

Social Services of General Interest

Regional disparities in service provision across Europe

Social inclusion and poverty is affected by the availability and affordability of social services of general interest (e.g. education and health care). In general, better provision of these services goes hand in hand with the demographic, territorial and financial potentials of a country or region.

On a European scale, western and urban areas tend to be better off. However, there are also exceptions for example in the UK or Portugal. Overall, there are a few regions well above the European average in Italy, France and around national capital cities (like London, Copenhagen, Prague, Vienna, Bratislava and Bucharest).

There are also differences when it comes to regional disparities of service provision within a country. For example, the UK, Italy, the Czech Republic and Romania show high regional disparities, with some regions far below and others far above the European average.

National policies matter for domestic disparities of social services of general interest. They are the major drivers of education systems including lifelong learning, social transfer systems and most social services of general interest.

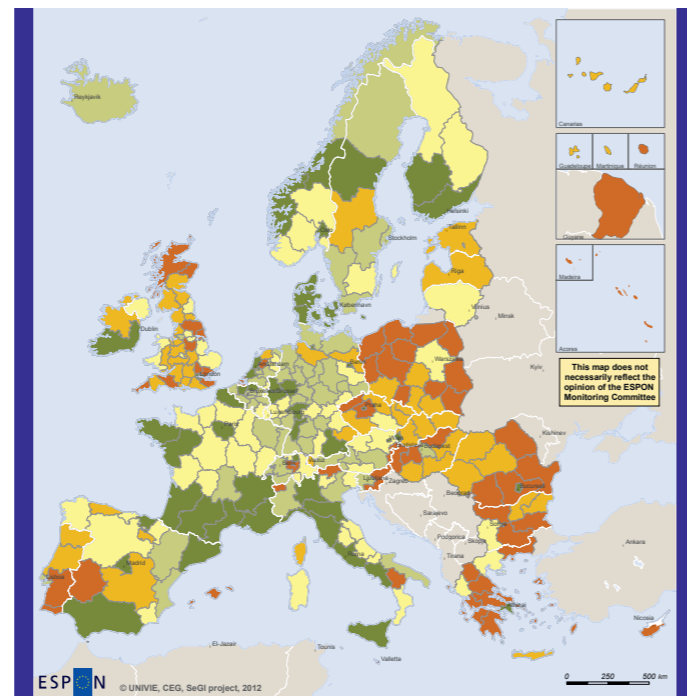
In order to reduce disadvantages the diversity of territories has to be taken into account. This should not just be the case when it comes to standards of accessibility and issues of critical mass. Rurality, mountainous topography or geographic isolation impact the living conditions of the population and the development capacity of the region itself. Taking into account territorial characteristics can serve as a foundation for the attempt to provide fair conditions for EU citizens.

Services of General Interest and Europe 2020

Supporting smart, sustainable and inclusive growth

Overall, the indicators on services of general interest provide an important picture of the territorial diversity that characterises the actual access to these services. Some of the social services of interest are directly linked to Europe 2020 objectives, as is the case of education. In turn, some of the services of economic interest describe preconditions for businesses to develop and contribute to growth and job creation.

Map 4 – Regional Typology of Social Services of General Interest



Typology on Social Services of General Interest, 2009-2010
(standard-deviations from European average)

Dark red	Below average (-3.9 to -1.5)	1. Attainment of lower education
Red	Moderately below average (-1.5 to -0.5)	Students in pre-primary education per 100 inhabitants of respective age-group in 2009
Orange	Around average (-0.5 to 0.5)	2. Attainment of higher education
Yellow	Moderately above average (0.5 to 1.5)	Students in upper secondary education per 100 inhabitants of respective age-group in 2009
Light green	Above average (1.5 to 8.7)	3. Attainment of tertiary education
Green		Students in tertiary education per 100 inhabitants of respective age-group in 2009
Dark green		4. Public finance
		National public expenditures on education per inhabitant in 2009
		5. Availability of main health care
		Available hospital beds per 100 000 inhabitants in 2008
		6. Availability of primary health care
		Doctors and physicians per 100 000 inhabitants in 2008
		7. Availability of additional care
		Professional nurses and midwives per 100 000 inhabitants in 2008
		8. Public finance
		National public expenditures on healthcare per inhabitant in 2009

Notes:
With use of the following indicators, z-transformed, i.e. expressed deviation from mean in standard-deviation:
1. Attainment of lower education
2. Attainment of higher education
3. Attainment of tertiary education
4. Public finance
5. Availability of main health care
6. Availability of primary health care
7. Availability of additional care
8. Public finance

The ESPON 2013 Programme
4, rue Erasme L-1468 Luxembourg - Grand Duchy of Luxembourg
Phone: +352 42 59 91 4700
Fax: +352 42 59 91 4701
Email: info@espon.eu
www.espon.eu

This publication is part-financed by the European Regional Development Fund, the EU Member States and the Partner States Iceland, Liechtenstein, Norway and Switzerland. The Managing Authority responsible for the ESPON 2013 Programme is the Ministry for Sustainable Development and Infrastructures of Luxembourg.

Disclaimer:
The content of this publication does not necessarily reflect the opinion of the ESPON Monitoring Committee.

ISBN: 978-2-919777-50-1
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Published in November 2013.

Services of General Interest: a European issue

Services of general interest cover important arrangements, tasks and functions related to citizen's welfare and participation. They also refer to the supply of basic infrastructure and services for businesses. On that respect, they are not only preconditions of growth and job creation, but also a fundamental pillar for the achievement of smart, sustainable and inclusive growth. Moreover, the access to services of general interest represents an important dimension of social and territorial cohesion.

ESPON has analysed the access to and provision of services of general interest across the European territory. In particular the SeGI project worked on relevant indicators and perspectives for services of general interest in order to provide European facts for territorial development and cohesion. Findings of the EDORA, GEOSPECS and TIGER projects are supplementing this evidence.

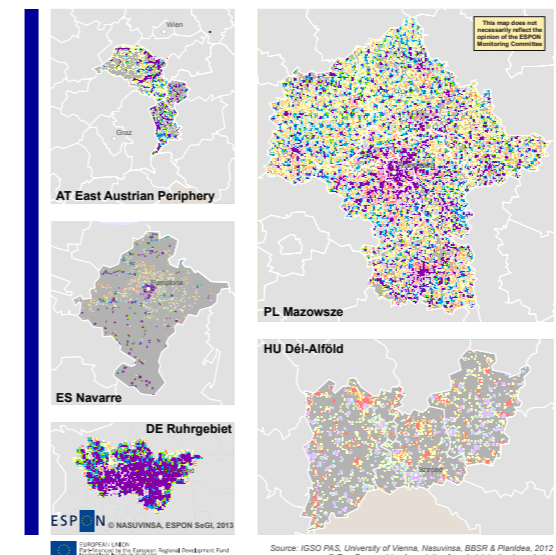
Services of General Interest at Local Level

Territorial Patterns of Services

The territorial dimension of services of general interest depends, among other factors, on the level of specialisation and the frequency with which they are requested. Generic services, which are used very frequently by a large group of people, e.g. services related to childcare or basic health services, are usually provided locally, as close to the users as possible. Highly specialised services, which are used less frequently and by fewer people, e.g. international airports, highly specialised hospitals and universities show more centralised territorial patterns.

At European scale services of general interest vary between territories in terms of providers, users and external factors. Users can be individuals, businesses or institutions. Providers as well as users are affected by characteristics of the territory itself. Islands, mountainous and outermost regions often face severe physical constraints which affect the provision of services. Rural and peripheral territories e.g. often struggle with long distances in providing services for a critical mass, which makes their provision more expensive.

Map 1 – Accessibility of primary schools

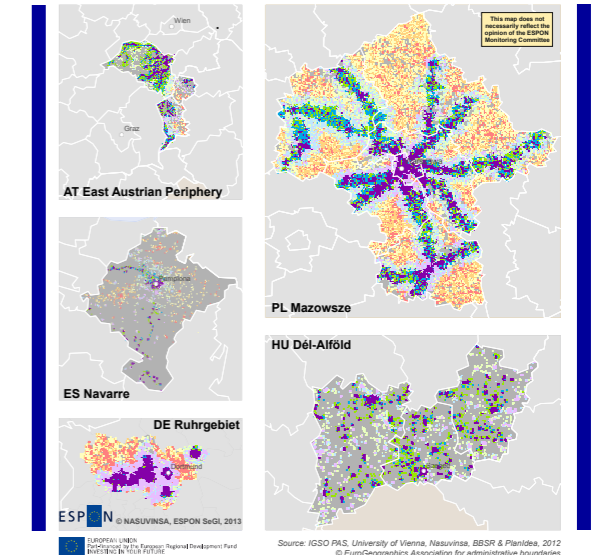


Accessibility of population to primary schools (considers study regions as a whole)

Red	Low accessibility/ Low population density	Grey	Unpopulated case study area
Orange	Low accessibility/ Medium population density	Light grey	ESPON area
Yellow	Low accessibility/ High population density	Dark grey	Non-ESPON countries
Light green	Medium accessibility/ Low population density	White circle	Main cities
Green	Medium accessibility/ Medium population density		
Dark green	Medium accessibility/ High population density		
Blue	High accessibility/ Low population density		
Light blue	High accessibility/ Medium population density		
Dark blue	High accessibility/ High population density		

This map analysis considers the case regions not separately but as a group, comparing highest and lowest accessibility and population densities between them.

Map 2 – Accessibility of railway stations



Accessibility of population to railway stations (considers study regions as a whole)

Red	Low accessibility/ Low population density	Grey	Unpopulated case study area
Orange	Low accessibility/ Medium population density	Light grey	ESPON area
Yellow	Low accessibility/ High population density	Dark grey	Non-ESPON countries
Light green	Medium accessibility/ Low population density	White circle	Main cities
Green	Medium accessibility/ Medium population density		
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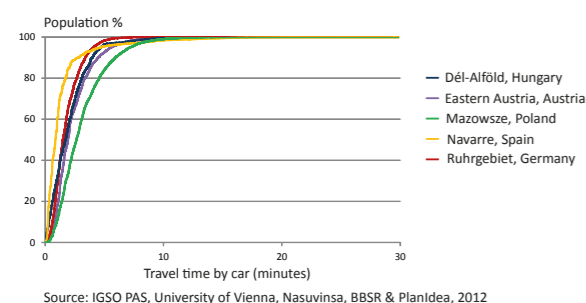
Living in a large and densely populated area usually improves the access to a handy and extensive supply of services. However, for the majority of citizens, the access to services of general interest is first and foremost a local matter.

The results of the five case studies carried out by the ESPON SeGI project indicate that the variety of services tends to be higher in urban areas and cities. However, the provision of services and their distribution is also influenced by historical factors and political decisions, as well as by territorial factors such as the existence of mountainous or remote areas.

The colour coding of the case study maps (Maps 1 and 2) does not only reflect the level of accessibility, but also indicates potential targets of effective investment in services of general interest.

Cases: Accessibility to primary schools and railway stations

Figure 1 – Access to primary schools



The examples of travel time to primary schools (Figure 1) shows that there is in most cases a high degree of accessibility to primary education due to the presence of numerous schools, evenly distributed across the different territories. Some 80 % of the population in each case study region has access to the service within eight minutes or less by car. Also if the average travel time in the regions of Navarre (one and a half minute) and Mazowsze (slightly over

Trends influencing Services of General Interest

Structural changes and economic crisis matter

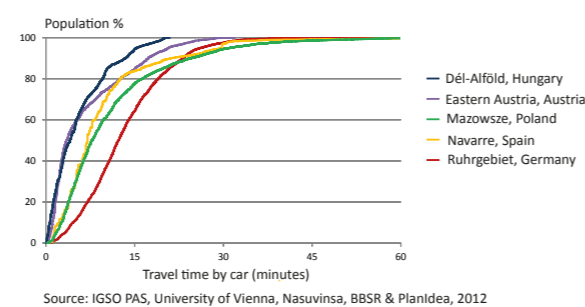
Various external factors impact and constrain both providers and users. Some basic trends that affect the territorial distributions of the supply and demand are:

- Demographic changes, e.g. aging processes, imbalanced gender structure, and depopulation trends in some peripheral and rural areas;
- Changes in transport needs and behaviours, e.g. increasing car traffic in Eastern Europe as well as higher mobility and flexibility in general;
- Changing family models resulting in the need of public care for children and the elderly;
- Changes in the economic situation and the assets of a region or city;

three minutes) is very low, pupils living in the periphery of these two regions might need a travel time of more than 30 minutes.

The maximum travel time is lowest for the highly populated Ruhrgebiet region and the peripheral agricultural region of Dél-Alföld. Regionally specific conditions rather than settlement structure seem to be of higher importance in relation to the time required to access a service as the comparison of Navarre and Dél-Alföld, each with rather similar settlement structures, suggests.

Figure 2 – Access to railway stations



The territorial patterns of the provision of services of general interest differ at local level as well as at any other geographical level. Some services are provided in rather disperse territorial structures whilst others are more concentrated, for example along transport axes or in larger urban centres.

When it comes to railway stations (Figure 2), the picture is rather different. Instead of a balanced pattern, transportation axes are clearly visible on the map 2, displaying a high level of concentration especially in the Polish case. The density of the railway network in all the case studies may be regarded as sufficient, with an average travel time to the nearest railway station of 10 minutes. Eastern Austria and Dél-Alföld have the most favourable situation, as they benefit from a very dense and still utilised railway network which was built when railway expansion was at its heights in Austria-Hungary prior to World War I.

- Recent financial and economic crisis as well as deregulatory and liberalisation processes which may deteriorate the provision of services.

Many regions and cities, and in particularly those that are less densely populated, are likely to face a decline in services of general interest, partly as a result of the economic crisis. In addition, there is a shift from 'social security provision' towards 'social productivity' where service users become more involved in setting public service priorities, defining solutions and implementing them.

In times of severe budget constraints, there is a risk that regions that are economically and demographically disadvantaged will fall behind in provision of affordable services of general interest.

Services of General Economic Interest

Western countries and capitals perform strongest

Territorial variations become visible for example when distinguishing between services of general economic interest and social services of general interest. Services of general economic interest include technical and information infrastructure such as gas, electricity, energy, transport, electronic communications or postal services. Social services of general interest include labour market services, education, healthcare, childcare, elderly care, social care, social housing and social assistance services. Territorial variations can be observed both at the European level and at local level.

Map 3 brings together four different services of general economic interest. On a European scale, western countries show relatively better performance on services of general economic interest than those Member States that joined the EU in or after 2004. Therein, only the capital regions of Prague, Bratislava and Budapest are above European average for services of general economic interest while Eastern capital cities play also an important role as national gateways in advanced producer services namely banking/finance, accountancy, law, advertising and management consulting firms.

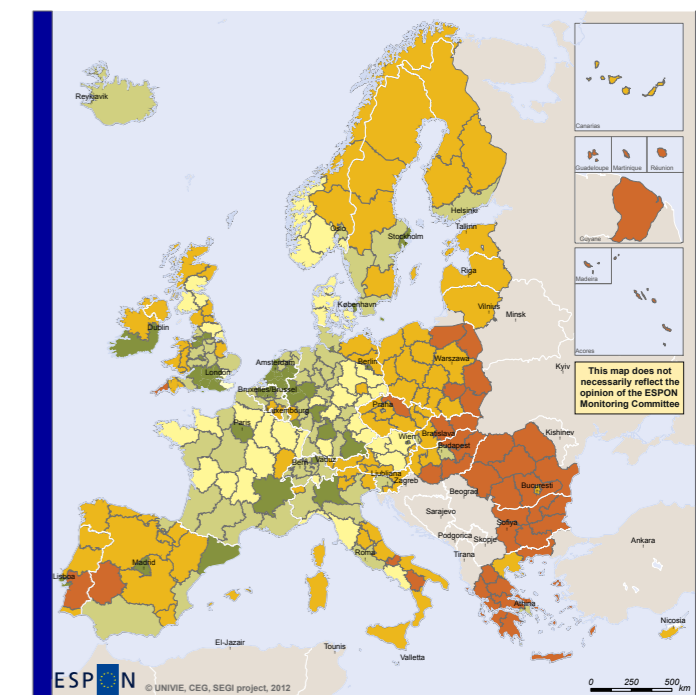
On a regional level, metropolitan areas tend to provide better access to services of general economic interest, concentrating services which function as an attractiveness factor for them. In turn, sparsely populated and peripheral regions, as well as islands, are usually below the European average. There is also a high variance in terms of provision between the different services of general economic interest.

For example, network infrastructures of services of general economic interest like ICT play a key role, not only in relation to service provision itself but also in terms of enabling accessibility to social services of general interest facilities. High quality ICT infrastructure is measured in terms of the share of households with access to broadband. In the best performing countries both rural and urban areas are well covered by broadband connection, as is the case in Sweden, Finland, Denmark or the Netherlands. In regions in Eastern Europe and the Mediterranean basin the access to broadband is often much lower, especially in Bulgaria, Romania and Greece.

Regions of high economic power also trigger and foster enhancement of economic services of general interest. ICT infrastructure can have an important leverage effect on other services. Some services are conditioned by the availability of ICT-infrastructure and grow relatively quickly once it is in place.

Public finance in terms of national expenditure on economic affairs, including public infrastructure spending, is another dimension influencing the territorial patterns of services of general economic interest. In 2009, Norway, Ireland and Luxembourg had the highest levels, with 2.200 EUR per inhabitant. Inversely, the lowest levels were observed in Eastern Europe, especially in Bulgaria, with 200 EUR of average national expenditure on economic affairs per inhabitant.

Map 3 – Regional Typology of Services of General Economic Interest



Regional level: NUTS2
Source: EUROSTAT, 2012
Origin of data: EUROSTAT 2012
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Typology on Service of General Economic Interest, 2009-2010
(standard-deviation from European average)

- Below average (-5.2 to -2.5)
- Moderately below average (-2.5 to 0.5)
- Around average (-0.5 to 0.5)
- Moderately above average (0.5 to 2.5)
- Above average (2.5 to 11.2)
- No data

1. High ranked transport infrastructure
Length of motorways in km per 1000 km² in 2009

2. High quality ICT infrastructure
Percentage of households with access to broadband in 2010

3. Vital business surrounding
Persons employed per 100 000 inhabitants in PR and consultancy in 2009

4. Public finance
National public expenditures on economic affairs per inhabitant in 2009

Notes:
With use of the following indicators, z-transformed, i.e. expresses deviation from mean in standard deviation:

Public expenditure cuts as a result of the financial crisis will most likely impact the future provision and maintenance of services of general interest. In this context these services remain critically important, as the level of public service provision is one crucial factor in sustaining rural settlements and maintaining them as part of an integrated urban-rural strategy. Public services, though, can strengthen ways to create economic opportunity by embedding them in a development strategy.