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Active Ageing Index at the local level

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**Peer Reviews in social protection
and social inclusion**

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Held in Berlin (Germany) on 14-15 April 2016, the Peer Review was hosted by the German Federal Ministry for Family Affairs, Senior Citizens, Women and Youth. In addition to the host country, seven peer countries were represented: Estonia, Finland, Italy, Malta, Poland, Romania and Spain. The United Nations Economic Commission for Europe (UNECE) and the American Association of Retired Persons also took part. The stakeholder representatives were the European Social Network and AGE Platform Europe. Taking part for the European Commission were representatives of DG Employment, Social Affairs and Inclusion (DG EMPL).

1. The policy under review

The **Active Ageing Index¹ (AAI)** measures to what extent the potential of older people is used to contribute to the economy and society through paid activities (employment), unpaid activities (social participation) and through living independent, healthy and safe lives. It also gauges the capacity of older people to actively age. Developed within the joint management project of the European Commission and UNECE, the AAI was first calculated for the EU Member States at the national level in 2012, the European Year for Active Ageing and Solidarity between Generations. Since then, the AAI has been computed for three data points at national level and its methodology has been further refined. The Active Ageing Index consists of **22 indicators in four domains:**

- Employment / participation in the labour market
- Participation in society
- Independent, healthy and secure living
- Capacity and the enabling environment for active ageing.

Numerous efforts have been made to extend the AAI to the **subnational level**, where many of the decisions relevant to active ageing are made and therefore an evidence base and monitoring tool is needed. There have been **regional** initiatives on computation of the AAI for instance in Spain, Poland and Italy. The Polish experience was assessed in a Peer Review in 2014².

The present Peer Review looked at possible **local** use of the AAI. A pilot study on the feasibility of calculating the AAI at the local level in Germany has been conducted within the framework of the AAI project by the Research Association for Gerontology (Technical University Dortmund).

This comes at a time when Germany, like many industrialised countries, faces a **rapid increase in the proportion of older people**. The situation in Germany will be particularly acute in the years 2020-2030, when more than a million people per year will be retiring from the labour market.

A draft report on the results of the German pilot study on the application of the AAI at the local level was presented to the Peer Review participants. **The local level plays an important role in active ageing** - as much of the relevant policies and practices are implemented locally. So a local AAI should aim to **support local policy-makers in tackling the challenges of population ageing** by providing a tool to highlight policy priorities and monitor policy implementation.

The pilot study concluded that **calculating a local AAI in Germany is feasible**, at least in the larger local areas, but the original index would need to be adapted to local circumstances using country-specific indicators that measure the same dimension of domains and indicators as used by the EU-AAI.

¹ See: <http://www1.unece.org/stat/platform/display/AAI/Active+Ageing+Index+Home>

² For more information on this Peer Review visit: <http://ec.europa.eu/social/main.jsp?catId=1024&langId=en&newsId=2099&furtherNews=yes>

The AAI is intended to offer a flexible framework. In this context, there is a well-defined methodology that specifies indicators, their sources, and weights to compute the AAI at national level for EU Member States. In addition, and in particular to apply the AAI to sub-national level and in non-EU countries, the AAI provides a conceptual framework consisting of indicators, which could be implemented via different variables, and flexible weights. This flexibility might, however, mean that a sub-national AAI may only be comparable within a specific geographical context, often within a country or region; for instance, the regional AAI applied in Poland is suitable to compare regions within Poland, but unsuitable to compare Polish regions with regions in other countries, or even the national Polish AAI score.

The AAI use should focus on circumstances that can be politically influenced at a local level, and help provide the knowledge needed. Local policy-makers, as the discussion during the Peer Review suggested, are not necessarily aware of the AAI and would need more information and incentives to use it.

The German hosts also presented the **KOSIS project on active ageing** which sets out to provide **standardised survey methodologies on the quality of life experienced by the 55+ generation**. The local survey's methodological development is funded by the EU and the survey's field-work is financed by participating city administrations in Germany. The survey's aim is to promote knowledge through mutual comparison. The project includes setting up a joint information portal.

A further input to the Peer Review was a presentation on the **Livability Index**³ developed in the United States of America (USA) by the American Association of Retired Persons (AARP). Users can search this web-based index to find an overall livability score for each neighbourhood, as well as a score for each of seven major livability dimensions: housing, neighbourhood, transportation, environment, health, engagement and opportunity. They can also customise the index to place higher or lower emphasis on the livability features of most importance to them. This is the first tool of its kind to measure livability broadly at the neighbourhood level for the entire country, and it is intended to inform and encourage city administrators to take policy action to make their communities more livable. It was agreed that the Livability Index is both inspirational and aspirational for the AAI, for which a dissemination web-based tool is not yet available.

2. Key issues discussed during the meeting

During the discussions it was stressed that the AAI does not aim at assessing age-friendliness of territorial entities but to **gauge the untapped potential of older people** to participate in society and live independently. In this sense it differs for instance from the Livability Index developed in the USA. Nevertheless, the AAI can be also helpful in improving age-friendly infrastructure.

It was also noted that the AAI should not be used as a normative instrument. A lower AAI score means that less of the potential of older people is used and that more older people could be enabled to be active. This unused potential should be seen as a resource, requiring suitable policy measures to be used fully. The index **offers policy-makers comparative evidence for developing strategies for active ageing**. Exchanges of experience on the AAI among localities but also among countries can serve to establish benchmarks. Promoting **exchange between countries on AAI issues** is vital in this respect. In addition, the AAI highlights areas where the untapped potential is larger and appropriate policies can be more rewarding.

It is important to **involve a wide range of actors** in discussions on possible regional or local uses of the AAI. These should include local government policy-makers, civil

³ See: www.aarp.org/livabilityindex

society organisations, statisticians, academics and other data providers, as well as older people themselves and their immediate circle. This will help to **explain what the AAI can do, and build local support for it**. Its relevance must be clearly demonstrated to policy-makers, and they should be consulted on the selection of indicators, which must meet their needs.

It became clear from the discussions that in Germany, as in other countries, demonstrating that older people are active is a way of **changing the image of ageing**. It promotes intergenerational solidarity. The AAI can highlight the contributions of older people in different dimensions of their lives.

Some **statistical issues** can arise when applying the AAI at different levels of governance. Among EU Member States, major differences in population size (Germany: 81 million; Malta: 429,000) may mean that samples cannot be disaggregated into the local level to the same extent. Problems may also occur with comparisons inside countries – for example, between dense conurbations and sparsely populated rural areas. In some cases, clustering a number of localities may be statistically prudent. In others, qualitative rather than statistical analysis may be an option. Also the **availability of data** can be a challenge. In Germany, there was a clear difference in numbers of respondents between official data (high numbers), surveys aimed at older people (medium) and other surveys (low). Low numbers of respondents reduce the possibilities for further subdivisions – for instance, between men and women. Separate data for women and men were not available for all data sources. Gaps in the data collected in surveys for single territorial entities can also lead to distorted results. There are ways of weighting the figures to avoid distortions, but this can produce artificial results. If local entities additionally collect their own data, this should be in such a way that comparisons between local entities remains balanced – for instance, by agreeing to use surveys with similar questions in several localities.

The participating countries shared their experiences. Some, such as Italy and Spain, reported on their local attempts to use the AAI, in the Biscay province (ES) and Friuli V.G. (IT), where local policy-making is supported by the AAI. Others were using individual indicators at local level.

The European Commission and UNECE will be working on the **continued development of the AAI**. Resources have been secured for the next three years and the next stage of the project will be launched in May 2016. There will be a focus on updating and improving the index at the national and subnational level, involving new countries, and further improving presentation and communication. An important activity direction will also be bringing the application of the AAI down to the regional and local levels. The Commission aims to facilitate increased flexibility of data use, as there is a clear need to develop indicators that are suitable for the local level. A web-based data dissemination tool may allow local AAI implementation to be made public.

3. Key learning elements

- **A local-level Active Ageing Index (AAI) is feasible.** However, the depth and coverage depend on the data sources available, as well as on local and national financial resources.
- A local or regional AAI can be used to **measure untapped potential of older people, progress on activation**, as well as mapping care needs; this is the same objective as the national-level AAI.
- The AAI can offer **guidance for policy-making** at various levels of governance and **provide evidence-based insights** into various components of active ageing.

- To convince local policy-makers that a local AAI is useful, clear **relevance to local circumstances and policies** must be shown. The indicators must match local needs and focus on circumstances that can be politically influenced at a local level.
- The AAI should be **policy-oriented and lead to action-driven conclusions** in order to help policy-makers to adapt and improve relevant framework conditions and environments.
- **Capacity-building** through funding and expertise for a local application is needed, particularly in small localities.
- It is important to **increase awareness of the benefits of the AAI** and to build local support for it. This can be done by involving a wide range of actors in the discussion on possible regional or local uses of the AAI.
- The **promotion of exchanges of experience**, among localities but also among countries, is vital to facilitate mutual learning on the local and regional use of the AAI.

4. Contribution of the Peer Review to EU priorities and initiatives

Within the EU's Europe 2020 strategy for smart, sustainable and inclusive growth, an important initiative is the **European Innovation Partnership on Active and Healthy Ageing**. It has set a target of increasing the healthy lifespan of EU citizens by 2 years by 2020. The aim is a "triple win" for Europe through improved health and quality of life for older people, greater sustainability and efficiency in care systems, and new growth and market opportunities. The AAI includes indicators that are closely related to the Europe 2020 priorities on employment, lifelong learning and social inclusion.

The AAI and its application at all levels are also closely aligned with the EU's **Social Investment Package** (SIP). This package supports investment in people's skills and capacities, so as to enable full participation in employment and society. One issue tackled by the SIP is the challenge posed by population ageing to the sustainability of welfare systems. So the SIP emphasises active ageing policies. The AAI helps to identify which aspects of active ageing require interventions, thus enabling well-targeted policy responses. That is why the Commission's 2015 Policy Roadmap for SIP implementation calls for a "follow-up project with the United Nations Economic Commission for Europe to further develop the Active Ageing Index, to help policymakers recognise the untapped potential of older people".

By demonstrating the local relevance of the AAI, this Peer Review linked it to Europe 2020 and the SIP at the levels that are closest to people's everyday lives.

