 94 final, 16 March 2005.

[33] Council Directive 2000/78/EC of 27 November 2000 establishing a general framework for equal treatment in employment and occupation.

[34] Letter from Barbara Nolan, Employment, Social Affairs and Equal Opportunities Directorate DG, European Commission, 13 June 2005.

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which typically contain measures aiming to reduce unemployment among older people through training and guidance (see *Atouts Seniors 92* case below).[35]

Atouts Seniors 92

An example of an ESF-funded project is *Atouts Seniors 92*, in the Hauts-de-Seine *département* in the Ile-de-France region. It is a project organised by a counselling group bringing together territorial authorities in partnership with regional enterprises. It aims to stimulate exchange of practical experiences between small and medium-sized enterprises and large firms. Following a bottom-up approach, the main objective is to encourage firms to improve the skills of their older workers, to develop appropriate training and advice systems and to enhance inter-generational knowledge transfer.

The ESF is also financing international projects which include private firms, municipal and regional governments and development agencies and whose common aim is to develop strategies for retaining older workers.[36] The EQUAL Community Initiative is supporting projects combating age discrimination in the labour market. Financed projects include support for entrepreneurship among those over 50 and life-long learning.[37] However, support has been limited to financing individual projects and has not been directed towards strategy-building at regional or national levels.

The strategic aspect of EU funding for regional policy responses to demographic ageing should be boosted in the next programming period 2007-2013. In comparison to previous programming periods, demographic ageing is now a more explicit theme in EU funding guidelines. The Third Cohesion Report recognised the importance of population ageing for EU cohesion[38] and the issue was also addressed in the Commission's proposed financial framework for the next programme period.[39] The Community Strategic Guidelines, the Commission's outline of strategic developmental priorities for the new programming period, stresses the need to have developed labour market institutions to respond to demographic ageing, and urges the Union to take steps to invest in health promotion and disease prevention.[40] It should be noted that the level of funding available to different regions is

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[35] Examples can be found in: Government Office for Structural Policies and Regional Development, Republic of Slovenia, *Single Programming Document 2004-2006*, December 2003; and European Commission, DG Regio, *Community Support Frameworks 2000-2006, Community Support Framework for Objective 1 Italian Regions (2000-2006), Summary*. Accessed at :< http://europa.eu.int/comm/regional_policy/funds/prord/pro2000_en.htm>.

[36] European Commission, *[European Social Fund] Projects funded by Article 6 under "the innovative approaches to the management of change"*, not dated.

[37] Ministerstvo práce a sociálních věcí ČR, *Evropský sociální fond, Program Iniciativy Společenství EQUAL*; and *Shrnutí Programu Iniciativy Společenství EQUAL*. Accessed at :< http://www.esfr.cz/>.

[38] European Commission, *A New Partnership for Cohesion. Convergence, competitiveness, cooperation. Third report on economic and social cohesion*, Luxembourg, 2004.

[39] European Commission, *Building our common future: Policy challenges and budgetary means of the enlarged Union 2007-2013, Communication from the Commission to the Council and the European Parliament*, COM(2004) 101, 2 March 2004.

[40] European Commission, *Communication from the Commission, Cohesion Policy in Support of Growth and Jobs, Community Strategic Guidelines, 2007-2013*, COM (2005) 0299, 5 July 2005.

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likely to change considerably, mainly as a result of the shift of Cohesion policy funding from old to new Member States. However, the more explicit reference to the ageing issue in Community documents, and the flexibility enjoyed by nations and regions to set priorities for funds within these guidelines, broadens the scope for using EU finances to develop more strategic response to ageing.

3.2   National experiences and policies

The following section reviews different policy approaches to demographic ageing in five groups of Member States (Baltic and Central European countries, United Kingdom and Ireland, Mediterranean countries, Nordic countries, and Continental Western European countries). The aim is to provide a brief summary of demographic trends and emerging policy initiatives. The focus is on identifying strategic, regional responses to ageing, rather than limited, isolated or *ad hoc* projects that operate in given regions or localities. In each section, a brief summary of patterns of demographic ageing is followed by an assessment of the policy approach to ageing and institutional arrangements for policy delivery, including the regional dimension of policy formulation and implementation.

3.2.1 Baltic and Central European countries

Populations of the eight Baltic and Central European countries (the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia and Slovenia) display the same characteristics of relatively young but rapidly ageing populations. The old-age dependency ratios are well below the EU-25 average of 38.7 with the exception of Latvia and Estonia, while several regions in Poland and Slovakia are the most youthful in the EU. However, trends point towards rapidly ageing populations. Relatively low figures for life expectancy would result in young populations were it not for the extremely low fertility rates. In 2003, all these countries were well below the EU-25 average of 1.48.[41]

Although policy-makers in these countries generally perceive ageing as important, the policy consequences of demographic trends have been overshadowed by other issues. Restructuring of national economies in the post-communist period and relatively high levels of unemployment have pushed macroeconomic issues to the top of the policy agenda. Governments have generally addressed population ageing through a 'pension and care' prism. Pension reforms include the establishment of privately funded pension schemes to complement the existing public schemes. However, some countries have also started to take active labour market measures to increase the share of employment of older persons. The effectiveness of these measures has yet to be evaluated.

Although administrative capacity in the public, private and tertiary sectors is still developing, broad strategic approaches to ageing have emerged in several countries, typically in response to the United Nations' International Year of Older Persons in 1999. Among the examples, the Czech Republic has a broad and comprehensive *National Programme on Preparation for Ageing for 2003-2007*, adopted in 2002. In 1999, Estonia

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[41] European Commission, *Portrait of the European Union*, 2004. Accessed at :<
 http://epp.eurostat.cec.eu.int/cache/ITY_PUBLIC/KS-60-04-523/EN/KS-60-04-523-EN.PDF>.

adopted a comprehensive *Policy for the Elderly*, and in the same year, the Slovak government adopted a *National Programme for the Protection of Older People*.[42] Implementation of these national programmes has often been fragmented and inconsistent. This has been a result of weak institutional mechanisms and the low priority that governments and political parties have assigned to demographic ageing.[43] No evidence of regional ageing strategies has been found despite the existence of self-governing regional bodies in the Czech Republic, Hungary, Poland and Slovakia. Voluntary groups that have played a significant part in broadening the ageing agenda and emphasising 'bottom up' contributions are only now becoming influential in these countries' civil societies. Moreover, processes of regionalisation in post-communist Central and Eastern Europe have only recently gained momentum. In some cases, the relatively small size of regional bodies, or the absence of political autonomy or financial resources, precludes the development of a strategic approach.

Field research in the Czech Republic showed that regional politicians, voters and voluntary associations assigned responsibility for demographic ageing to the national government level. In addition, institutional factors were influential. First, regional governments had not participated in formulating the *National Programme on Preparation for Ageing*. Second, regional governments did not have enough financial autonomy to fund their own strategies. Third, there were political differences between the Social Democratic national government and the regional governments dominated by the right-of-centre opposition. Finally, non-government organisations representing older people, although using the *National Programme* to put pressure on the national government, did not lobby at the regional level.

3.2.2 United Kingdom and Ireland

The populations of the UK and Ireland are relatively young compared to the rest of the European Union. The proportion of people aged 60 or over is below the EU average both in the UK and in Ireland. In 2003, the UK was near the middle of the EU table. Ireland was, despite dramatic declines in birth rates since the 1970s, the EU's youngest country with only 15.1 percent of the population aged 60 or more.[44] Fertility rates were above the EU average, with Ireland leading the EU table; and life expectancy at birth was near the EU average for both countries.[45] In 2004, Ireland had the second highest rate of population increase in the EU at 2 percent.[46] As a result, populations in the UK and Ireland are ageing significantly but still at a slower pace than most other parts of the EU. There are, however, marked regional variations.

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[42] J. Perek-Bialas and A. Ruzik, 'Active ageing in Europe: Methods, policies and institutions, Deliverable D1: WP1 – country report Poland', The ACTIVAGE Project, January 2004. Accessed at :< http://www.iccr-international.org/activage/en/index.html>.

[43] See, for example, L. Rabušic, L. Vidovićová and M. Mrázková, 'Active Ageing in Europe: Methods, Policies and Institutions, Deliverable D1: WP1 – Country Report Czech Republic', *The ACTIVAGE Project*, January 2004. Accessed at :< http://www.iccr-international.org/activage/en/index.html>.

[44] European Commission, *Population Statistics*, Luxembourg, 2004.

[45] European Commission, *Portrait of the European Union*, 2004.

[46] European Communities, 'Population in Europe 2004. First results' *Statistics in Focus, Population and Social Conditions*, 22 September 2005.

Until recently, the UK's responses to ageing tended to be fragmented and dispersed across different policy areas until recently. Since the end of the 1990s, efforts have been made to develop a more coherent and integrated policy approach. The focus has been on creating a policy framework that would facilitate a more positive approach to older workers on a voluntary basis. The most recent government strategy paper, *Opportunity Age: Meeting the challenges of ageing in the 21st century*, for the first time presents an integrated response to policy ageing. It sets out an overarching framework for developing policies, and outlines the principles that the UK government believes must underpin progress.[47]

In Ireland, demographic ageing has been of less concern than elsewhere in the EU. However, policy-makers and political parties are increasingly addressing the labour market, health care and planning-related implications of ageing.[48] A comprehensive national document *Implementing Equality for Older People*, has been produced by the Equality Authority and an Age and Opportunity national agency has been established to challenge negative attitudes to ageing and to promote older people's participation in society.[49]

Whatever the general impact of the UK and Irish national-level strategies, they seem to have had little influence on the emergence of regional ageing-related strategies. Instead, ageing strategies have been driven by devolution in Wales, Scotland and Northern Ireland and by processes of regionalisation in England. In Scotland, the focus has been on employment, provision of services and community planning. Northern Ireland's government agencies have concentrated on employment, entrepreneurship and transport, and the Northern Ireland Executive Office produced a broad consultation document on *Ageing in an Inclusive Society* in 2005.[50]

3.2.3 Mediterranean countries

In contrast to the Central European countries and the UK and Ireland, Mediterranean countries (Cyprus, Greece, Italy, Malta, Portugal and Spain) are among the oldest in the European Union and in the world. In 2003, Italy had the highest proportion of people over 60, with Greece, Portugal and Spain also being among the eight oldest EU countries. The relatively small populations of Cyprus and Malta are clear exceptions and indeed are among the youngest EU countries. High unemployment levels in Italy, Greece, Spain and Belgium mean that actual dependency rates, which reflect the number of people who actually work, are the highest in the EU.[51] In addition, predictions show that populations in the

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[47] Department for Work and Pensions, *Opportunity Age: Meeting the challenges of ageing in the 21st century*, 2005. Accessed at: <http://www.dwp.gov.uk/opportunity_age/>.

[48] Unless specified otherwise in the report, 'planning' or 'regional planning' refers to the general processes of developing regional policies rather than to the more narrowly-defined activities such as urban development, community planning and housing.

[49] Age and Opportunity, *Who we are*, 2005. Accessed at: <http://www.olderinireland.ie/whoweare/index.htm>.

[50] Office of the First Minister and Deputy First Minister, *Ageing in an Inclusive* Society, 2005. Accessed at: <http://www.ofmdfmni.gov.uk/index/equality/age/age-ageing-in-an-inclusive-society.htm>.

[51] European Commission, *A New Partnership for Cohesion. Convergence, competitiveness, cooperation. Third report on economic and social cohesion*, Luxembourg, 2004.

Mediterranean countries will continue to age rapidly. According to data for 2003, life expectancy rates were at or above the EU average (with Spain achieving the highest rate for women and the second highest for men) but fertility rates for all the countries are below the EU average.[52] With gradually increasing life expectancy and low fertility, Spain is expected to be the world's 'oldest' country by 2050, with more than half of the population older than 55 years; Spain will be closely followed by Italy.[53]

In these countries, responses to demographic ageing have focused on the provision of services, increasing the independence of older people and weakening incentives for early retirement. In achieving the latter, challenges in countries such as Italy lie in the relatively low skill levels of older workers and a significantly lower level of educational attainment compared to most OECD countries. Labour market reforms have attempted to increase flexibility in hiring older workers and support for employment agencies. Instead of comprehensive national documents, ageing-related policies are parts of broader welfare and social inclusion strategies, or there are partial strategies such as the Portuguese *Integrated Support Programme for the Elderly*.[54] Thus, in most Mediterranean countries, the development of regional-level ageing strategies is limited, a consequence of the fragmented approach to the ageing issue and the dominance of the centre in labour market and pension issues. Nevertheless, the narrow ageing agenda pursued by national governments in these countries means that it is regional and local bodies, businesses, unions and non-governmental organisations, which have the potential to address active ageing in innovative ways.[55]

3.2.4 Nordic countries

The demographic situation in the Nordic countries (Denmark, Finland and Sweden) is varied. In 2003, the proportions of people over 60 were well below the EU average in Denmark and Finland. The Swedish pension system, among the other Nordic Countries, has the strongest incentives for employees to remain on the labour market after reaching the retirement age. However, Sweden is the fourth oldest EU country.[56] Fertility rates are relatively high and so are life expectancy rates, with Swedish men recording the highest life expectancy for men in the EU.[57]

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[52] European Commission, *Portrait of the European Union*, 2004.

[53] United Nations, Department of Economic and Social Affairs, *World Population Ageing: 1950-2050*, New York, 2001, chapter 3; Statement by The Hon. Roberto Maroni, Minister of Labour and Social Policies at the Second World Assembly on Ageing, Madrid, Spain, April 2002. Accessed at :< http://www.un.org/ageing/coverage/italyE.htm>.

[54] The Government of Portugal, *Minister for Labour and Social Solidarity, Organismos e entidades tutelados, Management Commission for the Integrated Support Programme for the Elderly*. Accessed at: <http://www.portugal.gov.pt/Portal/EN/Directorio/Administracao_Central/?ID=ComissaoGesProgAp oioIntegradoIdosos>.

[55] P. C. Bini *et al.*, 'Active Ageing in Europe: Methods, Policies and Institutions, Deliverable D1: WP1 – Country Report Italy', *The ACTIVAGE Project*, January 2004. Accessed at <http://www.iccr-international.org/activage/en/index.html>.

[56] European Commission, *Population Statistics*, Luxembourg, 2004.

[57] European Commission, *Portrait of the European Union*, Luxembourg, 2004.

Nordic countries are commonly regarded to be at the forefront in the formation and implementation of ageing policies. One explanation for this is that the challenge presented by demographic ageing is particularly strong and has been felt earlier here than in other European countries. As a result, comprehensive initiatives to address the challenge of demographic ageing are being planned or are in operation across the Nordic countries, driven by labour market considerations. In Sweden, although there has not yet been an explicit national age programme, in recent years a parliamentary committee and working group have laid the foundations for the long-term development of policies for older people. In Denmark, a committee for 'senior policy' was established and its final report advocated the abolition of fixed age limits, anti-discrimination and flexible work arrangements for older people. A subsequent initiative established a 'Senior Fund' and offered free counselling for companies that want to develop their ageing policy. Finland also has a comprehensive national programme addressing the issue of demographic ageing.

The traditional strength of national government and municipalities in Nordic countries has constrained the emergence of regional ageing strategies, despite the existence of individual projects at regional and local levels. Nevertheless, the fragmented system of local administration is raising questions of how a 'critical mass' of institutional and financial resources can be aggregated to respond to development challenges, particularly in regions with dispersed settlement patterns. Ageing is now seen to have particularly serious implications for the spatial balance of some areas (communities outside the major urban centres may lack service provision and force older people to move to regional centres), and this is contributing to the ongoing development of a more strategic approach at the regional level.

3.2.5 Continental Western European countries

Continental West European countries (Austria, Belgium, Germany, France, Luxembourg and the Netherlands) are facing the common prospect of demographic ageing, but they present a heterogenous demographic picture. The Netherlands and Luxembourg are among the youngest EU countries in terms of the proportion of people over 60. France also belongs among the younger EU countries, while Austria and Belgium are approximately at the level of the EU average. In contrast, Germany was the second oldest EU country in 2003.[58] Life expectancy rates are approximately at the EU average. Fertility rates exceed the EU average; in Austria and Germany they are lower than the EU figures but still higher than those in the Baltics and Central Europe.[59] By 2050, the population aged over 65 in these countries is forecast to rise significantly and in some cases to reach double the current percentage.

Reforms to social insurance systems have dominated ageing policy agendas in many of these countries. Most prominently, government efforts concentrated on addressing the culture of early retirement. Representatives of older people have been part of corporatist debates on pension reform, particularly through trade unions. However, raising the profile of broader

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[58] European Commission, *Population Statistics*, Luxembourg, 2004.

[59] European Commission, *Portrait of the European Union*, 2004.

policies on ageing on the national policy agenda has been more of a challenge. Active ageing has been a prominent theme in the Netherlands, where an *Inter-Sectoral Policy on the Elderly* has been adopted.[60] In France, the Secretary of State for Older People launched the programme *Good Living*, which stated the need for an increased autonomy of ageing dependent persons; but no overarching strategy exists. Luxembourg has a Supreme Council for the Elderly, which issues authoritative opinions on relevant policy matters. In Germany and Austria and Belgium, various age-related policy initiatives have emerged in recent years, but these have not amounted to integrated national strategies for ageing.

In most of these countries, there is a plethora of local projects. Nevertheless, problems of fragmented responsibilities and poor coordination persist which have constrained the development of regional ageing strategies. Those countries with federal systems face particular challenges in the development of efficient policy delivery and coordination. The extent of demographic processes in these countries means that policy actors at the regional level are now being confronted with a direct challenge and being forced to find innovative responses.[61]

3.3   The emergence of regional ageing strategies across the EU

Throughout the EU, new approaches to the challenges and opportunities presented by demographic ageing are rising up policy agendas. The new, active, multi-stranded ageing agenda now emerging includes a potentially stronger role for regional governments as a result of the above trends. A general pattern is evident. On the one hand, the national level is gradually broadening its perception of the ageing agenda beyond traditional welfare and pensions concerns and developing more sophisticated policy instruments. On the other hand, local level projects are emerging from the bottom up. Driven by dedicated individuals and sometimes boosted by funding from the EU, these can be valuable, innovative initiatives, but they are usually small and *ad hoc*. The regional level can play a crucial role in coordinating these 'top down' and 'bottom up' processes, meeting sub-national demographic challenges. However, the evolution of strategic approaches to ageing at the regional level is uneven, relating to national and regional patterns of ageing, traditional policy emphases and the institutional landscapes. The issue of ageing is perceived and approached in different ways and is given different priority across national and regional contexts.

Nevertheless, regional policy-makers responding to population ageing face some common challenges. In terms of *policy focus*, how is the ageing agenda understood, and how are older people themselves defined? In terms of *policy design*, is there a tension or trade-off between interventions that stress the role of older people in the economic growth agenda and expectations regarding social inclusion? Where should the balance between supply and

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[60] Ministry of Health, Welfare and Sport of the Netherlands, Nursing, *Care and Older Persons Directorate (DVVO)*. Accessed at: <http://www.minvws.nl/en/organization/chart/dg_maatschappelijke_zorg/DVVO/default.asp>.

[61] S. Ney, 'Active Ageing in Europe: Methods, Policies and Institutions, Deliverable D1: WP1 – Country Report Austria, *The ACTIVAGE Project*, January 2004. Accessed at: < http://www.iccr-international.org/activage/en/index.html>.

demand side policy instruments lie? In terms of *policy delivery*, in what ways should the regional dimension be taken into account in the design and delivery of ageing policy strategies, in the allocation of finance, choice of policy instruments and delivery mechanisms? What are the preconditions of successful regional ageing strategies (e.g. administrative and political autonomy of the sub-national bodies; links to broader regional development plans; the involvement of the private sector and social partners, the long-term application of intervention)?[62] In what kinds of regional socio-economic and administrative contexts would different approaches to demographic ageing be appropriate (e.g. centralised/decentralised administrative systems, peripheral/urban/ethnically diverse regions)?

From this perspective, the following section explores case studies from Emilia-Romagna (Italy), Kainuu (Finland), Noord-Brabant (Netherlands), Nordrhein-Westfalen (Germany), North West (England, UK) and Wales (UK). In selecting the case studies, the aim has been to obtain relatively broad coverage of the EU (see Figure 4). As can be seen from Figure 5, each case region has experienced significant ageing of its population over the past decade. These processes are forecast to continue in coming years. Other criteria for case selection included: cases addressing different dimensions of the challenge of demographic ageing within different socio-economic and institutional contexts; and cases with interesting or innovative examples of active ageing strategies and/or innovative approaches to policy design and delivery.

Figure 4: Map of case studies
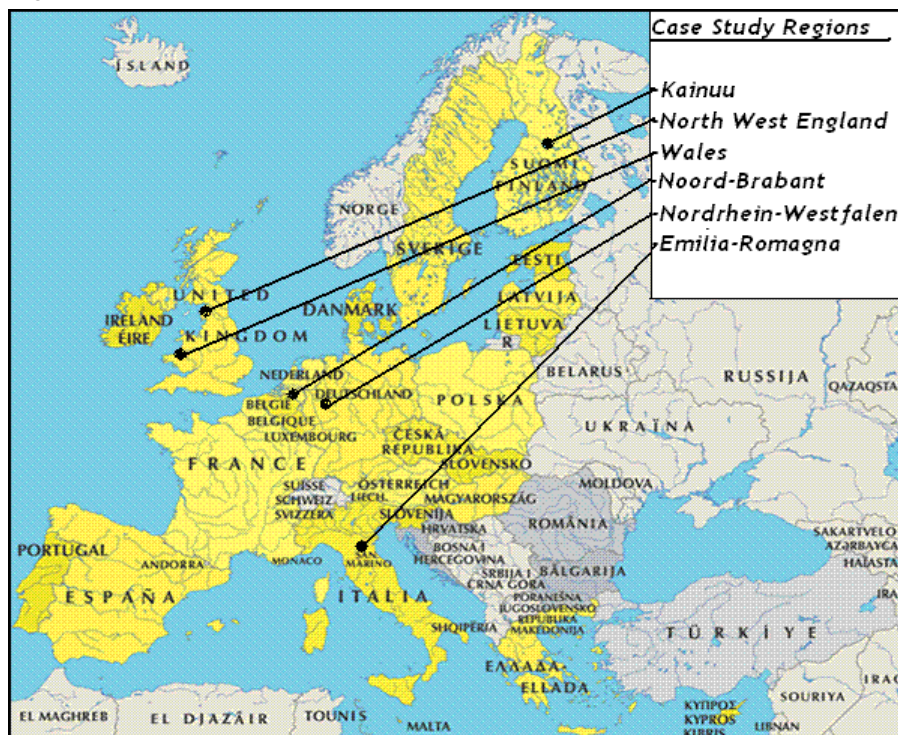
Source: Adapted from European Commission, *EU at a Glance, Index, Maps*. Available at: <http://europa.eu.int/abc/maps/index_en.htm>.

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[62] C. Phillipson and A. Walker (eds.), *Ageing and Social Policy. A Critical Assessment* (Gower, Hants, 1986).

Figure 5: Average age among voters (defined as people over 20) in the case study regions[63]
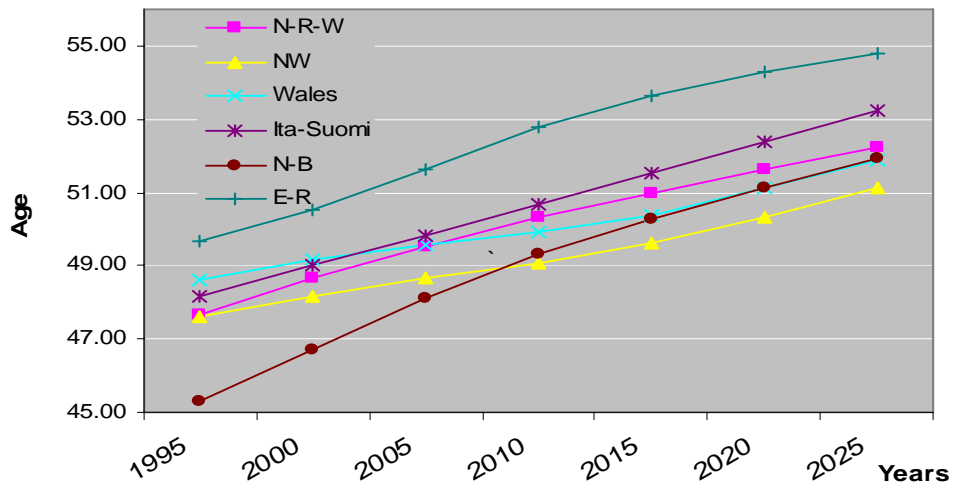
Source: Eurostat, 2005.

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[63] No data are available for Kainuu. Therefore, data for the larger region of Itä-Suomi which includes Kainuu were used.

4.   CASE STUDIES

Although there is increasing focus on the regional level as an arena for policy responses to ageing, regional strategies and regionally-based interventions are only now coming to the fore. The following section highlights some examples of emerging initiatives in different regional contexts. In each example, the national and regional context is first outlined, assessing the role of different drivers in the emergence of the strategy. The next section describes its structure, aims and objectives. Issues arising from the implementation and operation of the intervention are then assessed before the concluding section synthesises the main issues and themes to emerge from the case study. More detailed versions of the case studies are included in the Annex.

4.1   Case study of Emilia-Romagna (Italy)

The case of Emilia-Romagna provides an example of policy led and implemented by regional authorities in a context of good government tradition and failure of previous approaches to demographic ageing.

4.1.1 Policy context

Although Italy has one of the oldest population structures in the EU, there is no national-level policy or strategy that explicitly addresses demographic ageing. A review of available policy documents reveals an unstructured, inconsistent approach. The challenges are to address the lack of internal coherence in various age-related national policies and to overcome the marked reluctance to dedicate national resources to the financing of ageing policies.

The Emilia-Romagna region is one of the first in Italy to develop a regional strategic response to ageing. This response has been shaped by a number of social, cultural and political features. Almost 22 percent of the region's population is already aged over 65 years and around 26 percent are approaching pension age. Although not the oldest population in the country, the regional population is older than both Italian and EU averages. In recent years, this general demographic picture, coupled with a strong regional tradition of political engagement and civil society activity and the perceived failure in regional political circles of former approaches to ageing, has pushed the issue up the political agenda.

4.1.2 A Society for All Ages

The Plan of Action for the Regional Community - A Society for All Ages: The Ageing Population and Prospects for Development is the main policy paper outlining the regional strategic response to demographic ageing. The long-term expected outcome is a gradual mainstreaming of older people's needs, expectations and opportunities throughout the regional policy field: not simply a policy for older people, but a policy that will inform strategies that have an impact on the whole regional community. To accomplish this, the Strategy aims to promote innovative, strategic views amongst local governments. The development of the Strategy was time-consuming and involved an unprecedented level of consultation with regional and local partners from public, private and voluntary spheres. A

pivotal role was played by the responsible regional department, and as a result, the regional administration provided the Strategy with a strong institutional framework.

The Strategy is essentially delivered in a 'top down' way with the regional authority overseeing implementation. Policy delivery is based on two main processes: making financial resources available to local municipalities to develop *Local Plans of Action*; and offering funding to public, private and voluntary organisations in the region to facilitate single initiatives for older people (e.g. improving accommodation for older people or upgrading transport routes which older people often use). These two components were launched in a call for tenders for project proposals for *Local Plans of Action* by local governments. Funding of €2,200,000 is available, with a provisional allocation of two-thirds for supporting the development of *Local Plans of Action* (Type A) and the remaining support devoted to financing single, smaller, short term projects (Type B).

4.1.3 Assessment

The case study highlights a number of interesting issues.

- The policy response to the demographic ageing in Italy, at least at the central level, does not yet amount to a coherent framework. However, at regional level, more integrated and positive approaches are emerging as a result of increasing awareness of regional disparities in population structures, and changes to public administration, allowing sub-national tiers more scope to develop innovative approaches.

- In terms of content and priorities, the *Plan of Action* can be seen as an innovative document, at least in the Italian context. The basic aim is to break free from traditional short-term, narrow or *ad hoc* age-related policies which are deemed as inadequate for the structural challenge posed by demographic ageing in the region. By aiming to promote a mainstreaming of ageing issues into broader regional policy-making, the *Plan* presents a significant example of emerging efforts to reflect the multi-faceted character of the ageing agenda.

- The *Plan* also has an innovative approach to the implementation process, combining the fostering of strategic approaches to ageing amongst local authorities with the development of a broad range of independent initiatives that can be launched by public, private or voluntary actors throughout the region. This has a number of potential benefits. First, it increases the potential to develop horizontal and vertical coordination between regional and local administrative tiers and across public and private spheres. Second, it extends the co-financing opportunities offered to local administrators and private bodies, enabling even smaller actors to develop some kind of age-related initiative.

- As a framework Strategy, rather than a law, the implementation of the *Plan* requires constant support through a combination of good internal coordination and communication, reliable sources of funding, political support and consensus. In this respect, seminars, conferences and other opportunities to share experience and publicise achievements are vital.

- An important factor in the development of the *Plan* has been Emilia-Romagna's experience of producing other innovative regional strategies and documents and other initiatives in the fields of welfare provision and care, carried out not only by regional agencies but also by local charities and civil society organisations.

On the other hand, the innovative nature of *Plan of Action*, as well as its ambitious, far-reaching agenda, creates risks and difficulties with respect to its implementation.

- The regional approach to ageing is closely tied to the relationship between central and regional administrative levels. In Italy, a process of regionalisation is under way and in some policy areas the regional level has more scope for policy innovation. However the process is protracted and numerous conflicts can arise with a potential impact on regional approaches to ageing. Limitations on regional administrative powers and the inability to develop consensus amongst participants in the *Plan* led to the withdrawal of the labour market strand of the ageing agenda from the *Plan*. This obviously limits the *Plan's* scope and potential impact and puts the onus on coordination mechanisms.

- The *Plan* is still at a relatively early stage, and, as it matures, the pressures created by developing a more sophisticated approach to the ageing issue will become more apparent. Thus far, fostering regional participation simply by making finance available has had a negative impact on the development of the *Plan*. The relative absence of support, advice and information services at regional level deterred some municipalities, particularly those inexperienced in dealing with inclusive, bottom-up policy design methods and lacking strong commitment to ageing issues, from developing a strategic response. The subsequent focus on smaller scale, simpler projects that merely extend existing services has detracted from the strategic impact of the *Plan*.

- Without strong guidance from the Regional Authority, there is a danger that the myriad actors, activities and projects involved in the *Plan* will make overall coordination across administrative levels and between policy areas very difficult.

4.2   Case study of Kainuu (Finland)

Ageing-related strategies in the region on Kainuu have concentrated on the provision of welfare support and other services for older people to prevent their migration away from rural areas.

4.2.1 Policy context

In response to demographic ageing, Finland has implemented several national programmes since the late 1990s. These have aimed to strengthen the position of older people in the labour market; to improve workplace relations and well-being at work; and to encourage older workers to stay in employment beyond the official retirement age. The rural character of much of Finland and problems of depopulation have influenced both national and regional strategies. Ongoing processes of administrative regionalisation and the

relocation of public administration has been motivated in part by the demographic challenge.

Patterns of demographic ageing in Finland vary considerably by region and municipality. The strongest challenge of demographic ageing is faced by the predominantly rural sub-regions of Northern and Eastern Finland, partly because of low birth-rates and partly because of migration outflows. Kainuu is a predominantly rural region in north-east Finland. The population density of the region is one of the lowest in Europe, with less than 4 persons per square kilometre. Over the coming decade, Kainuu is predicted to represent one of the most extreme cases of population decline in the country: its population is expected to decrease by 17 percent between 2000 and 2020. Kainuu also has a significantly older demographic profile than the national average. A government decision in 2004 confirmed the continuation of the Kainuu Regional Authority experiment, whereby the Regional Council has been given scope to take on a range of economic development, health, social care and education functions between 2005 and 2012. In October 2004, the Regional Council was directly elected for the first time.

4.2.2 Regional Programme 2003-2006 and Regional Plan 2020

The main strategic instruments for addressing the challenge of demographic ageing in Kainuu are the *Regional Programme 2003-2006*, which directs the region's resources towards common development priorities for the period, and the *Regional Plan 2020*, which provides a long-term framework in which the development goals for the region are defined. Although the challenge of ageing was mentioned in the first generation of strategic documents produced by the region, the issue was treated indirectly as a component of other policy domains. Initial versions of these documents are currently being revised and the challenge of ageing is now being addressed more explicitly. The Strategies are based on a comprehensive survey of the regional population that includes forecasts of regional migration patterns and age structures. Demographic ageing in Kainuu puts particular stress on the provision of welfare support and other services for older people.

There is a danger that, given the peripherality of the region and the dispersion of parts of the population in isolated, rural communities, older people will move to institutions in the regional capital of Kajaani. The Regional Authority experiment has facilitated efforts by municipalities to coordinate service activity, benefiting in particular remote municipalities, who have serious problems in organizing and supervising services.

In addition, there are plans to strengthen the age-related aspect of the Regional Programme's priority of cluster development through the possible extension of the *Seniorpolis* initiative. This was created by the Ristijärvi municipality and can be seen as an attempt to incorporate an ageing dimension into the 'Multipolis' network of Centres of Expertise that has been developed in Finland over the past few years. The network emerged as a response to the threat posed to the area's economy by a sparse, declining and ageing population and the out-migration of skilled workers. By establishing a number of Centres with specific areas of expertise in several different locations, knowledge and expertise can be exchanged, increased and diffused over a large geographical area, thus

developing business operations that promote well-being and lifestyle opportunities for senior citizens.

An important driver for the creation of the Regional Authority was the desire to aggregate resources and coordinate arrangements for the economic and social cohesion of the region. In Finland, the regional level is increasingly seen as the best arena to develop cross-sectoral approaches to regional development. The challenge of demographic ageing is seen as part of this new definition of regional policy, and the aim is to integrate responses in this field with other policies at the regional level. The development of new administrative and programming arrangements has created a stronger framework to coordinate age-related activities across organisations and policy domains, at least at the regional level. Given the peripherality of the region and the dispersion of parts of the population in isolated, rural communities, the Regional Authority is required to cooperate actively with municipalities, the voluntary sector and private sector organisations, particularly in terms of service provision. For the next stage of the Kainuu self-government experiment between the years 2005 and 2012, the Regional Authority will receive around €160 million in regional development funding from national and local levels and will have considerable freedom on how to use the money. In comparison to previous plans, the spending attached to age-related activities will be more explicitly defined. Age-related issues are being assessed but there are currently no specific evaluations of the impact of specific age-related measures.

The Kainuu Regional Authority experiment is designed to run until 2012 and the *Regional Plan* is currently being refreshed. A more detailed response to the ageing issue is being prepared as part of this. Other regional strategies are being developed, notably a specific Welfare Report which will have a clear age-related dimension. This will result in pilot projects in the field of welfare provision for older people in remote areas noted above. The aim is to produce a raft of integrated strategic documents where the ageing issue is addressed in a clear and consistent way. The possible extension of the *Seniorpolis* project and its inclusion in the *Regional Plan* is also under discussion and this could have a significant impact on the profile of the ageing issue in the region.

4.2.3 Assessment

- A characteristic of Kainuu's approach is that demographic ageing is perceived as offering several potential benefits, including: cost savings and increased efficiency; decreasing unemployment; opportunities to reform working life; narrowing regional employment and unemployment disparities; new markets created by the increasing third age population; and greater appreciation of culture, values and experience of older people, as well as communality.

- Regionalisation is part of the solution for services for older people in sparsely-populated areas. A lack of 'critical mass' can be seen as a basic challenge for the region, given the fragmented municipal structure and the dispersed settlement pattern. The centre-periphery dichotomy presents a challenge for service provision. Ageing has particularly serious implications for areas outside the major urban centres where the absence of service provision can force older people to move to regional centres. A key question is what possibilities there are to maintain basic

welfare services in areas where ageing is significant and where health care provision, for instance, can become stretched. On the other hand, this lack of critical mass presents an opportunity to change policy approaches and service systems relatively quickly. Multi-professional working models, integration between social and health services and integrated planning models, as well as quality and information management, are increasingly prominent characteristics of the care system for older people.

- The case of Kainuu highlights the interrelationship between information technology and active ageing strategies. Information and Communication Technology can make an important contribution towards the provision of improved senior services, and can also be effectively utilised for the education and skills development of older persons, thus improving their income generation capabilities as well.

- Coordination is a challenge, particularly between national and regional levels. Although strong at regional and sub-regional levels, the coordination of age-related policies between the national government and the regional level is still uneven. This is understandable as the intermediate administrative level in Finland currently consists of a variety of bodies with varying powers, representing different combinations and compromises between national and local levels.

- The *Seniorpolis* initiative provides an example of the potentials and challenges of projects aimed at developing regional markets for older people. On the one hand, *Seniorpolis* is a potentially important initiative in the region, developing markets for older people that could contribute significantly to the regional economy. On the other hand, tensions persist over how the public sphere can be involved in what is essentially a commercial enterprise.

4.3 Case study of Noord-Brabant (The Netherlands)

Noord-Brabant's approach has concentrated on promoting awareness of demographic ageing among policy-makers and the wider public and on incorporating ageing policies into the municipal governments' agendas.

4.3.1 Policy context

In the Netherlands, responses to demographic ageing at the central level have focused on the labour market and on pensions' reform. The central government has introduced subsidies and tax incentives for employers to hire and train older workers and has achieved some success in increasing employment opportunities. The Ministry of Health, Welfare and Sport is responsible for ageing policy. At the end of 2004, the Dutch government presented a broad vision of the policy implications of the ageing population up to the year 2030.

Regional disparities in population structures are relatively limited in the Netherlands. The province of Noord-Brabant has one of the youngest population structures but is experiencing a process of fast demographic ageing. Large parts of the province are sparsely populated and most of the population lives in urban areas. In the second half of the 1990s, population ageing was demonstrated in the demand for housing for older people and in

labour market statistics. The Provincial Executive therefore launched the *Vitality in Age* programme as a first policy response to these trends. The programme concentrated on supporting the independence of older people. It was implemented through a number of small projects on establishing: 'age-proof' municipal policies; computer literacy; safety and crime prevention; and better housing for older people. First experiences with the *Vitality in Age* programme revealed a significant lack of awareness of demographic ageing among citizens and government workers. The provincial government responded by developing the *Brabant Between Dejuvenation and Demographic Ageing* initiative as a means to raise public awareness of the consequences of demographic ageing and to incorporate the ageing agenda into the daily work of provincial and municipal governments.

4.3.2 Brabant between Dejuvenation and Demographic Ageing

The goals of the Initiative, which ran between 1999 and 2003, were: to portray clearly the consequences of demographic trends; to disseminate knowledge and research results; to bring about awareness and a change in attitudes; to explore and assist other initiatives responding to demographic trends; to draw up a picture of what the role of the province should be in the future; and to integrate population ageing into the agendas of individual policy departments of the Provincial Executive.

The Initiative was implemented through conferences, surveys, promotional materials, and internal meetings within the Provincial Executive. However, the main instrument for delivering the Initiative lay in the so-called pilot projects. Some of these projects were directly implemented by the Provincial Executive itself. Others were implemented by municipal government social care organisations and voluntary associations, all taking part on a voluntary basis. A crucial goal was to influence municipal governments in the province to develop their own strategies, in some cases building on existing municipal efforts. The *Brabant between Dejuvenation and Demographic Ageing* initiative had its own Project Manager, who was responsible directly to the Provincial Board. A coordinating Project Group was composed of representatives of different departments. Approximately €850,000 from the provincial budget was earmarked for the Initiative.

An evaluation report produced in 2003 concluded that in general, the goals of the Initiative had been achieved. It found that policy-makers in the province had recognised demographic trends; the effect of the Initiative on public awareness and recognition of demographic trends had been strong and attitudes amongst provincial actors and organisations were changing; the Initiative had increased resources dedicated to and information available on ageing issues within the provincial government; and pilot projects had contributed to establishing demographic ageing as an integral theme in certain municipalities and had motivated actors and organisations in municipalities.

However, the report also highlighted issues where the Initiative had struggled to meet its objectives. There was still not enough awareness of ageing of the ethnic minority population. Several municipalities did not take part in the Initiative because they did not see ageing as a relevant issue. Lastly, within the Provincial Executive, the internal 'embedding' of the agenda could have been improved

The evaluation report recommended that the Provincial Executive should pay more attention to the internal incorporation of the insights and conclusions contained in the Initiative and keep demographic ageing on the agenda. In the future, ways should be sought to stimulate the sense of a joint approach among the project leaders.

The duration of the Initiative was limited to four years. In 2003, strategic policy changes weakened the momentum behind ageing policy within the Provincial Executive. The ageing policy agenda promoted by the Initiative appears more entrenched in some municipal governments, which are adopting demographic ageing into their policy agendas and planning documents partly as a result of the provincial Initiative.

4.3.3 Assessment

- The case of the Noord-Brabant Initiative demonstrates the value of awareness-raising exercises in addressing the needs of older people at the regional level. The promotion of the issue of demographic ageing can have several dimensions. First, it involves "explaining the problem" to politicians, administrators and the wider public in order for it to be understood and recognised as a political priority. Second, demographic ageing must be made "somebody's problem" because money and time must be invested to achieve tangible outcomes. Third, it is important for people to physically see the results of ageing strategies, such as accessible houses, in order to retain their support.

- The importance of political commitment and the participation of motivated individuals in pushing innovative approaches to ageing are also apparent. The Initiative would not have existed without a campaign to muster political support in the region and the activity of a core of dedicated people to push the initiative through.

- The Initiative also shows the importance of active pensioners' organisations and of thorough demographic research in bringing about regional strategies addressing population ageing. Lessons could therefore be learned from Noord-Brabant about how to politicise demographic ageing and secure public funding for ageing strategies.

- The case demonstrates the value of involving municipal governments in regional strategies from the beginning. In the Noord-Brabant case, this method has ensured a degree of continuity in active policy approaches to demographic ageing.

- On the other hand, the Noord-Brabant Initiative also shows how fragile policy responses may be when they solely depend on the political support of the day. It seems that a long-term phenomenon as population ageing does not easily respond to short-term electoral cycles. Political support is necessary, but it should be accompanied by dedicated regional bureaucratic structures to sustain the agenda.

- The provision of funding alone was enough to mobilise some regional actors to participate in the Initiative, particularly those with existing initiatives in the ageing policy field. However, the weakness of supporting frameworks, guidance and

information at best risked an uneven response across the region and at worst threatened to isolate those areas and sectors where resources were most required.

4.4   Case study of Nordrhein-Westfalen (Germany)

The German *Land* of Nordrhein-Westfalen is distinctive in having developed a series of innovative, regional-level initiatives to address demographic ageing. Programmes have concentrated mostly on labour market issues, such as the retention and training of older workers, policies for older unemployed workers, and health problems of older workers. Another initiative has aimed to provide goods and services for older consumers, thus mobilising their purchasing power and boosting the *Land* economy.

4.4.1 Policy context

As a federal country, many of the key policy responsibilities for addressing the consequences of ageing are at *Land* (State) level. However, the German federal government has important functions in certain areas of labour market policy and the pensions system. The Federal Ministry for the Economy and Labour is responsible for the coordination of job placements, and is in charge of legislation protecting against redundancies, and guaranteeing the right to part-time work and gradual retirement. The Federal Ministry for Education and Research has programmes on the future of work and the innovative potential of companies against the background of demographic change. Labour market policies since the 1990s have been characterised mainly by activating measures.

Germany as a whole has been affected strongly by low birth rates since the late 1960s. Although neglected by policy-makers until the 1980s, demographic ageing gained new prominence with the reunification of Germany in 1990. Demographic changes have been significant in all German *Länder*, including in Nordrhein-Westfalen. The *Land* is the most populous in Germany, and it also contains Europe's second biggest urban agglomeration. The *Land*'s population is projected to increase only as a result of immigration.

4.4.2 Programmes in Nordrhein-Westfalen

The most comprehensive *Land*-level response to the ageing challenge has been the *Age Shapes the Future* document. It covers the period 2004 to 2010 and focuses on the promotion of voluntary work and political engagement; provision of accommodation, transport and culture; health and social care; and senior citizens as consumers. This framework document does not contain specific targets. However, the *Land* government has elaborated several individual initiatives concerning the labour market and the provision of goods and services. The *Work and Innovation During Demographic Change* (*Arbid*) programme aims to help enterprises to respond to demographic ageing. The goal of the *Initiative for Older Long-Term Unemployed Persons* is to integrate this target group into the labour market. The *Healthier Work* (GiGA) association focuses on work-related health problems amongst older workers. The *Silver Economy* initiative encourages enterprises to provide goods and services for older people and attempts to increase awareness of seniors as consumers and politically active citizens.

The implementation of the programmes and initiatives has been spread among several *Land* ministries, with relatively little inter-ministerial coordination. Moreover, most ministries are currently being reorganised as a consequence of the change of the *Land* government in May 2005. The former Ministry for Health, Women and Family has elaborated the *Age Shapes the Future* framework document. No additional funds have been allocated to the implementation of this document, and existing financial resources are expected to be used to address the individual goals it highlights.

The former Ministry for the Economy and Labour has worked with social partners such as the German Trade Union Confederation on the *Arbid* initiative. Financial support has come from enterprises, trades unions and between € 1 and 2 million from the *Land* government and the European Social Fund. It has been implemented by the *Land* government and the social partners.

The *Initiative for Older Long-Term Unemployed Persons* has been elaborated by the Ministry for Labour, Health and Social Affairs, which was created after the May 2005 elections, in collaboration with the Regional Employment Office. A federal advisory organisation has implemented the programme through individual projects, funded by € 10 million of *Land* and ESF funding. The same ministry also finances the GiGA association with € 400,000 a year.

Finally, the newly-created Ministry for the Generations, Women, Family and Integration and the Labour Ministry are in charge of the *Silver Economy* initiative. This initiative is implemented through individual projects and relies on a dialogue of businesses, trade unions, social care organisations and academics. The initiative includes public relations campaigns financed by the *Land* government.

Monitoring and evaluation systems are only being started for these programmes and initiatives. According to the existing evaluations, the *Initiative for Older Long-Term Unemployed Persons* has been successful in ensuring that older people have not lost their connection with the labour market. According to the G.i.B. agency, which implements the initiative, this is mainly due to two reasons. First, enterprises still have prejudices against employing older people. Often they are seen as less productive and more costly than younger persons. Second, unemployed older persons are less flexible and willing to accept jobs offered. Moreover they are less mobile which makes job placement more difficult. Nevertheless, the main success of the initiative is that long-term unemployed people have not lost connection with the labour market completely. There is seen to be a need for further publicity campaigns and awareness-raising on both the employers' and unemployed side in order to improve job matching and inform people about the amended legal framework.

4.4.3 Assessment

- The *Land* government has elaborated a number of innovative programmes and initiatives, responding mostly to labour-market aspects of demographic ageing. However, policy coordination of different age-related initiatives at the *Land* level appears to have been limited. The strategy document that has been issued by the

Ministry of Health, Social Affairs, Women and Family is very broad and does not entail any specifications on financial allocations or responsibilities. Moreover, a change in *Land* government could significantly alter the direction of strategies and the resources allocated.

- The *Land* strategy is based on three fields for action: the need to keep older people in employment by maintaining their health and productivity; the reintegration of older unemployed persons into the labour market; and making use of their economic potential. However, attempts to reintegrate the older unemployed people into the workforce are proving difficult. The measures operate at micro level, and there is concern that, in times of weak economic growth, no significant and far-reaching results can be expected.

- The *Silver Economy* initiative clearly has potential in a region with relatively rich senior citizens who can afford products and services that are specially designed for them. Whether such an initiative could be applied in regions with poorer older persons is open to question. Again, raising awareness clearly is an important component of the initiative.

4.5   Case study of North West (England, UK)

The policy approach in the North West of England has been to undertake a coordinated strategy of promoting awareness and the incorporation of ageing issues into the regional development planning and delivery process, in particular through an organisation called 5050vision.

4.5.1 Policy context

As a result of stronger commitment from recent UK governments, the debate as well as the national policy response to the issue of ageing has evolved considerably in recent years. At national level, the *Age Positive Campaign* was launched to promote a more progressive approach to older workers. The most recent government strategy paper, *Opportunity Age: Meeting the challenges of ageing in the 21st century*[64] for the first time presents an integrated response to policy ageing. Increasing awareness at the national level has been accompanied by growing interest at the regional level, where bottom-up policies are being developed by devolved governments in Scotland, Wales and Northern Ireland and Regional Development Agencies and Assemblies in England.

Along with the regionalisation process, a crucial driver for the emergence of a regional ageing initiative in the North West was the launch by the Age Concern charity, in March 1998, of the *Debate of the Age*, a comprehensive programme throughout the whole country to raise awareness of the ageing population and consider how policies and provision of services might need to change. An important factor was the *Age Proofing Toolkit*[65] created

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[64] Department for Work and Pensions, *Opportunity age: meeting the challenges of ageing in the 21st century*. London, 2005. Accessed at: <http://www.dwp.gov.uk/opportunity_age/>.

[65] The toolkit is available to download in PDF format from the Age Concern website: www.ageconcern.org.uk/regionsforallagestoolkit/.

for partners of the Regions for All Ages Programme by Nottingham Trent University and available to all English regions.

The phenomenon of demographic ageing was taken up by a group of regional organisations: Age Concern in the North West, Government Office for the North West, NHS (National Health Service) Executive North West, Northwest Development Agency and the North West Regional Assembly. The group commissioned research that concluded that the population of the region as a whole was projected to decline and age in the short-medium term. It was found that these processes would be more significant in some districts, including the large urban areas. Further, the age structure has varied for different ethnic groups, and non-white ethnic groups were projected to grow faster than white.[66] In response, the Group established 5050vision as a Regional Forum on Ageing.

4.5.2 5050vision

5050vision is a network of individuals and public and private establishments working together to identify, promote and spread knowledge on the issue of ageing. Its main purpose is to bring together organisations operating at regional level or within the region to identify and promote issues relating to demographic change and, through partnership working, to encourage these to be taken into account in the formulation of regional strategies and policies. Two main activities can be identified: influencing regional strategies and engaging in Task Group work. A key challenge under the first heading is providing input into the 'refreshed' Regional Economic Strategy (RES)[67] which is due to be published in early 2006 by the Northwest Development Agency. 5050vision's input is regarded as potentially powerful by the NWDA as it represents a reasonably broad consensus of opinion. Three Task Groups were selected for the first phase of development: engaging older people; productive ageing; and re-designing communities. Task Groups draw on the members of organisations involved in the Forum and undertake a range of activities from conducting research and surveys to organising seminars and producing reports and publicity.

The initiative emerged in parallel to processes of regionalisation in England and benefited from the emergence of a series of regional-level organisations from the late 1990s onwards. It is currently adjusting to further changes in the regional policy administrative framework: there is increasing interest in inter-regional planning, and 5050vision is now strengthening contacts with local authorities, cities, sub-regional partnerships[68] and inter-regional strategies. Despite recent moves towards a more strategic approach to the ageing issue at

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[66] North West Regional Research Laboratory, Lancaster University, *An Ageing Population, Impacts for the North West - Full Report*, 2000. Accessed at :<
http://www.5050vision.com/uploads/public_docs/fl_dh938p2q.pdf>.

[67] North West Regional Research Laboratory, Lancaster University, *An Ageing Population, Impacts for the North West - Full Report*, 2000. Accessed at :<
http://www.5050vision.com/uploads/public_docs/fl_dh938p2q.pdf>.

[68] These bring together business, public sector, voluntary and community groups to help deliver many aspects of regional policy such as the Regional Economic Strategies.

national level, synergy between 5050vision's activities and the national strategies currently being developed at the centre is limited.

4.5.3 Assessment

A fundamental goal of 5050vision has been to raise awareness of the ageing agenda among core members, broader partners and the region as a whole. Beyond this, several other progressive trends are noticeable.

- A broader definition of the ageing agenda is emerging. The fact that pensions and welfare issues are regarded as national-level competences allows English regions in particular the scope to pursue a more progressive, innovative ageing agenda covering other policy areas.

- A distinction is made between interest representation and strategic planning. Emerging regional approaches have a strong forward-looking perspective, directed to developing a sustainable framework that will facilitate the active contribution of future generations of older people rather than purely defending the interests of today's older people. The relatively well-developed voluntary sector already serves to represent the specific interests of older people or to advise them.

- Partnership has been a crucial principle in developing regional responses to ageing. The new, multi-faceted appreciation of the ageing agenda, limited resources and the need to present as broad a regional consensus as possible, have made the participation of a wide range of actors a necessity.

- The benefits of devolution and decentralisation are apparent. These processes have given devolved administrations and English Regional Development Agencies the resources and competence to provide a potentially vital focus for the development of age-related activities. There now exists at regional level a variety of both supply and demand side instruments and frameworks designed to facilitate the development of age-related networks involving public, voluntary and business spheres.

- A key goal is to influence regional development strategies, through providing and assessing regional statistics, and aiming to "mainstream", or integrate, ageing issues across public policies.

However, significant challenges persist.

- Problems with definition are not fully resolved. Tensions between different strands of the ageing agenda are still apparent. Limited resources mean that, despite the emergence of a broad, cross-cutting understanding of the ageing agenda, priorities have to be set and trade-offs accepted.

- Coordination across administrative levels is still a challenge. Despite redefinition of the ageing agenda occurring in parallel at national and sub-national levels, there

are currently no instruments dedicated to coordinating these emerging initiatives across administrative tiers.

- Private sector participation is limited. Despite the increased focus on the role of the private sector in regional ageing policies, developing links with the business community is proving a difficult process.

4.6   Case study of Wales (UK)

The ageing strategy in Wales has focused on ensuring that Welsh public bodies and policies are prepared for an ageing population. The strategy tackles discrimination and promotes older people's capacity to work and learn, their health and well-being and the provision of services.

4.6.1 Policy context[69]

Wales has a higher concentration of older people than the rest of the UK. In 2002, almost 23 percent of the Welsh population was aged 60 or over, compared with the UK average of just below 20 percent. Over the next 20 years, it is predicted that the number of people aged over 60 in Wales will increase to 28 percent of the population and the numbers over 85 will increase by over a third. As a result of varying migration trends in urban and rural areas, different challenges exist at sub-regional level. In urban areas, isolation of older people in inner cities and integrating older people from growing ethnic minorities are key issues. In rural areas, the drain of young people coupled with the net immigration of older people to rural areas has prompted fears that rural Wales will soon become economically, culturally and socially unsustainable.[70] The creation of the Welsh Assembly spawned a new network of public organisations with the mandate to develop measures tailored to the Welsh context. A key initiative was the establishment of an Advisory Group on age-related issues and the commissioning of a report on how demographic ageing could be addressed in the Welsh context.[71] The report provided a basis for the Assembly's main response to the implications of an ageing population, the *Strategy for Older People in Wales.*[72]

4.6.2 Strategy for Older People in Wales

The Strategy for Older People in Wales was launched in 2003 as a framework for the Assembly and other public bodies in Wales to develop future policies and plans which better reflect the needs of older people in changing demographic and social circumstances. It has three basic strategic strands: citizenship and valuing older people; a changing society; and integrated care for older people (strategic aims for health, housing and social care). These strands have various, related objectives that reach into a range of policy domains. They

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[69] See Case Study of North-West England for the UK national context,

[70] National Assembly for Wales, *Age Balanced Communities in Rural Wales*, National Assembly for Wales, Cardiff, with Newidiem and Menter a Busnes, 2003. p.9.

[71] National Assembly for Wales, *When I'm 64 and more. Welsh Older People's Strategy Group Report*. Accessed at :< www.wales.gov.uk/subisocialpolicy/topics-e.htm#older>.

[72] Welsh Assembly Government, *The Strategy for Older People in Wales*, Cardiff, 2003.

include a combination of newly launched initiatives, age-specific measures and attempts to boost the ageing dimension of existing public policies by providing a high level framework to which other policies can relate. Citizenship and valuing older people have been given particular weight as a necessary stage in implementing the Strategy as a whole. It reflects the United Nations' Principles for Older People and seeks to tackle discrimination against older people, promote positive images of ageing and give older people a stronger voice in society. A key factor under this initiative is the appointment an Older People's Commissioner for Wales, which is intended to boost the high-level representation of older peoples' interests. Plans to establish such a fully independent Commissioner would first require primary legislative powers to be put in place. However, the Welsh Assembly plans to appoint a Commissioner, who would use existing powers on behalf of the Assembly for the time being. There has been some debate as to whether appointing a dedicated Commissioner would categorise older people and work against the aim of furthering their integration into broader society. However, it was felt that appointing a national-level champion would be an appropriate response to negative perceptions of ageing that are currently prevalent.

Under 'Strand A' of the Strategy, *Changing Society,* the aim is to promote and develop older people's capacity to continue to work and learn for as long as they want, and to make an active contribution once they retire. Many of the labour market issues concerning this strand are non-devolved and this limits the activity of the Strategy to a certain extent. In this case, the Strategy seeks to provide a framework through which UK legislation and initiatives can be integrated with regional and local level efforts to support the recruitment and retention of older people in employment. The focus of 'Strand B', *Integrated Care for Older People*, is on the provision of integrated planning and service delivery frameworks and diagnostic and support services. Work has been in train over the past 18 months to develop a National Service Framework (NSF) for Older People in Wales to achieve consistency in the availability and quality of health and social care for older people. This strand stretches into a range of policy domains, such as health, which have their own approaches to supporting older people. The range of policies and documents involved presents a significant challenge to the Strategy which aspires to play an overarching, coordinating role.

The Strategy combines 'top-down' and 'bottom-up' approaches to coordination. The responsible department in the Assembly is actively involved in conducting research and influencing policy at the Welsh level. Age Alliance Wales, a consortium of voluntary organisations, also receives funding from the Strategy to boost its activities. However, 80 percent of the £10 million Strategy funding is allocated to local authorities. The Assembly outlines the framework, deadlines and priorities for local authorities (LAs) who are then given ownership to drive the Strategy forward within these broad parameters. Authorities have statutory independence and are free to engage with the Strategy in a manner that best suits the local context. Local Authority Strategy Coordinators have been appointed in each LA, and are key figures in implementation of the Strategy. It is their responsibility to develop and coordinate LA responses to Strategy guidance.

4.6.3 Assessment

- The process of devolution has provided a catalyst for new, more positive perceptions of the ageing issue. New institutions and networks brought new perspectives on the ageing agenda and sparked a process of evidence-gathering into social issues that highlighted the challenge of ageing in Wales. The Assembly provides a central hub that allows the Strategy for Older People to adopt an overarching or cross-cutting approach to ageing.

- A distinctive aspect of the Welsh Strategy for Older People is its focus on citizenship, giving priority, in the initial stage at least, to measures that will improve engagement and participation of older people in society. This emphasis has been reflected in the active involvement of older people's representatives in the consultation process that has accompanied Strategy formulation and implementation and the drive to develop dedicated Older People's Champions at local and national levels. A conscious choice was made to combine efforts to 'mainstream' age-related issues across policy domains with a clear focus on advocating the interests of the current generation of older people as a relatively under-represented section of society. Although this runs the risk of categorising older people, the authors of the Strategy judge that this is an appropriate response to current negative perceptions of ageing. It was also felt that solely attempting to pursue the ageing agenda as part of so many policy areas could dissipate its identity and impact. The result has been to extend participation in, and the sense of 'ownership' of, the Strategy to a wide range of organisations and individuals.

- The Strategy combines 'top-down' and 'bottom-up' approaches to coordination, involving the Assembly Government to oversee the implementation of the Strategy and ensuring the implications of an ageing population and the needs of older people are mainstreamed in the policy process at the national level while Local Authorities have the freedom to develop initiatives that suit local needs. There is scope for diversity, driven by local democratic choices and the need to innovate to promote change. This is important given sub-regional disparities in population structures in Wales. Reflecting the above-mentioned priority given to participation and 'bottom up' inputs into the plan, the creation and support of networks plays a crucial part in Strategy implementation.

- On the other hand, the decision to extend partnership has presented a challenge to Strategy coordination. Questions over the ability of the Strategy's financial and administrative mechanisms to find a framework that balances 'bottom-up' initiatives from a variety of local contexts within a coherent national framework remain.

- Problems with definition can put a strain on partnership working. Tensions between different strands of the ageing agenda are still apparent. A range of policy documents is emerging in Wales and despite the emergence of a broad, cross-cutting understanding of the ageing agenda, some organisations may be more committed to sectoral plans than the Strategy as a whole. As noted in other cases,

the process of setting priorities can threaten the operation of the partnership as different partners give different weight to various strands of the ageing agenda.

- It is difficult at this early stage to evaluate the impact of the Strategy. The initial phase, setting the organisational and programming frameworks for implementation, is now over and the challenge of delivering concrete results is only just beginning. The key challenges of mobilising and maintaining engagement, particularly of older peoples' representatives and private sector interests, and developing and sustaining networks and partnership-working across a wide range of participants are now being addressed.

5. SYNTHESIS AND DISCUSSION

5.1 Introduction

Demographic ageing is increasingly being recognised as an important challenge for national and regional policies in the EU, with profound implications for policy responses to issues such as regional growth, employment and productivity and social cohesion. The Union as a whole displays a combination of high and growing life expectancy and a low fertility rate, but with significant differences between and within Member States. On the one hand, countries and regions face a substantial ageing of their populations over coming decades, putting pressure on labour supply, living standards and public budgets. On the other hand, as highlighted in the re-launched Lisbon Strategy, progressive responses to demographic ageing can provide opportunities for accelerating economic growth and strengthening social inclusion by supplementing the labour force, developing entrepreneurship and expanding services and markets for older consumers.

Throughout the EU, there is increasing recognition that the challenges and opportunities presented by demographic ageing require a new strategic focus. In most countries, it is possible to identify a combination of national government policy strategies, programmes or plans to address ageing issues, and a wide range of local-level projects, often undertaken by local authorities and the voluntary sector. Much less common is regional-level action taking a strategic sub-national approach to demographic ageing and providing a territorial framework for local initiative.

This situation appears to be changing. The progressive regionalisation of economic development responsibilities in many countries over the past decade has given regional-level bodies a mandate, institutional competences and financial resources to initiate and/or deliver regional strategies or initiatives. Such interventions are beginning to respond to the challenges and opportunities of population ageing. The process has hitherto been uneven - driven by variations in the trends and intensity of the ageing process, different socio-economic profiles, domestic policy traditions and the allocation of competences between administrative tiers - but it is likely that regional initiatives will become much more widespread in future years.

5.2 Regional case studies

In order to illustrate the evolving regional thinking and policy responses to demographic ageing, this report has selected six case studies from across the EU: Emilia-Romagna (Italy), Kainuu (Finland), Noord-Brabant (Netherlands), Nordrhein-Westfalen (Germany) and North-West England and Wales (United Kingdom). These are case studies of different size and scale, drawn from various institutional contexts and with different policy objectives and instruments. While not intended to be representative of all parts of the EU, they do indicate the different ways in which the regional dimensions of demographic ageing are being addressed. Notwithstanding the differences, and recalling the issues highlighted in Section 3, certain common elements and themes can be identified from the case studies under the headings of policy focus, policy design and policy delivery.

5.3   Policy focus: broadening the agenda

The policy approach towards ageing is gradually widening. To a certain extent, national governments are still locked into a traditional, welfare-rationing approach to demographic ageing. However, new, 'holistic' approaches are shifting from the narrow focus on managing the dependency of vulnerable, older people to recognising the potential contribution of older people (as employers, employees, carers, volunteers, consumers) and promoting inclusion and active ageing for the older population as a whole. This is bringing the issue of ageing into a variety of policy domains (such as labour market, health, spatial planning and transport policies).

Generally, emerging regional responses combine economic, social and civic aspects. In terms of economic growth, most countries are now supplementing pension and welfare system measures with active labour market initiatives that target older workers. Emphasis is being placed on retaining older people in the work-force, perhaps even more than the reintegration of older people.[73] In some cases, particularly in the Nordic countries, policy traditions that closely involve labour market organisations in the formulation and implementation of measures have facilitated the interface between policy-makers and individual enterprises. Nevertheless, mobilising employers to participate in positive ageing practice in the work-place remains a challenge. The main barriers to retention are training opportunities that are theoretically open to all but in practice are utilised almost exclusively by younger workers. Another, related issue is corporate culture which continues to have an ageist perspective. Regional ageing strategies have a potentially significant role to play in this respect, as it is at this level that closer ties can be developed with the business community.

There is another, general shift in perspective regarding more social aspects of the ageing agenda. This refers to providing quality of life and well-being, addressing ageism, recognising older people as equal citizens in society, and valuing the contribution older people make in their communities. Factors behind the exclusion of older people are increasingly understood to be complex and multi-faceted. In financial terms, the introduction of pension reforms across the EU is gradually increasing the retirement age and introducing private pension insurance schemes to compensate for shrinking state pension funds. These reforms point towards increasing material inequality among pensioners and thus promote exclusion rather than inclusion in old age. Besides financial security, older people can be excluded from support networks of family, friends, services and facilities. Location is also relevant, as older people living in remote areas or on disadvantaged housing estates have difficulty accessing opportunities open to the wider population. The equality agenda developing at EU and national levels is providing an opportunity for regional strategies to address exclusion. Legislation to counter discrimination, improve social protection, gender equality and minority rights is being introduced across the EU, with different emphases depending on the domestic context. The challenge for regional policy-makers is to ensure that ageing is fully taken into account as an issue that cuts across several of these categories.

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[73] P. Taylor, *New Policies for Older Workers*, 'Transitions After 50' series (Policy Press, 2002).

Central to this challenge is the effective involvement of older people in initiatives and this is also related to awareness of older people's indirect contribution to a region's civic strength as a key source of social and cultural cohesion. Although difficult to quantify, older people, through their use of local services, voluntary and caring work can be amongst the most active contributors to social cohesion, social capital, community identity etc. This contribution to communities and regions can be facilitated or hindered depending on the degree to which the older population have a say on issues such as urban and spatial development, housing, services and transport networks. Initiatives in Nordrhein-Westfalen stress the right of self-determination, and informal networks (e.g. citizens groups) and relatives taking care of infirm older people are supported. This includes the development of relevant labour market legislation that will create sufficient flexibility for relatives to fulfil their roles as carers and workers.

There is a noticeable drive to increase older people's 'ownership' of relevant policies and measures by including representatives of age-related organizations in the policy-making and implementation process. Efforts are underway across the EU to bridge these potential divides. Again, the appropriate response depends on policy-making traditions and the perceived strength of organized groups in society. Policy-makers in the North West of England take the view that older people's interests are better directly represented elsewhere. In this respect, the voluntary sector in England has tended to be an important participant in ensuring the participation of older people in the ageing policy debate. On the other hand, in Wales, the planned appointment of a Commissioner for Older People reflects the need for a response to the dominant culture that still discriminates against older people. Ensuring that older people articulate their interests is a crucial aspect of this process.

Nevertheless, interpretations of the active ageing agenda and definitions of 'older people' vary. Governments apply a variety of thresholds in their policies for older people. For instance, the age at which a person can join a senior citizens' association or qualify for a state pension varies. If being 'old' is defined in terms of care provision, then the threshold would be higher. Cutting across this are differences amongst older people in terms of age, health, income, lifestyle and aspirations. This is clearly evident in the case studies. In the North West of England, the dominant view is of older people as potential contributors to regional economic and social development as workers, employers and consumers, and it specifically targets those aged 50 and over, rather than older age cohorts. On the other hand, a key focus in Kainuu is on the provision of services to 'older' older people. This variation is understandable as regional policy-makers develop strategies to meet the varying impacts of broad demographic processes. However, it is important that a basic agreement on the perception of the ageing challenge, the logic of the planned intervention and the characteristics of the group targeted are established. Potentially competing perspectives within the ageing agenda persist. Consensus needs to be sought from the outset between national and regional levels and, crucially, amongst regional stakeholders in order to minimise institutional confusion and rivalry. This was demonstrated in the case of Noord-Brabant where the effort to incorporate the ageing-related agenda into the work of provincial departments was successful in some departments but not in others. The issue for policy-makers may not be to arrive at a limited definition of the regional ageing issue

and a strictly targeted group of older people, but rather to base strategies on sophisticated, flexible definitions of various groups in the older population.

One further definitional aspect worthy of note relates to an intervention's time span. One argument is that regional ageing strategies or initiatives should be regarded as temporary measures intended to raise regional awareness and ensure the mainstreaming of the ageing agenda in broader regional policy strategies. Others see such strategies as becoming a permanent feature of the regional policy landscape.

5.4   Policy design: developing the appropriate response

In terms of policy design, there is a growing recognition that the regional level is appropriate for developing positive ageing agendas and 'cross-sectoral' approaches to regional development. Regional governments are often close enough to the complex interaction of factors that dictate varied patterns of demographic change to develop commensurate ageing policy responses. Regional governments also have growing political autonomy and financial resources to develop ageing strategies that cut across a variety of policy domains. Within this, there is quite a variety of instruments and actions that are part of emerging ageing strategies at the regional level (see Figure 6).

Some regions are taking advantage of constitutional change to formulate arrangements for an independent, representative body or individual to 'champion' the interests of older people at regional and national level. In some cases, such as Wales, plans to establish such a fully independent Commissioner would first require primary legislative powers to be put in place. However, the Welsh Assembly plans to appoint a Commissioner, who would use existing powers on behalf of the Assembly for the time being. In some cases, new administrative arrangements are increasing the scope for regions to develop dedicated ageing strategies. In other cases, processes of regionalisation have produced a range of strategies, for instance in spatial development, transport and housing, onto which the ageing agenda can be mapped (e.g. North West England). Further activities include creating conducive environments for voluntary, flexible, and innovative actions. This can be achieved, for instance, by providing frameworks and incentives for regional and local actors to participate in age-related programmes (e.g. Emilia-Romagna). Broader processes of awareness-raising in the region (e.g. through publicity campaigns, conferences and seminars) can stimulate increased participation and commitment by all sectors of society (e.g. Noord-Brabant). It is important to note that these categories are not mutually exclusive: different combinations of these activities may be identified simultaneously in a given regional setting.

Figure 6: Policy design 'cascade'

Institutional

appointing regional bodies or representatives to 'champion' ageing agenda

Strategic (dedicated)

formulating a dedicated ageing strategy

Strategic ('mainstreaming')

ensuring ageing agenda is integrated into existing regional strategies

Action plans

providing incentives to regional and local actors to participate in age-related programmes and projects

Awareness-raising

publicity campaigns, conferences and seminars broad awareness-raising activities

5.5   Policy delivery: coordinating responses

A final set of conclusions concerns policy delivery. Across all administrative levels, a more strategic approach to ageing is discernible. The EU has become an important driver of the ageing agenda, cutting across several of the issues and processes highlighted above. Although EU institutions have only limited formal competencies to deal with demographic ageing, their impact on the policy debate has been notable in a variety of ways. Commission directives and papers have helped set the framework within which the debate has unfolded. A notable example of this has been the impact of the legal competence of the European Union for combating discrimination in the work-place. The EU's principles of long-term, regional strategy-building based on the partnership of public and private actors across administrative levels have contributed to the more sophisticated and inclusive approach to ageing that is currently emerging at regional level. At project level, Community funds have provided support and an arena to raise awareness of the ageing agenda and develop innovative approaches in the field.

The role and functions of national government are changing as new approaches to ageing policy evolve. The traditional concern of central government with the reform of pensions or welfare systems is being supplemented as governments seek to create an overarching framework or guidelines within which new, multi-stranded approaches to ageing can be coordinated. This is a challenge, given the potentially competing perspectives within the ageing agenda outlined above. Again, the Nordic countries have taken the initiative in this respect. A key feature of policy approaches in these countries is the creation of committees and strategies that promote close co-operation across different central government ministries and the inclusion of partners from private and voluntary spheres in all phases of decision-making. Efforts are underway elsewhere to develop a more integrated, coordinated perspective. The Czech Republic, Estonia, the Netherlands, Slovakia, the UK and others have adopted overarching cross-departmental strategy papers since the late 1990s. Usually inspired by international documents and events such as the UN's International Year of Older Persons in 1999, these documents set out a long-term, ageing policy agenda for national governments. They also attempt to change attitudes to demographic ageing in general and to older people in particular. However, it is important not to exaggerate the strength of these nascent initiatives: overarching national strategies can suffer from policy incoherence, poor implementation, and a lack of political leadership.

It should also be stressed that regional-level responses to demographic ageing are only now emerging and that the process is fragile and uneven. In general, regional authorities must work within the legislative frameworks set by the centre, for instance concerning labour market interventions, and this obviously constrains their influence. On the other hand, the focus of national governments on framework-setting has meant that new approaches to ageing, incorporating a broader policy agenda and developing innovative delivery systems, have been most apparent at the regional and local levels. Regional administrations and agencies have a positional advantage: they are often close enough to the complex interaction of factors that dictate varied patterns of demographic change to develop commensurate ageing policy responses. Increasingly, regional bodies are also powerful enough to deliver them: they have growing political autonomy and financial resources to develop ageing strategies that cut across a variety of policy domains and address region-specific factors. The process has been driven by greater awareness of sub-national differences in the impact of demographic ageing, new ageing policy approaches at EU and national levels and broader processes of administrative regionalisation.

The case studies revealed several factors that are important for the delivery of a regional ageing-related intervention.

- *Political will and a democratic mandate.* Elected assemblies have been crucial to the development of strategies in five out of the six case studies. Political support ensures public awareness, funding and concentration of human resources. On the other hand, a decline in political support can make strategies short-lived, as has been the case in Noord-Brabant. In Nordrhein-Westfalen, a change in government may significantly change the focus, scope and resources of the regional intervention, although in Wales and Emilia-Romagna, the regional strategies seem to have cross-party political support. Where regional initiatives have emerged in

the absence of elected regional assemblies (North West England), the advantage has been some decrease in the risk of partisan approach.

- *Ground-clearing and establishment of the evidence base*. This includes research into demographic conditions and issues such as social services, housing, health care, levels of participation and the regional labour market (e.g. the Noord-Brabant case)

- *Financial autonomy of regional governments*. In all the six cases, the regional governments in question had significant policy autonomy and the level of resources to get regional ageing-related strategies off the ground.

- *Evaluation arrangements*. Only in a few cases, such as Wales and Noord-Brabant, was evaluation planned as an operational part of the policy or strategy. Evaluating the impact of initiatives as they are rolled out can inform overall strategic direction and demonstrate the intervention's credibility to potential stakeholders, particularly those in the private sector.

Beyond this, varying combinations of national, regional and local tiers and public, private and voluntary sectors can be identified in the delivery of ageing strategies. Some strategies have been elaborated in regions with established assemblies, such as Noord-Brabant and Nordrhein-Westfalen. The more recent process of devolution in Wales played an integral part in the development of an overarching ageing strategy and the Welsh Assembly has taken the lead in delivery. Regionalisation in Finland, Italy and the UK has strengthened institutional resources for regional ageing policy. The process of regionalisation, by opening up the system of policy-making and loosening hierarchical controls, encourages the emergence of new policies and strategies. Besides regional authorities, other regional organisations can also be involved in policy delivery. In terms of the economic dimension of ageing policy, many regional development agencies now possess supply and demand-side instruments that potentially equip them to address the challenge of retaining or integrating older people in the work-place. Bespoke, age-oriented initiatives, such as those currently being implemented in Nordrhein-Westfalen, can involve providing targeted training for older people in softer skills such as confidence-building or in ensuring that modern apprenticeships in attractive posts are accessible to older people. Voluntary organisations and interest groups can play a vital part in targeting specific groups of older people at risk of social exclusion. They can also support efforts to improve the representation of older people in policy implementation and delivery.

The potential involvement of a broad range of organisations in the delivery process stresses the role of policy coordination at regional level. As the requirements for greater consultative and participatory practices increase, so does the complexity of administering ageing policy. Ageing policy does not operate in isolation but depends on the domestic policy and institutional context of individual Member States. Administrative arrangements across and between national and sub-national levels, systems of economic governance, provisions for the regulation of labour markets, and social welfare provision all shape regional responses to demographic ageing. National-regional coordination mechanisms are important here: national debates may be the dominant force driving reforms, but they may

not coincide with the priorities at the regional level where demographic ageing impacts in different ways. The coordination of national and regional responses to ageing varies across the case studies according to broader administrative practices. Most often, coordination works passively through the obligation that regional strategies meet national legislative frameworks and policy guidelines. However, in no cases was full integration evident. Indeed, in most cases the existing regional strategies emerged independently of overarching national policies.

The cases also indicate the difficulties of achieving the coordination of active ageing strategies across different departments, agencies and public, voluntary and private spheres, and the risk of institutional confusion and rivalry. To avoid this, all of the case studies highlight the crucial role of partnership and network-building in developing and implementing regional ageing strategies. The membership and functions of coordinating groups vary according to the scope of the strategy or initiative, and different solutions have been found to balance the principle of inclusiveness with the efficiency of programme formulation and implementation processes. Nevertheless, efforts to ensure the support of stakeholders from public organisations, voluntary groups and, to a lesser extent, regional private sector interests are common to all cases and are seen as vital to their effective implementation.

Finally, regional-municipal coordination has been important in most cases. Municipalities often possess vital policy-making competences and financial resources for regions developing ageing strategies. In Kainuu, a significant factor in the development of the regional intervention was the aggregation of municipal resources and powers in order to create the necessary critical mass to address development challenges, including the ageing population. In the case of Noord-Brabant, the provincial government actively sought the cooperation of municipal governments in the province so as to keep the momentum going after the cessation of funding for provincial-level activities. In Wales and Emilia-Romagna, municipalities have central roles in the implementation of the strategy or initiative. However, the administrative autonomy of municipalities provides a significant degree of freedom to decide their own approach to implementation, and this can threaten the cohesion of regional policies. A strong regional direction is crucial to ensure that municipalities sign up to regional policies and that they implement projects successfully.

5.6   Key issues

As noted at the outset, the purpose of this report has been to undertake a review of the degree to which regional ageing strategies and programmes are emerging across the EU and, on the basis of case studies, to identify examples of regional action. The research concluded that strategic regional policy responses are still in their infancy. Another important message was that, although several common themes can be identified through comparison, how regional responses to ageing evolve relies on a range of region-specific factors. Thus, rather than providing definitive answers, the following points highlight key issues facing regions in developing their responses to demographic ageing.

Policy focus

- How should the ageing agenda be understood and defined at regional level? Attention must be paid to understanding the ageing agenda in the region and defining what is meant by 'older people'.

- Should the strategy develop a broad or narrow focus? Regions obviously set priorities according to their own contexts but, given the multi-faceted character of the ageing agenda, a broader focus for ageing policy is necessary to weave the issues into a cohesive approach. For instance, regional responses to ageing could adopt a narrow focus solely on business and employment growth, but this would ignore significant factors in the regional environment that impact on older people and their ability to work.

- Where should the balance lie between 'supply and demand' side policy actions at the regional level? An important message here was that although the balance may vary from region to region, both types of policy action must be matched. For instance, in terms of the labour market, a key challenge for policy-makers is matching the available competencies of older people with new market opportunities and job vacancies.

- How can potentially competing perspectives within the ageing and economic growth agenda be reconciled? Responses to this vary. For example, some cases focus solely on developing policies that encourage older people back into the mainstream labour market, risking the exclusion of older people who perform an important but informal role in the regional economy. Others overcome this by taking a more flexible view and explicitly recognising and supporting the economic contribution of older people in 'informal work' such as caring and babysitting.

Policy design

- What are the important stages in policy design? In order to match ageing strategies to regional challenges and opportunities, most regions followed a basic analysis-strategy-priorities-activities chain.

- Should initiatives focus on 'mainstreaming' activities or on the creation of specific, age-related initiatives? Our cases have tended to combine both approaches. Dedicated strategies respond to a dominant, ageist culture that still limits the participation of older people. The extent to which ageing strategies are embedded in overall regional development strategies varies but 'mainstreaming' activities increase the impact of the ageing issue on the development of the region and can often make more funds available for age-related measures.

Policy delivery

- What are the preconditions of successful regional ageing strategies? Different approaches to demographic ageing are appropriate in different regional socio-economic and administrative contexts are (e.g. centralised/decentralised

administrative systems, peripheral/urban/ethnically diverse regions). However, some common features can be identified: a degree of administrative and political autonomy; links to broader regional development plans; the involvement of the private sector and social partners, the long-term application of intervention.

- How can regional ageing strategies or initiatives mobilise employers, voluntary groups, older people and the broader regional community to participate in positive ageing practice? In order to achieve this regional authorities and agencies in our case studies have attempted to rationalise and promote age-related policies, employing a mixture of incentives and disincentives. The positive aspects of adapting active ageing policies (e.g. the provision of financial incentives for businesses employing older people) were accompanied by demographic forecasts and scenarios that highlighted the necessity of changing attitudes. The local level is often regarded as a key arena for connecting with and mobilising different groups.

- How can regional ageing interventions best be coordinated across administrative levels, policy domains and public/private/voluntary spheres? There has to be alignment between national and regional ageing policy. This demands a clear allocation of policy responsibilities between levels and strong coordination mechanisms.

A. ANNEX

This Annex contains fuller versions of the case studies included in the report. The aim is to provide more detailed accounts of the evolution, structure and implementation of these regional interventions and initial assessments of their impact. This is supported, where possible, with relevant data. In each example, the national and regional context is first outlined, assessing the role of different drivers in the emergence of the strategy or initiative. The next section describes the intervention's structure, aims and objectives. Issues arising from the implementation and operation are then assessed (including the coordination of interventions within EU, national, regional and sub-regional policy frameworks, funding issues and arrangements for monitoring and evaluation). Perspectives on the future evolution of the strategy or initiative are explored before the concluding section synthesises the main issues and themes to emerge from the case study.

A.1   Emilia-Romagna (Italy)

A.1.1 National policy context

A review of the institutional context indicates that in Italy, as in nearly all the other European countries, approaches to active ageing are involving a wide variety of actors at different levels of government with a range of different perspectives. At national level, the issue of ageing is treated primarily from an economic perspective: the main target is to create more jobs and to pay less in pensions. Although Italy has one of the oldest populations in the EU and, together with Sweden,[74] the highest life expectancy, most of the people over 50 do not actively participate in the labour market. According to recent data from Eurostat, only 30.5 percent of people aged 55 to 64 have a job, well below the EU-15 average and the figure of 50 percent, indicated as one of the Lisbon's strategy targets to be reached by 2010.

Since 1999, the total employment rate of Italian older workers, defined as the number of people aged 55 to 64 in work, has increased by 2.7 percent. This is mostly due to a package of reforms introduced in the job market that allow employers to hire on a short term basis. The *White Book on Welfare*,[75] drafted in 2001 by a panel of labour market experts and published by the Ministry of Welfare, provided a starting point for the development of a new package of rules aimed at reshaping the labour market. Great attention was paid to employability in response to ageing. Together with a stream of reforms related to the pension system, these new rules, also known as the Biagi Law, have helped job turnover, increasing both the volume of jobs created and the productivity of workers. Nonetheless, Italy's labour market still presents many unsolved problems such as the late age of entrance and low employment rates among people over 50, particularly women. Those opposing these reforms have criticised their narrow focus on the provision of financial incentives to remain in work and their neglect of welfare issues and the broader, active

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[74] World Health Organization, *Core Health Indicators, Statistical Annexes,* Washington, 2003. Accessed at :< http://www.eprc.strath.ac.uk/intranet/int/misc.htm>.

[75] Ministero del Lavoro e delle Politiche Sociali, *Libro Bianco Sul Mercato Del Lavoro In Italia: Proposte Per Una Società Attiva e Per Un Lavoro Di Qualità,* Roma, 2001.

ageing agenda.[76] The concept of active ageing has been part of the political debate since 2002, when the government referred to future developments in the policies for the employability of elder workers in the *National Employment Plan* (NEP). According to the Welfare Ministry,

> the raising of the employment rate of older workers is an objective of both the proposed law on welfare, aiming to encourage old workers to remain in the labour market, and the proposed law about the labour market, that is aimed to encourage part time employment through new contractual schemes and continued training.[77]

However, the national approach remains fragmented. On the one hand, the new *White Book on Welfare,* whilst strongly focused on demographic transition policies, does not mention active ageing as a possible answer to the ageing of population. On the other hand, the 2003 NEP shows the broadening of the debate on active ageing themes, presenting a more structured set of policy guidelines to be implemented to upgrade older workers' skills. However, in order to avoid any financial commitment, in the few documents where central government refers to active ageing policies, it always advocates EU Structural Funds as the source of funding, with no reference to domestic resources. Thus, despite the evolution of the national debate, policies on the theme of active ageing still lack consistency. The policy response to population ageing, at least at the central level, does not amount to a coherent framework. Policy areas such as regularisation of undeclared work, incentives for workers to delay their retirement, and lifelong educational programmes are coordinated by different government agencies. These policy areas do not form a clear strategy for population ageing.

At the regional level, more integrated and positive approaches are emerging. This is the result of several processes. First, the challenge of ageing is increasingly visible at this level. The demographic structure of Italian regions (see Figure 7) revels that there is a very high ratio of people in older cohorts and that over the next decades there will be a clear increase in the number of retired people. There are also pronounced regional disparities in population structure. The highest concentration of people over 65 is found in the central and north-east regions.

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[76] For instance, a recent policy measure encourages workers to delay the age of their retirement by up to four years, through a tax cut on their income tax.

[77] Ministero del Lavoro e delle Politiche Sociali, *Piano Nazionale per l'occupazione,* Roma, 2002.

Figure 7: Regional distribution of older age cohorts of population in Italy
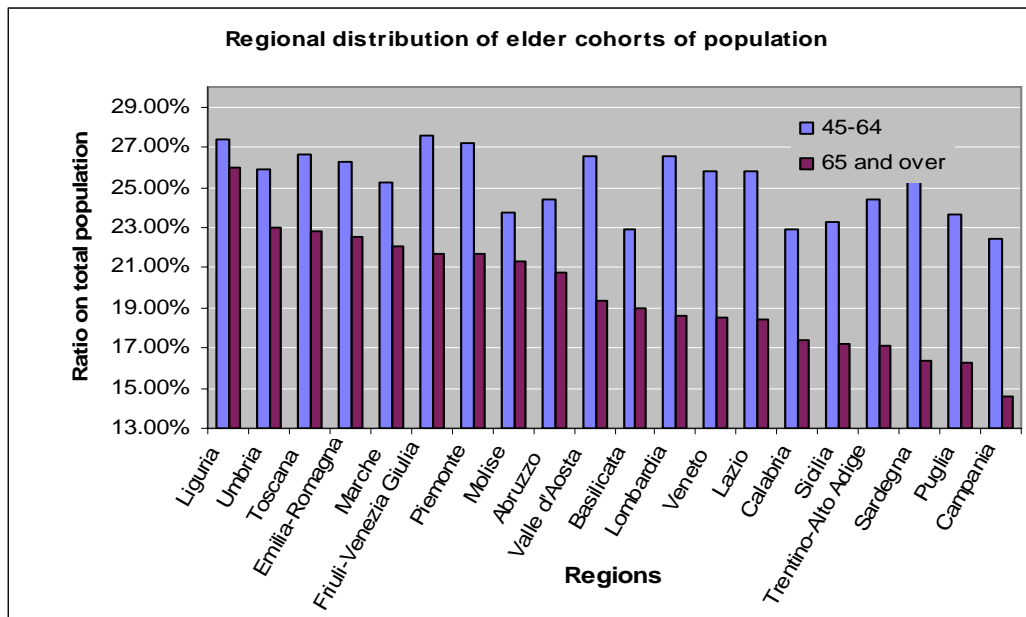
Data source: Italian Bureau of Statistics (Istat), 2003.

Changes to Italian public administration have also played a part, with the redistribution of competences between levels allowing sub-national tiers more scope to develop innovative approaches. The process of regionalisation started in the 1970s and peaked in the constitutional reforms which decentralised competences to regions. The devolution process has not created a stable framework for regional finances, however, and the reforms have stalled in recent years. Nevertheless, the Italian Framework Law 328/2000 allows regions to reorganise their system of social services, marking the transformation from an assistance-based approach to a system of active social protection.

A.1.2 Regional context

Emilia-Romagna is an economically developed region when compared to the rest of Italy and to the EU average. It has high levels of economic activity, notably amongst women. The region has one of the oldest population profiles in Italy (see Table 2). The process of demographic ageing has several notable features. There is a high level of immigration of women from Eastern Europe to care for the region's older people, and there are approximately 40,000 carers and domestic workers in the region. Fragmentation of traditional family structures has led to a reduction in the number of older people living with relations, an increase in the number living alone and, thus, a decrease in the capacity of families to provide care.

The proportion of older people living in the region is creating a distinct imbalance in the population structure. This process has attracted growing political attention and an early initiative in the 1990s focused on the provision of care homes. However, the results of the

'Idea Project',[78] a research programme sponsored by ERVET,[79] pointed to the need for broader, structural solutions and a revitalisation of policy approaches to ageing promoted by the Regional Authority.

Table 2: Changes in older population cohorts over the past ten years in EU-15, Italy and Emilia-Romagna (in percent)

	EU-15			Italy			Emilia Romagna		
	1995	2000	2005	1995	2000	2005	1995	2000	2005
Between 60 and 64 years	5.22	5.40	5.33	5.79	5.88	5.65	6.52	6.70	6.32
Between 65 and 69 years	4.82	4.81	5.00	5.31	5.42	5.54	6.30	6.21	6.39
Between 70 and 74 years	4.24	4.26	4.28	4.66	4.77	4.90	5.89	5.76	5.72
Between 75 and 79 years	2.46	3.48	3.54	2.45	3.90	4.05	3.20	5.04	5.00
Between 80 and 84 years	2.24	1.77	2.56	2.42	1.80	2.93	3.31	2.42	3.89

Source: Eurostat, 2005.

An important outcome of this changing perception of ageing in the region was the *Action Plan for the Elderly of Emilia-Romagna*. Initially issued to promote the debate about new policies for senior citizens, the discussion steadily progressed towards the adoption of agreed and innovative solutions and eventually to the development of a document, the *Action Plan*. The new, more positive approach to be adopted was made clear from the outset:

> The ageing of a population is almost always presented as a "problem", overlooking the fact that it is first and foremost an important conquest that undoubtedly poses problems but, at the same time, offers opportunities and a challenge that Europe's communities must be the first to tackle.[80]

The *Plan's* first draft, *Proposal for the Drawing up of a Regional Strategic Plan Aimed at the Improvement of Older People's Quality of Life,* was presented in 2000 by the Regional Government. It stressed the need to go beyond welfare models based exclusively on a network of service provision. This first draft was widely debated within the region and generated wide consensus. The draft was subject to a number of reviews made by working groups in different meetings. An intermediate version of the proposal, named *Action Plan for the Elderly of Emilia-Romagna*, was published in June 2002. It extended the debate to

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[78] Although the 'Progetto Idea' initiative was not set up with the specific aim to investigate the condition of older people in the region, responses from older people provided important insights and a solid informative background for subsequent actions.

[79] *Emilia-Romagna Valorizzazione Economica Territorio* or the Regional Development Agency of Emilia-Romagna.

[80] Emilia-Romagna Regional Authority, Department for Social Policy, Immigration, Youth Project and International Co-operation: *Plan Of Action for The Regional Community - A Society For All Ages: The Ageing Population And Prospects For Development*, Bologna, 2004.

include the public, welcoming contributions, opinions and insights on the issue from other institutions, charities, union representatives and independent organisations. This final version was presented and approved by the Regional Council with the definitive name of *Action Plan for the Regional Community - A Society for all Ages: The ageing population and prospects for development*.[81]

From a legislative and regulatory point of view, the *Plan* cannot be considered a product of 'bottom-up' policy approaches by the regional authorities. Based on regional law, it is officially a local policy with regional scope. Nevertheless, a close look at the drafting process reveals that the *Plan* originated in regional-level authorities. Although opinions and contributions came from third parties, they were essentially comments on a largely finalised programme; this confirms the pivotal role played by the region in promoting and leading this initiative. As a consequence, the initiative is strongly embedded within the framework of regional institutions and bureaucracy.

Figure 8: Location of the Emilia Romagna region

Source: Adapted from European Commission, *EU at a Glance, Index, Maps.* Available at: <http://europa.eu.int/abc/maps/index_en.htm>.

It should also be stressed that, in the Italian context, Emilia-Romagna has been the source of a number of best practice policies and many other initiatives in the fields of welfare provision and care, carried out not only by regional agencies but also by local charities and voluntary organisations. A tradition of strong regional government, a dynamic and proactive social context, and a commitment to policy innovation have provided the impulse to translate the debate into the adoption of concrete policies on ageing. For instance, previous experience gained by the region in designing and implementing regional-level

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[81] The 2002 draft version it is available at :< http://www.emiliaromagnasociale.it/wcm/emiliaromagnasociale/home/anziani/pianoanziani/EnglishVersion/PianoAnziani-ENG.pdf>.

policy documents, such as the regional *Environmental Action Plan,* has been an important resource in developing the *Action Plan.*

A.1.3 Developing a regional strategy to address ageing in a Mediterranean context – structure, aims and objectives

An analysis of the *Action Plan* reveals a basic aim to break free from short-term or *ad hoc* age-related policies which are deemed to be inadequate to the structural challenge posed by demographic ageing in the region. The *Action Plan* of Emilia-Romagna has also been influenced by the guidelines produced by the Second Conference on the Ageing of Population, organised by the United Nations in Madrid in 2002.[82]

The *Action Plan* is not seen as a plan for older people but as an instrument of cultural and political change that takes a different approach to sectoral policies. Thus, it takes a 'mainstreaming' approach, seeking to highlight the ageing dimension of transport, social, health care, trade and housing policies. For example, the region's *Transport Plan* focuses mostly on the movement of workers and students. The *Action Plan* seeks to change this sectoral application so that it incorporates the needs of older people who, after all, represent 30 percent of the population. This approach obviously takes a long-term perspective in seeking to change traditional perspectives of mainstream policies. Supporting informal care is a priority of the *Plan*, given the role of foreign women workers and the changes in family structure noted above.

The *Action Plan* thus aims to mark a new approach to the design of policies for the regional community:

> The general aim of this *Action Plan* is to contribute to creating a society for all ages, that recognises the different needs and abilities of all its members, no longer programmed by referring to healthy adult males, but by taking into account the needs of children, the young and the elderly, in order to overcome age discrimination, listening to the opinion, experience and needs of older people in defining policies that affect them by means of active, organised involvement of senior citizens in the debating of policies and measures that affect quality of life.[83]

The *Plan* aims to foster an evolution in the way sub-national levels approach ageing policies. It includes a synthesis of relevant domestic, EU and UN policy documents to establish the emerging ageing policy context. In subsequent sections, ageing and sustainable development issues are discussed, including the *Plan's* integration with the region's *Plan of Action for the Environment,* a regional policy paper issued in 2001 and focused on environmental sustainability which has had a significant influence on the

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[82] See UN Programme on Ageing, *Madrid International Plan of Action 2002,* Madrid, 2002. For an overview about UN approaches to ageing please access: <http://www.un.org/esa/socdev/ageing/>.

[83] *Plan of Action For The Regional Community- A Society For All The Ages: The Ageing Population And Prospects For Development*, Bologna 2004, p.10.

drafting of the *Action Plan for the Regional Community*.[84] The fourth section of the *Plan* outlines its strategic objectives.

The *Plan* is expected to be a starting point for the promotion of a profound, primarily cultural, change in attitudes, policies and practices at all institutional levels. Eight strategic objectives are outlined as crucial to achieve this:

1. Recognition of the active role of older people and promotion of active policies for senior citizens and of a positive attitude towards ageing

2. Sustain senior citizens' freedom of choice

3. Favouring and supporting self-sufficiency

4. Favouring the reorganisation of the course of life

5. Supporting those who choose to care for their family or acquaintances

6. Ensuring responses to the needs of older women

7. Expanding the contribution and use of new technologies

8. Promoting well-being and health of older people.

A short description of expected consequences and outcomes is listed for each individual objective. The aims of the *Plan* are broadly representative of other emerging regional strategies: to support the empowerment of older people and to improve their quality of life. Importantly, there is no mention of any strategic goal to encourage workforce participation among people over 50. Nor were UN and EU guidelines to encourage labour market participation taken in account. Although recognised by all the actors as a key issue, labour market participation was not given explicit emphasis in the drafting of the *Plan*. Initially, there was the intention to include the labour market theme in the document under a distinct heading with reference to existing labour market strategies in the region. However, failure to agree a common approach eventually led to the withdrawal of the labour market dimension from the list of strategic priorities. There were a number of reasons for this. On the one hand, processes of decentralisation in Italy have not included the devolution to regions of significant legislative powers to shape the labour market. Moreover, in debating such a controversial point, the reluctance of some of the actors – trade unions and politicians in particular - made it difficult to build a shared strategic approach with respect to this theme.

A.1.4 Implementation and delivery

The Regional Authority developed an innovative approach to fostering new age-related agendas within the different administrative levels. Attention has been paid to disseminating

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[84] Environmental, Economical, Social and Institutional sustainability are defined as necessary to achieve a sustainable community.

the *Plan's* guidelines and encouraging broad participation across the region's municipalities. The Regional Authority launched a call for tender, inviting municipalities and consortiums or groups of local administrations to develop their own *Local Plans of Action*. A parallel call for tender also offered co-funding opportunities for the financing of single initiatives such as improving bus routes or renovating care homes. Non-public entities were also allowed to apply to this strand. This 'two-in-one' competition for project submission was published in December 2003.[85] A provisional allocation of two-thirds went towards supporting the development of *Local Plans of Action* (Type A); the remaining funds were devoted to financing single, smaller, short term projects (Type B). The greater resources made available to Type A activities, enabling local communities to prepare their own *Local Plan of Action*, reflected the strategic weight attributed to the call for tender as the main instrument to channel the new approaches contained within the *Action Plan* to lower levels of administration.

(i)   Coordination

The Department for Social Policy, Immigration, Youth Projects and International Co-operation in the Regional Authority promoted and coordinated the drafting of the *Plan* and it manages the administrative duties for implementation and future evaluation. The call for tender was seen as a key instrument to coordinate the dissemination of the *Action Plan,* across the region. This approach has extended the potential of developing horizontal and vertical coordination between regional and local administrative tiers and across public and private spheres. It has increased the co-financing opportunities offered to local administrators and private bodies, enabling even smaller actors to develop some kind of initiative towards older people.

One weakness in the organisation of the call for tender has been the absence of supporting communications, advice and publicity from the Regional Authority to encourage and assist in the design of local plans. The absence of this type of support has had several consequences. First, it produced a broad range of responses from regional and local administrative levels and public and non-public spheres that stressed different strands of the ageing agenda and approached the challenge in a variety of ways. In the case of Imola municipality, for instance, the main strategic objective is expected to involve the introduction of new requirements tailored to older people within current building regulations. This poses an obvious challenge to the coordination and implementation of the *Plan*. Second, the lack of guidance on how to develop a Local Plan of Action meant that activity focused on simpler, less challenging Type B projects has lessened the strategic impact of the *Plan*. Furthermore, most of the twelve Type A projects approved have come from municipalities with previous experience in the design and management of complex policies. In effect, the option to adhere to one of the two different calls for tender acted as selection mechanism among municipalities, inducing only a few local administrations to submit Type A projects. This may mean that coordinating mechanisms and implementation

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[85] Public Act of the Regional Government: Deliberazione della Giunta regionale n. 2750, 30 December 2003.

schemes may need to be revised if the open approach which has been adopted to local actors is to bear fruit.

(ii)   Funding

The 2003 call for tender contained a provisional figure of €1,500,000 committed to the financing of Type A and Type B initiatives; in 2004 this was increased to €2,200,000. These resources where drawn from the Regional Social Fund, a regional source of funding specifically designed to finance regional social policies. Regional Social Fund resources are set out in a triennial programme (the current programme runs from 2005 to 2007) and €4,000,000 has been allocated to age-related activities. In November 2004, a list of approved projects was published and it was revealed that the take-up of Type A projects had been disappointingly low, with only €570,000 of the €1,466,000 available being claimed. Type B projects overwhelmed Type A projects in terms of number of applications received (59 against 12). This led to a redistribution of resources with the available funds being shifted from Type A to Type B activities. No further calls are scheduled until the results of the forthcoming evaluation of the first round of projects are established.

(iii)   Monitoring/evaluation

As outlined in the *Plan,* the monitoring tools adopted for the assessment are the drafting of monitoring reports, and a series of meetings among the different actors involved in the implementation of the *Action Plan.* At this stage, no evaluation reports are available; they are to be produced every two years. None of the proposed conferences to foster the exchange of experience has been scheduled so far.

A.1.5 Assessment

- The policy response to demographic ageing in Italy, at least at the central level, does not yet amount to a coherent framework. However, at the regional level more integrated and positive approaches are emerging as a result of increasing awareness of regional disparities in population structures and changes to public administration, allowing sub-national tiers more scope to develop innovative approaches.

- In terms of content and priorities, the *Action Plan* is an innovative document in the Italian context. The basic aim is to break free from traditional short-term, narrow or *ad hoc* age-related policies which are deemed as inadequate to the structural challenge posed by demographic ageing in the region. By aiming to promote a mainstreaming of ageing issues into broader regional policy-making, the *Plan* presents a significant example of emerging efforts to reflect the multi-faceted character of the ageing agenda.

- The *Plan* adopts an innovative approach to the implementation process, combining the fostering of strategic approaches to ageing amongst local authorities with the development of a broad range of independent initiatives that can be launched by public, private or voluntary actors throughout the region. This has a number of potential benefits. First, it increases the scope to develop horizontal and vertical

coordination between regional and local administrative tiers and across public and private spheres in the ageing agenda. Second, it extends the co-financing opportunities offered to local administrators and private bodies, enabling even smaller actors to develop some kind of initiative towards older people.

- As a framework strategy, rather than a law, its implementation requires constant support through a combination of good internal coordination and communication, reliable sources of funding, political support and consensus. In this respect, seminars, conferences and other opportunities to share experience and publicise achievements are vital.

- An important factor in the development of the *Plan* has been Emilia-Romagna's experience of producing other innovative regional strategies and documents and other initiatives in the fields of welfare provision and care, carried out not only by regional agencies but also by local charities and voluntary organisations.

On the other hand, the innovative nature of the *Action Plan,* as well as its ambitious, far-reaching agenda, has meant that there have been some risks and difficulties with respect to its implementation:

- The regional approach to ageing is closely tied to the relationship between central and regional administrative levels. In Italy, a process of regionalisation is under way and in some policy areas the regional level has more scope for policy innovation. However the process is protracted and numerous conflicts can arise with a potential impact on regional approaches to ageing. Limitations on regional administrative powers and the inability to develop consensus amongst participants in the *Plan* led to the withdrawal of the labour market strand of the ageing agenda from the *Plan*. This obviously limits the *Plan's* scope and potential impact and puts the onus on coordination mechanisms.

- The *Plan* is still at a relatively early stage. As it matures, the pressures created by developing a more sophisticated approach to the ageing issue may become more apparent. Thus far, fostering regional participation simply by making finance available has not been sufficient for the effective implementation of the *Plan*. The relative absence of support, advice and information services at regional level has deterred some municipalities from developing a strategic response, particularly those inexperienced in dealing with inclusive, bottom-up policy design methods and lacking strong commitment to ageing issues. The subsequent focus on smaller scale, simpler projects that merely extend existing services has reduced the strategic impact of the *Plan*.

- Without strong guidance from the Regional Authority, there is a danger that the myriad actors, activities and projects involved in the *Plan* may make overall coordination across administrative levels and between policy areas very difficult.

A.2   Kainuu (Finland)

A.2.1 National policy context

Finland has one of the most established and comprehensive national programmes addressing the issue of demographic ageing. Although the country has about the same fertility level as the other Nordic countries, its lower immigration and previous birth rates contribute to a more rapid ageing of the population. The most pressing challenge has arisen from the impact of ageing on labour markets: later exit from work constitutes one of the few major labour reserves available in Finland. The full employment imperative of Nordic welfare states has further concentrated ageing policy on encouraging older workers to remain in the labour force. In response to this, Finland has implemented several national labour market programmes since the late 1990s. These include: *The National Programme on Ageing Workers 1998-2002,* an overarching framework that aimed to strengthen the status of ageing persons in the labour market as well as to improve their possibilities of staying at work and help them into employment; *The National Well-being at Work Program 2000-2003* that was aimed at firms and sought to improve workplace relations and well-being at work; and, *The Veto Programme 2003-2007* that has the objectives of encouraging people to voluntarily lengthen their work careers by 2-3 years and spreading good practice by training and publicity. Significant pension reforms came into force in 2005. The reforms abolished the official retirement age of 65 years and introduced a more flexible approach that allows people to retire at the age of 63 but offers strong financial incentives to continue working until the age of 68. At the same time, the reform reduced the possibilities for early retirement and increased the responsibilities of employers for older workers.

Sub-national demographic trends and potential policy responses have been included in a recent report on ageing by the Finnish government. Several problems and opportunities were identified.[86] A fundamental challenge concerns service provision to older people. A specific feature of Finnish rural areas is the scattered settlement structure especially in the northern and eastern parts of the country. In comparison with other European countries, Finland remains sparsely populated, with only around 60 percent of its inhabitants living in what could be considered population centres against an EU average of almost 80 percent. The age structure trend will emphasise this dispersed settlement pattern, and a sparse and small population will in turn make it more difficult to provide services. As a consequence of these developments, the service structure will have to adapt to a new kind of population structure where most localities have few children and youths and numerous older people. With a recent government analysis forecasting that Finland's public finance system will not be able to cope with demands on welfare provision, a key question is: what possibilities are there to maintain basic services in areas where ageing is an issue and where services, health care or infrastructure provision can become particularly stretched? The financial sustainability of municipalities will be put under pressure by changing population structures. In many places the structure of the economy and preconditions for productive activity will be undermined. Tax revenues are expected to decline, presenting municipalities and local communities with pressure to adapt more radically. A further

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[86] Prime Minister's Office, *Finland for People of All Ages,* 2004, p.82.

challenge concerns the adjustment of economic and innovation policy to accommodate changes in regional population structures. A balance must be found between the agglomeration of economic activity and the need to rebuild infrastructures and promote employment in more peripheral regions to maintain equitable regional development. The strong centre-periphery dichotomy in the Finnish context thus presents a challenge not just for regional labour markets but for housing, transport, urban planning and service provision.

On the other hand, the government recognises opportunities in current regional demographic processes. Current demographic trends could be a means to reduce regional differences in unemployment and employment rates. This is because the size of the working-age population, and thus the labour supply, will decline more rapidly in areas where unemployment is high and the employment rate low than in the country as a whole. Thus, even if employment declines in absolute terms, unemployment may decrease and the employment rate rise, perhaps significantly. The government, therefore, sees demographic change as an opportunity to achieve more balanced regional development, as vacancies arise in both rural and urban areas and as technology allows for more innovative service provision throughout the country. Also, migratory flows within the country will slow down and alleviate the change in population structure. To a great extent, the present population structure will determine future demographic developments in the regions. Internal migration will either reinforce or slow down this development, but it will not reverse it. However, the change in population structure is expected to lessen migration, since migrating age groups will become smaller than before.

Current plans to further regionalise the country's public administration are regarded as an important initiative in responding to these challenges and exploiting these potentials. The traditional structure of Finnish administration is polarised: there is both strong central government and strong municipalities. Central government has key regional development responsibilities, partly through the coordination, monitoring and evaluation activities of the Ministry of the Interior but also through sectoral ministries taking account of regional development goals and measures in their planning and budgeting. The municipalities are an important part of the public economy: the expenditure of local authorities and their joint organisations makes up nearly two thirds of all public consumption and public investments in Finland. Most of the expenditure of municipal authorities arises from the provision of basic community services, such as social services and health care, education and cultural services, infrastructure maintenance and environmental protection. Local authorities receive government grants to help cover the costs of the functions required of them by law. Government grants account for 14 percent of the income of local authorities. State grants to municipalities depend on factors such as the size of the population, its demographic structure, and the number of users of services. Special circumstances, such as dispersed population, high rates of unemployment, bilingualism or location in an archipelago, are also taken into account.

The intermediate level currently consists of several bodies, representing different combinations and compromises between national and local levels. Generally, responsibility for policy at regional level lies with the municipalities, acting through the Regional Councils (joint boards of municipalities). These manage regional development in the 19 Finnish

regions and develop strategic regional programmes to this end. Nevertheless, regional development as a whole comprises numerous programmes that have not always been sufficiently coordinated. The fragmentation problem is especially pronounced in depopulating regions, where the resources of individual municipal or sub-regional stakeholders are often insufficient. In these regions, the resources of both the administrative and the business sector are often committed to small, less effective projects. As a response to this, and other pressures, the Government has proposed the continuing regionalisation of central government functions, particularly as demographic trends could allow activities to be devolved with fewer staff movements than in the past. The aim is to locate new and expanding government organisations and units undergoing reform outside of the Helsinki metropolitan area in line with the strengths and expertise of regional centres. A Government Decision in 2004 also foresaw more responsibilities for regional development being allocated to Regional Councils which, as mentioned earlier, are joint municipal bodies. The Decision also confirmed the continuation of a number of administrative experiments aimed at strengthening regional coordination policy either through the creation of new regional administrative arrangements or through improving cooperation between municipalities at the regional level. Thus, there is increasing scope for some Finnish regions to develop specific approaches to regional development, including responses to the challenge of demographic ageing.

The case of Kainuu, a peripheral, predominantly rural region in North-Eastern Finland is assessed against this background. The Government Decision of 2004 confirmed the continuation of the Kainuu Regional Authority experiment, whereby the Council has been given scope to take on a wider range of economic development and related functions between 2005 and 2012. The region is now responsible for health care and social services (with the exception of children's day care), as well as vocational and upper secondary education and professional adult education. The responsibility for their financing remains with the municipalities. Also management of some of the EU Structural Funds and other regional development funds are transferred to the Regional Authority. The decision-making power of the new Regional Authority is in the hands of a body elected by general vote (in October 2004). For the first time on the Finnish mainland, a democratically elected Regional Authority will be granted administrative power that has traditionally been the domain of the state administration and its regional representatives.

The study first outlines the regional context, assessing the role of different drivers in determining approaches to demographic ageing in Kainuu. The next section explores the structure, aims and objectives of the region's strategic response. Issues arising from the implementation and operation of related activities are then assessed (including the coordination of interventions within EU, national, regional and sub-regional policy frameworks, funding issues and arrangements for monitoring and evaluation). Perspectives on the future evolution of the region's ageing strategy are explored before the concluding section synthesises the main issues and themes to emerge from the case study.

A.2.2 Regional context

Figure 9: Location of Kainuu region/province

Source: Adapted from European Commission, *EU at a Glance, Index, Maps.* Available at: <http://europa.eu.int/abc/maps/index_en.htm>.

Demographic trends and processes of administrative reform are driving new approaches to ageing in Kainuu. Patterns of demographic ageing in Finland vary considerably by region and municipality: the proportion of older inhabitants among the municipalities range from around 6 percent to 30 percent. The strongest challenge is faced by the predominantly rural sub-regions of Northern and Eastern Finland, where the population is ageing, partly because of the low birth-rate and partly because of migration outflow. In these areas, education levels are low and as many as half the population over 15 are not part of the workforce. In 2002, the unemployment rate in the Helsinki area (Uusimaa) was just under 6 percent compared to 13.3 percent areas in the east and 14 percent in the north. Kainuu is representative of this situation in rural, peripheral regions. Kainuu contains two large towns which are officially classified as cities, namely Kajaani and Kuhmo. Kajaani is the region's capital and has a population of 36,000. The region also has eight rural municipalities, namely, Hyrynsalmi, Paltamo, Puolanka, Ristijärvi, Sotkamo, Suomussalmi, Vaala and Vuolijoki. As Table 3 shows, in comparison to national and EU averages, the region has a low level of employment, a high unemployment rate and a weak regional economy.

The population of Kainuu is decreasing and ageing. The population density of the region is one of the lowest in Europe, at around 4 persons per square kilometre. Since 1960, the constant trend of out-migration has resulted in a loss of population of 1000-1500 inhabitants per year. According to the Finnish government's demographic forecasts, migration will concentrate in growth centres in the Helsinki Metropolitan Area and around

Table 3: Basic facts on Kainuu and Finland

	Kainuu	Finland
Area (100km²)	24	338
Forest (% of land area)	94.8	75.5
Water (% of area)	11.8	9.9
Pop. density (per km², 2001)	4.1	17.1
Employment rate (%, 2003)	55.3	67.3
Unemployment rate (%, 2002)	20.0	11.3
Sources of livelihood (%, 2002)		
Forestry and agriculture	9	4.5
Industry and construction	24	26.2
Services	65	67.3
GDP/capita(2001, Finland=100)	68	100

Sources: Finland Central Bureau of Statistics; Kainuu Regional Authority.

provincial centres elsewhere. Kainuu is predicted to represent the most extreme case of population decline: its population is expected to decrease by 17 percent between the years 2000 and 2020.[87] Kainuu also has a significantly older demographic profile than the national average and disparities in the share of population aged 65 and over are magnified if the sub-regional level is taken into account (see Table 4). Again, population forecasts suggest that the structure of Kainuu's population will continue to age rapidly over the next couple of decades.[88]

Table 4: Sub-regional population structure of Kainuu (in percent)

	Population (2001)	
	14 years and under	65 years and over
Hyrynsalmi	16.5	21.5
Kajaani	18.2	13.9
Kuhmo	15.7	19.0
Paltamo	17.6	19.8
Puolanka	15.1	21.1
Ristijärvi	14.2	27.7
Sotkamo	17.3	17.9
Suomussalmi	14.9	20.1
Vaala	18.6	21.4
Vuolijoki	19.3	19.0
Kainuu	17.1	17.4
Finland	17.9	15.2

Source: Statistics Finland; National Land Survey of Finland (2003).

The demographic challenge in Kainuu is cited as an important factor behind new forms of regional governance being piloted there.[89] Established at the beginning of 2005 and

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[87] Ministry of Education ABC: *Education and Research Development Plan 2003-2008*, 2004. p.11.

[88] Statistics Finland, *Population Forecast*, 2001.

[89] H. Leskinnen, *The Regional Self-Government Experiment in the Kainuu Region*. Accessed at :< www.kainuu.fi/kainuunliitto/Hallintokokeilu/Yleista/Self-government%20experiment %20in%20Kainuu.pdf>.

designed to run over a period of ten years, the experiment sets out to create a new self-regulating administrative level above the municipal level. Supreme decision-making power over the region's operative and financial issues is exercised by a 39-member regional executive board, selected through public elections for four years at a time (the first vote was in October 2004). The new entity receives and manages all financial and human resources that were previously allocated to the municipal authorities. The pooling of competencies, funds and manpower on an upper administrative level is expected to contribute to the integration of social and health care services and to strengthen economic development and cooperation in the Kainuu region.

A.2.3 Ageing and service provision in a rural and peripheral context - structure, aims and objectives

The main strategic instruments for addressing the challenge of demographic ageing in Kainuu are the *Regional Programme 2003-2006*, which directs the region's resources towards common development priorities for the period, and the *Regional Plan 2020*, which provides a long-term framework in which the development goals for the region are defined. Although the challenge of ageing was mentioned in the first generation of strategic documents produced by the region, the issue was treated indirectly as a component of other policy domains. However, initial versions of these documents are currently being revised and the challenge of ageing is now being addressed more explicitly. The strategies are based on a comprehensive survey of the regional population that includes forecasts of regional migration patterns and age structures. Building this evidence base involved the development of a 'supply-demand' model of the regional economy. This aimed to identify the needs of the regional economy, analysing the current performance of enterprises in different sectors, predicting their likely development in the future and assessing the level of human and financial resources they will require. The process has provided some important insights. First, research confirmed that out-migration and ageing are fundamental challenges for Kainuu. More positively, Kainuu forecasts a high level of retirement of the current 55-64 years age group around 2010 and predicts that this will free work places for young people. In turn, this will slow the process of out-migration amongst younger people. Thus, while service provision for the growing population of older people is a challenge, the process of demographic ageing is seen as an important opportunity to solve regional unemployment problems. A basic assumption of this model is the presence of a skilled workforce to take up positions in the labour force. This assessment of the regional situation has produced four main strands for strategic regional responses to demographic ageing.

(i)   Welfare provision

Demographic ageing in Kainuu puts particular stress on the provision of welfare support and other services for older people. There is a danger that, given the peripherality of the region and the dispersion of parts of the population in isolated, rural communities, older people will move to institutions in Kajaani (the regional capital). This influx would put increasing strain on Kajaani's services in the coming years, weaken the social and economic cohesion of towns and villages outside of the centre and unbalance the spatial development of the region. One of the main drivers behind the region's experiment in self-government was to

address the fragmented and uneven pattern of municipal service provision and create an overarching, integrated system that was accessible to all parts of the region. The Regional Authority experiment has facilitated efforts by municipalities to coordinate service activity, benefiting in particular remote municipalities, which have serious problems in organising and supervising services. A prominent example of this is hospital districts, which encompass several municipalities in the region. Another solution to municipal cooperation is strong Regional Councils or organisations through which municipal cooperation and service production could be organised. Existing organisational boundaries, based on the fragmented municipal structure are being replaced: services are now organised as region-wide, integrated, customer-based service entities, including care.[90]

The importance attached to this challenge is reflected in the inclusion of ageing in the welfare priority of the revised Regional Programme. Several pilot projects exploring ways to develop support systems that encourage older people to access welfare and other services from their own home are now in the process of being extended throughout the region as part of the revised Regional Programme (e.g. 'Team-work in the Social Sector', funded through the EU Innovative Actions of Eastern Finland programme). Activities under this heading include the development of a new operational model for teamwork among social sector professionals working in sparsely populated areas, the training of volunteers and family members to provide support to older people in their own community and the strengthening of mobile welfare services.

The extension of Information and Communication Technology facilities to remote regions and the provision of training to older people so that they can access services online is an important aspect of this strand. Kainuu Regional Authority, together with municipalities, has built a common technical infrastructure of information technology. This "regional network" allows local administrations to use the same software applications, to develop a new division of labour and to transfer data between the municipalities. From a technological viewpoint these municipalities can be seen as one organisation. The joint technological infrastructure can serve as a platform for new forms and ways of providing services. The unified municipality administration network utilises cables and connections that reach the administrative and service centres of the rural municipalities. These physical connections offer also the possibility of broadband connections for private enterprises and households. However, many sparsely populated areas, outside the scope of the physical networks, lack the possibility of getting broadband links. According to recent estimations, around 20 percent of households are outside the commercial supply of broadband connections (not taking into account satellite links) in Kainuu. The Regional Authority, together with the municipalities, is constructing action plans to tackle the issue of broadband in remote and sparsely populated areas.[91] It is worth noting that this objective is echoed in the Finnish government's report on the demographic challenge, *Finland for*

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[90] J. Leinonen and P. Juntunen, 'A Few Years After Finnish Public Administration Reform: Regional And Municipal Administration In Comprehensive Perspective – The Current Situation, Critiques And Discussion' paper presented at EGPA Annual Conference, Ljubljana, Slovenia, September 2004.

[91] A. Aldea-Partanen, E. Lehto and O. Jukka, *Access to Services in rural Finland: Examples for Kainuu and North Karelia*, Oulu, University of Joensuu, 2004. Accessed at :< http://cc.joensuu.fi/~alma/deserve/raportit/rep04-finland.doc>.

People of All Ages: "Attention must be paid to the ability of older people to utilise information and communication technologies and the associated opportunities. In the future, information and communication technologies must be used more efficiently in service production".[92]

Moreover, the Joint Authority of Kainuu Region has established its own Elderly Service Unit, which organises and coordinates regional, district and local services for older people and their families in the region. Again, the primary goal is to support living at home. The goal set is that, by the year 2008, 90 percent of people over 75 years in Kainuu live at home, either in their own homes or in general supportive housing. A crucial aspect of this approach is that older people are regarded not as passive recipients of welfare services but as active participants in the planning of their lives with different actors. The coordination of services to older people (involving health, housing, transport etc) is thus the central established method, facilitated by the broader development of cross-cutting strategic regional frameworks.

(ii)   Clusters

Although addressed predominantly under the priority of welfare, there are also plans to strengthen the age-related aspect of the *Regional Plan's* priority of cluster development, through the possible extension of the *Seniorpolis* initiative. This was created by Ristijärvi municipality, which has the oldest demographic profile in the region (see Table 4) and can be seen as an attempt to incorporate an ageing dimension into the network of Centres of Expertise that has been developed in Finland over the past few years. The network emerged as a response to the threat posed to the area's economy by a sparse, declining and ageing population and the out-migration of skilled workers. Generally speaking, the concept is based on the use of Centres as factors in regional development. By linking a number of these technology parks with each other, specialisation and cooperation are facilitated and the duplication of activities avoided. By establishing a number of parks with specific areas of expertise in several different locations, knowledge and expertise can be exchanged, increased and diffused over a large geographical area. The *Seniorpolis* Centre of Expertise aims to develop business operations that promote well-being and lifestyle opportunities for senior citizens.[93] In co-operation with universities, research institutes and technical high schools, *Seniorpolis* promotes know-how, technology, product development and business concepts within different senior citizen services. The extension of the *Seniorpolis* initiative, as part of the revised *Regional Plan*, is currently being considered. However, it is important to note that there has been some opposition at the regional level, with arguments that it is largely a commercial enterprise and that promoting the region in this explicitly age-related way could have a negative impact on Kainuu's image.[94]

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[92] *Finland for People of All Ages*, p.72.

[93] 'Seniorpolis: A Unique Finnish Concept for Senior Citizens'. Accessed at :< www.seniorpolis.com/pagefiles/Esite-Seniorpolis1.pdf>.

[94] *Seniorpolis* presentations in Finnish and English, as provided by Jukka Oksa and accessed at: < http://cc.joensuu.fi/-alma/deserve/sotkamo.html>.

(iii)   Labour market

In the Finnish system, there is little room for regional or local authorities to develop distinctive arrangements in the labour market sphere. Policy is dictated by a tripartite system involving national government, trade unions and employers' organisations and regions work within this framework. Nevertheless, Kainuu, as well as other Finnish regions looking to develop their skills bases, is attempting to involve people approaching retirement age more actively in the labour market - either as workers or in the transfer of their knowledge and experience to a younger generation of skilled workers. The region applied under the EU's 6th Framework Programme for resources to finance a 'skills transfer' strategy. Although this was unsuccessful, the principles of encouraging mentoring, part-time work or work from home as a means of bridging the currently stark divide between work and retirement has been carried forward in the current generation of regional plans.

A.2.4 Implementation and delivery

(i)   Coordination

As noted above, an important driver for the creation of the Joint Regional Authority was the desire to aggregate resources and coordinate arrangements for the economic and social cohesion of the region. In Finland, the regional level is increasingly seen as the best arena to develop 'cross-sectoral', approaches to regional development. Broader, regionalised approaches to regional development encompass a variety of policy domains (e.g. economic development, transport, health, education etc.) albeit within an overall framework set at the national level. The challenge of demographic ageing is seen as part of this new definition of regional policy and the aim is to integrate responses in this field with other policies at the regional level. An important aspect of new coordination efforts has been the development of a shared evidence base, noted above. For instance, research on demographic processes has provided a basis for the development of Kainuu's education policy.

The development of new administrative and programming arrangements has created a stronger framework to coordinate age-related activities across organisations and policy domains, at least at the regional level. Given the peripherality of the region and the dispersion of parts of the population in isolated, rural communities, the Regional Authority is required to cooperate actively with municipalities, the third sector and private sector organisations, particularly in terms of service production. Although the consultation process for the development of new regional planning documents did not involve the participation of older peoples' representatives, Finland, and especially its rural areas, has a long tradition of voluntary work and voluntary associations. New partnership arrangements between regional authorities and the voluntary sector are evident, particularly in the field of welfare provision for older people in remote areas (as noted above). Related, partnership arrangements with regional businesses are also developing as the Joint Regional Authority is issuing tenders for the development of innovative products that will achieve its objective of improving welfare provision in these isolated communities.

Regarding cooperation with local level strategies, some municipalities were reluctant to participate in the process of regionalisation because they would lose control over

administrative processes and the allocation of funds. However, the integration of services has been broadly supported, particularly as national government still provides subsidies to municipalities with particularly acute economic or demographic challenges. The proposed inclusion of the *Seniorpolis* strategy from Ristijärvi in the revised Regional Plan illustrates ongoing attempts to coordinate responses to ageing. Coordination with age-related initiatives at the national-level is more uneven. Although some of those involved in the framing of Kainuu's regional planning documents consulted the government report *Finland for People of All Ages*, there are no institutional arrangements for the coordination of national and regional ageing strategies and little reference to the national framework in regional plans. Kainuu is one of four regions making up the Eastern Finland Objective 1 programme. It is involved in inter-regional strategies that encompass age-related initiatives often with support from EU funds, such as the Innovative Actions of Eastern Finland programme noted previously.

(ii)   Funding

For the next stage of the Kainuu self-government experiment, between the years 2005 and 2012, the Regional Authority will receive around €160 million in regional development funding from national and local levels and will have considerable freedom on how to use the money. Planning documents detailing how funding will be allocated are being finalised. However, in comparison to previous plans, the spending attached to age-related activities will be more explicitly defined.

(iii)   Monitoring/evaluation

As an experiment in regional self-government, the activities of Kainuu Regional Authority are being closely monitored and are the subject of ongoing evaluation. The impact of the *Regional Plan* under different priorities (welfare, education, clusters) etc is also the subject of evaluation. Age-related issues are assessed under this heading but there are currently no specific evaluations of the impact of specific, age-related measures. However, as responses to demographic ageing will be more explicitly outlined in the revised *Regional Plan*, the Regional Authority anticipates that more transparent evaluation of ageing policy will be possible.

A.2.5 Future perspectives

The Kainuu Regional Authority experiment is designed to run until 2012 and the *Regional Plan* is currently being refreshed. A more detailed response to the ageing issue is being developed as part of this. Other regional strategies are being developed, notably a specific Welfare Report which will have a clear age-related dimension. This will develop pilot projects in the field of welfare provision for older people in remote areas noted above. The aim is to produce a raft of integrated strategic documents where the ageing issue is addressed in a clear and consistent way. The possible extension of the *Seniorpolis* project and its inclusion in the *Regional Plan* is also under discussion and this could have a significant impact on the profile of the ageing issue in the region.

A.2.6 Assessment

- *Positive approach*. A characteristic of Kainuu's approach is that demographic ageing is perceived as offering potential benefits, including: cost savings and increased efficiency; decreasing unemployment; opportunities to reform working life; narrowing regional employment and unemployment disparities; new markets created by the increasing third age population; and greater appreciation of culture, values, experience, and communality.

- *Vital role of developing the evidence base*. The development of a database that included detailed demographic statistics and forecasts has driven ageing policy forward in Kainuu, highlighted region-specific challenges and opportunities and furthered the integration of age-related measures across policy sectors as part of the new, broader regional policy agenda.

- *Regionalisation as a solution for services for older people in sparsely populated areas*. A lack of 'critical mass' can be seen as a basic challenge for the region, given the fragmented municipal structure and the dispersed settlement pattern. The centre-periphery dichotomy presents a challenge for service provision. Ageing has particularly serious implications for areas outside the major urban centres where the absence of service provision can force older people to move to regional centres. A key question is: what possibilities are there to maintain basic welfare services in areas where ageing is an issue and where health care provision, for instance, can become stretched? On the other hand, this lack of critical mass presents an opportunity to change policy approaches and service systems relatively quickly. Multi-professional working models, integration between social and health services, integrated planning models; as well as quality and information management are increasingly prominent characteristics of the care system for older people. This rationalisation and coordination of services to older people has been furthered by the experiment in regional government, the pooling of municipal resources and the development of regional planning frameworks.

- *Role of Information and Communication Technology* (ICT). The case of Kainuu highlights the interrelationship between information technology and active ageing strategies. ICT can make an important contribution towards the provision of improved senior services, but also could be effectively utilised for the education and skills-development of older persons, thus improving their income generation capabilities as well. In regions such as Kainuu, large numbers of older persons reside in remote and geographically isolated rural areas, often without much physical infrastructure, and therefore lack access to many services. Innovative ways are being developed to effectively mobilise ICT towards improving the living environment of older persons. The relationship between ICT and active ageing strategies in the working sphere is also being explored as the region is searching for new ways to keep older people engaged in the labour market.

- *Coordination is a challenge, particularly between national and regional levels*. Although strong at regional and sub-regional levels, the coordination of age-related

policies between national government and the regional level is still uneven. This is understandable as the intermediate administrative level in Finland currently consists of a variety of bodies with varying powers, representing different combinations and compromises between national and local levels. According to recent research, regional disparities connected to population ageing have still to be adequately addressed by national policy makers.[95] In the field of labour policy, the region is keen to challenge the traditionally stark division between working life and retirement in Finland by involving older people in mentoring, part-time work or working from home. However, national strategies addressing the impact of ageing on labour markets set the framework within which regional measures can be introduced and here the lack of national-regional coordination is particularly apparent.

- *The Seniorpolis initiative provides an example of the potentials and challenges of projects aimed at developing regional markets for older people.* On the one hand, *Seniorpolis* is a potentially important initiative in the region, developing markets for older people that could contribute significantly to the regional economy. On the other hand, tensions persist over how the public sphere could be involved in what is essentially a commercial enterprise. There are also concerns about the implications, in terms of regional branding, of publicising Kainuu as a 'sunset region' dedicated to older people.

A.3   Noord-Brabant (The Netherlands)

A.3.1 National policy context

As in other countries, responses to demographic ageing in the Netherlands have differed between the central and regional governments. At the central level, the focus has been on the labour market and on pension reform. According to a recent study, the Netherlands is better placed than most OECD countries to meet the pressure of pension and health care systems because it has a developed occupational pension system. The Dutch occupational pension system pre-funds fiscal pressures from population ageing. Also, the age-dependency ratio is currently below the EU average and population ageing is occurring less rapidly than in other EU countries, partly as a result of immigration from abroad.[96] Central government has introduced subsidies and tax incentives for employers to hire and train older workers and has achieved some success in increasing employment opportunities. Nevertheless, population ageing remains a substantial challenge, mostly as a result of declining fertility rates since the 1960s.[97]

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[95] T. Ketola and J. Kunz, *Population ageing and its consequences in Finland – A review of current trends and debates*, Tampere, University of Tampere, 2005.

[96] OECD, 'Speech by Ms. Martine Durand, Deputy Director of OECD Directorate for Employment, Labour and Social Affairs, on the occasion of the OECD review of Ageing and Employment Policies for the Netherlands, The Hague, 5 September 2005. Accessed at :< http://www.oecd.org/dataoecd/49/14/35311992.pdf>.

[97] D. Carey, 'Coping with Population Ageing in the Netherlands', *Economics Department Working Papers* No. 325, OECD, March 2002.

In recent years, the Dutch government's perception of the ageing issue has broadened. The Ministry of Health, Welfare and Sport has policy responsibility ageing policy. The Ministry has been working with the Ministry of Housing, Spatial Planning and Environment and the Ministry of Social Affairs and Employment to examine the long-term future of policy for older people. At the end of 2004, the Dutch government presented a broad vision on the policy implications of the ageing population up to the year 2030. Though at an early stage, this reflects increasing efforts to integrate policy responses to ageing at the national level. In addition, in the second half of 2004, the Dutch presidency of the European Council adopted, as one of its main priorities, building strategies for healthcare in the light of population ageing.[98] The Netherlands Interdisciplinary Demographic Institute (NIDI) provides important demographic data to policy-makers.

A.3.2 Regional context

Regional disparities in population structures are less pronounced in the Netherlands than elsewhere. Nevertheless, different provinces are experiencing different rates of demographic change and the characteristics of the ageing agenda also vary. The province of Noord-Brabant is located in the south of the Netherlands.

Figure 10: Location of the Noord-Brabant region

Source: Adapted from European Commission, *EU at a Glance, Index, Maps.* Available at: <http://europa.eu.int/abc/maps/index_en.htm>.

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[98] 'Healthcare: Dutch Presidency to tackle ageing populations problem', *Euractiv.com*, 23 August 2004.

Noord-Brabant has 2.4 million inhabitants who live in 69 municipalities. Most of the population lives in urban areas. Dutch provinces are non-autonomous sub-divisions of the state: each province consists of a Provincial Parliament, elected every four years; a Provincial Executive headed by a Provincial Board elected from members of the Provincial Parliament; and a Royal Commissioner who heads both the Provincial Parliament and the Provincial Board. The rapidly changing demographic structure of Noord-Brabant was a basic motivation for the development of ageing programmes. Although Noord-Brabant is younger than the Dutch average, ageing of its population has been faster than in other Dutch provinces (see Table 5).[99] In the second half of the 1990s, ageing of population was

Table 5: Older cohorts of population as part of the total population by province in the Netherlands (in percent)

Geographical area	Periods	Age cohorts	
		65-79 yrs	>= 80 yrs
Noord-Brabant	1995	9.3	2.4
	2003	10.5	2.8
The Netherlands	1995	10.1	3.1
	2003	10.4	3.4
Groningen	1995	10.7	3.7
	2003	10.5	3.9
Friesland	1995	10.5	3.6
	2003	10.8	3.7
Drenthe	1995	11.3	3.2
	2003	11.9	3.8
Overijssel	1995	10.1	3
	2003	10.6	3.2
Flevoland	1995	7.7	1.4
	2003	6.8	1.8
Gelderland	1995	10.1	3
	2003	10.5	3.3
Utrecht	1995	9.4	3
	2003	9.2	3.1
Noord-Holland	1995	10.2	3.3
	2003	9.9	3.5
Zuid-Holland	1995	10.3	3.5
	2003	10.1	3.7
Zeeland	1995	11.8	4.2
	2003	11.9	4.6
Limburg	1995	10.7	2.6
	2003	12	3.2

Source: Statistics Netherlands, 2005.

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[99] H. Hilderink, *Orientation on demographic developments in Europe: Candidate countries, Norway and the regions Wielkopolskie and Nord-Trøndelag*. Netherlands Interdisciplinary Demographic Institute, 2002.

demonstrated in the demand for housing for older people and in labour market statistics. Ageing processes in the province's relatively large immigrant population added an extra dimension to the challenge. In response, the Provincial Executive commissioned NIDI to undertake demographic surveys and the results confirmed accelerating processes of demographic change in the province.

In the second half of the 1990s, the Provincial Executive launched the *Vitality in Age* programme as a first policy response to demographic ageing in Noord-Brabant. The programme, funded by €800,000 a year, concentrated on: "the retention of independence among older people and the increased influence of older people themselves". Local groups of senior citizens were involved in the programme, which consisted of a number of small projects, focusing, for example, on establishing 'age-proof' municipal policies, computer literacy, safety and crime prevention, and better housing for older people.[100] First experiences with the *Vitality in Age* programme revealed a significant lack of awareness of demographic ageing among citizens, most municipal governments, other relevant organisations, and, indeed, individual departments of the Provincial Executive. This lack of awareness complicated the implementation of the *Vitality in Age* programme.

The provincial government responded by developing the *Brabant Between Dejuvenation and Demographic Ageing* initiative as a means to raise public awareness of consequences of demographic ageing and to incorporate the ageing agenda into the daily work of provincial and municipal governments. The Initiative ran for the years 1999-2003. A crucial part in its formulation and implementation was played by Lambert van Nistelrooij, a member of the Noord-Brabant Provincial Board for public health, comprehensive policy for older people, housing, urban renewal and internationalisation from 1991 to 2003. The Initiative was underpinned by research undertaken by the PON Institute for Advice, Research and Development, located in the city of Tilburg and supported by the Provincial Executive.[101] Both *Vitality and Age* and *Dejuvenation and Demographic Ageing* then ran side-by-side. They had separate budgets and separate management but were they were closely connected by their focus. Pensioners' organisations, which generally command considerable influence in the Netherlands, were very active in the development of the Initiative: a key contribution was ensuring that the issue of demographic ageing remained high on the political agenda as the Initiative was being developed.

A.3.3 Promoting awareness of the opportunities and challenges of ageing – structure, aims and objectives

At the beginning of the Initiative, the Provincial Executive set itself six goals:

1. to explore and clearly portray the consequences of demographic trends

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[100] Alive, European Challenge to Ageing, *Product Catalogue, Vitality in Age*, Tilburg, 2002; and Committee of the Regions, *Older People in Working Life. Presentation of relevant actions by local and regional authorities*. European Communities, Brussels, 2003, p.283.

[101] Dutch Research Database (KNAW), *Research Information in the Netherlands, PON Institute for Advice, Research and Development in Northern-Brabant*. Accessed at :< http://www.onderzoekinformatie.nl/en/oi/nod/organisatie/ORG1236746/ >.

2. to share with others the knowledge and research results

3. to bring about awareness and a change in attitudes (including drawing attention to ageing among ethnic minorities in the province)

4. to explore, and help, other innovative initiatives responding to demographic trends

5. to draw up a picture of what the role of the province should be so that Noord-Brabant would be better prepared for the future

6. to expand internal knowledge of demographic ageing within the Provincial Executive (including making population ageing part of the agendas of individual policy departments).[102]

A.3.4 Implementation and delivery

The Provincial Executive started the Initiative by organising four meetings on different topics in different parts of the province. These meetings concerned the economic impact of ageing; housing; health and welfare; and multicultural aspects. The purpose of these meetings was to put population ageing on the political agenda. Representatives of municipal governments and other organisations such as private housing companies, employers and chambers of commerce were invited to these meetings, depending on the topic discussed.

The Initiative was implemented through conferences, surveys, promotion materials, and internal meetings within the Provincial Executive. However, the bulk of delivering the Initiative lay in so-called pilot projects. These projects were directly implemented by the province, with municipal governments' social care organisations and voluntary associations taking part on a voluntary basis. Pensioners' organisations, which had been active in increasing the political profile of the Initiative, were not involved in implementation at the provincial and municipal levels due to the complexity of administrative work involved. From the very beginning, municipal governments were considered as essential partners in the Initiative. Although the importance of the provinces has gradually risen as planning and coordination became a more prominent precondition in the policy-making process, municipal authorities, particularly those that included large cities, have significant fund-raising powers and are important policy-implementation agencies. Thus, a crucial goal of the initiative was to influence municipal governments in the province to develop their own strategies. In funding the pilot projects in the municipal governments, the provincial government deliberately attempted to focus on 'best practice' models that could be extended throughout the region.[103] In some cases, these provincial efforts tapped into existing initiatives as some municipal governments had recognised the importance of demographic ageing even before the provincial Initiative was launched.

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[102] IVA Tilburg, *Brabant tussen ontgroening en vergrijzing. De stand van zaken* [Brabant between Decline in Younger Populations and Demographic Ageing. The current state of affairs], Tilburg, January 2003.

[103] *Ibid.*

For example, the municipalities of Moerdijk and Breda had started to develop strategic approaches to ageing, attempting to mainstream demographic issues across a range of policy domains. The introduction of the provincial Initiative boosted these approaches, offered additional channels for activity and provided an integrated framework into which municipal efforts could feed. In addition to the pilot projects at the municipal level, research institutions were involved in implementing the Initiative. The PON Institute hosted the Dutch branch of the European Regional Network Alive which operated under the auspices of the Assembly of European Regions. The Alive network brought together European regions to cooperate on responses to demographic ageing.[104] In the first year of the Initiative in 1999, Noord-Brabant hosted a conference on Strengthening the Position of the Elderly in the Ageing Society, co-organised by the Assembly of European Regions. The conference produced a document 'Ten Commandments of Brabant', outlining recommendations for active ageing.[105] This made demographic ageing in the province more publicly visible. In the course of the Initiative, the PON Institute also advised on policy design. Further, the NIDI produced comparative research on demographic ageing in different European regions.[106]

(i)   Coordination

The *Brabant between Dejuvenation and Demographic Ageing* initiative had its own Project Manager, who was responsible directly to the Provincial Board. A Project Plan was put in place for the duration of the Initiative between 1999 and 2003. A coordinating Project Group was composed of representatives of different departments. An evaluation report to the Provincial Board in 2003 concluded the Initiative.

(ii)   Funding

The provincial budget earmarked 2 million guilders (approximately €850 000) for the *Brabant between Dejuvenation and Demographic Ageing* initiative for the 1999-2003 period. Funding was not renewed for the following period. In addition, the pilot projects were co-funded by participating organisations.

(iii)   Monitoring and evaluation

An evaluation report, conducted by IVA Tilburg, was published at the beginning of 2003, shortly before the conclusion of the Initiative. The evaluation reported important achievements:

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[104] Club of Amsterdam, *Links, Senior Citizens and Future Technology, PON, The Netherlands*. Accessed at :< http://www.clubofamsterdam.com/links.asp?CatId=15>.

[105] Alive, European Challenge to Ageing, *Ten Commandments of Alive*, 's-Hertogenbosch, October 1999.

[106] H. Hilderink, *Regional Demographic Developments in Europe: A comparative overview of developments in Noord-Brabant*; and H. Hilderink, *Orientation on demographic developments in Europe: Candidate countries, Norway and the regions Wielkopolskie and Nord-Trøndelag.* Netherlands Interdisciplinary Demographic Institute, 2002.

- Generally, the six goals of the Initiative had been achieved

- The evidence base provided by NIDI research was valuable

- The effect of the Initiative on public awareness and recognition of demographic trends had been quite strong

- Policy-makers in the province had recognised demographic trends and attitudes amongst provincial actors and organisations were changing

- The Initiative had boosted the resources dedicated to and information available on ageing issues at provincial level

- The pilot projects had contributed to establishing demographic ageing as an integral theme in certain municipalities and had motivated actors and organisations in municipalities

- This mobilisation was particularly noticeable among rural municipalities, where demographic ageing was often perceived as particularly important, given the out-migration of younger people leaving for towns and cities.[107]

However, the report also highlighted issues where the Initiative had struggled to meet its objectives:

- There was still not enough awareness of the ageing of ethnic minority population

- Several municipalities did not take part in the Initiative because they did not see ageing as a relevant issue

- Within the Provincial Executive, the internal 'embedding' of the agenda could have been improved

- The project leaders' experience was that provincial support was restricted to providing funding rather than providing advice. While municipalities already active in developing ageing strategies did not see this as a problem, others wanted to see more provincial leadership. Intensive contact between the provincial government and project leaders was perceived to be lacking; and priorities of the project leaders did not necessarily follow those of the province.[108]

The evaluation report recommended that the Provincial Executive should incorporate the stock of ideas from the Initiative and keep demographic ageing on the agenda. In the future, ways should be sought to stimulate the sense of a joint approach among the project

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[107] IVA Tilburg, *Brabant tussen ontgroening en vergrijzing. De stand van zaken* [Brabant between Decline in Younger Population and Demographic Ageing. The current state of affairs], Tilburg, January 2003

[108] *Ibid.*

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leaders. The provincial government should also request participation of the project leaders in publishing their experiences and blueprints for other projects.

A.3.5 Future perspectives

On the conclusion of the Initiative, the provincial government attempted to increase further public attention to population ageing. It asked the IVA Institute at the University of Tilburg to organise workshops for municipalities on future demographic scenarios and their policy implications.[109] However, shortly after the conclusion of the Initiative, one of its main champions, Lambert van Nistelrooij, left the provincial government and subsequently the manager of the Initiative also moved to another department. As a result, no-one at provincial level is currently responsible for promoting the ageing agenda and the loss of motivated personnel has diminished the momentum behind ageing policy in the provincial authority. In terms of individual provincial policies, the impact of the Initiative has been uneven. The housing and health care departments now take demographic ageing into account in policy-making and implementation. In transport, the impact of the Initiative has been much less.

The ageing policy agenda promoted by the Initiative appears more entrenched in some municipal governments. As noted above, several municipal governments in the province are adopting demographic ageing into their policy agendas and planning documents partly as a result of the provincial Initiative. Moreover, although provincial funding for the pilot projects ceased in 2003, related activities continue to be funded from the general provincial budget. For example, a subsidy regime is in place for those municipalities that include considerations of older people in their policies. The Provincial Board has established a Knowledge Centre for Elderly People in Breda, which aims at a culture change in people's opinions about older people and the world of work.[110] In addition, the Provincial Executive funds facilities in those municipalities where older people can socialise and provides subsidies to municipalities in rural areas to support transport.

A.3.6 Assessment

- The case of the Noord-Brabant Initiative demonstrates the value of awareness-raising exercises in addressing the needs of older people at the regional level. Awareness-raising can have several dimensions. First, it involves "explaining the problem" to politicians, administrators and the wider public in order for it to be understood and recognised as a political priority. Second, demographic ageing must be made "somebody's problem" because money and time need to be invested to achieve tangible outcomes. Third, it is important for people to physically see the results of ageing strategies, such as accessible houses, in order to retain their support.

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[109] IVA Tilburg, *Organisatie van Scenarioworkshops 'Ontgroening en Vergrijzing'*, Tilburg, November 2003.

[110] Club of Amsterdam, *Links, Senior Citizens and Future Technology, Centre Werkwijzer Breda, The Netherlands*. Accessed at: <http://www.clubofamsterdam.com/links.asp?CatId=15>.

- The importance of political commitment and the participation of motivated individuals in pushing innovative approaches to ageing are also apparent. The Initiative would not have existed without a campaign to muster political support in the region and the activity of a core of dedicated people to push the initiative through.

- The Initiative also shows the importance of active pensioners' organisations and of thorough demographic research in bringing about regional strategies addressing population ageing. Lessons could therefore be learnt from Noord-Brabant about how to politicise demographic ageing and secure public funding for ageing strategies.

- The case demonstrates the value of involving municipal governments in regional strategies from the beginning. In the Noord-Brabant case, this method has ensured a degree of continuity in active policy approaches to demographic ageing.

- On the other hand, the Noord-Brabant Initiative also shows how fragile policy responses may be when they heavily depend on the political support of the day. A long-term phenomenon such as population ageing may not easily respond to political considerations which tend to be focused on immediate results. Political support is necessary but it needs to be accompanied by setting up dedicated structures to sustain the agenda or by some other means of ensuring continued commitment.

- The provision of funding alone was enough to mobilise some regional actors to participate in the Initiative, particularly those with existing initiatives in the ageing policy field. However, the weakness of supporting frameworks, guidance and information at best risked an uneven response across the region and may have isolated those areas and sectors where resources were most required.

A.4   Nordrhein-Westfalen (Germany)

As Germany is a federal country, policy making competencies are divided between the federal and *Land* levels. Decision-making between the two levels is complex and highly interrelated. This also holds true for possible responses to demographic change. For instance, the respective federal Ministries are responsible for labour market legislation and the pension system. This means that, before looking at a specific *Land* such as Nordrhein-Westfalen, it is necessary to analyse first what has been done at the federal level with respect to the issue of demographic change.

A.4.1 National policy context

Although there is no overarching national strategic framework, the federal level has been active in three main policy fields with an impact on older people. The following sections outline the institutional and policy frameworks in these three fields – the labour market, the pensions system and the working environment.

(i)   Labour market

The Federal Ministry for the Economy and Labour, the Federal Employment Office, the trade unions and their confederation DGB (German Trade Union Congress) are all influential actors in the labour market field. The Federal Employment Office, which is a public body, is subdivided into several regional agencies which are responsible for policy implementation at sub-national level. Their tasks are manifold and range from the provision of counselling services to employers and employees, job service and support of training measures and the administration of unemployment benefit. The Ministry for the Economy and Labour is responsible for the coordination of job placements and for preparing legislation protecting against redundancies, guaranteeing the right for part-time work and gradual retirement. Moreover, the Federal Ministry for Education and Research issues campaigns and programmes on topics such as the future of work and the innovative potential of companies against the background of demographic change.

Figure 11: Location of Nordrhein-Westfalen

Source: Adapted from European Commission, *EU at a Glance, Index, Maps.* Available at: <http://europa.eu.int/abc/maps/index_en.htm>.

With rising unemployment rates, labour market policies since the 1990s have been characterised mainly by activating measures. By reducing unemployment and welfare benefits the federal government hopes that people will be motivated to look actively for jobs, either as employees or self employed persons. This approach applies to older people of working age. Under the *Job-AQTIV* initiative of 2002, special subsidies are available for employers who hire workers of 50 and over. Each person can be supported for a maximum of 36 months.[111] The Laws on Modern Labour Market Services introduced incentives to hire

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[111] Cf. the Social Law, Book III, paragraphs 217-222. Accessed at: <http://www.bmgs.bund.de/download/gesetze_web/gesetze.htm#sgb03/sgb03x218.htm>

older workers and to include them in re-training measures. Moreover, employers who hire persons over 55 can be exempted from contributions to unemployment insurance. Workers above the age of 50 who take up a job that is below their qualification and is less paid than their former position can apply for a subsidy which bridges that gap. Training provision is seen as very important for older workers. The *Job-AQTIV* Act contains the provision that the Employment Office will cover the costs for training measures of older employees in SMEs. It is in the responsibility of the Federal Employment Office to implement the new provisions under the *Job-AQTIV* Act. The regional offices are applying different approaches which will be more closely examined for the Nordrhein-Westfalen case below. Paradoxically, at the same time that the government is attempting to increase employment opportunities for older people, job protection measures have been reduced. For example, the Law on Labour Market Reforms from 2004 simplifies procedures to dismiss older workers. Whereas under the Law on the Protection against Dismissals of 1969, the employer had to consider several criteria (such as age, seniority, dependants, disabilities, etc) before being able to dismiss a person, the new law has reduced these criteria.[112]

(ii)   Pension system

The German pension system is earnings-related and based on contributions to pension insurance. This insurance-based system implies that the more retirees there are relative to the working population (i.e. employees), then expenses will increase and labour costs rise. Pre-retirement and partial retirement measures have been developed in response. For example, the Second Law on the Reform of Partial Retirement of 2000 includes a provision that the possibility for early retirement will be closed by 2010. Recent reforms have shifted the pension system towards a multi-pillar approach, including a reduced public component and private provisions. From July 2005, a so-called sustainability factor was introduced which effectively absorbs the consequences of changing demographics. The reform aims to gradually increase the age of eligibility for old-age pensions after (long-term) unemployment or after part-time work for older workers. Despite these measures, there has hardly been any change in the average retirement age: very few older insured people actually retire at age 65 but, rather, claim a public pension at the earliest possible age.[113]

(iii)   Other federal initiatives

Working conditions that minimise physical or psychological stress have been identified as important factors in keeping older people in work. In 2002, the Ministry for the Economy and Labour launched the 'Initiative for New Quality of Work' (INQA) which explicitly addresses the issue of an ageing workforce.[114] INQA has the goal of facilitating co-operation between employers and workers on the basis of partnership, supporting vocational training, health protection and adjustment of working conditions, and introducing more flexible work organization and better reconciliation of family and work. INQA further aims to stress

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[112] P. Aleksandrowicz, *Active Ageing and European Labour Markets Country Report Germany*, ZeS, Bremen, Universität Bremen, 2004, p. 27.

[113] *Ibid*, p. 24.

[114] An up-to-date version of the programme was accessed at: <http://www.inqa.de/Inqa/Navigation/root.html>.

the competences and the innovative potential of older employees, which implies the necessity of a paradigm shift from the 'deficiency to the competence model'. Also at the federal level, the Ministry of Education and Research has initiated several awareness campaigns that aim to change the attitude of the population towards older people. For example, the Public Relations and Marketing Strategy 'Demographic Change' was completed in 2003.

A.4.2 Regional context

As in Germany as a whole, the *Land* of Nordrhein-Westfalen is affected strongly by the low birth rates of the late 1960s and early 1970s. These have led to negative population growth rates. However, this trend has been obscured by immigration and was mostly neglected by policy makers at that time. With reunification it became clear that population ageing could no longer be ignored since it posed a serious threat to the social system.

The impact of demographic change is expected to be particularly strong in towns and municipalities in the Ruhr area, which is Europe's second biggest urban agglomeration.[115] Calculations show that, by 2015, the Ruhr area will have lost around 7 percent of its population, totalling 374,000 inhabitants. On the other hand, the population of Nordrhein-Westfalen is predicted to increase by 1.3 percent as a consequence of immigration.[116] Urban areas are confronted with an ageing population and a rising number of migrants who already represent the majority of the population in several districts. Furthermore, well educated young people are leaving the agglomerated areas. This 'socially-selective' migration leads to socio-economic disparities and strongly changing population structures. This has not only negative consequences for the urban areas but also for sub-urban communities, for example by creating scattered settlement structures that put pressure on social services.

In addition to specific issues related to agglomerations, the following general trends can be observed in Nordrhein-Westfalen: [117]

- The part of the population above 60 years is predicted to increase from 24.3 percent in 2002 to 28.2 percent in 2020

- There are unemployment problems for older workers

- Currently older people are relatively rich

- The income gap is projected to increase, leading to fewer wealthy but more poor people

- Living conditions are changing

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[115] K. Strohmeier, *Bevölkerungsentwicklung und Sozialraumstruktur im Ruhrgebiet* (Essen, 2002).

[116] The original calculation and data were accessed at:
http://www.lds.nrw.de/statistik/datenangebot/daten/b/jahresbericht2004/index.html>.

[117] F. Frerichs and M. Sporket, *Alter gestaltet Zukunft Politik für Ältere in NRW Datenreport*, 2004.

- Voluntary work is widespread but there is scope for increases

- The need for intensive care is expected to increase significantly.

A.4.3 Ageing, labour markets and regional economic restructuring in a federal context – structure, aims and objectives

The most comprehensive *Land*-level response to the ageing challenge is the '*Alter gestaltet Zukunft*' (*Age Shapes the Future*) programme of the former *Land* Ministry for Health, Women and Family, issued in 2004 and scheduled to continue until 2010. Several policy areas are covered by the programme:

- Promoting voluntary work and political engagement

- Provision of adequate living space for older people, including transport and access to culture

- Health and care

- Labour market issues

- Senior citizens as consumers.

The *Age Shapes the Future* programme is a broad framework document rather than an action plan. It does not entail specific quantitative targets or details on resource allocation to different measures. Moreover, it cannot be expected that additional funding will be made available to tackle population ageing since the document states that the issue shall be addressed by using the current financial resources. Nevertheless, a variety of initiatives has emerged from the *Land* government in recent years which address labour market and post-retirement aspects of the ageing agenda. The aims, implementation and assessment of these are assessed separately below.

(i) Labour market initiatives: Arbid and GiGA

Under the title "*Arbeit und Innovation im Demographischen Wandel - Arbid*" (*Work and Innovation During Demographic Change*), the former Ministry for Economy and Labour of Nordrhein-Westfalen, together with the social partners such as employers organisations and the German Trade Union Confederation (DGB), has launched an initiative which aims to help enterprises to respond appropriately to the challenges of demographic change, including occupational health and safety measures. The *Arbid* initiative pursues the following goals:

- the elaboration of common positions in urgent fields of action, e.g. human resources and product development

- facilitate dialogue between enterprises, federations (e.g. business chambers) and academics

- public relations and awareness raising

- provide support for enterprises to analyse their specific situation

- pool experts together who are able to provide consultancy services.[118]

In order to fulfil these aims, meetings and workshops for entrepreneurs and human resource managers are organised with the goal of exchanging experience and developing best practice examples. Moreover, training courses are provided for human resources managers who want to analyse the age structure of their company and respond to changes appropriately. In addition to resources from the partners, *Arbid* is supported with some € 1-2 million from *Land* and EU sources in the form of European Social Fund co-finance.

In cooperation with the Regional Employment Office, the *Land* Ministry for Labour, Health and Social Affairs has launched the Initiative for Older Long-Term Unemployed Persons[119] (again with European Social Fund co-financing). The main goal of this initiative is to integrate this target group into the labour market by supporting model projects and to raise awareness of the urgent problems related to long-term unemployment of older citizens. Because of the new federal legislative framework which reduced retirement options and social benefits, older people are particularly severely affected by unemployment. This initiative can be interpreted as a reaction to these restrictive federal rules. The Organisation for Innovative Employment Promotion (G.i.B), which is a federal advisory organisation dealing with all aspects of labour market policies, serves as the implementing agency of the programme. Its activities include project selection, monitoring of lead projects and awareness raising as well as knowledge transfer and exchange of experience.[120] In total, the initiative is financed by € 10 million *Land* and EU funding. It comprises of around 70 projects, each with 30 participants on average. Around 2000 persons will be supported until 2007. The first call for project proposals was launched in 2004. Of 141 applications, 32 from different regions have been granted support, comprising around 20 participants per project. The projects started at the end of 2004 and another call was launched at the end of April 2005.

Model projects can involve the following themes:

- Addressing the individual needs of long- term unemployed persons such as employment training measures, internships and measures that aim to support business creation of long-term unemployed

- Utilisation of experienced older specialists

- Placement of older people in seminal sectors, e.g. integration into *Silver Economy* initiatives (see below)

- Support for potential founders of new businesses, e.g. information campaigns

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[118] As stated in the web site accessed at :< http://www.arbid.de/>.

[119] See: <http://www.gib.nrw.de/specials/projektaufrufe/langzeitarbeitslose/aufbau.htm?id=37163>.

[120] See: <http://www.gib.nrw.de/de/job/aeltere_langzeitarbeitsl.htm?id=37163>.

- Support of consultancy measures for enterprises and improving matching-processes directed at integrating older unemployed persons

- Development and testing of new instruments that aim at step-by-step integration into employment (e.g. "pool-models")

- New ways for integrating low qualified long-term unemployed people, e.g. into public jobs.

As an example, a project in Düsseldorf involves the creation of a service pool for older craftsmen. It comprises training measures for the unemployed with the aim of reintegrating them into the labour market. It also supports business creation in the handcraft sector with the aim of 5 percent of the participants becoming self-employed. [121] All projects are still in their initial stages and no concrete results have emerged. However, according to an ongoing evaluation undertaken by G.i.B., a very heterogeneous group of older people have been addressed due to the range of different projects. The evaluation stressed that the flexibility of the initiative has been crucial. G.i.B. predicts that 40-50 percent of participants will gain employment.

In addition, the *Land* Ministry for Labour, Health and Social Affairs launched the 'Work Healthier' association [*Gemeinschaftsinitiative Gesünder Arbeiten e. V.* (GiGA)] to ease work-related health problems amongst the older workforce. The programme has been extended recently for another three years until June 2007. The association has at its disposal around €400,000 per year. The Ministry provides human resources and technical support for the organisation. Besides organising campaigns related to general safety measures for all employees, special needs of older employees (between 39 and 50 years) are addressed by the initiative. GiGA offers consultancy and advice and supports model projects in Small and Medium-Sized Enterprises, corporate businesses and public organisations. In organisational terms, GiGA is closely linked to the *Arbid* initiative since the same department in the Ministry is responsible for implementation.

As a best practice example, the Ford automobile company based in Cologne was granted an award in 2004.[122] In cooperation with the research institute IQPR (*Institut für Qualitätssicherung in Prävention und Rehabilitation*) Ford developed a programme to integrate older employees in the production process while taking account of their physical and psychological needs. Based on individual analyses of 500 employees, 300 were reintegrated into the production process. The others were found a working place in other departments of the company. As a consequence of these measures, the number of employees with disabilities was reduced in 2002 and 2003 and a total cost of €8 million for new employees was avoided.

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[121] See :< http://www.gib.nrw.de/de/projekte2/detail.htm?refid=160218272&id=33026 >.

[122] See :< http://www.gesuenderarbeiten.de/best_practice/GiGA-Award-2004/Ford_IQPR_Internet.pdf >.

(ii)   Post-retirement strategies: Silver Economy

In recent years, there has been increasing awareness, in Nordrhein-Westfalen and Germany as a whole, of the potential socio-economic benefits of mobilising senior citizens' purchasing power. Recently published research concluded that a proactive response to the needs and interests of older people in Nordrhein-Westfalen could result in the creation of around 100,000 new jobs by 2010. The state government's tax revenue could increase by a total of over €1.2 billion by 2010. Local governments could collect an additional €800 million, and wages and salaries could rise by €6.5 billion. Similar studies for the Federal Republic of Germany forecast more than 900,000 additional employees in the 'silver economy' within the next two decades and conclude that there are no other sectors or businesses with a higher growth potential in the German economy.[123] Against this background, the task force *Silver Economy* (*Seniorenwirtschaft*) was founded in February 2000 by the *Land* government and social partners. Since 2002, it has operated as a *Land* initiative and is led by the new Ministry for Generations, Women, Family and Integration and the Ministry for Labour, Health and Social Affairs.

Rather than a direct response to the challenge of ageing, the *Silver Economy* initiative can be seen more as an attempt to use demographic processes to address socio-economic challenges such as unemployment and weak economic growth. The initiative lists the following socio-economic goals:

- Improving the living situation of older people by offering them more and better goods and services which are designed according to their needs

- Raising awareness in society of senior citizens as consumers and a politically active part of the population

- Encouraging enterprises to increase their product range to meet the needs of older people (leading to economic multiplier effects)

- Establishing Nordrhein-Westfalen as a competence centre for questions relating to ageing and demographic change in order to send positive signals to the business environment leading to positive effects for employment and economic growth.

The following concrete tasks and challenges are also outlined:

- Raising awareness for the business sector including the social and health sector

- Starting pilot projects in order to highlight the potential of the 'silver market'

- Improving contacts and networking of relevant actors in order to develop and market new products

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[123] B. Augurzky, and U. Neumann, *Ökonomische Ressourcen älterer Menschen. Regionalwirtschaftliche und fiskalische Effekte einer Förderung der Seniorenwirtschaft in Nordrhein-Westfalen*, 2005. Accessed at :< http://www.silvereconomy-europe.org/news/index.htm>.

- Establishing international contacts in order to advertise Nordrhein-Westfalen products and services and increase their export

- Training measures for management and employees

- Establishing a social-economic framework in order to increase the standard of living of older people.

The approach of the initiative is 'dialogue-oriented' which means that a variety of different actors such as businesses, trade unions, caring organisations and universities are brought together in order to react appropriately to demographic change. Within this framework, three themes under the responsibility of three working groups have been established. Each working group is involved in a range of measures, examples of which are provided below:

- *Telecommunications and new media*. The project Tele Health Monitoring, launched in 2004, is as an example of projects supported under this heading. The aim is to examine possibilities that exist with new forms of communication to monitor the health of older people at a distance. This allows these people to remain in a familiar environment as long as possible.

- *Living, handicraft and the service sector*. The working group on Living, Handicraft and Services of the *Silver Economy* Initiative established a quality certificate on newly-built sheltered housing.[124] Since there are a variety of different forms of sheltered housing available, this quality certificate aims to increase transparency for older people, investors, architects and service suppliers.

- *Leisure, well-being, tourism, sports, wellness and culture*. One initiative under this heading brings together regional hoteliers and tourism managers. The aim is to develop tourism products and services according to the needs of older people in order to increase employment and growth in the tourism and leisure industry and to make Nordrhein-Westfalen a more attractive region for national and foreign senior tourists. With support from the *Land* Ministry, a heterogonous group of hotel owners, medical clinics and regional tourism offices has come together in order to optimise the regional tourism and wellness supply according to the needs of older people. Since summer 2001, a guide has been published regularly to exchange information and help create new products.

As an extension of the *Silver Economy* initiative, the Land Ministry for Health, Social Affairs, Women and Family launched the SEN@ER programme in 2005 in order to extend the initiative into a European-wide network of regions. The Ministry is financing a European SEN@ER Secretariat up until 2007, located in Bonn. The main goals of the network are to:

- Organise Special Interest Groups and exchange workshops on specific 'silver economy' issues

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[124] Landesinistiative Seniorwirtschaft NRW, *Qualitätssiegel, Betreutes Wohnen für ältere Menschen in Nordrhein-Westfalen*, 2005.

- Organise annual European conferences and good-practice competitions (the first was organised in February 2005 in Bonn and the second is to take place in Maastricht in 2006)

- Develop policy memoranda and communications and persuade policy makers at regional, national and EU-levels to define and support European-wide policy development in this area

- Launch European research relating to 'silver economy'

- Develop and carry out pilot validation projects of 'silver economy' services and products.

According to a report by the Ministry for Health, Social Affairs, Women and Family, the *Silver Economy* initiative has created a significant impulse for the development of new projects and products related to the needs of older people.[125] It has improved the quality of their lives and has helped to promote the attractiveness of the *Land* as a business location. As a result, new initiatives and projects are being developed in the industry, the handicraft sector, in health and social organisations across the *Land*. The initiative's task is to support these positive spill-over effects in the future by awareness raising campaigns and sponsoring best practice projects. This includes, for example, conferring awards for innovative products and services. However, apart from the above-mentioned study on potential effects of the promotion of senior citizens, no specific evaluations of the initiative have been launched.

A.4.4 Assessment

- Policy coordination of different age-related initiatives at the *Land* level is not fully developed. The strategy document that has been issued by the Ministry of Health, Social Affairs, Women and Family is very broad and does not entail any specifications on financial allocations or responsibilities. Moreover, due to the change of the *Land* government in May 2005, there is uncertainty with respect to future strategic directions of policies responding to demographic change.

- At the federal level, the response to demographic change has been mainly reactive, in the sense that the social system is being cut back and options for retirement have been made more complicated. As in many other European countries, state involvement is reducing and individualism and self-responsibility are being stressed. This is true not only of the social system but also of labour market issues.

- Based on this general trend, the Nordrhein-Westfalen government has adopted a strategy which, in essence, reacts to these socio-economic changes by introducing three fields for action. The first addresses the need to keep older people in employment by maintaining their health and productivity. The second aims at

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[125] B. Fischer, *Seniorenwirtschaft in Nordrhein-Westfalen: Ziele – Ergebnisse – Perspektiven; Bericht der Ministeren für Gesundheit, Soziales, Frauen und Familie des Landes Nordrhein-Westfalen,* 2003.

reintegration of older unemployed persons into the labour market and the third, the *Silver Economy* initiative, is directed at making use of the economic potential of older people.

- Attempts to reintegrate the older unemployed people into the workforce are proving difficult. According to G.i.B., the implementing agency of the Initiative for Older Long-Term Unemployed Persons, this is mainly due to two reasons. First, enterprises still have prejudice against employing older people. Often, older people are seen as less productive and more costly than younger persons. Also, unemployed older persons are less flexible and willing to accept jobs offered. They are also less mobile, which makes job placement more difficult. Nevertheless, the main success of the initiative is that long-term unemployed people have not lost connection with the labour market completely. There is a need for further publicity campaigns and awareness-raising on the part of both employers and the unemployed in order to improve job matching and inform people about the amended legal framework. It is evident that this strategy is micro-level oriented, and that, in times of weak economic growth, few significant and far reaching results can be expected.

- The *Silver Economy* initiative clearly has potential in a region with relatively rich senior citizens who can afford buying products and services that are specially designed for them. Whether such an initiative could be applied in regions with poorer older persons is more open to question. Again, raising awareness clearly is an important component of the initiative. Only when the society as a whole addresses and acknowledges the increasing needs of older people can such initiatives be successful.

A.5   North West (England, UK)

A.5.1 National policy context

Responses to ageing in the UK have traditionally tended to be fragmented and dispersed across different policy areas. Coordinated initiatives addressing demographic ageing in terms of its impact on economic growth, social inclusion and sustainable development have not been evident. However, prompted by increasing awareness of the impact of demographic processes and the Labour Government's commitment to 'joined up' policy-making, recent years have witnessed the emergence of a more broadly defined ageing agenda at the national level. In 1999, the government launched an *Age Positive Campaign* to promote a more progressive attitude to ageing workers.[126] As part of this, a voluntary *Code of Practice on Age Diversity in Employment* was launched, tackling age discrimination and promoting age diversity in the workplace. The most recent government strategy paper,

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[126] For instance, a Good Practice Guide has been developed to provide positive examples of the benefits of recruiting and retaining older workers. It presents examples of positive action that promote the recruitment of older workers and encourage their retention. Accessed at: <http://www.agepositive.gov.uk/template6.cfm?recid=137>.

Opportunity Age: Meeting the challenges of ageing in the 21st century[127] for the first time presents an integrated response to policy ageing. The document sets out an overarching framework for developing policies, and outlines the principles that the Government believes must underpin progress. The report looks at issues in three main areas: achieving higher employment rates for people over 50; enabling older people to play a full and active role in society; and, giving people independence and control over their own lives. It includes proposals on: cultural change, tackling inequalities, employment, active ageing as part of the community, independence and control and public services for older people. The financial resources associated with this Strategy and the likely impact remains uncertain. Nevertheless, with cross-departmental and multi-policy perspectives, the Strategy represents a further step away from past, more fragmentary approaches to policy ageing.

Moreover, broad processes of devolution, deconcentration and regionalisation have opened up space for 'bottom-up' policy approaches to demographic ageing. The powers of devolved administrations in Scotland, Wales and (when the Assembly is restored) Northern Ireland over employment, health and social care, housing and local authority services have, to varying degrees, been expanded. Different paths are being taken to respond to local needs and priorities, including ageing issues. In English regions, Government Offices deliver central government programmes regionally and locally. Crucially, since their inception in 1999, English Regional Development Agencies (RDAs) have become increasingly important to new, regionalised approaches to policy design and delivery. Already charged with the responsibility of developing Regional Economic Strategies (RES) for their areas, thus setting the priorities for public sector spending in the regions, a 'single pot' approach to the RDAs' budgets was adopted in 2002. Dedicated budgets from different central government departments are now merged to allow RDAs to determine how to allocate expenditure. Innovative RDA-led regional initiatives are also bringing groups of regions together to formulate development strategies that represent a major change from traditional approaches to regional development.

As far as the ageing agenda is concerned, new regional and local organisations in the public and voluntary sectors in the UK have been prominent in developing broader, more active approaches. An increasing focus of activities has been on boosting the involvement of old people themselves in the development of policies affecting them. For example, the *Better Government for Older People* (BGFOP) initiative emerged from this new approach. The initiative consists of a network of government departments and agencies, older people's fora, Local Authorities, and public service representatives. The aim is to ensure that the public sector promotes and supports older people's engagement and citizenship in all aspects of service delivery. Within these broad processes of demographic ageing, redefining of the ageing agenda at national level and administrative decentralisation, English regions are now developing their own responses to specific demographic and socio-economic profiles. The case of the North West Forum on Ageing, called 5050vision, is explored in detail from this perspective. Section A.5.2 outlines the regional context, assessing the role of different drivers in the emergence of 5050vision. Section A.5.3 then describes the

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[127] Department for Work and Pensions, *Opportunity Age: Meeting the challenges of ageing in the 21st century*, London, 2005. Accessed at: <http://www.dwp.gov.uk/opportunity_age/>.

structure, aims and objectives of 5050vision. Issues arising from the implementation and operation of 5050vision activities are assessed in Section A.5.4 (including the coordination of interventions within EU, national, regional and sub-regional policy frameworks, funding issues and arrangements for monitoring and evaluation). Perspectives on the future evolution of 5050vision are explored in Section A.5.5 before the concluding section synthesises the main issues and themes to emerge from the case study.

A.5.2 Regional context

A crucial driver for the emergence of the 5050vision was the launch by the Age Concern charity, in March 1998, of the *Debate of the Age*, a comprehensive programme throughout the country to raise awareness of the ageing population and consider how policies and provision might need to change. The main themes were Values and Attitudes; Paying for Age; Work and Lifestyles; Built Environment and Transport; Health and Care, and the final reports – both national and regional – were presented towards the end of 1999. In the North West, a variety of public and voluntary organisations and businesses participated in a range of events as part of this.

Figure 12: Location of North West of England
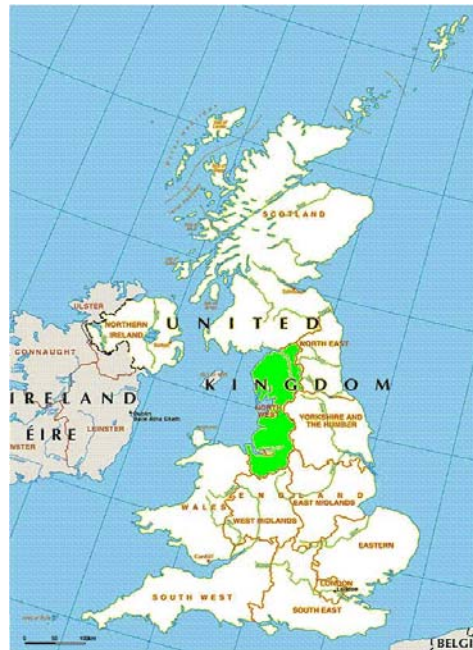
Source: Adapted from European Commission, *EU at a Glance, Index, Maps.* Available at: <http://europa.eu.int/abc/maps/index_en.htm>.

The regionalisation process and the emergence of several new regional actors was also an influence on the emergence of the initiative. Five key regional bodies - Age Concern in the North West, Government Office for the North West, NHS Executive North West, Northwest Development Agency and the North West Regional Assembly - took up the challenge of taking this work forward and ensuring that regional strategies took account of and planned for the significant changes in the age of the population over the next 20 years. In particular, Age Concern played a pivotal role in creating an Ageing Population Group which commissioned a major piece of research to assess the impact of demographic change on life

in the North West region. The North West Regional Research Laboratory, based at Lancaster University, produced detailed population projections from 1996 to 2021 and also consulted people across the North West on a range of policy areas. Their research report: *An Ageing Population – Impacts for the North West*[128] made several observations regarding demographic processes in the region: the population of the region as a whole was projected to decline and age in the short to medium term (see Table 6); these processes were seen to be more significant in some districts, including the large urban areas like Manchester and Liverpool; the age structure varied for different ethnic groups; and non-white ethnic groups were projected to grow faster than white.

Table 6: Percentage of total population by English region

Age range	0 to 15		16 to 44		45 to 64*		65 & over	
Year	1997	2021	1997	2021	1997	2021	1997	2021
England	20.4	17.7	40.9	36.0	20.6	27.1	18.1	19.1
North East	20.3	17.5	40.2	35.1	20.8	27.7	18.7	19.6
North West	**20.9**	**18.1**	**40.1**	**35.4**	**20.8**	**27.5**	**18.2**	**19.0**
Yorks & Humber	20.7	17.8	40.5	35.9	20.6	27.3	18.3	19.0
East Midlands	20.2	17.4	40.1	35.1	21.3	27.4	18.4	20.1
West Midlands	20.9	18.2	39.9	34.9	21.1	27.3	18.1	19.6
Eastern	20.1	17.6	40.2	34.5	21.2	27.2	18.4	20.8
London	20.7	18.9	46.2	41.5	18.2	26.3	14.9	15.3
South East	20.0	17.5	40.3	34.9	21.1	27.4	18.6	20.2
South West	19.3	16.1	38.3	32.8	21.3	27.8	21.1	23.2

Source: 5050vision, *A New Approach to Ageing: North West 5050vision on Ageing Business Plan April 2004-March 2005*, 2003, p4.

Although Table 6 suggests demographic trends in the North West broadly similar to other English regions, a key prediction was that the economic problems arising from an ageing population may well become more severe in the North West because of negative forecasts of future trends in regional economic development. An anticipated increase in the geographical polarisation of per capita incomes at sub-regional level would penalise deprived inner-city areas, threatening older people there with poverty and social exclusion.

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[128] North West Regional Research Laboratory, Lancaster University, *An Ageing Population, Impacts for the North West - Full Report*, 2000. Accessed at :< http://www.5050vision.com/uploads/public_docs/fl_dh938p2q.pdf>.

The report made a number of recommendations which included the development of joint regional action to formulate policies and strategies which would address the issues. The report reflected an approach to ageing that was innovative in several respects. First, it took a broad, cross-cutting perspective. Issues such as urban planning, housing and sustainable communities were incorporated into the ageing agenda for the first time. The traditional focus on pensions and health issues was deliberately avoided as these were seen as matters of national competence. This was also important for partners such as the North West branch of Age Concern who were already active in these policy areas and wanted to develop new directions where 'added value' would be clear.

Second, the new approach had a strong forward-looking perspective and was directed more to future generations of older people rather than today's old. It was important to stress that the aim was not to represent older people's interests or advise older people, a service that, again, was already being offered by organisations such as Age Concern. The target group were those aged 50 plus, rather than older groups. This contributed to the view of older people as potential contributors to regional economic and social development as workers, employers and consumers. It is worth noting that ageing fora emerged in other English regions over the same period. However, their characteristics and priorities vary considerably, depending on which actors were driving the process on. For instance, in some regions the UK initiative BGFOP (see above) was heavily involved and this produced an emphasis on the civic rights of older people and their representation in policy-making circles. In other regions, the regional NHS body was a key player and this obviously resulted in a strong focus on health issues. The 5050vision was unique in the cross-sectoral, future-oriented approach outlined above.

The Ageing Population Group established a Regional Forum on Ageing, supported by a Development Officer. A Steering Group made up of representatives from regional organisations was formed in the Spring of 2002 to consider the 5050vision's initial structure and membership, work priorities and Executive membership. The Steering Group decided that, in order to reflect the nature of the challenge ahead, the Forum should be called 5050vision. As reflected in the title, older people are defined as those aged 50 and over. It is intended as an opportunity to bring together agencies involved in employment, transport, regeneration, health and housing with the threefold aim of redesigning communities, promoting productive ageing and enhancing engagement. The aim is that 5050vision should not to be a 'talking shop' but a forum for collaboration on ageing at regional level.

A.5.3 Strategic planning for an ageing population in an administrative region - structure, aims and objectives

5050vision is an independent network of interested individuals, organisations, and businesses from the public, private and voluntary sectors. It is formally led by an Executive that has a membership of 22, made up of representatives from a broader base of regional organisations. The Executive elects a Chair on an annual basis. She/he chairs meetings of the Executive and other events that may be held. A Project Management Group comprising the Chair and the major financial sponsors of the initiative (Age Concern in the North West, the Department of Health, Government Office for the North West, Help the Aged, the North West Development Agency and the North West Regional Assembly) is responsible for the

budget and reports to the Executive. A full-time Development Officer provides the secretariat for the Executive, co-ordinating the work of Task Groups (see below). The Development Officer is employed and managed by Age Concern Support Services (North West) who are also responsible for financial administration. Task Groups have been set up on specific topics by the Executive, and are chaired by a member of the Executive. Their lifespan is normally 6-12 months. Any funding requirements are subject to Executive approval. Membership consists of specialists from inside and outside 5050vision including older people's organisations (see more below).

The main purpose of 5050vision is to bring together organisations operating at regional level or within the region to identify and promote issues relating to demographic change and, through partnership working, to encourage such issues to be taken into account in the formulation of regional strategies and policies.

Its specific objectives are:

- to bring together independent organisations and agencies to ensure that there is a common understanding of trends and of issues which are updated, developed, debated and disseminated

- to provide a means to share ideas and to review and inform regional strategies to ensure consistency of approaches to ageing and older people

- to monitor the impact of demographic change, including economic, environmental and social conditions, at regional and sub regional level

- to develop collaborative bilateral or multilateral approaches between organisations and across sectors, including dialogue with other communities of interest affected by demographic change.

- to provide a forum to share, promote and benchmark practice and, through this, to stimulate innovation and improvement, through research, projects, training, new services and opportunities for older people

- to facilitate older people, through the development of an older people's network, to engage with and influence planning and political processes directly.

These objectives are pursued through two main activities: influencing regional strategies and engaging in Task Group work.

(iii)   *Influencing and informing regional strategies*

A key challenge is to provide input into the 'refreshed' Regional Economic Strategy (RES)[129] which is due to be published early next year by the North West Development Agency. 5050vision had some influence on the development of the RES and there is evidence that

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[129] Northwest Development Agency, *England's North West: Regional Economic Strategy, Consultation Draft*, 2005. Accessed at: < http://nwda-cms.amaze.co.uk/DocumentUploads/RES_draft.pdf>.

the conclusions of its Final Report are being recognised in the review process. The current draft of the refreshed RES identifies five themes crucial to achieving regional growth and lists the issue of population ageing under the 'Skills and Employment' heading. The main priority is to maintain the size of the workforce in response to an ageing population and activities include:

- Investing in skills development for older workers (especially ICT) to retain their skills in the workforce

- Raising business awareness of the impact of an ageing workforce and fewer young people – in terms of skills investment and recruitment policies

- Increasing in-migration of economically active people

- Removing barriers to (re-)entering the workforce for certain groups (e.g. disabled people, some BME communities, women) through skills development

The Head of Policy at the Northwest Development Agency attended an Executive meeting of the Forum in order to outline the priorities and principles, detail the membership of the RES advisory group and set out its broad timetable. The main emphasis of the RES approach to ageing concerns the labour market - if nothing is done to increase the amount of work done by the '50 plus' age group, the workforce will be in decline over the next 20 years. There is a question about how to encourage the '50 plus' group to continue in work. The advisory group will be working until the launch of the new RES in March 2006 and there will be a number of opportunities for 5050vision and other interested parties to input into the issues to be addressed, the challenges and the questions to be answered. A three month public consultation process is currently underway, to be followed by a re-write and a launch of the final version in May 2006. 5050vision's input is regarded as potentially powerful by NWDA as it represents a reasonably broad consensus of opinion. An important instrument in influencing strategies such as the RES is the *Age Proofing Toolkit*[130] already created for partners of the Regions for All Ages Programme by Nottingham Trent University and available to all English regions.

Nevertheless, 5050vision recognises that there is a tension in the RES in balancing potentially competing perspectives within the ageing agenda and between the ageing agenda and other regional development priorities. For example, there is a much stronger emphasis on encouraging older people to remain active in the labour market than on strengthening policy that recognises the contribution of older people in 'informal work' such as child care and voluntary roles.[131] The Forum has contributed to this orientation. Although 5050vision would like to cover all aspects of the ageing agenda, resources are limited and it has had to rank its priorities and target its interventions accordingly. Currently, the issue of employment and skills of older people is high on the agenda. In the

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[130] The toolkit is available to download in PDF format from the Age Concern website: <www.ageconcern.org.uk/regionsforallagestoolkit/>.

[131] U. Henz, 'The effects of informal care on paid-work participation in Great Britain: a lifecourse perspective' (2004) *Ageing and Society* 24, 851-880.

future, there could be some refocusing depending on changing circumstances and the collective will of partners, for instance placing increased emphasis on housing issues.

(iv)   Task Groups

The second strand of 5050vision's activities concerns the work of the Task Groups. Three tasks were selected by the Executive for the first phase of development: engaging older people, productive ageing and re-designing communities.

Engaging Older People

The main aims of this group included:

- Producing a strategy of how information would be disseminated to older people and how they might be consulted or engaged with if needed.

- Compiling a list of organisations in the region which could be used to action the above and testing this out with some of the organisations which have distribution mechanisms in place.

- Producing a list of regional and national organisations that 5050vision should seek to influence on this agenda. Producing leaflets with general information about 5050vision and its Task Groups, copies of the newsletter and what older people could do as a result of the information.

The 'Engaging Older People' Task Group targeted the 'over 50s' rather than older cohorts of the older generation and had a focus on employment issues. It explored ways of raising the ageing issue with regional employers, such as the regional branch of the Department of Work and Pensions and the NHS, using their information and dissemination systems to research and publicise the ageing agenda. Museums and libraries also became involved in the network. The Task Group's Final Report stressed that many people over 50 do not perceive themselves to be 'older' and have little or no identification with older people's organisations. Rather, there is significant diversity among the older population and this is reflected in their involvement in different groups and issues. This provides an important insight for any work on ageing in the future, where 'connecting' with older people may be more easily achieved through the workplace or 'mainstream' organisations rather than those dedicated to older people.

Productive Ageing

The main aims of this Group included:

- Producing a report on what different agencies and the private sector can do to retain or attract older people to the workplace, focussing on paid employment rather than voluntary work.

- Data gathering – based on RDA work. The NWDA commissioned a labour market research project to provide data on employment in each sector, age profiles, levels of jobs and skills, and related needs.

The Final Report noted the challenge of ensuring that the impact of demographic change on the region's labour market is clearly understood and that appropriate policies are developed at an early stage. Although creating awareness amongst partner organisations has been achieved, getting the private sector involved has been a significant challenge. Prospective partners from this sector often ask for guarantees of what they will receive for their investment of time and resources. They tend to have a narrow and short-term view that focuses on financial practicalities. However, 5050vision is hopeful of being able to involve more representatives from the private sector, using, for instance, the imminent introduction of anti-discrimination legislation to prove its worth to businesses. The Forum contends that many enterprises are underestimating the implications of the legislation and that it can play a role in easing the impact. The active participation of the regional Chamber of Commerce has been welcome and it will play an increasingly important role in this respect.

Re-designing Communities

The main aim of this Task Group was to encourage organisations which are involved in all aspects of community planning to consider the needs and aspirations of older people. It was agreed that a *best practice guide/toolkit* should be developed for organisations to refer to during the planning process.

The Task Group has produced a series of guidance sheets designed for people involved in all aspects of community planning (access to services, community safety, health and social care, housing, spatial development transport etc.). Each sheet contains: facts and figures concerning each policy area; a section identifying the benefits of considering the ageing population when planning a new measure; a summary of key issues; a description of relevant policies and legislation; information about grants and incentives and how to access them; examples of other schemes and organisations which have created developments sensitive to the needs of the older population; any targets that developers could aim to reach; and, a list of useful contacts.

The Task Groups' Final Reports were launched at a conference at the end of 2004. There is some concern in the Executive that these outputs may not be taken further. On the other hand, there is a belief that this was a necessary, 'ground-clearing' stage in the development of 5050vision's activities. The next challenge will be to operationalise these reports and produce more tangible outputs.

A.5.4 Implementation and delivery

(i)   Coordination

As noted above, 5050vision emerged in parallel to processes of regionalisation in England and benefited from the development of a series of regional-level organisations from the late 1990s on. It is currently adjusting to further changes in the regional policy administrative framework. Notably, 5050vision perceives a rebalancing of emphases at different administrative levels. On the one hand, there is increasing interest in inter-

regional planning, with initiatives such as the *Northern Way*[132] looking to develop a productive interaction between larger cities as drivers of economic development. At the same time, the rejection by referendum of the proposed directly elected Regional Assembly in the North East has prompted exploration of how to anchor regional economic development measures in democratically accountable structures and a reassertion of the local administrative level. Increasing commitment to evidence-based regional policy making and the subsequent focus on information gathering has confirmed that intra-regional differentials in demographic ageing present a pressing challenge. Areas of need and opportunity often exist in close proximity at the sub-regional level, particularly where larger cities are determining the course of economic development. As a result, 5050vision is now strengthening contacts with local authorities, cities, sub-regional partnerships[133] and inter-regional strategies.

Despite recent moves towards a more strategic approach to the ageing issue at national level, as described above, the involvement of central government in the Forum is mainly through the membership of the Government Office for the North West and the regional branch of the NHS and Department of Work and Pensions. There is, as yet, no clear synergy between 5050vision's activities and the strategies currently being developed nationally.

Similarly, the connection between the Forum's activities and age-related EU-level strategies is not very well developed. Members of 5050vision, such as the Regional Assembly, the RDA and Age Concern, are represented in Brussels, but there is no dedicated presence and the extent to which activities and information are disseminated depends on the commitment of individuals. However, 5050vision is currently planning to boost its activity and presence at the EU level as part of the next stage in its development.

(ii)   Funding

Initial two-year funding, courtesy of the North West Regional Assembly and other organisations (see Table 7), allowed the Forum to employ a part-time Development Officer, set up a website and undertake limited promotional activity.

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[132] The *Northern Way* is a planning project that explores the feasibility of formulating and implementing an inter-regional development strategy linking key urban centres in northern England; it is led by three northern RDAs.

[133] These bring together business, public sector, voluntary and community groups to help deliver many aspects of regional policy such as the Regional Economic Strategies.

Table 7: 5050vision's sources of finance (in £s)

	Year 1 2001-02	Year 2 2002-03	Year 3 2003-04	Year 4 2004-05	Year 5 2005-06
INCOME	Actual	Actual	Actual	Budget	Budget
Age Concern England	5000	0	0	5000	
Northwest Development Agency	0	10000	20000	20000	
North West Regional Assembly	15000	25000	10000	10000	
Department of Health	0	0	10000	0	
Help the Aged	0	0	0	5000	
TOTAL	**20000**	**35000**	**40000**	**40000**	

Source: 5050vision, *A New Approach to Ageing: North West 5050vision on Ageing Business Plan April 2004-March 2005*, 2003, p29.

The relatively low level of finance available has, to a certain extent, dictated 5050vision's priorities and the scope of its activities. One virtue of such a 'slim' organisation is that it has provided a strong incentive for 'networking' and the development of partnerships: the initiative relies on other partners' resources and external opportunities. The division between core funding sources from the main sponsors and additional finances accessed through additional partnerships is being clarified. Core funding will be used to generate realistic, applicable research with tangible outputs while funding from links to other bodies will be geared to providing specific advice and consultancy. The Forum is currently trying to secure a sustainable level of resources for the post-2006 Business Plan. It does not want to be over-ambitious or to replicate existing services and organisations. Its aim is to position itself as a high-level, facilitating support group. Crucial to this has been the recent appointment of a new, full-time Development Officer. 5050vision believes that this will produce a 'step change' in its activities - from 'awareness-raising' and information collection to more strategic and targeted activities with tangible outcomes.

(iii)   *Monitoring/evaluation*

As yet there has been no formal monitoring or evaluation of the initiative. The three Task Group reports can be seen as a form of assessment and the performance of 5050vision partners is continually evaluated as part of their broader duties. Although cost is an issue, the incorporation of a more direct form of evaluation is being considered as part of the drive to encourage broader participation (particularly in demonstrating to the private sector the benefits of the initiative). An evaluation of activities and outputs may form part of the new publicity tools currently being developed.

A.5.5 Future perspectives

5050vision's Business Plan, which runs to 2006, is currently being reviewed. There is likely to be increasing emphasis on communications and publicity and on forging closer links with private and public sector employees. For instance, a plan to 'age-proof' the 'Pathways to Work' programme of the regional branch of the Department of Works and Pensions will be an important step in developing tangible outputs. There is also a plan to assess the employment practices of the regional NHS from the viewpoint of the '50 plus' age group. The type of service offered by the Forum would involve assessing the number of older

people actually participating in employment schemes as part of new 'strategic employment' initiatives in the public sector that are attempting to develop 'non-traditional' routes into the workplace. The hope is that the successful completion of these initial tests will demonstrate the value of 5050vision to potential partners, including the private sector.

Beyond this, there is currently a debate within the Forum about its long-term future. For some members, an organisation dedicated to the ageing issue from a broad regional development perspective is a necessary feature of the regional administrative landscape given the long-term challenge of demographic ageing. Others argue that, once 5050vision has guaranteed that key regional bodies, actors and strategies are giving due weight to the ageing agenda, its job will be done.

A.5.6 Assessment

A fundamental goal of 5050vision has been to raise awareness of the ageing agenda amongst core members, broader partners and the region as a whole. Beyond this, several other progressive trends are noticeable:

- *A broader definition of the ageing agenda is emerging* that incorporates economic growth, social inclusion and sustainable development issues. This is apparent at both national and sub-national levels. However, the fact that pensions and welfare issues are regarded as national-level competences allows English regions to pursue a more progressive, innovative ageing agenda.

- *A distinction is made between interest representation and strategic planning.* Emerging regional approaches have a strong forward-looking perspective, directed at developing a sustainable framework that will facilitate the active contribution of future generations of older people. The relatively well-developed voluntary sector already serves to represent the specific interests of older people or advise older people. Moreover, the experience of 5050vision has shown that older people are more likely to be active in 'mainstream' organisations than those dedicated to 'older people's issues'. The target group for 5050vision is the '50 plus' age group. This contributes to the positive view of older people as active contributors to regional economic and social development as workers, employers and consumers.

- *Partnership has been a crucial principle in developing regional responses to ageing.* The new, multi-faceted appreciation of the ageing agenda, limited resources and the need to present as a broad a regional consensus as possible, have made the participation of a wide range of actors a necessity. At the same time, the perception of demographic ageing as a politically neutral issue that impacts on all regional actors has facilitated collaboration and limited partisan or organisational rivalry.

- *The benefits of devolution and decentralisation are apparent.* These processes have given devolved administrations and English RDAs the resources and competence to provide a potentially vital focus for the development of age-related activities. There now exists at regional level a variety of instruments, frameworks

and strategies designed to facilitate the development of age-related networks involving public, voluntary and business spheres.

- *A key goal is to influence regional development strategies*, through providing and/or assessing regional statistics and supporting 'mainstreaming' provision for an ageing population. Stress is also placed on the extent of differentiation among age cohorts, ensuring detailed consideration of the age structure of the older population and recognising the potentially different requirements of cohorts within this very broad group.

However, significant challenges persist:

- *Problems with definition are still not fully resolved*. Tensions between different strands of the ageing agenda are still apparent. Limited resources mean that, despite the emergence of a broad, cross-cutting understanding of the ageing agenda, priorities have to be set and trade-offs accepted. For example, in some regions there is a much stronger emphasis on encouraging older people to remain active in the labour market than on strengthening policy that recognises the contribution of older people in 'informal work' such as child care and voluntary roles. The process of setting priorities can threaten the operation of the partnership as different partners give different weight to various strands of the ageing agenda.

- *Coordination across administrative levels is still a challenge*. Despite redefinition of the ageing agenda occurring in parallel at national and sub-national levels, coordination across administrative levels remains a challenge. 'Top-down' central interventions (for instance, concerning pensions or anti-discrimination legislation) and smaller-scale 'bottom up' regional or local initiatives (which may be more concerned with developing regional ageing fora or individual projects) are part of the current ageing agenda. However, there are currently no instruments dedicated to coordinating these initiatives across administrative tiers. For policy efficiency, a mechanism that links the national and general with the local and specific is vital. *Opportunity Age: Meeting the challenges of ageing in the 21st century* has been designed as an overarching framework for the ageing issue in the UK.

- *In terms of monitoring and evaluation, regional policy-makers have only recently begun to develop strategic responses to ageing*. As a result, they have not been able to gain much experience or establish best practice as yet.

- *Private sector participation is limited*. Some challenges relate to the triangle of public, voluntary and private sector relationships on which regional approaches to ageing policy can be based. In particular, there is still an over-reliance on the public sector. Despite the increased focus on the private sector in regional ageing policies, developing links with the business community is proving a difficult process. In several cases, private sector funding and participation remain limited. There is a strong dependency on public sector and, to a lesser extent, voluntary sector commitment.

A.6   Wales (UK)

A.6.1 Regional context

Wales has a higher concentration of older people than the rest of the UK. In 2002, almost 23 percent of the Welsh population was aged 60 or over, compared with the UK average of just below 20 percent. Over the next 20 years, demographic changes will significantly change the balance of the Welsh population. It is predicted that the number of people aged over 60 in Wales will increase to 28 percent of the population and the number over 85 will increase by over a third. Significant differentials exist at sub-regional level and the resulting challenge posed by ageing varies. In the urban areas of South Wales, there are problems of isolation for older people in inner city areas and integrating older people from growing ethnic minority communities is also seen as a challenge.

Figure 13: Location of Wales

Source: Adapted from European Commission, *EU at a Glance, Index, Maps.* Available at: <http://europa.eu.int/abc/maps/index_en.htm>.

North Wales has some of the oldest population structures, with increasing levels of migration of retired older people from Manchester or Liverpool in recent years a contributory factor. The municipality of Conwy has the highest proportion of people of pension age (26 percent). There is a clear urban-rural divide in age structures. Rural authorities have a larger share of older people than the rest of Wales, and a corresponding lower share of young people (see Table 8). The drain of young people from rural areas, coupled with the net immigration of older people to rural areas, has prompted fears that rural Wales will soon become economically, culturally and socially unsustainable.[134] Finally,

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[134] National Assembly for Wales, *Age Balanced Communities in Rural Wales,* Cardiff, 2003, p.9.

in the former industrial heartlands of South Wales and the Valleys, the legacy of heavy industry includes significant poverty and ill-health amongst older people.

Wales had been developing innovative approaches to ageing prior to devolution, though largely focused on social and welfare service provision. Its small size and communitarian tradition facilitated partnership-based models. Nevertheless, the traditional 'deficit model' of ageing, focusing on the negative consequences of increasing dependency on services, was apparent. In several ways, devolution provided vital momentum for broader, more positive approaches to ageing. The arrival of the Welsh Assembly created a new network of public organisations with the mandate to develop measures tailored to the Welsh context. Devolution also sparked a fresh influx of politicians, civil servants and activists with new perspectives on the ageing agenda and set in motion a broad process of evidence-gathering into social issues that highlighted the challenge of ageing in Wales.

Table 8: Population in Wales over 64 in 2000 (in percent)

	Population over 64
Wales	17
Rural authorities	20
Valleys authorities	16
Urban authorities	16
Other authorities	16
United Kingdom	16
Scotland	16
England	15
Northern Ireland	13

Source: Office for National Statistics, *Mid-year population estimates for June 2000*, 2000, cited in: National Assembly for Wales, *Age Balanced Communities in Rural Wales*, Cardiff, 2003, p144.

The new Assembly commissioned several reports that sought to establish an evidence base to explore the potential impact of policy responses to demographic processes. A key initiative was the establishment of an Advisory Group on age-related issues and the commissioning of a report on how demographic ageing could be addressed in the Welsh context. Incorporating research from Bangor University, the Committee's Report, *When I'm 64….and more*, contained wide-ranging recommendations that encompassed both devolved and non-devolved issues.[135] Two broad themes emerged. First, the report broadened the existing ageing policy domain, indicating that, at least for some older people in Wales, poor housing, poverty, poor nutrition, lack of opportunity for employment, and inadequate transport services were vital and inter-related concerns. Crucially, the report also underlined civic aspects of the new ageing agenda and called for a reassessment of widespread perceptions of older people and what they could offer. There was seen to be the need to move the ageing debate on to more positive ground, stressing the economic and societal contribution of older people in a devolved Wales. The report provided a basis for the Assembly's main response to the implications of an ageing population, the *Strategy*

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[135] National Assembly for Wales, *'When I'm 64 and more'*, Welsh Older People's Strategy Group *Report*, 2001. Accessed at :< www.wales.gov.uk/subisocialpolicy/topics-e.htm#older>.

for Older People in Wales[136], which is explored in detail below. It is also worth noting that processes external to Wales had some influence on the emerging agenda: the United Nations' Principles for Older People and the Madrid Political Declaration and International Plan of Action 2002 provided supporting models and principles.

A.6.2 Ageing and citizenship in a devolved context - structure, aims and objectives

Work commenced on the *Strategy for Older People in Wales* in 2001 with the basic aim of ensuring that Welsh public bodies and policies were prepared for an ageing population while meeting the changing needs of the current generation of older people. The Assembly undertook, in partnership with Age Concern Wales, wide consultation on the Strategy in order to incorporate a range of views, including: focus groups with older people; meetings with pensioner organisations; an all-Wales conference; and, sessions at each of the Assembly Committees. The Strategy was launched on 30 January 2003 as a framework for the Assembly and other public bodies in Wales to develop future policies and plans which better reflect the needs of older people in changing demographic and social circumstances.

The *Strategy for Older People* lists the following basic aims:

- to tackle discrimination against older people wherever it occurs, promote positive images of ageing and give older people a stronger voice in society

- to promote and develop older people's capacity to continue to work and learn for as long as they want, and to make an active contribution once they retire

- to promote and improve the health and well-being of older people through integrated planning and service delivery frameworks and more responsive diagnostic and support services

- to promote the provision of high quality services and support which enable older people to live as independently as possible in a suitable and safe environment and ensure services are organised around, and responsive to, their needs

- to implement the Strategy for Older People in Wales with support funding to ensure that it is a catalyst for change and innovation across all sectors, improves services for older people and provides the basis for effective planning for an ageing population.

The document has three basic strategic strands: citizenship and valuing older people; a changing society; and, integrated care for older people (strategic aims for health, housing and social care). These strands have various related objectives that reach into a range of policy domains and include a combination of newly launched initiatives and attempts to 'mainstream' the ageing agenda by providing a high level framework to which other policies can relate.

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[136] Welsh Assembly Government, *The Strategy for Older People in Wales*, Cardiff, 2003.

(i)   Citizenship/valuing older people

This strand has been given particular weight as a necessary stage in implementing the Strategy as a whole. It reflects the United Nations' Principles for Older People and seeks to tackle discrimination against older people, promote positive images of ageing and give older people a stronger voice in society. Arrangements have been made at all levels of government to enhance the engagement and participation of older people in society. In the Assembly, a Deputy Minister with specific responsibility for Older People has been appointed and a new Assembly Cabinet Sub-Committee has been established to focus on the needs of older people and ensure a cross-cutting, coherent approach. Membership includes the full Assembly Cabinet except for the First Minister and Business Minister. However, it should be noted that, under the devolution settlement, the Assembly has no primary legislative powers and this limits its ability to develop more innovative ageing policies. For instance, the Assembly has voiced its support for free health care for older people in principle but the power to introduce the appropriate legislation is reserved for the UK government.

In the meantime, the imminent appointment of an Older People's Commissioner for Wales will provide a further boost to the high-level representation of older people's interests. Plans to establish such a fully independent Commissioner would first require primary legislative powers to be put in place. However, the Welsh Assembly plans to appoint a Commissioner in 2007. The Commissioner will use existing powers on behalf of the Assembly for the time being. The appointment should increase the impact of devolution on the developing ageing agenda in Wales. In the past, representations to the Welsh Office or UK government on age-related themes tended to be fragmented and suffered from the lack of a solid popular mandate. A Commissioner for Older People will provide a politically significant voice that will be hard to ignore. There was some debate as to whether appointing a dedicated Commissioner would categorise older people and work against the aim of furthering their integration into broader society. However, it was felt that appointing a national-level champion would be an appropriate response to current negative perceptions of ageing. A National Partnership Forum for Older People in Wales has also been established through the Strategy. It provides a focus for debate about ageing and a source of expert advice to the Assembly.

The voluntary sector in Wales has traditionally been very active at national level and the Strategy has strengthened its role in the representation of older people. A crucial process in this respect was the establishment of Age Alliance Wales. Founded in 2000 as a response to devolution, it brings together a broad range of organisations under the ageing issue. Age Alliance contributed to a number of Welsh Assembly Government's consultation steering groups, including the group that prepared the *When I'm 64…and More* report that led to the Strategy for Older People. With nearly £1m to March 2007 to support its input into Strategy implementation, Age Alliance has established a co-ordination and development unit and developed projects in support of the Strategy. For example, it has been involved in the development a Learning Opportunities Mapping Tool. This tool increases the awareness of learning opportunities for older people and is a resource for potential older learners and

providers of learning. Dissemination has been conducted throughout Wales to a variety of statutory and voluntary sector organisations concerned with education of older people.[137] The voluntary sector has also been active in strengthening older peoples' representation at local level. Notably, organisations such as Age Concern and Help the Aged have been essential in the establishment of Local Forums for Older People which play a key part in ensuring older people's input into the implementation of the Strategy at Local Authority level.

Through the Strategy, Local Authorities themselves are given a significant role in building civic engagement and participation of older people into their planning and consultative systems (see below). Initial guidance given to authorities stressed that priority ought to be given to this strand of the Strategy. Each authority has appointed a Local Coordinator to oversee implementation of the Strategy while Older Peoples' Champions are now being chosen from within Local Authority Cabinets to mainstream the ageing dimension into broader policy domains. For example, Conwy Local Authority is developing a 'future-proofing' instrument that can be used to raise awareness of the implications of ageing across policy sectors.

Another aspect of this strategic objective is to develop and promote policies and programmes to tackle poverty and social exclusion amongst older people. An important activity of the Strategy in this respect is to highlight the age-related dimension of *Communities First*, the Welsh Assembly Government's flagship programme to tackle social exclusion and to improve the living conditions and prospects for people in the most disadvantaged areas of Wales. A review of *Communities First* identified that, across the programme as a whole, not enough had been done to involve older people and that the programme should actively involve older people in the programme, and develop possibilities provided by intergenerational linkages. New guidance being prepared will make clear that, in its assessment of community action plans, the Assembly Government will look for a clear demonstration of how the *Community First* partnerships have addressed the needs of older people.

(ii) Strategic aims – a changing society

The aim under this part of the Strategy is to promote and develop older people's capacity to continue to work and learn for as long as they want, and to make an active contribution once they retire. Many of the labour market issues concerning this strand are non-devolved and this limits the activity of the Strategy to a certain extent. In this case, the Strategy seeks to provide a framework through which UK legislation and initiatives can be integrated with regional and local level efforts to support the recruitment and retention of older people in employment. For instance, the Strategy is involved with Department for Work and Pensions in introducing a new initiative 'Link-Age' that focuses more holistically on the needs of older people. A range of initiatives are being developed, including: better systems for sharing information between organisations; joint Visiting Teams of the Department for

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[137] Welsh Assembly Government, *A Report On The Second Year Of The Strategy For Older People In Wales*, Cardiff, 2005.

Work and Pensions (DWP) and Local Authorities; and, local voluntary sector organisations taking claims for DWP benefits and verifying documents. The Strategy outlines how the Assembly is working with DWP on the UK Age Positive initiative, aimed at educating employers about the benefits of age diversity and tackling ageism in the workplace. This comes ahead of the 2006 change in legislation that will make discrimination on the grounds of age in employment illegal. Linked to the Age Positive strategy, the Assembly Government has been closely involved in helping to develop a newsletter issued to employers in Wales, providing guidance on the forthcoming changes to the legislation on age discrimination.

At the same time, a paper from the Cabinet Sub Committee on Older People on the *Economic Contribution of Older People* has been issued for Consultation amongst strategy stakeholders. This paper looks at demographic trends and considers what could be done to promote economic activity amongst older people, and also to examine the wider debate about extending working life, from a Wales perspective. The Strategy also incorporates efforts to help older people set up their own businesses and to encourage the transfer of knowledge and experience from older/retired business people to new entrepreneurs. *'Prime Cymru'* has been established as an autonomous Welsh arm of the Prime Initiative for Mature Enterprise to support people over 50 into self-employment. Although mobilising the private sector behind a more positive ageing agenda remains a challenge, devolution has boosted the Welsh identity of relevant UK initiatives and this in turn has supported ongoing efforts to engage potential Welsh stakeholders.

(iii)   *Integrated care for older people – strategic aims for health, housing and social care*

This aim focuses on the provision of integrated planning and service delivery frameworks and diagnostic and support services. Work has been in train over the past 18 months to develop a National Service Framework (NSF) for Older People in Wales to achieve consistency in the availability and quality of health and social care for older people. The draft NSF is expected to be published in January 2006. The NSF will provide a set of national, evidence-based standards for health and social care for older people in Wales; and an implementation plan which we will aim to deliver, monitor and evaluate through the joint older people's planning structures which are being developed in each local authority area across Wales. A Health Promotion Action Plan for Older People has also been developed. The Action Plan is intended to provide guidance for use at local level on key evidence-based health promotion interventions with older people, to assist with the development and implementation of local Health, Social Care and Well-being strategies. It covers the key areas of physical activity, healthy eating, emotional health, smoking, alcohol, sexual health, health protection and safety promotion, and opportunities for raising awareness and general health screening.   It will also seek to improve the infrastructure and support for taking forward health promotion initiatives for older people. The future housing needs of older people is also currently being researched by the Assembly. The report of the Assembly's all party Social Justice and Regeneration Committee's policy review on Housing for Older People, published in July 2004, was a contribution to this end. Follow-up research will shortly be commissioned to investigate the most appropriate forms of accommodation to meet the future age-related requirements of

older people in Wales. The emergence of this range of policies and documents presents a significant challenge to the Strategy which aspires to play an overarching, coordinating role.

A.6.3 Implementation and delivery

(i)   Coordination

As noted above, the Strategy combines a combination of 'top-down' and 'bottom-up' approaches to coordination. Within the Assembly Government the Cabinet Sub-committee on Older People is responsible for overseeing the implementation of the Strategy and ensuring that the implications of an ageing population and the needs of older people are mainstreamed in the policy process at the national level. Likewise the National Partnership Forum for Older People in Wales provides an external oversight from an independent viewpoint. The implementation process is being project-managed and evaluated through an Older People's Policy Programme Board, chaired by the Director for Health and Social Policy and supported by a Strategy Unit in the Older People and Long Term Care Policy Directorate. The Assembly outlines the framework, deadlines and priorities for Local Authorities who are then given ownership to drive the Strategy forward within these broad parameters.

Initial funding was made available to local authorities to support start-up arrangements and ensure a baseline infrastructure for the Strategy. Assembly guidance also recommended that priority in this initial phase be given to implementation of actions to support the 'Valuing Older People' Strategy Theme. Authorities have statutory independence and are free to engage with the Strategy in a manner that best suits the local context. (For instance, Cardiff Local Authority has appointed a Minority Ethnic Older Persons Steering Group to strengthen the participation of this growing part of its population). At the same time, this freedom presents several challenges for strategy coordination. Local Authority Strategy Coordinators, appointed in each LA, are key figures in implementation of the Strategy. It is their duty to develop and coordinate LA responses to Strategy guidance. However the role and impact of Coordinators varies. The Assembly calculated the salary scale for Coordinators at the level of Social Services Team Leader. However, while some Strategy Coordinators are located in social and health care services, other LAs have used the money to support more senior positions with broader portfolios and more authority. This variation in terms of resources, status, skills and perceptions of the ageing agenda can be a challenge for coordination. Similarly, some authorities have elected to spread Strategy funds across a variety of small projects, while others are concentrating resources on larger initiatives.

As noted above, devolution has prompted a range of policy initiatives which, to varying degrees, impact on older people in Wales. The Strategy is one of several related plans that Local Authorities are implementing and its aspiration to provide an integrated framework for a wide variety of measures is presenting a coordination challenge. For example, partnership-working between Local Authorities and Local Health Boards for Strategy implementation has, in some cases, been difficult. Health Boards have their own strategies,

agendas and policy domains and the attempt to develop a broader, cross-sectoral approach to ageing has created some organisational tensions.

Against this background, funding is being provided over three years to Better Government for Older People (BGOP) to develop a Wales Network that will support Councils' work on the Strategy, extend good practice and facilitate collaboration through networking and sharing information. The BGOP Wales Business Plan for 2004-05 onwards provides the basis for agreed Assembly funding, including a BGOP Wales Co-ordinator hosted by the Welsh Local Government Association. The work of the Welsh Institute for Health and Social Care (WHISC) at the University of Glamorgan is also important in this respect. The Assembly has commissioned WHISC to share learning with Strategy Coordinators and the networks they establish and ensure an evidence-based approach for translating policy into practice throughout Wales. To this end, Local Authorities pay WHISC a ring-fenced sum of £2,500 per year from their Strategy funds. Some authorities have complained about transferring these funds but there is recognition of the role WHISC can play in supporting partnership arrangements. WHISC is currently planning a conference where Local Authorities will be invited to bring together examples of 'best practice' Strategy activities and will attempt to extend successful initiatives across Wales.

(ii)   Funding

Explicit funding of £10m has been made available to ensure implementation of the Strategy up to 2007. Of this, £8m (80 percent) is allocated to Local Authorities, nearly £1m (10 percent) for the Voluntary Sector – through Age Alliance Wales - and £1m (10 percent) for the Assembly for centrally led projects and evaluation. Each Local Authority receives £35,000 per year core funding to sustain Strategy coordination activities (usually supporting the employment of a Strategy Coordinator). The rest of the funding for authorities is calculated according to a Standard Spending Assessment (SSA) formula based on the size of different categories of older people (e.g. long-term ill, those living alone, those on income support etc). Table 9 illustrates the allocation of funding to Local Authorities for 2004-05.

In order to access the Development Funding, Local Authorities submit a short outline plan for implementing the Strategy and describe the resources available. As noted above, the priority in the Strategy's first years has been the effective preparation and planning for implementation of the Strategy at the local level and the implementation of actions to support the 'Valuing Older People' Strategy Theme.

(iii)   Monitoring and evaluation

The Assembly's Research and Evaluation unit was part of the initial Advisory Group involved in the formulation of the Strategy. The *Statistical Focus on Older People in Wales* report, published in July 2004, provides a useful benchmark based on a range of statistics on older people. Development of an Evaluation Framework for the Strategy commenced in January 2005 and will involve consultation with all partners. This will be followed in 2006 by a full evaluation that includes both national and local perspectives. Currently, the plan is to combine a longitudinal study with a thematic evaluation related to the Strategy's three main strands (under the headings of participation, improving the social circumstances of older people and creating strong communities and social networks). Beyond this, it should

be noted that several Local Authorities include assessments of Strategy implementation in broader monitoring arrangements.

Table 9: Financial structure of the Local Authorities programme in Wales

	% Formula	Core Services	SSA Formula – Older People	Total Strategy Funds 04-05
Local Authority		£770,000	£1,630,000	£2,400,000
Blaenau Gwent	2.64	£35,000.00	43,000.00	£78,000.00
Bridgend	4.17	£35,000.00	68,000.00	£103,000.00
Caerphilly	5.39	£35,000.00	88,000.00	£123,000.00
Cardiff	8.74	£35,000.00	142,300.00	£177,300.00
Carmarthenshire	6.76	£35,000.00	110,000.00	£145,000.00
Ceredigion	2.54	£35,000.00	41,300.00	£76,300.00
Conwy	4.90	£35,000.00	80,000.00	£115,000.00
Denbighshire	3.89	£35,000.00	63,300.00	£98,300.00
Flintshire	4.24	£35,000.00	69,000.00	£104,000.00
Gwynedd	4.34	£35,000.00	71,000.00	£106,000.00
Isle of Angelsey	2.45	£35,000.00	40,000.00	£75,000.00
Merthyr Tydfil	1.91	£35,000.00	31,000.00	£66,000.00
Monmouthshire	2.72	£35,000.00	44,000.00	£79,000.00
Neath Port Talbot	5.27	£35,000.00	86,000.00	£121,000.00
Newport	4.32	£35,000.00	70,300.00	£105,300.00
Pembrokeshire	3.98	£35,000.00	65,000.00	£100,000.00
Powys	4.58	£35,000.00	74,500.00	109,500.00
Rhondda Cynon Taf	7.90	£35,000.00	129,000.00	£164,000.00
Swansea	8.31	£35,000.00	135,300.00	£170,300.00
Torfaen	3.05	£35,000.00	50,000.00	£85,000.00
Vale of Glamorgan	3.20	£35,000.00	60,000.00	£95,000.00
Wrexham	4.22	£35,000.00	69,000.00	£104,000.00
Wales	100.00%	£770,000	£1,630,000	£2,400,000.

Source: Welsh Assembly Government, *A Report On The Second Year Of The Strategy For Older People In Wales*, Cardiff, 2005.

A.6.4 Future perspectives

The Strategy is set in a ten year framework and has been in operation since 2003. The key test will be moving, in the next two years, from the initial focus on developing implementation arrangements and preliminary plans to delivering proposed measures and initiatives. This relates to all three of the Strategy's strands. A framework for the representation of older people's interests is now in place and the focus is shifting to ensure that organisations mobilise potential participants and play an active part in the policy process. Efforts to involve the private sector in the strategy will intensify in order to promote and develop older people's capacity to continue to work. With a variety of other policy documents currently emerging, there will also be more emphasis on the integration of the Strategy with new housing, health and welfare plans. Besides the potentially significant role of the Commissioner for Older People in driving this agenda forward, it should also be noted that the devolution settlement in Wales is currently being reviewed, through the Better Government for Wales Bill. Any empowerment of the Assembly could obviously provide the Strategy with increased accountability and legal status.

A.6.5 Assessment

The process of devolution has provided a catalyst for new, more positive perceptions of the ageing issue. The arrival of the Welsh Assembly created a new network of more accountable, public organisations while giving existing bodies a stronger Welsh identity. It also heralded a fresh influx of politicians, civil servants and activists with new perspectives on the ageing agenda and sparked a process of evidence-gathering into social issues that highlighted the challenge of ageing in Wales. The Assembly provides a central hub that allows the Strategy for Older People to adopt an overarching or cross-cutting approach to ageing.

- A distinctive aspect of the Welsh Strategy for Older People is its focus on citizenship, giving priority, in the initial stage at least, to measures that will improve engagement and participation of older people in society. This emphasis has been reflected in the active involvement of older people's representatives in the consultation process that has accompanied Strategy formulation and implementation and the drive to develop dedicated Older People's Champions at local and national levels. A conscious choice was made to combine efforts to 'mainstream' age-related issues across policy domains with a clear focus on advocating the interests of the current generation of older people as a relatively under-represented section of society. Although this approach runs the risk of categorising older people, authors of the Strategy judge that this is an appropriate response to current negative perceptions of ageing. It was also felt that solely attempting to pursue the ageing agenda as part of other policy areas could dissipate its identity and impact. The result has been to extend participation, in and the sense of 'ownership' of, the Strategy to a wide range of organisations and individuals.

- The Strategy combines a combination of 'top-down' and 'bottom-up' approaches to coordination, involving the Assembly Government to oversee its implementation and ensuring that the implications of an ageing population and the needs of older people are mainstreamed in the policy process at the national level while Local Authorities have the freedom to develop initiatives that suit local needs. There is scope for diversity, driven by local democratic choices and the need to innovate to promote change. This is important given sub-regional disparities in population structures in Wales. Reflecting the above-mentioned priority given to participation and 'bottom up' inputs into the plan, the creation and support of networks plays a crucial part in Strategy implementation.

- On the other hand, the decision to extend partnership has presented a challenge to Strategy coordination. Questions over the ability of the Strategy's financial and administrative mechanisms to find a framework that balances 'bottom-up' initiatives from a variety of local contexts within a coherent national framework remain. Also, *problems with definition can put a strain on partnership working*. Tensions between different strands of the ageing agenda are still apparent. A range of policy documents is emerging in Wales and despite the development of a broad, cross-cutting understanding of the ageing agenda, some organisations may be more

committed to sectoral plans than the Strategy as a whole. As noted in other cases, the process of setting priorities can also threaten the operation of the partnership as different partners give different weight to various strands of the ageing agenda. It is difficult at this early stage to evaluate the impact of the Strategy. The initial phase, setting the organisational and programming frameworks for implementation, is now over and the challenge of delivering concrete results is only just beginning. The key challenges of mobilising and maintaining engagement, particularly of older people's representatives and private sector interests, and developing and sustaining networks and partnership-working across a wide range of participants are now being addressed.