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POLICY BRIEF

Delivery of services of general interest in lagging regions and areas with special needs

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Foreword by the Hungarian Presidency of the EU

The provision of public services is at the heart of territorial cohesion, a cornerstone of the European Union's mission to ensure balanced development and equal opportunities across its different regions. The Territorial Agenda 2030 emphasises the importance of accessible, high-quality and affordable public services in achieving this goal. Recognising this, the Hungarian Presidency of the Council of the European Union has prioritised in its territorial cohesion agenda the challenges of public service delivery in lagging regions and areas with special needs.

These challenges are numerous and diverse. Peripheral rural areas, socio-economically disadvantaged regions and overpopulated urban centres, among others, often struggle with inadequate financial resources, transport constraints, demographic imbalances and insufficient job opportunities. Together, these factors impede the equitable distribution of services critical to quality of life, such as health, education, transport and social welfare. Delivering public services in these regions requires innovative, flexible and context-specific solutions, especially in an era of rapidly changing needs and constrained budgets.

The Ministry of Public Administration and Regional Development of Hungary, with the support of the ESPON programme, initiated a research project to explore how other EU Member and Partner States address similar issues. By examining European good practices, the ESPON DESIRE project highlights guiding principles and novel, often digitally driven or mobile approaches that offer cost-effective and inclusive solutions. This collective effort aims to inspire improvements in public service delivery for the benefit of all citizens, regardless of their geographical location.

This policy brief aims to draw attention to the critical importance of strengthening territorial cohesion through improved public services. It provides a European perspective on tackling inequalities and improving the quality of life.

Hungary is proud to contribute to this dialogue, which reinforces the common commitment of EU Member States to promote a just development and territorial cohesion.

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The European Pillar of Social Rights stipulates that everyone has the right to easy-to-use and affordable key services. While the various reports produced by EU institutions provide an overview of solutions applied in the Member States to ensure it, they leave unexplored the pan-European territorial perspective on access to and sustainable provision of such services.

This policy brief fills this gap and offers comprehensive territorial evidence on the access to services of general interest across the Member States and EFTA countries. It focuses on lagging regions and areas with special needs – facing demographic shrinkage and ageing population, suffering from infrastructural deficiencies, confronted with social issues and scarce or even lacking employment opportunities, and often geographically remote from main urban centres. For those regions and areas, the main challenge is to retain their population, to ensure supply of jobs, and to provide a favourable infrastructure and service environment.

This policy brief responds to the territorial cohesion priority of the Hungarian Presidency of the Council of the European Union. It capitalises on main outcomes of the dedicated ESPON territorial study (ESPON DESIRE) encapsulated in the ESPON executive report. The project delivered a comparative analysis on how the provision of services in lagging regions and areas with special needs is addressed in European countries and regions, and what principles should be kept in mind when organising such services at the right territorial level.

Based on the study-driven data analysis on access to five types of services of general interest (education, healthcare, social care, regional public transport and retail facilities) and showcases with practical solutions from European countries and regions, this policy brief conveys policy conclusions and recommendations to help decision-makers at all territorial levels design and implement equitable services of general interest.

KEY POLICY MESSAGES

- Inner peripheries – characterised by poor access to services of general interest – are not a phenomenon of geographically remote areas but occur in all European countries whenever the territory in question has distinctively lower accessibility values than the areas in its surroundings. This helps explain the social unrest should a service facility be closed or downgraded, especially when it further worsens the situation of this territory as compared with the neighbouring regions.
- To curb the expansion of inner peripheries it is imperative to consider not only economic factors in the service planning but also to analyse the potential impact of facility closure on the accessibility of services for the residents.
- Alleviating the challenges with provision of services of general interest requires a dual approach: a top-down setting of adequate standards and regulations, and bottom-up collaborative, place-based and community-specific initiatives involving public participation.
- Services of general interest play a pivotal role in establishing strategies that not only attract professionals but also encourage them to commit to long-term residency, thereby addressing both demographic and economic challenges more effectively.
- The analysis of innovative solutions applied across European lagging regions shows that while digital technologies play a major role, physical access to services of general interest may still be ensured by effective cooperation, creativity and by thinking out of the box.
- Five distinct policy pathways are proposed to achieve a sustainable and inclusive service delivery in different contexts. They promote a structured approach to address specific challenges while taking advantage of local assets and participatory approaches in involving local communities.

1

Access to services of general interest: a pan-European overview

Service provision in Europe is shaped by diverse traditions and welfare models. It is also influenced by historical, cultural and institutional factors and demonstrates manifold delivery approaches.

While each country develops specific solutions to ensure services of general interest to their residents, there is a lack of comprehensive territorial evidence across the Member States and EFTA countries regarding the spatial distribution of service facilities, their density and spatial patterns of access.

The work by ESPON in the dedicated study ⁽¹⁾ fills this gap and investigates accessibility to specific service locations, drawing on the tailor-made research methodology developed in the ESPON PROFECY project ⁽²⁾. It measures travel times by car to the respective facilities to determine which territories can be labelled as **inner peripheries**, that is, areas of poor access to services of general interest. This approach per se does not provide qualitative analysis of service quality nor does it contemplate any viable financing options.

Regions that are structurally disadvantaged within their countries often face a higher rate of inner peripherality, both in terms of size and population affected. Geographically, they are usually peripheral in the country terms and can often be described by other specificities as well (mountain or border regions, etc.). They also demonstrate a vicious circle regarding the relationship between population dynamics and multiple socio-economic challenges, including the deteriorating access to and quality of services.

The services of general interest analysed by the ESPON DESIRE project include eight different types:

- i. childcare facilities,
- ii. elderly care facilities,
- iii. doctors,
- iv. hospitals,
- v. primary schools,
- vi. secondary schools,
- vii. passenger train stations,
- viii. retail sector – supermarkets and convenience stores.

The grid analysis performed in the ESPON DESIRE study for the whole ESPON space (divided into regular cells with a resolution of 2.5 x 2.5 km) generally provides a very good **spatial coverage** of all the analysed facilities. There are some exceptions, however, such as for doctors (arguably due to data issues) and passenger train stations (with no railway systems existent in the insular countries). However, with regard to elderly care the density of facilities is still quite low for some Balkan countries, including Greece.

The analysis of **access to these services**, though, displays a more diversified pattern. Inner peripheries are not a phenomenon of geographically remote areas, but are found in all European countries for all service types, particularly in:

- mountain areas (examples: parts of the Alps, Pyrenees, Apennines, Scandinavian Mountains, and the Carpathian Mountains),
- rural areas away from the main road axes,
- interstitial areas between agglomerations,
- areas along national borders (examples: Portuguese-Spanish border, Bulgarian-Romanian border, Norwegian-Swedish border); some border areas with insignificant natural barriers could potentially provide a more continuous spatial structure of service provision (like the Hungarian-Romanian and Hungarian-Slovakian border; and the Romanian-Serbian border).

Still, these inner peripheries differ in terms of number, size, fragmentation and shape across Europe

- In the Nordic countries (Iceland, Finland, Norway, Sweden) and in Turkey they are only few but large. This is because in these countries, accessibility levels are generally lower but more evenly distributed. In other words: there are only a few distinct areas of high accessibility, but a rather wide-spread territory of low accessibilities, so that inner peripheries only partially emerge. On the other hand, however, this also means that the accessibility to services of general interest is equally poor in many areas.

(1) ESPON DESIRE – Analysis on provision of public services in lagging regions and areas with special needs:

<https://www.espon.eu/projects/desire-analysis-provision-public-services-lagging-regions-and-areas-special-needs>

(2) ESPON PROFECY – Inner Peripheries: National territories facing challenges of access to basic services of general interest:

<https://archive.espon.eu/inner-peripheries>

- Enclaves with poor access to services in Spain and in some central and eastern European countries (Bulgaria, Romania, Hungary) are usually larger compared to those in Austria, Germany, and Benelux countries (Belgium, Luxembourg, Netherlands). In other words, the latter countries have a much higher level of small-scale fragmentation between accessible and non-accessible areas, indicating large differences in access to services at a very small regional scale.

With regard to the **time range of access (by car)**, across all services and countries more than 90 % of the population can generally reach a service within 60 minutes. However, there is a significant difference between those who can reach the service in less than 30 minutes and those who need up to an hour.

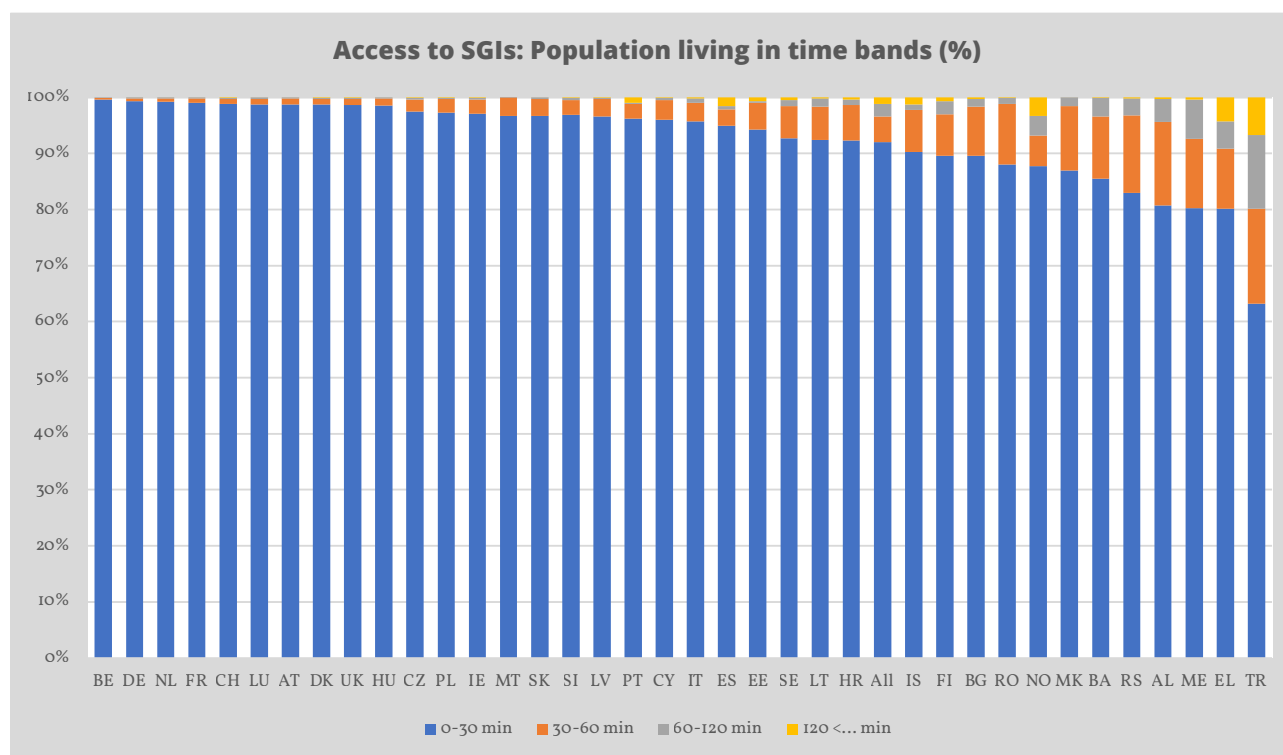
However, depending on the country and service type, there are notable exceptions. In Albania and Finland, for example, 11 % of the population need between 60 and 120 minutes to reach a doctor, in Greece 9 % of the population require this travelling time to reach a retirement home (Italy: 4 %, Lithuania: 7 %) or 10 % to a secondary school.

This proves that accessibility of services throughout Europe is generally good, but the exceptions also show the still existing dichotomy between urban and rural areas.

Depending on service type and country, the **proportional size of inner peripheries** within the countries' territory ranges from approximately one per cent (Andorra – hospitals) to 54 % (Andorra – train stations), with European-wide averages between 11.6 % (elderly care) and 18.3 % (secondary schools).

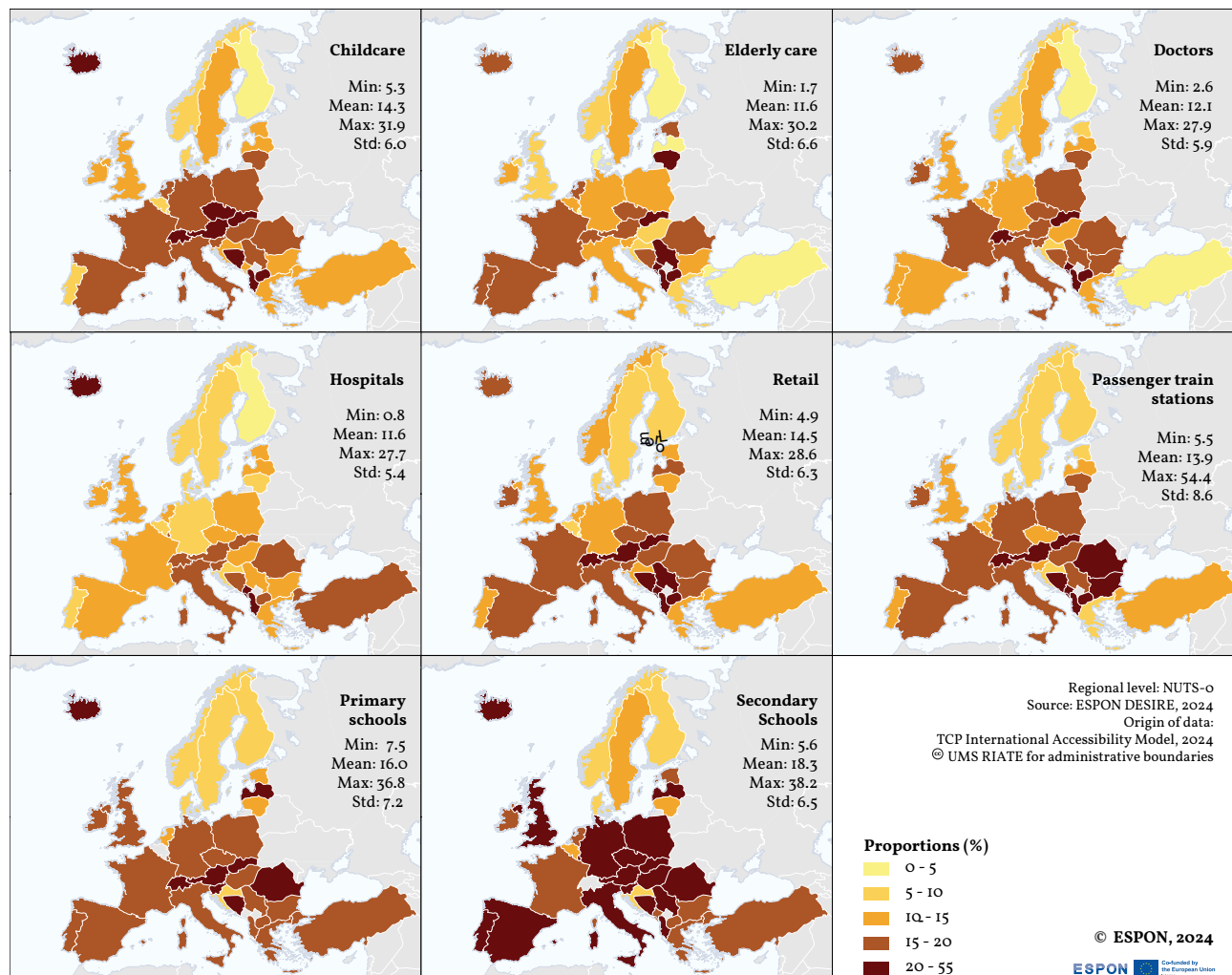
Nordic countries tend to have a lower proportion of territory covered by inner peripheries (Finland: 3.9-8.9 %, Norway: 6.2-11.6 %, Sweden: 6.4-13.9 %) in opposite to small countries which display rather larger shares (Slovakia: 16.5-31.1 %, North Macedonia: 16.9-24.7 %, Switzerland: 17.9-38 %, Slovenia: 13.1-27.7 %).

Figure 1:
Access to SGIs – Proportion (%) of population living in time bands



Source: ESPON DESIRE

Map 1:
Proportion (%) of inner peripheries on country territory by service type (2024)



Source: ESPON DESIRE

Concerning the **size of the populations living** in inner peripheries, the data reveal generally smaller proportions. Nevertheless, often 5 % or more of the population are affected (for instance, Lithuania – passenger train stations, Slovakia – elderly care, Slovenia – secondary schools, Montenegro – hospitals, Belgium – primary schools) which should, from a regional planning perspective, be considered as a significant quantity.

Although the improvement of road networks between 2021 and 2024 has led to a reduction in the number of inner peripheries, it has not necessarily led to a similar reduction in their total area or average size. In other words, the expansion of transport infrastructure can reduce fragmentation between areas regarded as inner peripheries, or not, but at the expense of a more general increase in the dichotomy between easily and poorly accessible areas, with the latter tending to increase in size.

The number of facilities for each type of service that can be reached within a reasonable travel time by car is another measure for the quality of life of a particular place of residence. If the residents can reach only one facility, basic needs are met because the service is provided and reachable, but they are tied to that facility. If the residents have access to more than one facility, they can choose from a range of similar services, allowing them to take qualitative aspects, price levels, and personal preferences into account when making their choice.

In addition, this indicator can also be interpreted as an indicator of the area at risk of becoming an inner periphery in the future. If only one facility is accessible from a given location within a reasonable travel time, and that one accessible facility were to close, then the quality of service for the affected regions would be compromised. In this respect, facilities that represent a single point of service

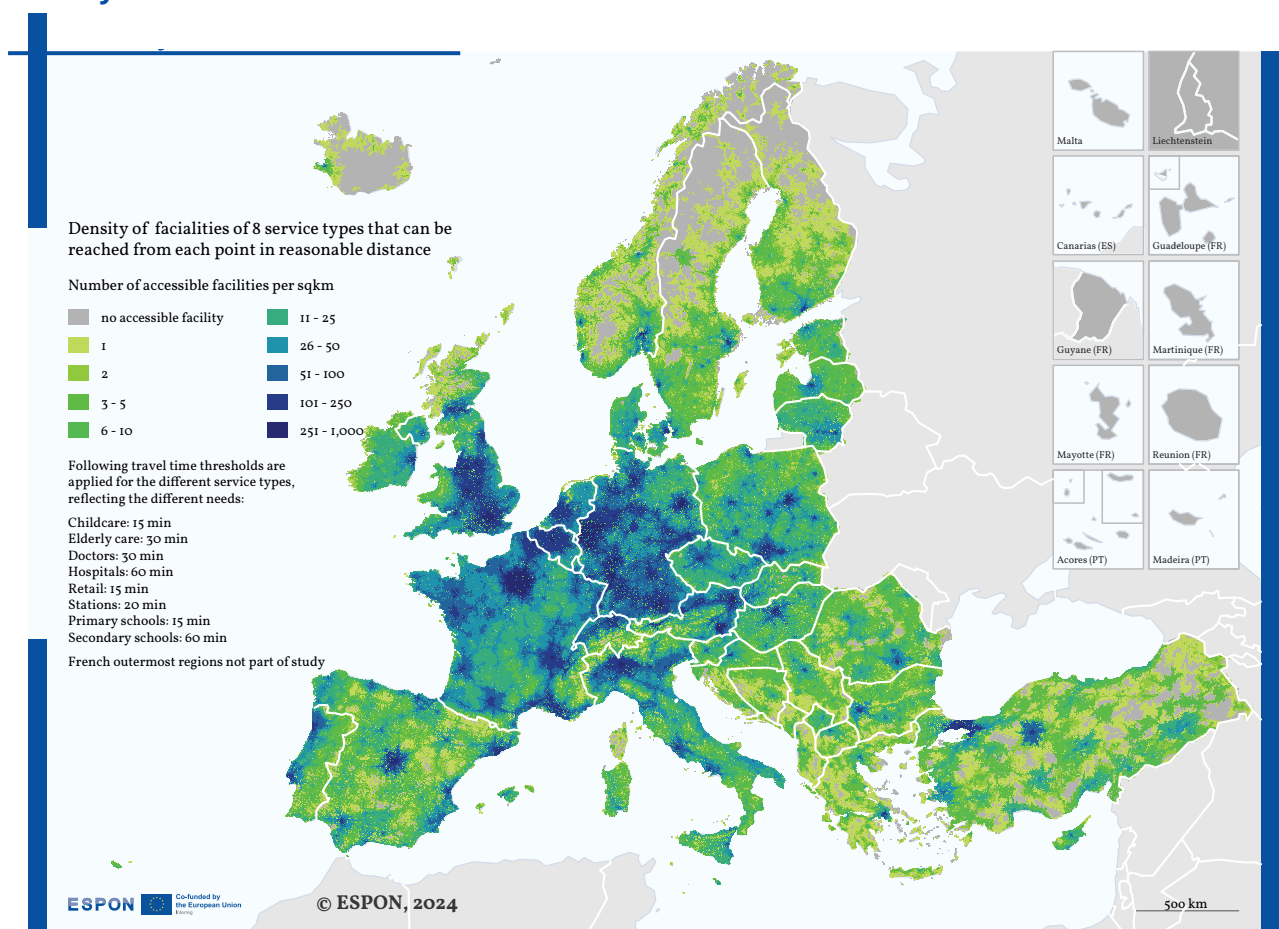
for an entire region should be regarded as an important asset for that region. If these service points were to be closed (for whatever reason), the supply of an entire area would suddenly collapse. In this respect, from a planning perspective such facilities should be given high priority and protection.

The overall density of accessible facilities (Map 2) clearly shows the split between agglomerations and well-developed transport corridors on the one hand, and the rural areas and interstitial areas on the other. In Germany, England, the Benelux countries and Northern Italy, as well as along the coasts of the Iberian Peninsula, there is a very high density of accessible services almost everywhere. However, in many central and eastern European countries (Czechia, Hungary, Poland and Romania) and Spain, pointaxial patterns are predominant. They show a high density in the main centres and along important transport arteries and a significantly lower density away from these areas. A third category is formed

by the Nordic countries, Turkey and parts of the Balkans, where the density of services is extremely low, with only a few exceptions in the few larger urban centres.

In areas from which residents can reach only one facility per service type within a reasonable timeframe (e.g. a school, hospital or doctor), it is of utmost importance that the viability of this facility is guaranteed and that it will not be closed due to economic or administrative considerations. Conversely, for regional planners it is imperative to consider not only economic factors in the service planning but also to analyse the potential impact of facility closures on the accessibility of services for residents in the surrounding areas. This analysis should identify which areas will no longer be served and the number of individuals who will be affected. Applying multi-service approaches and coordination is needed to account for the overlapping impacts of individual sectoral policies with cumulative effects in less favoured areas.

Map 2:
Density of facilities in a reasonable distance



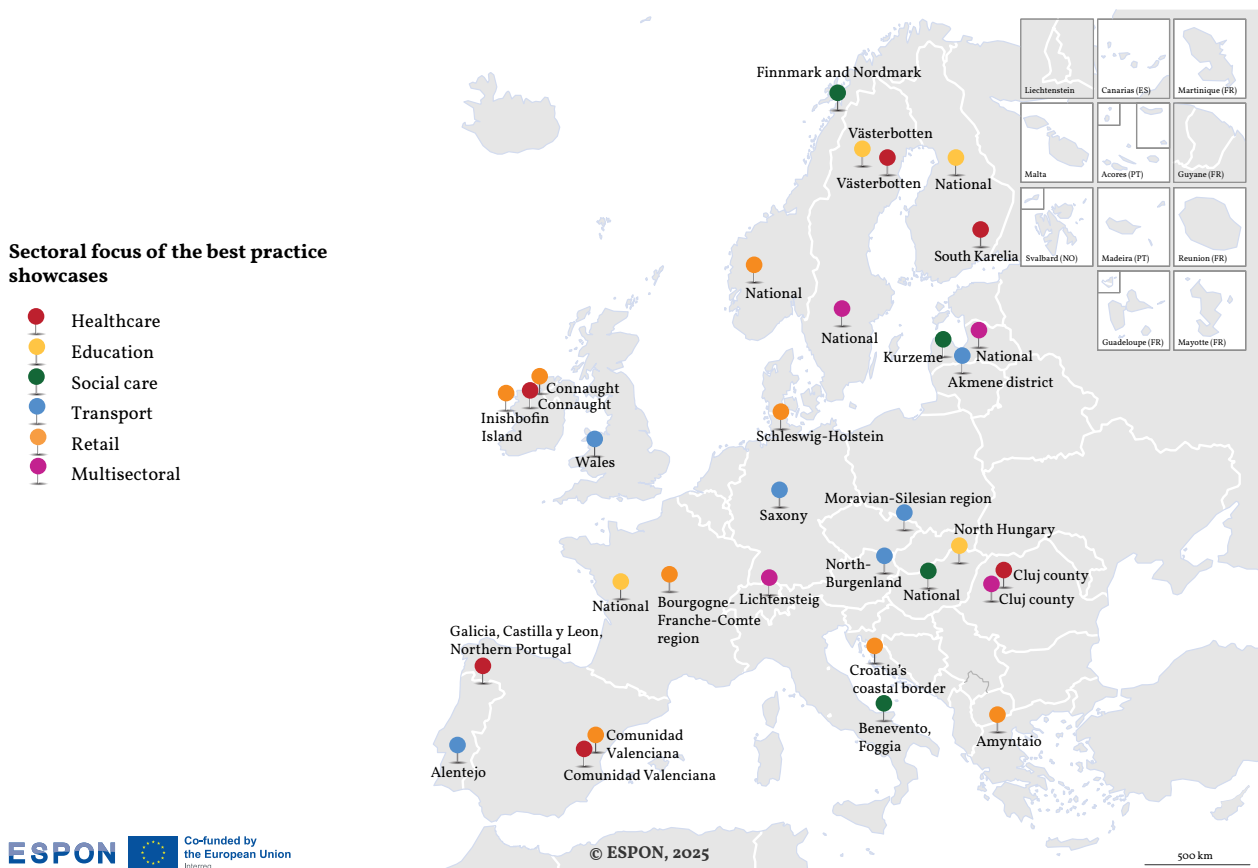
Source: ESPON DESIRE

2 Lessons learnt from the showcases

The showcases analysed in ESPON DESIRE study (Map 3) demonstrate a wide range of best practice examples of innovative service provision solutions that address the identified territorial challenges and help bridge the rural-urban divide. When supported adequately by policy and funding, they offer a potential to scale up and out for greater impact.

The description below provides a snapshot of an ailing situation with a provision for services of general interest within the examined lagging regions. In addition, areas with special needs have been titled ‘reasons to act’, which promotes the specific **innovative solutions** implemented therein. This transferable evidence can inspire the planning of services across Europe as well as in other regions and areas facing similar development challenges.

Map 3:
Location of best practice showcases analysed in the ESPON DESIRE study



Source: ESPON DESIRE, 2025
Origin of data: ESPON DESIRE, 2024
Administrative boundaries: ©EuroGeographics ©ESPON

Source: ESPON DESIRE / HU Presidency

Regional public transport

Reasons to act

The standard public transport services fail to provide daily support and do not meet the needs of residents. Frequency and connectivity are insufficient to render equitable access to work, education and essential services, in particular to students, the elderly and people with limited physical abilities. Ageing infrastructure requires substantial upgrades to roads and vehicles to comply with efficiency and safety standards. Enhanced transport services may still be impeded by the absence of digital resources, like high-speed internet and sophisticated telecommunications.

The result is that residents feel disconnected from services, isolated from the wider community, unsafe, and forced to rely on their own cars. The social gaps contribute to social exclusion, primarily among families with low incomes. This is much increased in areas far from main urban centres and already declining in terms of population. Infrequent public transport can also limit access to employment opportunities, forcing residents to look for local employment, which is often lower paid.

These impediments lead to further disparities in obtaining access to services (health, education, etc.), thereby increasing the level of social injustice between rural and urban communities.

Therefore, prioritising efficient, reliable and affordable transport options for people in lagging areas should be a policy priority, enabling the local communities to grow and thrive.

Innovative solutions

Ireland's national and regional development strategies aim to assist rural communities with transport service provision in an effort to enhance local and regional accessibility and to develop a low-carbon, energy-efficient transport system. The introduction of new bus routes, and the increased frequency of service has reduced waiting times and expanded user access.

However, in public consultation one of the principal issues raised was the need to explore alternative options. These should be sufficiently flexible to respond to the geographical and demographic specificities of individual settlements, villages and towns to reduce high car dependency.

With this in mind, a community-driven public transport service was established (called **Local Link**), with over 110 routes connecting rural towns and villages across Ireland. It provides a demand-responsive service and allows residents to pre-book a trip to access essential services, thus fighting social exclusion. In addition, to the extent possible, its timetable is harmonised with the schedule of public transport operators in larger towns, enabling commuters to continue their journey via alternative modes of public transport.

However, due to funding constraints on the non-governmental organisation (NGO) that runs it, the service frequency is limited and has so far not been able to link the rural settlements with hospitals and airports as desired by the residents. In order to adapt this service, greater financial investment is needed.

The additional service availed by the Local Link office is called '**community cars**': the coordinated free rides offered by charities and community groups to community members who cannot afford public transport services, especially those having to attend medical appointments.

The Irish **Mayo Bus** provides free transport services for cancer patients in remote and rural areas of County Mayo, facilitating travel to Galway City for treatment. It is operated by Cancer Care West Galway, a voluntary organisation dedicated to supporting cancer patients and their families in the west of Ireland, in partnership with the University Hospital Galway.

The pilot project of **EcoBus** implemented in rural areas of Lower Saxony, and then in the peri-urban area in Saxony in Germany, introduced door-to-door service as a complement to regular public transport for the same fee. Similar to taxi rides, it had no fixed timetable and bus stops but sought to pool the requests that are close in time and space, ensuring better utilisation of vehicles. The national legislation in Lithuania allows municipalities to reduce or waive transport fees for specific groups. The Lithuanian municipality of Akmenė decided to offer **fareless rides** to old age pensioners, persons with disabilities and pupils and employees of educational and medical institutions whose services are deemed to be of major importance to the municipality. In addition, free rides are available to holders of the **Akmenė citizen card** – a loyalty card eligible to residents registered within the municipality that provides discounted municipal and business services.

The **demand-responsive** transport solution in **Wales**, with its flexible adaptable routes, stops and timing of the service has helped to create daily routes that connect isolated communities with mainstream services. However, the availability of the service is limited by fleet capacity and operating hours. It is also dependent upon municipal resources and would no longer operate if the municipality decided not to grant further funding for the service.

The **on-demand** transport pilot project in the region of **Alentejo, Portugal**, promotes shared taxi services during periods when the public transport network does not ensure connections to the city. A total of 25 routes and 200 stops have been established, providing a high-quality and low-cost service for citizens in each municipality outside the main city.

The **employee mobility programme** in the **Moravian-Silesian Region** of Czechia disburses free commuting rides over a one-year period to new residents of the economically lagging areas to workplaces outside their borders. Its aim is to reverse depopulation trends, increase employment and reduce poverty.

The **GmoaBus** is a door-to-door community bus service in the Austrian village of Pötttsching in North-Burgenland, which provides both individual and scheduled routes for less mobile inhabitants. These are mainly seniors and/or those who depend on the help and support of others, for example school children. The service is operated by a local NGO and financially supported by the municipality, while an advisory board involving bus drivers and passengers fine tunes solutions to address local needs.

Education

Reasons to act

Many lagging regions are faced with demographic pressures involving declining birth rates and shifting student populations. The declining enrolment along with the changing societal needs, puts severe pressure on education structures in an effort to ensure quality education for every student, regardless of demographic or geographic constraints.

Some European territories are affected by the complex interplay of spatial, social, infrastructural and ethnic exclusion, due to decades-long scarcity of places of employment and social and educational facilities, and the subsequent outward migration of educated and better-off families. Multiple social disadvantages (family background, poverty, special educational needs, learning and behavioural difficulties) as well as lack of resources

(teachers, teaching support staff, buildings, equipment) and social prejudices towards Roma minorities have taken its toll. The result has been high rates of absenteeism, dropping out and failure, with substantial numbers leaving school early without qualifications.

Segregated neighbourhoods in rural areas and large social housing districts in many places in Europe experience substantial urban dysfunction and issues related to educational diversity, resulting in segregated primary education with poor graduation records preventing access to secondary education.

A small pupil base, the shortage of teachers and the distance to larger settlements in sparsely populated areas require adaptable education delivery models to combat the declining enrolment and ensure, with the limited resources available, that even the most isolated communities have access to equitable education. In the northern parts of Europe, a critical shortage of Sami language instructors requires measures to bridge the gap in guaranteeing high-quality education in mother tongue. Other minorities (e.g. Frisians in northern Germany, Sorbs and Wends in eastern Germany) also face the problem of a shortage of teachers and therefore see a real risk that the schools they are enrolled in may have to close in the (near) future.

Many local authorities struggle to develop territorial approaches for key aspects such as educational continuity, personalised learning or supportive education ecosystem with a strong parental and community engagement. This can result in institutions focusing on their own policies, leading to a fragmented approach in addressing educational exclusion and digital divide.

With the growing digitalisation of workplaces, as well as the essential state and municipality services, it is important to assist residents in lagging regions and areas with special needs in developing digital competencies to increase retention of labour force, including local talent pools.

Innovative solutions

The **Finnish education system** places emphasis on equity and quality of schooling, with municipalities playing an autonomous role in creating and tailoring educational practices to the unique cultural, social and economic contexts of their communities. For example, communities can adapt curricula to reflect local history and environment, which fosters a sense of identity and relevance among pupils.

One of the recent trends in the provision of educational services in Finland has been the increasing emphasis on digitalisation and the integration of technology in schools. The localised approach puts the municipalities in charge of

providing digital infrastructure and resources, as well as for training teachers to use digital tools and methods effectively.

Another important responsibility is inclusivity and support for diverse learners, including students with different needs, such as those with disabilities, migrant backgrounds and socio-economic disadvantage, which requires ensuring adequate funding, specialist staff and tailored programmes. The **network of primary schools** project, led by the Association of Finnish Municipalities, brings together schools in rural municipalities to work on educational strategies. By pooling resources, these municipalities aim to maintain smaller schools while benefiting from shared services such as common curricula, teacher training and digital infrastructure. This networked school model represents a new approach to the challenges posed by declining student numbers, focusing on intermunicipal cooperation to provide sustainable and equitable education.

The **remote teaching** approach (video conferencing), which uses ICT as a distance-bridging technology, has been practiced in the Swedish County of Västerbotten to overcome the shortage of professional teachers in remote rural schools, and to maintain quality and equality in education. In a similar manner, the Tannbergs upper secondary school in the Lycksele Municipality, where a large proportion of Sami children are enrolled, uses ICT solutions to collaborate with peer school facilities and offer joint Sami language courses, thus pooling resources and expertise.

The **Dr Ámbédkar Vocational Secondary School** developed a well-profiled educational offer, providing young Roma in Northern Hungary with access to a competitive vocational qualification and a competitive profession. The school's pedagogical programme is individualised, flexible and centred on particular students and small groups to help identify and develop their talents. Therefore, it provides a high level of educational service in an under-served community, creating the possibility of a higher level of social integration. However, its sustainability is dependent on long-term financial support, with a multiple setup of possible donors (central, regional and local administrations, churches, NGOs).

The **educational cities label** is an initiative by the French government aimed at enhancing educational opportunities and outcomes in urban areas facing significant educational and social problems. It targets 208 cities, including 370 priority neighbourhoods, with a total of 1.2 million students (aged 0-25). It strives to create a cohesive educational community, including education and teaching professionals, parents, state services, local authorities, social workers, associations and residents. The aim is to collectively address the challenge of educational inequalities through better

coordination of measures and resources, and a shared educational strategy.

Healthcare

Reasons to act

The specific characteristics of the lagging regions with remote locations, scattered settlements, ageing populations and structural economic challenges, compounds the difficulties faced by standard healthcare systems in their attempt to deliver high-quality services. It requires directing considerable resources to vulnerable groups of the local population, in particular elderly people and patients suffering loneliness, mental distress and social isolation. The physical distance to specialised care facilities in urban centres, cost and time needed to reach them, plus psychological and cultural factors (behaviours and mindsets) discourage residents from the timely reporting their health problems, or attending medical appointments, further exacerbating the situation. For territories with geographical barriers, like mountainous areas, access to such services in winter or bad weather conditions poses additional problems.

Female residents in lagging regions may experience gender-specific challenges related to domestic and caregiving responsibilities together with limited sexual and reproductive health education and mental health support.

Even though many national systems provide an extensive network of well-staffed health centres and hospitals to offer all residents free access to a core set of healthcare services, a shortage of healthcare personnel, particularly in specialised fields compared to primary care, is prevalent. This also applies to publicly provided dental services which are very limited in these areas. Furthermore, incentives are insufficient to attract and retain staff and lack of solutions for work-life balance and flexibility continues to hinder their effectiveness.

Moreover, the high turnover of professional employees is detrimental to quality of care and health outcomes, particularly affecting the elderly, children and other vulnerable members of the population. Maintaining a relationship over time with health professionals familiar with patients' medical history and unique needs has beneficial impacts on their health and well-being, as well as on cost-effectiveness.

The national health planning systems have not yet been sufficiently reorientated to respond to demographically shrinking and ageing areas. There has been inadequate

planning for training more medical residents and insufficient consideration of factors such as the retirement of the 'boomer' generation, the rise in chronic illnesses and increased life expectancy. Furthermore, working in more remote and rural areas entails greater professional isolation, limited training opportunities and fewer chances to supplement income through private practice or additional services.

In addition, interviewees highlighted the challenges of attracting staff to rural areas, resulting in some vacancies remaining unfilled. Temporary absences or holiday periods further strain service provision in these areas.

Moreover, the limited interoperability of data systems across countries and regions poses challenges for service provision, particularly in inner peripheries where services might be closer to the other side of the regional or state border.

Equitable access to healthcare in these areas requires substantial funding, customised solutions and adaptations towards community health promotion, with the aim to ensure **'the right to health'** to its residents.

Innovative solutions

The health law introduced by the **Valencian Community** in Spain addresses health inequalities with explicit mention of the disparities related to place of residence. The territorial division of the regional healthcare system features so-called **basic health areas** with a primary health centre involving a general practitioner, a nurse, and depending on the area a paediatrician, a midwife or auxiliary staff. In rural areas with dispersed population, nearly all primary health centres also offer continuous attention in case of an urgent need for consultation.

In sparsely populated areas of the Valencian Community, **auxiliary clinics** are established where peripatetic family doctors, paediatricians, nurses and occasionally midwives visit patients on a regular but infrequent basis. Effective operation of these decentralised clinics relies on collaboration between the regional government and municipalities through formalised agreements. They are seconded by **support units** focused on specific health assistance needs.

The healthcare governance system in the Valencian Community integrates **citizen participation** through various consultative bodies, with health councils attached to each territorial level. These councils include representatives from healthcare administration, professionals, and users. Additionally, the Patients Committee of the Valencian Community acts as a consultative entity.

The **recent legislation** put forward by the Valencian Community outlines measures for retaining medical staff in rural areas. It offers financial benefits, simplified recruitment to permanent positions and additional work opportunities. It also prioritises research and training for those individuals who remain in their position for a period of at least two years. These measures are currently under evaluation and their effectiveness remains to be assessed.

At the same time, the regional **remote programme for emergency assistance** was designed to address the challenges facing emergency care in the most remote municipalities of the Valencian Community, which lack an available advanced life support unit in the local area. This would provide primary care medical and nursing staff for handling urgent situations until emergency services arrive to transport the patient to a hospital. In addition, coordination and communication emergency protocols have been adapted for rural areas. Reliable radio communication has also been established with the emergency coordination centre, thereby ensuring that residents in these areas receive the same levels of attention to their emergency and urgent care needs.

The **GVA + Health App** mobile application developed by the Valencian Regional Government facilitates health services through teleconsultation with health professionals and provides access to health status data. The various municipalities and social organisations can train elderly residents on how they can use of the app, thereby helping to overcome digital exclusion.

Another pilot project in the Valencian Community deals with the **remote monitoring** of patients in rural areas. The initiative uses an online tool and checklist to remotely assess patients' health status, providing reliable and accurate assistance to the most remote rural populations.

In some cases, community healthcare assistance in the Valencian Community is provided in cooperation with NGOs. One of the initiatives aims to enhance **women's right to health** in the region's most remote and sparsely populated areas. It adopts a holistic approach to health promotion, addressing physical and mental health as well as considering emotional, social and relational factors, including community awareness, thereby establishing a supportive social network for improving rural health.

The **Diakónia home nursing** service is jointly provided by a faith-based NGO and the local public authority in the town of Săvădisla, Romania. Subsidised primarily by the state and the local government, it aims to provide free outpatient care, inpatient home care, hospital aftercare, and general assistance to the residents, especially elderly

people, whose access to these services in urban clinics would otherwise be difficult or impossible.

ARIEM-II2 is a flexible framework for swift and efficient cross-border cooperation in emergency resources involving the neighbouring regions of Galicia, Castilla and León in Spain and Northern Portugal. It established an action protocol for mutual aid between Spanish and Portuguese emergency and rescue services, mobilising shared resources and determining cost allocation for assistance.

Mallu – the health service car – provides regular health checks and treatment in the sparsely populated rural areas of the Finnish region of South Karelia. It is part of a flexible on-demand supply of services in preventive healthcare to meet the needs of rural residents and improve their well-being. It also facilitates social interaction, peer support and community engagement. This service model helps reduce unnecessary hospital visits, resulting in long-term savings in healthcare costs.

The **virtual health rooms** in Region Västerbotten, Sweden, provide accessible medical care in the remote and sparsely populated areas facing a shortage of local doctors and nurses. They operate autonomously and use advanced telecommunications technology to allow patients to conduct health assessments and consult with healthcare providers via video communication. The service is primarily designed to meet the needs of the elderly residents in dispersed rural communities, effectively overcoming the geographical barriers. In addition, this innovative approach reduces the burden on municipal home care services by minimising the frequency of necessary travel for care.

Social care

Reasons to act

The demographic trends, including an ageing population and out-migration, seen in many lagging regions contribute to a shrinking workforce and tax income base, as well as lower demand for services.

Thus, the ability to deliver timely and effective provision of social care services, bearing in mind their decentralised character, faces financial sustainability challenges. Economically constrained smaller and weaker municipalities struggle to meet quality and accessibility standards, being left with outdated infrastructure and a shortage of trained professionals while the number of social care recipients steadily rises. Consequently, the coverage and availability of

social services are insufficient, especially for people with mental disorders and those of retirement age.

The geographical dispersion of settlements in these regions, making the provision of public transport services very difficult, adds another layer of complexity to service delivery and hampers efforts to provide equitable access to social care services.

Addressing these disparities requires targeted interventions and social support mechanisms that consider the specific needs and challenges of lagging regions. These interventions are community-based and make use of the pooled competences of NGOs concerned with social cohesion.

Innovative solutions

The **Hungarian national FeTe programme** inaugurated in 2019 aims to provide special social services to disadvantaged communities, mostly ethnically segregated localities, where social, economic and spatial issues are intertwined and mutually reinforcing. With as many as 178 participating settlements in 2024 (which will gradually increase to 300), the programme is implemented through a network of faith-based charity organisations with a strong organisational background together with a number of NGOs.

It focuses on supporting families with young children by providing in each municipality a renovated and well-equipped community house and complementary educational activities plus social assistance to prevent participants dropping out. Through the engagement of social workers and a broad range of committed stakeholders (local public services, communities, NGOs and authorities) the programme has helped create an enabling local environment to overcome initial prejudices and stimulate community building.

The community-based model of **village and homestead caretakers** was developed in Hungary to respond to the urgent needs of residents in remote villages and isolated dwellings. The village assembly elects local individuals to provide help and care for those residents in need, mainly elderly people or parents of preschool or school age children. Being an integral part of the state-financed social care system and regularly trained, the caretakers are purposed to bridge the spatial divide in remote rural areas between the location of essential services and their clients. The present network of around 2000 village and home-stead caretakers operates under strong community ownership, protecting residents in small or remote locations from the social impacts of spatial marginalisation via a low-cost and demand-tailored service.

The **mobile care services** in Latvia assist the economically disadvantaged elderly individuals in rural and remote areas with daily tasks and offer additional assistance in household tasks. They provide an opportunity for seniors with health limitations to stay in their place of residence close to the family environment, rather than moving to a care facility. Established by the Samaritan Association of Latvia, and supported by local government leaders, this innovative approach to deinstitutionalisation of social care was adapted by other municipalities and NGOs across the country.

The **ageing at home** project is aimed at addressing the unique challenges facing elderly care in remote rural areas of Northern Norway. Similar to the Latvian initiative above, its goal is to improve the quality of life for older residents by ensuring that they can remain in their homes and maintain an active, socially engaged lifestyle. The initiative involves creating intergenerational meeting places for combatting loneliness. The cultural dimension of the project, emphasising Sami traditions and activities in some of the localities, has been instrumental in promoting a sense of belonging and well-being among the elderly population.

The Italian project on **healthy small communities** led by the Italian Red Cross aims to establish an integrated network between healthcare centres and socio-assistance actors in those municipalities where their residents have a life expectancy below the national average. It provides free of charge services to those at risk with Small Health Centres offering health screenings while healthy ageing programmes arrange meeting places for the elderly to reduce marginalisation.

The new Finnish governance model for well-being services

The reform of Finland's health and social services system has been one of the most significant reorganisations in the country's recent history. This overhaul centralised the administration of social and health services, consolidating responsibilities previously managed by 293 municipalities and joint municipal authorities into 21 newly established **well-being services counties**. The

aim was to create a more equitable, efficient and sustainable system that could better meet the needs of Finland's diverse population.

The approach, which can be described as **well-being governance**, promotes the integration of the so far fragmented health, social care and education services. The aim is to address existing inequalities with regard to availability and access to services. This integration is crucial for people with complex needs who require a seamless continuum of care. The consolidation also includes provisions for increased self-regulation and regulatory oversight to maintain high standards of service delivery. This approach helps to develop coordinated care pathways and provides targeted interventions while supporting overall well-being, particularly benefiting rural and deprived areas.

Finland has a division of responsibilities between the municipalities and the well-being services counties. Municipalities retain control over education services, ensuring that local needs and preferences shape schooling. Meanwhile, well-being services counties in charge of health and social services address such issues as pupils' mental health, nutrition and family support. Collaboration between schools and other community services (e.g. social services, mental health professionals and local health authorities) creates a supportive network for pupils and their families, making schools key hubs for community well-being.

Furthermore, municipalities have the autonomy to determine how health promotion is implemented within their jurisdiction, allowing for tailored approaches that reflect local conditions and priorities. This structure encourages collaboration between municipalities and counties, especially in preventive work, as well as aligning educational targets with well-being goals.

Well-being services counties are required to develop their own programmes to ensure the availability, continuity, safety and quality of services. These programmes will be supervised by regional state administrative bodies, which will provide guidance and intervene where necessary to ensure compliance with legal and quality standards.

In addition to these collaborative efforts, the reform has also encouraged municipalities and well-being services counties to adopt innovative solutions to address service delivery challenges. For example, the digitisation and integration of technology in education services has been accelerated, particularly in response to the COVID-19 pandemic. Municipalities have played a key role in ensuring that schools have the necessary digital infrastructure and resources, enabling more resilient and adaptable education systems. This trend underscores the importance of using technology to improve service delivery and meet the evolving needs of communities.

However, this systemic transition poses challenges in terms of significant logistical and operational changes, aligning financial management practices and ensuring equitable distribution of resources. The new well-being services counties faced a significant financial deficit shortly after the reform, necessitating restructuring discussions and possible job losses.

Central to the new governance model is the direct allocation of funding from central government to well-being services counties, which was designed to reduce financial inequalities between councils. Under the new system, funding is based on the specific needs and demographic profile of each county with the aim of ensuring that all regions can provide consistent and high-quality services regardless of their local economic conditions.

Financial pressures and resource constraints pose significant challenges to the work of NGOs in this governance scheme, highlighting the need for clear and stable collaborative models to support their activities and ensure their long-term sustainability.

Retail facilities

Reasons to act

Geographical isolation, infrastructure deficiencies, limited access to markets, limited demand, and economic constraints hinder retail development in the lagging regions.

The investment costs for connecting some of the most remote areas are high, leaving them with inefficient electrical grids and poor internet connectivity.

Continued population decline has reduced the customer base, while competition from online shops and changing consumer habits have threatened the economic viability of rural stores. This has resulted in the closure of many establishments due to the limited availability of skilled staff, logistical problems and slender capital resources, while facing competition from supermarkets in the larger urban centres.

Reliance on a single retailer could expose the community to disruptions, cost increase and abrupt termination of the service. In areas with geographical barriers, unpredictable weather conditions can cause lengthy disruptions in the delivery system, increasing the vulnerability of local communities to being without direct access to fresh food.

Communities in the less densely populated parts of lagging regions are at risk of financial exclusion, implying an inability or difficulty in accessing basic banking services. This particularly applies to ageing residents with inadequate digital skills living in smaller villages in areas with weak Internet coverage.

Ensuring the liveability of retail facilities is crucial to maintaining the vitality of lagging regions. It requires constant adaptation, investment in new technologies and innovative strategies. It also needs expert advice and various types of financial support to ensure long-term business sustainability, which is crucial for improving the quality of life in the local communities.

Innovative solutions

Open mall projects were initiated in the past years in several places in Greece. The aim was to rejuvenate small towns in remote areas by creating an integrated, open-air shopping environment that combines retail, entertainment and cultural experiences. Based on partnership with local businesses and vendors, this public administration initiative is driven by the vision of transforming the town into a dynamic marketplace that attracts both residents and visitors, fostering economic growth and community engagement. It includes infrastructural improvements of retail and public spaces, integrated digital solutions (free Wi-Fi, info-kiosks, smart parking systems and an interactive mobile app) for visitors and a common local 'brand' – supporting small businesses in their efforts to compete in a modern market.

The **rural grocery delivery** initiative in County Galway, Ireland, involves the ferry operator to Inishbofin Island in supplying this remote rural community with fresh groceries and other essential goods to encourage well-being, health and a sense of consumer choice. This on-demand service also offers supplies to summertime visitors, relieving pressure on the small island shop which maintains limited stock, floorspace and opening hours. The service therefore prevents the formation of a food desert where healthy and fresh food choices are neither affordable nor available. The **MarktTreff** concept developed in Schleswig-Holstein in cooperation with the Chamber of Commerce, retail associations and local municipalities intends to secure local supplies and services in villages with fewer than 2,500 inhabitants. It features a multifunctional centre with food retail, services (e.g. postal services, bank or ATM, a medical care centre, a public administration branch) and a meeting place to strengthen social interaction. With as many as

46 MarktTreffs in operation throughout Schleswig-Holstein as of June 2024, the concept is seen as fundamental to vitalising and stabilising rural areas.

The government of the Valencian Community subsidised the **installation and upkeep of ATMs** in more than 100 municipalities at risk of depopulation, supported by financial advice to the individuals. The purpose is to avoid the financial exclusion of residents living in rural municipalities affected by the closure of bank branches. This was achieved through low-cost investment with clear socio-economic benefits to the community.

The **smart pizza vending** project in the suburban areas of Auxerre, France, demonstrates a successful innovation adapting to a scattered consumer base and personnel shortage. A pizza restaurant complements its offer with a network of scattered vending machines that provide a high-quality product, which can be prepared either at home or on site. This initiative fills a gap in food services, increasing the business catchment area and profitability in low-density areas where traditional options are limited.

The **Merkur programme** in Norway provides nationwide expert services and financial support to rural grocery stores and bookstores in areas with less than 200 households, far from other stores or without fixed road connections. The aim is to promote local development and sustainability. It is implemented on the initiative of the national ministry to improve profitability of local stores, diversify their services and support their transformation into vital community hubs. Merkur's initiatives have stabilised rural employment and encouraged residents to stay in these areas. The programme has also played a role in cultural preservation by promoting and selling regional products, thereby maintaining local traditions.

3

Policy pathways for sustainable and inclusive service delivery

This chapter outlines five key pathways, each based on the principles of transferability and adaptability, needed to achieve sustainable and inclusive service delivery in different contexts. They are based on key lessons from the showcases presented in the previous chapter and promote a structured approach ('a clear, navigable path') to address specific challenges while taking advantage of unique opportunities in different regions and sectors.

Pathway one: tailored and equitable service delivery

To achieve tailored and equitable service provision, policymakers and service providers need to adopt a multi-angled approach that includes thorough regional needs assessments, flexible and adaptable service models, proactive measures to address inequalities, and continuous monitoring and adaptation of services.

1. **Undertake comprehensive regional needs assessments** – Before designing or implementing services, it is essential to conduct thorough assessments of the status and gaps of service delivery, specific needs, challenges and resources of each region. These assessments should consider factors such as geography, demographics, socio-economic conditions and existing infrastructure. By understanding the unique context of each region, service providers can design solutions that are both relevant and effective.
2. **Develop flexible and adaptable service models** – Services must be designed to be flexible and adaptable to the changing needs of different regions. This flexibility allows adjustments to be made in response to new challenges or changes in local conditions. Service models should be able to scale up or down, adjust their scope and integrate new technologies as needed to maintain relevance and effectiveness.
3. **Prioritise equity in service design and delivery** – Equity must be at the forefront of service design and delivery. This means not only ensuring that all people have access to services, but also addressing the specific barriers faced by disadvantaged groups. Policies and service frameworks should be explicitly designed to reduce inequalities in access and outcomes. This could include targeted funding for under-served regions, affirmative action to include marginalised communities and the development of services that address the specific needs of these groups.

4. **Utilise technology to overcome geographical barriers** – Technology can play a crucial role in ensuring that services are accessible to all, regardless of location. Telemedicine, online education platforms and digital government services can bridge the gap for populations in remote or underserved areas. However, the successful implementation of technology-enabled services requires adequate infrastructure, such as reliable internet connectivity and training for both service providers and users. Consideration should be given to technologies that are tailored to the skills and needs of different age groups and social groups in order to avoid exclusion of particular target groups.
5. **Establish robust monitoring and evaluation systems** – Continuous monitoring and evaluation are necessary to ensure that services remain relevant and effective. These systems should track key indicators of equity and accessibility, such as service uptake, outcomes and user satisfaction. Feedback from these evaluations should be used to make ongoing adjustments to services to ensure that they continue to meet the evolving needs of different regions. This approach allows service providers to identify and address emerging issues, making services more resilient and responsive.

Pathway two: strengthening community engagement and ownership

To strengthen community engagement and ownership in public service delivery, it is essential to develop strategies that embed community participation at every stage of service design and delivery. This requires creating inclusive processes that encourage active participation, fostering trust and transparency, and building the capacity of communities to take leadership roles.

1. **Ensure inclusive and transparent decision-making processes** – Communities should be actively involved in service planning and in the decision-making processes related to services that affect them ('hear what local say'). This can be achieved through mechanisms such as community councils, participatory planning sessions and regular public consultations that ensure that all segments of the community, including marginalised groups, have a voice. Transparency is key to building trust in these processes.

2. **Empower community leadership** – It is essential to build the capacity of community members to take on leadership roles in service delivery. This can be achieved through training programmes, leadership development initiatives and the establishment of local governance structures that enable community members to play an active role in managing services.
3. **Foster collaboration among stakeholders** – Effective community engagement often requires collaboration between multiple stakeholders, including local government, NGOs and private sector partners. These collaborations should be structured to maximise the input and involvement of the community, ensuring that their needs and preferences are at the forefront of service design and delivery. As far as possible, actual service providers or service operators should be included in these processes with a view to deepening cooperation among them and enhancing the effectiveness of service provision.
4. **Sustain engagement through ongoing interaction** – Community engagement should not be a one-off activity but an ongoing process. Continuous interaction between service providers and community members helps to sustain engagement and ensure that services remain responsive to changing needs. This can be facilitated through regular community meetings, feedback mechanisms and the establishment of dedicated community liaison roles. To the greatest possible extent, communities themselves may become the providers of essential services, which not only increases ownership and commitment, but often also sustains service provision.
5. **Community approach to overcome mere (micro-) economic considerations and improve quality of services** – A mere micro-economic perspective on service delivery is likely to result in the closure of service points due to business inefficiencies. Developing community approaches helps to better understand and take into account wider economic effects to avoid solutions where costs are merely transferred from service providers to citizens. Also, community approaches may help to improve service quality as the involvement of citizens helps to better align services with the actual needs and wishes of the region.

Pathway three: building resilient and sustainable service models

To build resilient and sustainable service models, it is essential to focus on several key strategies, including diversifying funding sources, integrating innovative technologies, fostering cross-sector partnerships and adopting adaptive management practices. These strategies will help ensure that services are resilient enough to withstand various challenges and continue to meet the needs of the communities they serve.

1. **Diversify funding sources** – A critical component of sustainability is ensuring that services are not overly dependent on any single source of funding. Diversifying funding streams can include combining public funds with private investment, securing grants from international organisations and developing revenue-generating activities where possible.
2. **Integrate innovative technologies** – The integration of technology is critical to both resilience and sustainability. Technologies such as telemedicine, digital health platforms, remote teaching by using ICT, remote monitoring systems, digital marketplaces and e-commerce solutions can help overcome geographical and logistical challenges to deliver service to remote and isolated communities. They not only make services more accessible, but also reduce operating costs and increase efficiency, contributing to their long-term sustainability. Governments and service providers should invest in technology infrastructure and training to ensure that these tools are effectively integrated into service delivery.
3. **Adopt adaptive management practices** – Resilience requires the ability to adapt to changing circumstances, whether financial, environmental or social. Service providers should adopt adaptive management practices that allow for flexibility in service delivery. This may include regularly reviewing and adjusting service protocols, engaging in continuous learning and improvement, and developing contingency plans for potential crises.
4. **Promote environmental sustainability** – Environmental considerations are increasingly important for the sustainability of service models. Services should be designed to minimise their impact on the environment, whether by reducing carbon emissions, using sustainable resources or promoting environmental responsibility within the community.

Pathway four: strengthening governance through collaborative approaches

To effectively promote governance and cooperation, it is essential to establish frameworks and mechanisms that encourage cooperation, facilitate the sharing of resources and ensure coordinated action. These efforts should be supported by policies that encourage cooperation, provide incentives for joint initiatives and address potential barriers to cooperation.

1. **Establish formal frameworks for cooperation** – Formal agreements and frameworks are essential to promote long-term cooperation between communities and across borders. These frameworks should outline the roles, responsibilities and expectations of each participating entity and provide a clear structure for cooperation, making it more resilient to changes in political leadership or funding.
2. **Encourage resource sharing and joint funding mechanisms** – Resource sharing is a key benefit of inter-municipal and cross-border cooperation. Municipalities and regions can achieve greater efficiency and effectiveness by pooling resources, be they financial, human or technological. Joint funding mechanisms, such as shared budgets for specific services or projects, can also help to spread costs and reduce the financial burden on individual municipalities. In border regions, establishing cross-border public services (CPS) may be the key to establishing new and to maintaining existing services. Only in a cross-border context can demand for services enable effective and efficient service provision. Furthermore, in border regions the nearest service point is likely to be located nearby beyond the border.
3. **Encourage the sharing of knowledge and best practice** – Cooperation between municipalities and across borders provides an opportunity to share knowledge and best practice, which can lead to the development of more effective and innovative service delivery models. Regular information exchange, joint training programmes and joint research initiatives can help to disseminate successful strategies and improve service delivery across regions.
4. **Build cross-sector partnerships** – Beyond inter-municipal and cross-border cooperation, fostering partnerships with the private sector, non-profit organisations and academic institutions can further improve service delivery. These partnerships can bring additional resources, expertise and innovation to the table, enriching the collaborative efforts of municipalities and regions.

Pathway five: data-driven spatial planning for service accessibility

This pathway emphasises the use of spatial data and quantitative evidence to inform and improve the planning and delivery of services across regions. By integrating travel time analysis, accessibility measures, population potentials (i.e. demand for services) and the identification of inner peripheries, this approach aims to optimise the distribution of services, address geographical inequalities and adapt service provisions to the needs of different types of regions, thereby mitigating the risk of underserved populations.

1. **Analyse spatial accessibility** – Use travel time bands and accessibility indices to assess regions with limited service reach, focusing on inner peripheries that are less accessible than neighbouring areas. This data-driven approach guides targeted planning to improve access in geographically disadvantaged areas, such as mountainous regions, rural areas away from main road axes and areas between agglomerations.
2. **Identify and safeguard critical service points** – Recognise and prioritise the protection of service facilities that serve as the only delivery points for entire regions. These critical hubs should be maintained or even further developed to prevent service gaps and ensure consistent access to essential services in areas where closures would leave large populations underserved. Selected crucial hubs may become a nucleus for comprehensive and intersectoral service delivery stations in future.
3. **Implement adaptive planning and monitoring** – Continuously assess the spatial distribution and accessibility of services and adjust plans and interventions as regional dynamics evolve. Improvements in transport infrastructure, demographic shifts or socio-economic changes require adaptable strategies to maintain equitable access to services in all regions. Adapt the way services are provided to regional structures (such as travel times, population potential, demographic structures), bearing in mind that the way services are provided in urban areas and agglomerations does not necessarily suit the needs of population in rural and remote areas.

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