“Social housing actors in the EU: Looking from West to East”

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CECODHAS

- The European network of social housing providers (f. 1988)
- Represents:
  - Social, public and co-operative housing providers
  - 10,000 local social housing organisations and 22,000 (local) cooperatives across the EU
  - 20,000 rental dwellings
  - 100,000 dwellings for sale p/year
  - 6.7 M cooperative dwellings
- CECODHAS Observatory: Research branch

Social housing >> CECODHAS

‘Housing for households whose needs are not met by the open market and where there are rules for allocating housing to benefiting households’

(Thessaloniki, 2006)

Over 100 years history of ‘social housing’ in Western Europe: Can we learn anything?

- Rise and fall?
- Today: Core binding elements of social housing across the EU
  1. Affordability
  2. Special needs
  3. Sustainable communities agenda
- Perspective of providers

Structure

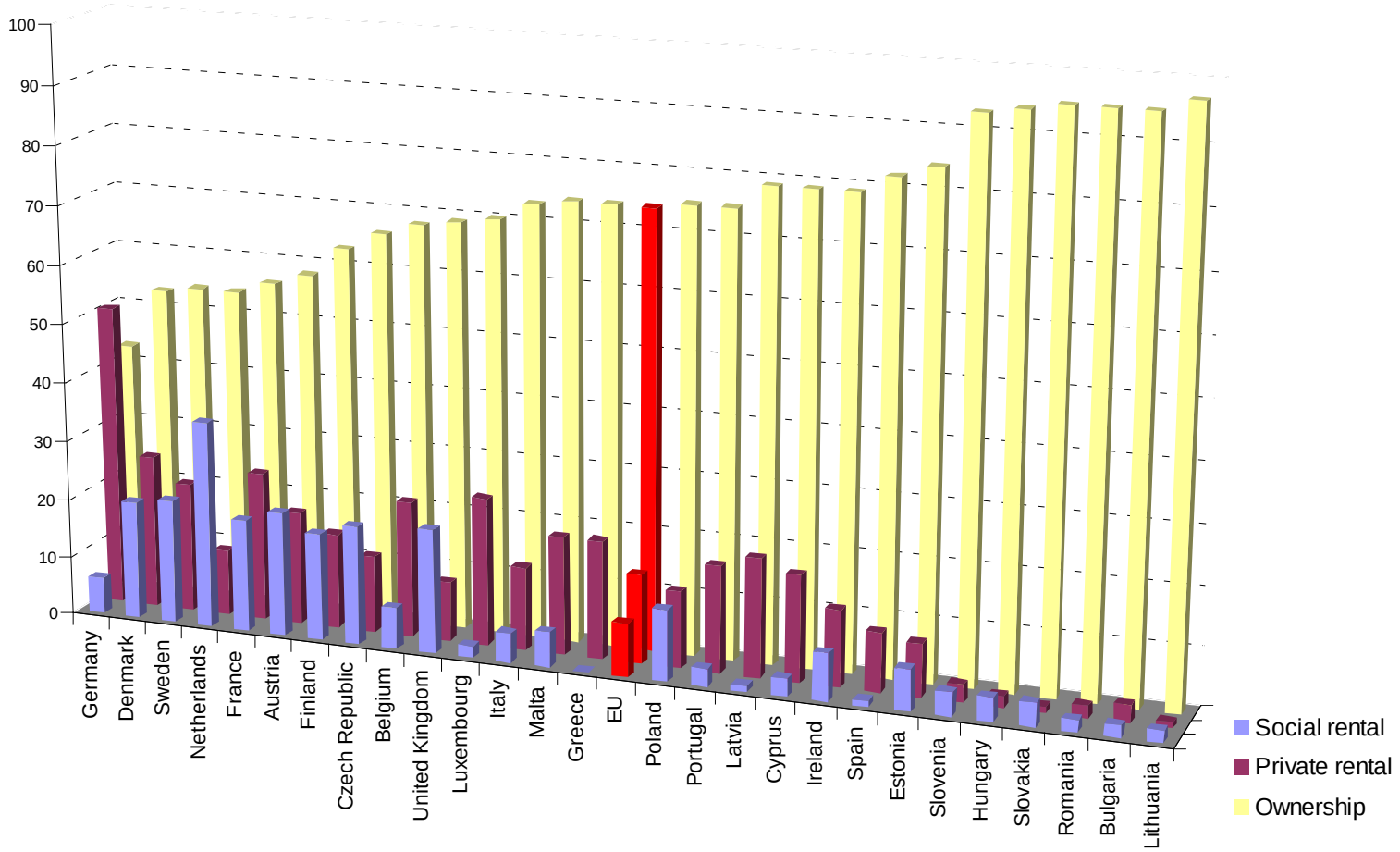
- What do we mean when we say ‘social housing’ in Europe?
- Context
- Responses
- Messages (not lessons)

Social housing in WE

Diverse systems, common challenges

- Wide diversity of national housing situations, conceptions and policies
- A tenure with no unique definition across the EU (Social, cooperative and public housing for rent and for ownership)

Tenure distribution in the 27 EU Member States



Social housing systems in WE

‘Universalistic’ *(Unitary)*

• Part of a broader concept of social welfare

• Aimed at providing the whole population with housing of decent quality at an affordable price.

• Public responsibility

• Delivery through a range of providers (public/municipal undertakings; entrusted not-for-profit providers; etc.)

• Market-regulating function (e.g. rent control)

• Key aim: socially balanced communities through social mix.

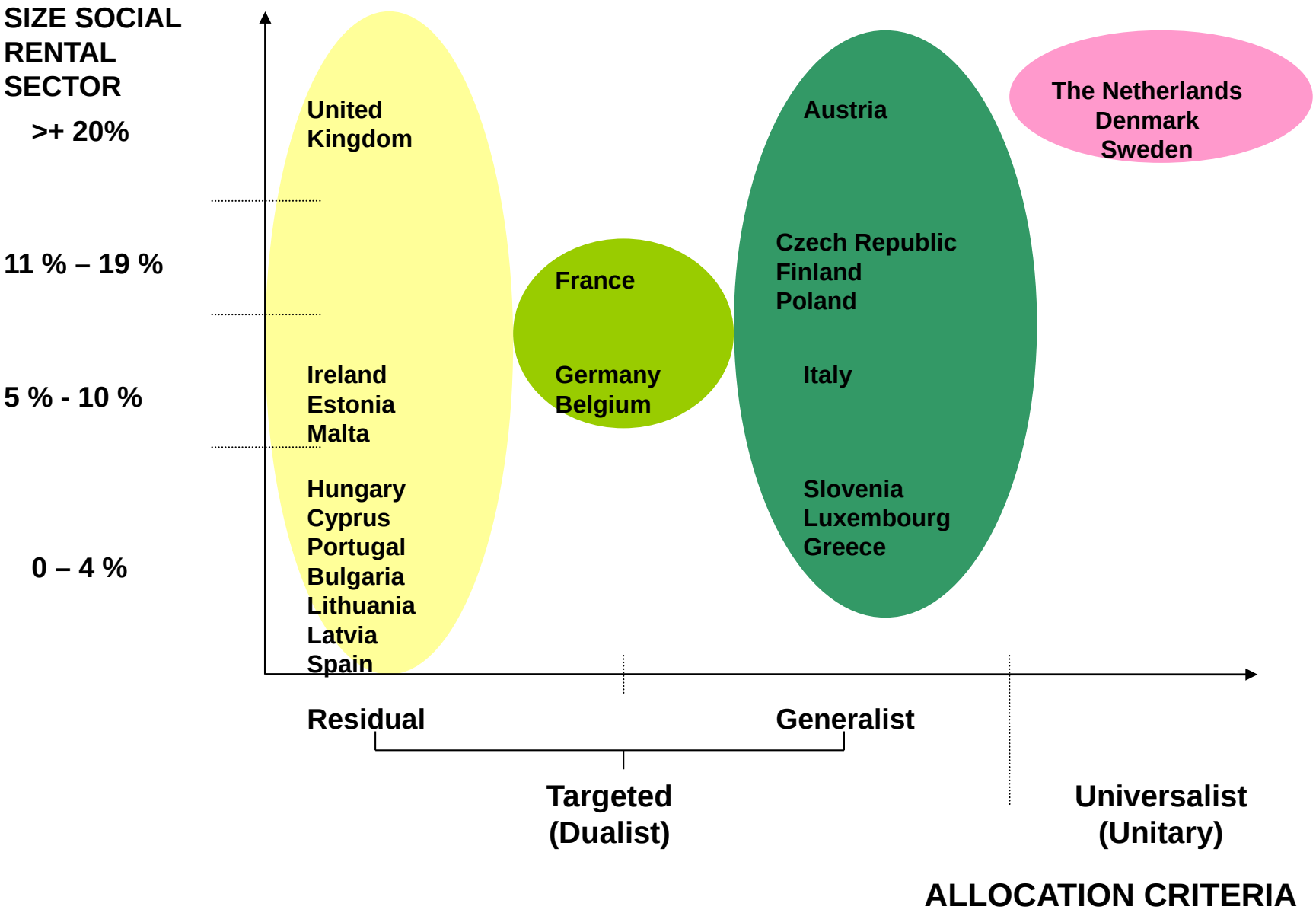
‘Targeted’ *(Dualist)*

- Assumes market to cater for most of the populations’ housing needs
- ‘Social housing’ targeted to vulnerable groups (i.e. those excluded from the market)
- Wide variety in terms of type, amount and criteria of social housing provision
- Sub-types:

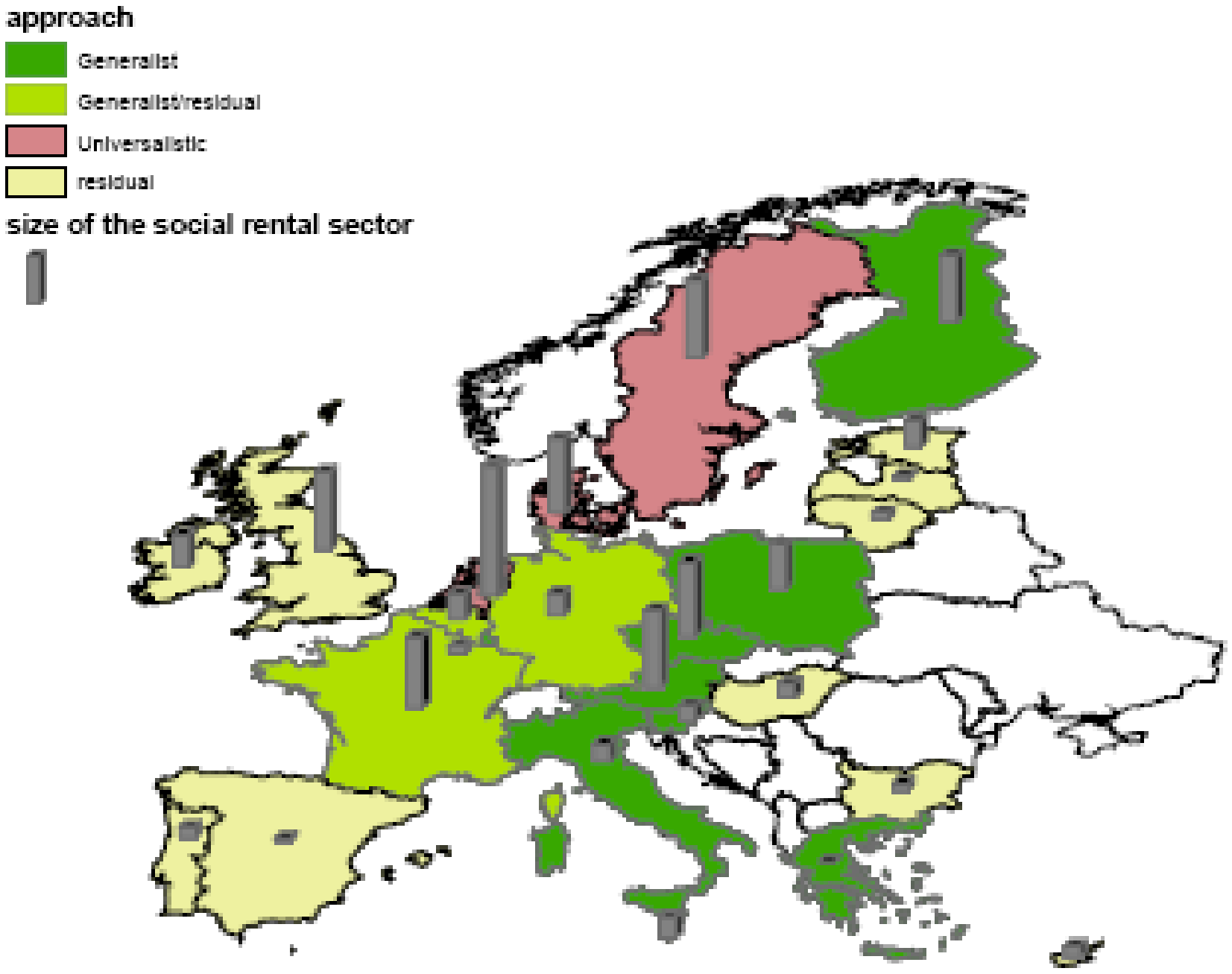
a) *‘Generalist’* (traditional concept of social housing)

b) *‘Residual’*

A typology of social housing provision in the EU-27



Size of the social rental sector and type of approach

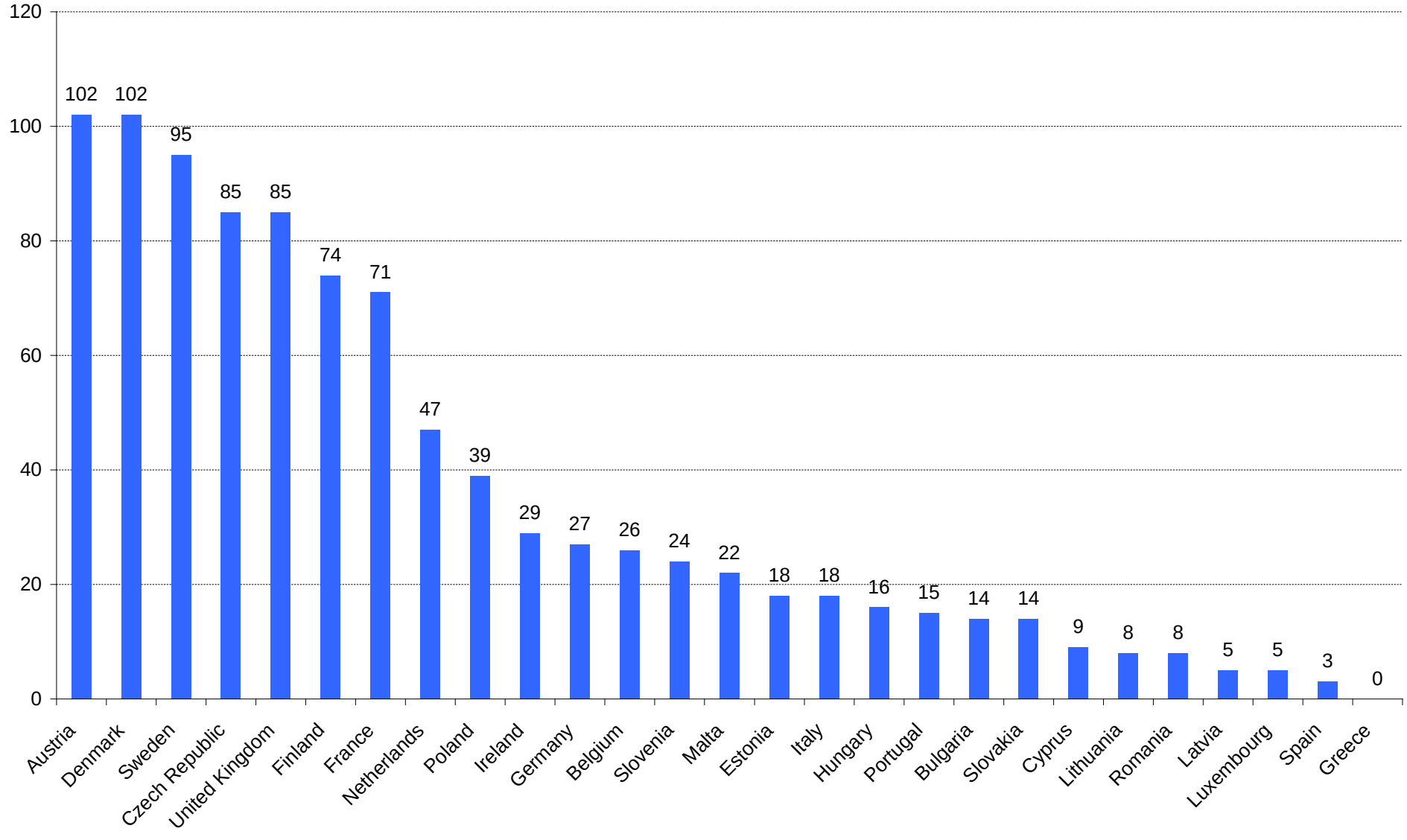


Context

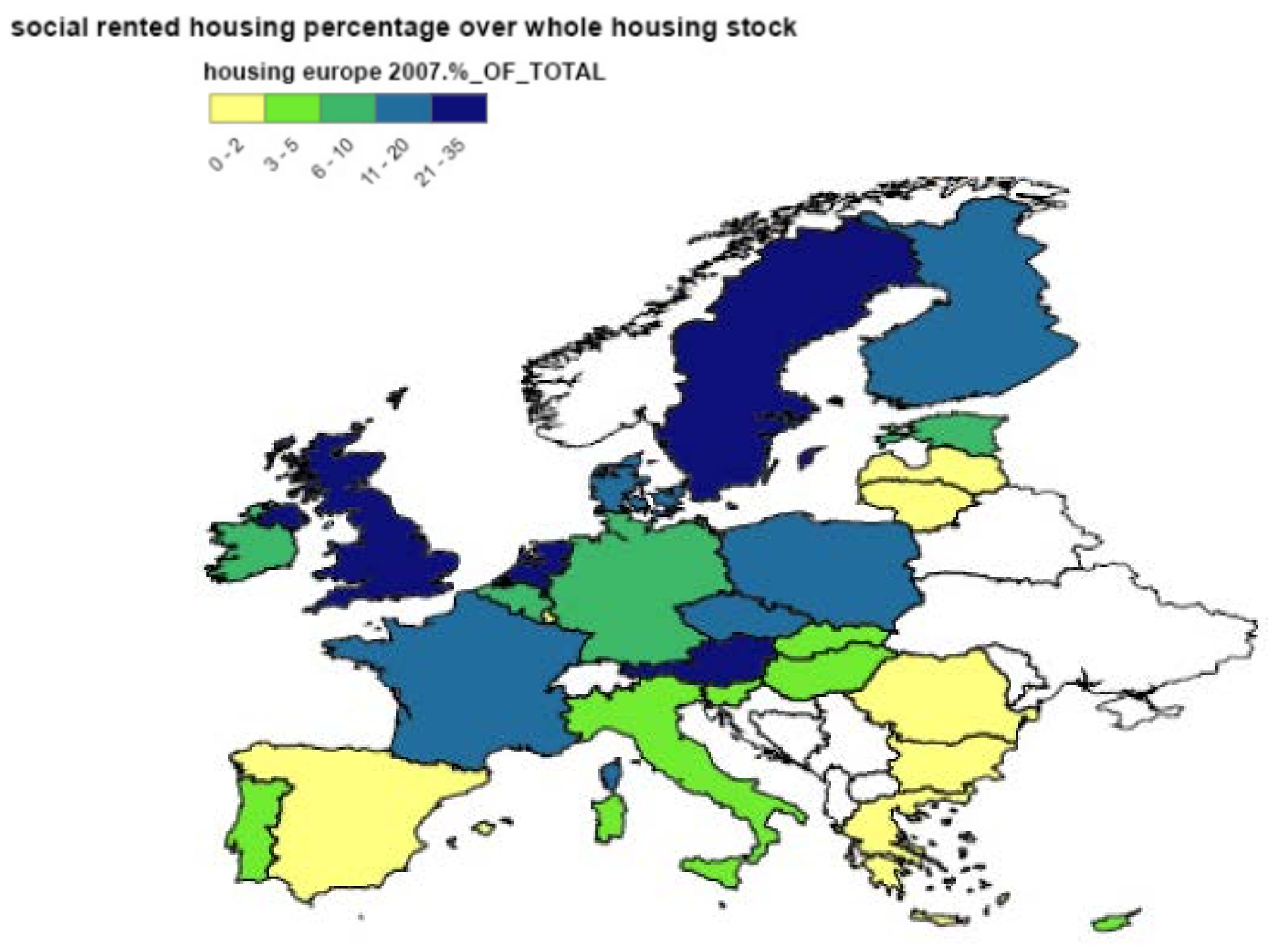
Market trends

- **Unbalance** between demand and supply at national and regional level
- Regional disparities translate into **mismatches between jobs and housing**
- **Shortage** of affordable housing especially in prosperous areas putting **extra pressure on social housing provision**
- Variety of emerging sale options to **facilitate access to home-ownership** to households who are not able to access a home in the market.

Social dwellings per 1000 inhabitants in the EU-27



social rented housing percentage over whole housing stock



Housing policies

General trends:

- **Decentralisation** of housing policy (closer contact with users)
- **Privatisation** of public housing (longer-term implications)
- **Reduction of public finance** (economic viability) / **commodification**
- **Home-ownership** seen as tenure of aspiration **(asset based welfare state)**

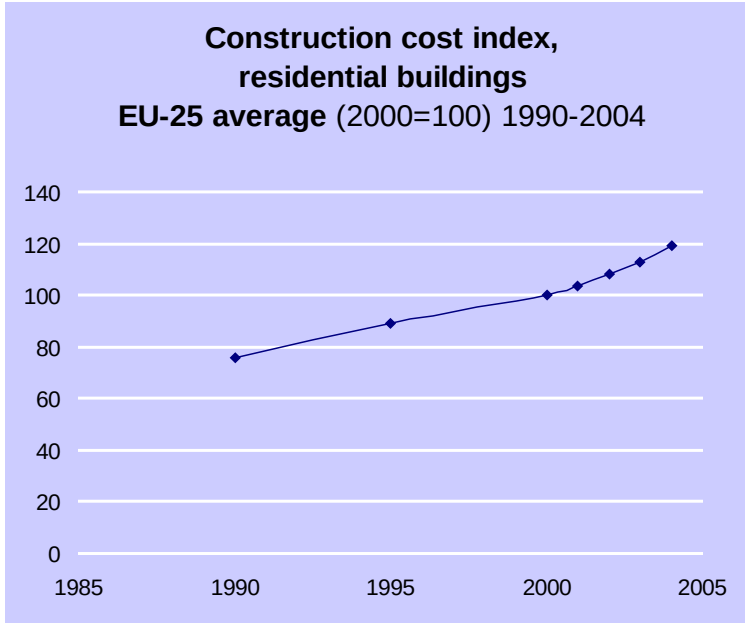
However…

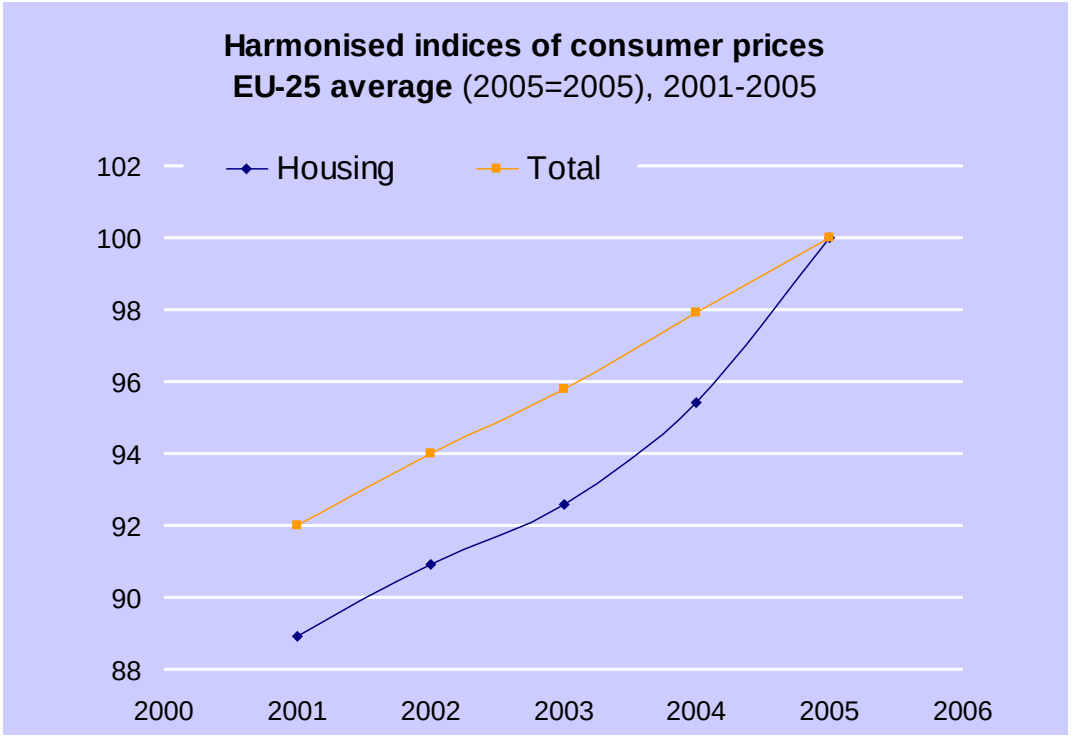
- Recognition of **severe shortages of affordable housing** leading many governments to devise **measures to increase provision**
- **Social / affordable housing** back in the political agenda (France, UK, Spain…)
- Policies and incentives to **increase supply of rental dwellings** in general, and of social or affordable rental in particular

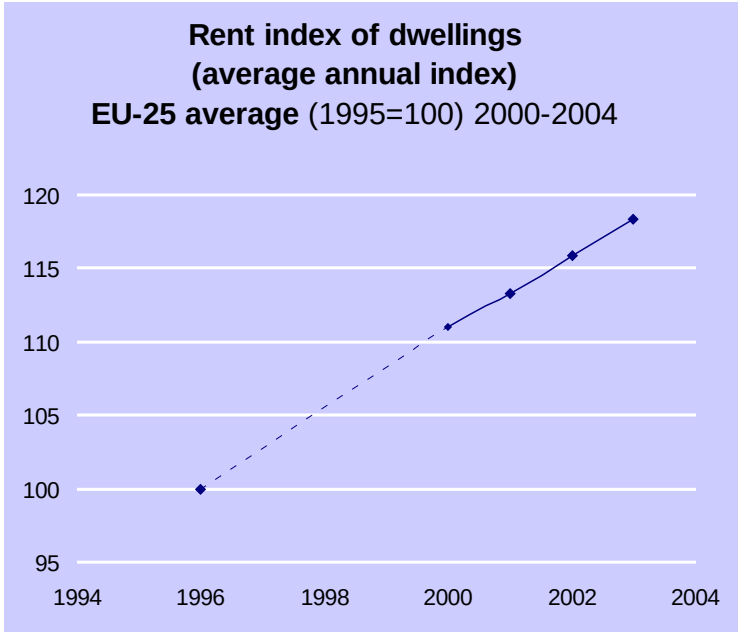
  > UK, France, Spain…

1. Affordability

Worsening housing affordability: steady trend



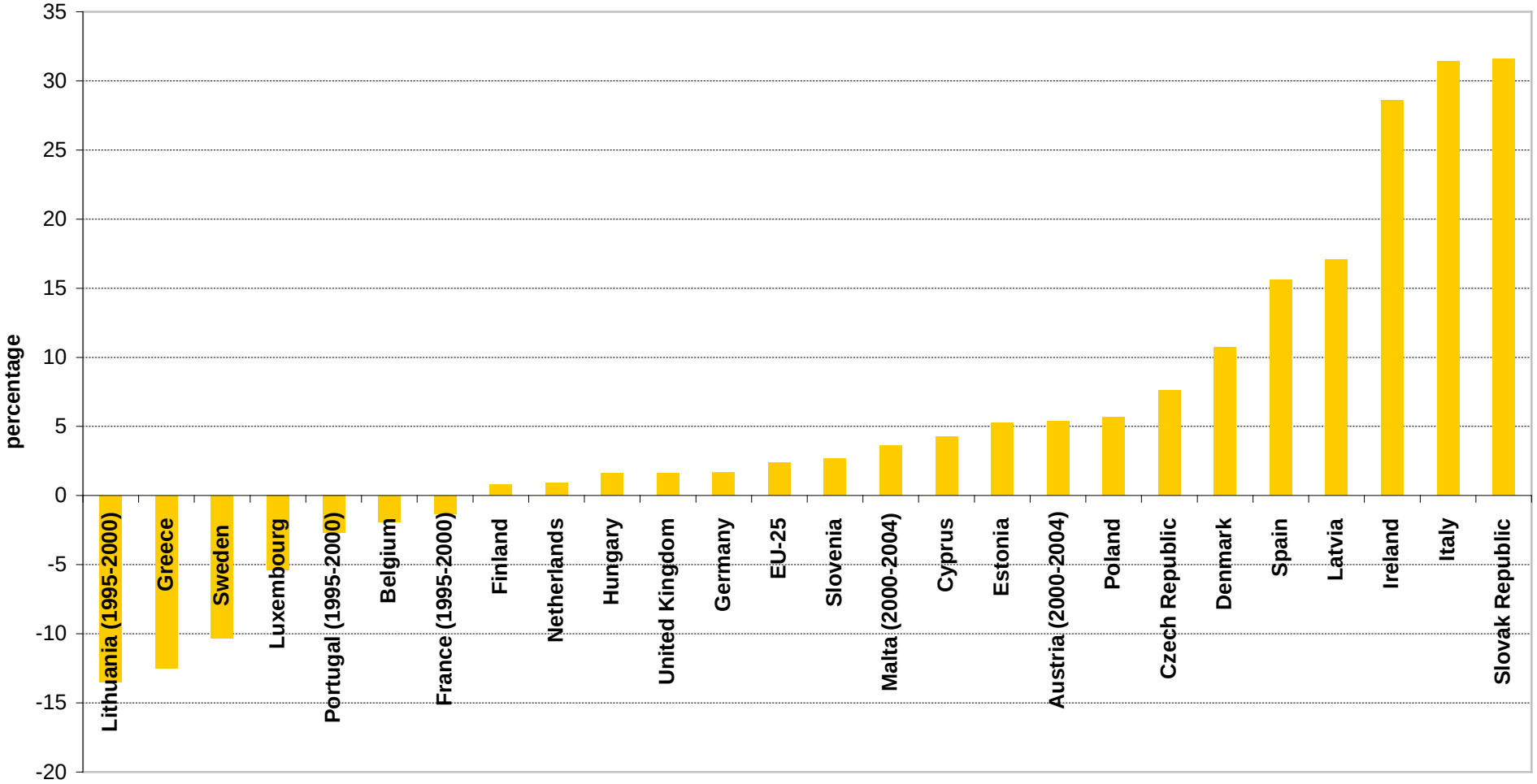




1. Affordability

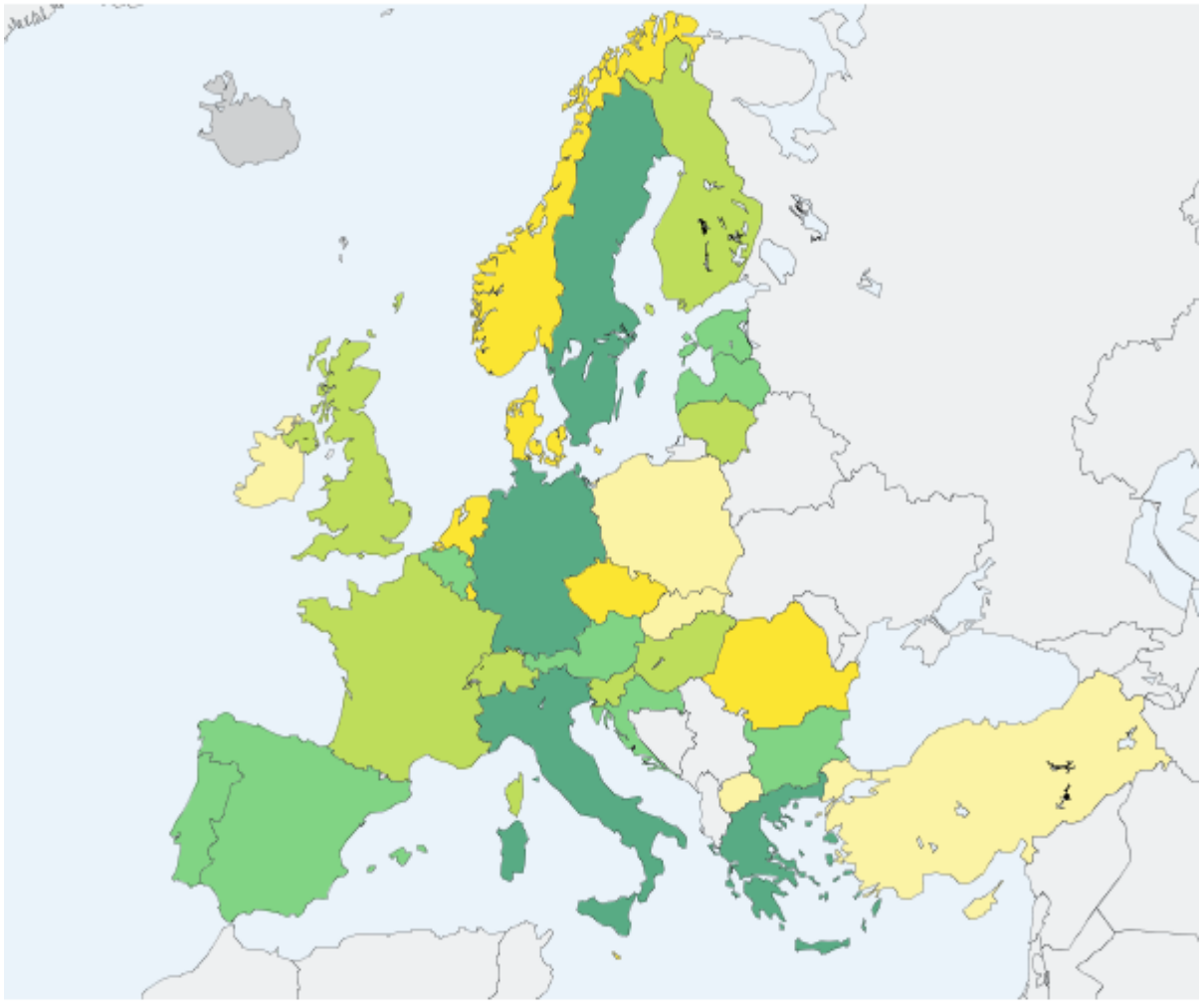
Evolution of the share of housing expenditures on total expenditures

Chart 1b: Evolution of the share of housing expenditures on total expenditures (1995-2004)



2. Special needs

Demographic transition



Legend (Data 2007)

6.6 - 13.4	13.4 - 15.3	15.3 - 16.5
16.5 - 17.3	17.3 - 19.9	N/A

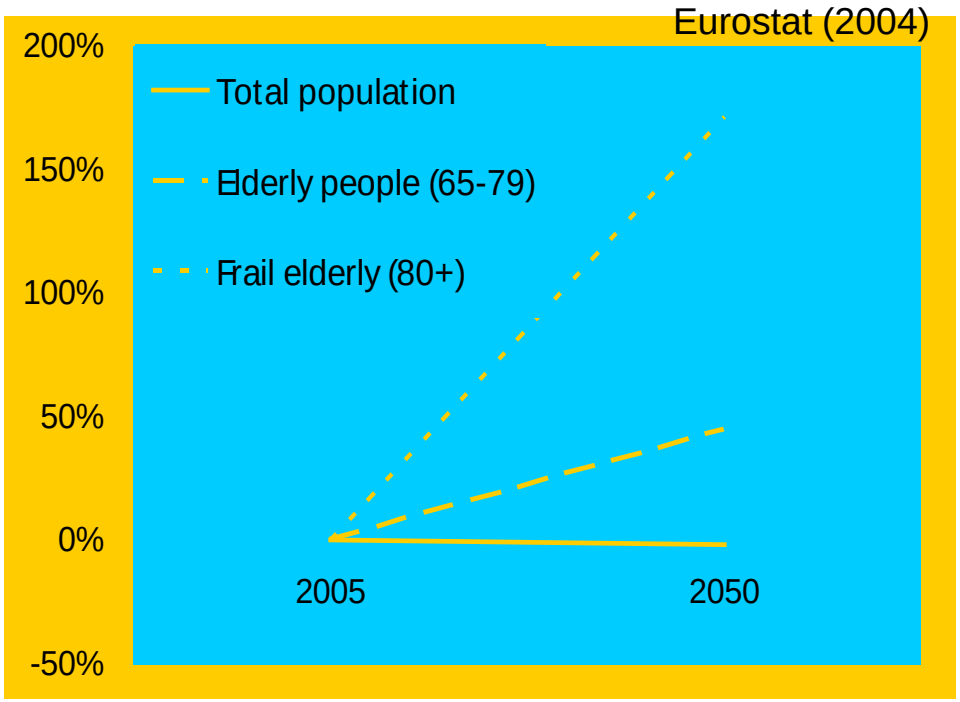
Minimum value:6.6 Maximum value:19.9 eu25:17.0

Proportion of > 65 in the EU

2. Special needs

Social & demographic changes

Projections for EU-25's population trend 2005-2050



- Ageing society

declining fertility and longer life expectancy

- Diverse society

increasing ethnic & cultural diversity

- New patterns of family life

process of individualisation of values

➔ The profile of social housing tenants is changing…

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Main social and demographic trends affecting social housing provision in the EU

ISSUES	COUNTRIES (*)	RESPONSES / CHALLENGES
Ageing population	Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, the Netherlands, Portugal, Sweden, Italy, Belgium	- Adapting homes for special needs - Providing services at home
Decrease in household size **Increase in number of households**	Austria, Belgium, Czech Republic, Finland, France, Germany, Hungary, the Netherlands, Poland, Portugal, Spain, UK, Ireland, Luxemburg	Housing output including different forms of tenures
Large and increasing proportion of single households	Austria, France, Germany, Hungary, Spain, UK	Adapting homes
High immigration levels	Austria, France, Greece, the Netherlands, Portugal, Spain, Ireland, Italy, Luxemburg	- Sustainable communities policies - Local integration programmes / initiatives
Strong presence of ethnic minorities in social housing	Austria, France, the Netherlands, Portugal	Social mix policies, preventing social exclusion

Source: “Housing Europe 2007” - Review of Social, Co-operative and Social Housing in the 27 EU Member States (2007)

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3. Sustainable communities agenda

- **Urban regeneration and social cohesion**:
  - Fighting extreme segregation in social housing;
  - Implementing integrated policies to achieve sustainable communities;
  - Improving environmental sustainability and energy efficiency;
  - Rehabilitating / renovating old housing stocks.

- Sustainability of social and economic investment: **long term vision** of **capitalisation by the community** and the **'public interest'**

- Counteracting urban and social decline requires an **integrated approach** which brings together a range of local partners

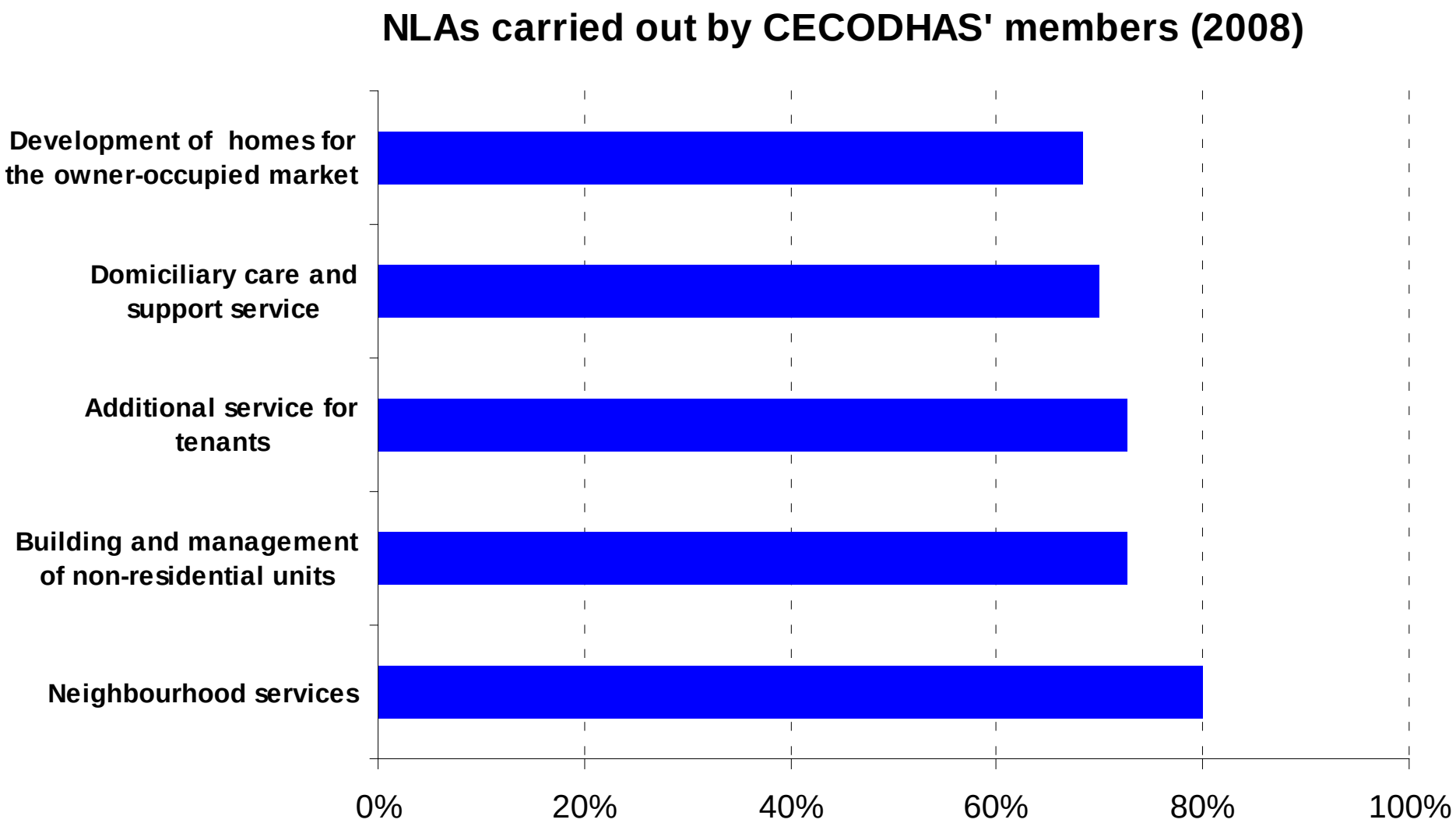
- Challenges are closely linked to the **EU framework for sustainable urban development**.

Responses

Scope of activities

- Pressure on social landlords to **increase the economic efficiency** of their operations.
- Need to respond to an increasingly diversifying demand through the provision of **special services to tenants.**
- Role in integrated urban development **implies diversification** of activities to encompass a range of actions which **complement core task**
  - Building and/or managing community infrastructure and facilities
  - Providing necessary social services to ensure sustainability of these neighbourhoods
- Responses range from **'corporate social responsibility'** and '**social enterprise**' business models to **ethical professional codes**, etc.
- To fulfil their social obligations to provide homes for the most vulnerable groups, providers increasingly **diversifying their portfolios** and undertaking **non-landlord activities** as a means to **cross-subsidise social dwellings** via profitable activities

Scope of activities



Governance of social housing

Evolution of forms of governance of social housing:

- More **locally-centred**
- Shifting away from hierarchical control to building **partnerships and networks** with other local stakeholders
- Key to **national and European goals**
  - Social inclusion and greater economic competitiveness.
  - Integrated approach to urban development (SF)

Messages

To conclude…

- While national status of ‘social mission’ varies (i.e. public vs. ‘voluntary’), all acknowledge **core social or *moral* obligation** - either by law, tradition/history or self-motivation
- Widening role: increasing level of **‘non-landlord activities’** to help social integration and **sustainability of ‘core task’**
- Widespread retreat of the state on social service provision creates **niche** for social housing companies to become key actors in local and social development at neighbourhood level
- Main challenge: changes in **customer’s profile** (residualisation)
- Growing and leading role in **urban** regeneration & **neighbourhood** management
- Working in **partnership** with all local stakeholders to achieve communities which are more sustainable
- Mergers allow greater **negotiation power** vis-à-vis other partners/stakeholders
- At the same time, however, **local rooting** seen as key to respond effectively to tenants needs
- Added value / comparative advantage vis-à-vis “real estate traders”: a social real estate company’s **longer-term vision** of community investment has got the potential to add value to the neighbourhood and to foster durable links with local stakeholders.

Food for thought

goals

- just dwellings or life chances?

mechanisms

- public, private, coops, mix…you choose, but make sure you have the right incentives in place to achieve your goals!

investment

- linked to incentives & regulation

regulation

- ensuring sustainability of the system and social +economic return on investment

Thank you for your attention!

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