



Baseline Study

Abstract



The Housing Project

URBACT II
Thematic Network 21
Thematic Pole 'Social Inclusion and Governance'

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Introduction

The frequently heard assertion that housing is an exclusively national issue and responsibility takes on rather cynical significance in view of the current worldwide financial crisis which began in the housing sector of real estate.

Now, as we arrive at the end of 2008, nobody can predict what the situation will be when the auditors read these pages. In any case the housing sector and housing policy will also not be the same after the crisis and the credit crunch.

Difficulties encountered by a significant proportion of the population in finding housing - and not only the most underprivileged - were at the heart of discussions of the European housing policy ministers meeting in Marseille this November. They emphasised that the current crisis in Europe calls for intervention at all levels to guarantee the fundamental right of access to decent housing.

The presented brief overview of the European situation and discussion, which has been taken from the Baseline Study of the SUITE Housing Project, approaches the question, if and how 'social housing' could further guarantee good quality of life for the more disadvantaged part of the European population.

The study consists of three elements: A 'State of the Art' paper (at European level, on the topic being addressed by the project) – Part A of this study, an analysis of the state of play regarding the housing situation and the most urgent challenges to be faced in the participating cities, our 'partner profiles' – Part B, and a synthesis paper - the final Part C.

A. State of the Art in Europe

Housing Policy

Housing policy is, above all, national governmental policy with the objective to influence the market to provide sufficient and affordable stock. As **'housing' itself is a hybrid** of the common good – indispensable for all – and commercial good, this is quite a challenge and permanently a subject of ideological discourse.

There is a wide diversity of ideas on how to **influence the market** which is closely linked to political programmes and, furthermore, influenced by national history and culture. This results in national preferences for forms of housing tenure and various policies for public funding.

Not only on national governmental level, but also on the level of provinces (in the case of federal systems), regions, other smaller organised entities (such as agglomerations or conurbations) and **cities, housing policy** plays a decisive role regarding regulatory and financial competencies. Even within cities, housing supply and housing regeneration is often dealt on the level of districts or neighbourhoods.

In general, most politicians agree that at least some intervention in housing markets makes sense, aside from basic shortages, taking into account the usual cycles in supply and demand.

In times of a slowdown of economic growth, variable job markets and high prices of basic food and energy (times in which we currently live) efficient housing policy as a means for **balance, relief and stabilisation** takes on increasing importance.

Furthermore, it is in the meantime undoubted that measures in the fields of spatial planning, construction and residential housing-related energy consumption can have a decisive impact on the achievement of the **Kyoto Objectives** regarding the reduction of greenhouse gas emissions. Therefore, environmental policy builds a link to housing policy, which will be reflected in our URBACT II SUITE network.

The Baseline Study mentions the development of the **role of social housing** and the broad variety of systems that prevail in European countries - all European countries, mainly the big cities, dispose or disposed of a considerable stock of so called 'social housing' among the housing stock. It also discusses **the European dimensions** and the European Union context of Housing, e.g. some funding schemes that include housing-related issues. In this context, the new developments regarding **ERDF** funding for New Member States provide chances, and challenges, for a project on housing as SUITE.

Housing and Social Inclusion

The role of a stable and affordable housing situation for people need not be stressed here again. It directly influences the whole living situation. Thus, interfering in the market situation by spending public money for housing lower wage earners has a long tradition and is one of the main tasks for public bodies. **Balancing disparities** is a common challenge for municipalities and similar bodies. Disparities produce exclusion with broad negative consequences, thus the objective of '**social inclusion**', which then should enhance 'social cohesion', became the most frequently used word in the discussion on social issues in the last decade.

Although Europe is a very rich continent, poverty is still a fact – the most recent available data show that **16%** of the population – at least 78 m. people in the European Union are **threatened by poverty**. However, there are still considerable differences between member states (from 9 to 20 plus %). Poverty or risk of poverty is particularly high among **specific groups** of the population, and the **gender-dimension** of poverty is clearly visible.

Despite a century of social and housing policy, being 'poor' can still mean living in **inadequate housing** or even threatened by housing loss, or already homeless. Very often poor people also suffer from an disproportional burden of housing costs – a poverty trap, and there is an inequality in the access to housing. Therefore, **benefits** play a decisive role in balancing the income and living situation.

The priority question is **how to keep or to make housing affordable** for broad groups. This refers both to the rental sector and to the home-ownership sector. Before jumping to conclusions, more **in-depth analysis** is needed to identify the specific local triggers of high costs.

In **EU programmes**, the **impact of housing** on a social inclusion process was clearly accepted from the beginning, but EU social policies and their positive effects aren't sufficiently visible for the population of the Member States.

Of course, also the impact of the **demographic change**, the ageing of the population, and the **changing life careers** on the housing demand is a main question for cities.

Different levels of affordability seem to be one (but not the only) reason for a concentration of residents in the one or other segment of the housing market, and even in certain estates or buildings. In some of them, a '**downward spiral**' started which led to severe problems not only for the residents.

For the moment, policy and research see the main solution in creating a **better social mix** on local level. However, definitions of a 'good social mix' are intensively discussed at scientific level, and are a very sensitive political question.

Housing and environmental sustainability

The challenges posed by the increasing natural and man-made pressures on the environment and its resources require a **coordinated approach** at pan-European and international levels. Also in the housing field, we need to better understand and cope with issues such as climate change and identify environmentally friendly technologies in order to improve our management of both natural and man-made resources.

The issue is **high on the agenda**, more **professionalism** regarding housing management has entered the field, stakeholders are aware that even the best standard of environmental quality in new construction could not influence the necessary level of sustainability and saving to a sufficient extent and that the **regeneration of the older housing stock**, which forms about 90% of the European stock, is crucial for success. In recent years, a **broad movement** towards a more environmentally sensible approach to the built environment, and especially to housing has developed. Programmes and funding schemes have been initiated, broad opinion forming and exchange of experience and good practice is on its way.

Reportedly, almost one third of all CO₂ emissions within the EU derive from housing. These data form the background of EU programmes such as 'Intelligent Energy Europe', which looks for untapped opportunities to save energy and encourages the use of renewable energy sources in Europe, but market conditions do not always help.

The strategy for the implementation of the **Kyoto Protocol** foresaw a decisive reduction in CO₂-equivalents in heating, 75% of it in the housing stock, until 2010. Meanwhile a **EU directive** further increased the obligations of the member states. It is obvious that these objectives will not be achieved except by a combination of two principal strategies: on the one hand, conversion of the energy systems to renewal energy sources, on the other hand increased efficiency of energy use.

Also recently, the European Council of 11 and 12 December 2008 reached an agreement on the energy and climate change package, which should be able to open new pathways to higher environmental sustainability.

Integrated policy?

The state-of-the-art description tries to cover a wide spectrum to show the **broad variety of demands** on housing and to stress its role for both social inclusion and for a sustainable environment in our cities.

In both fields, the **challenge** is big, and will again increase under the current threats of a worldwide recession. Furthermore, **Member States** face a different scale of needs. Cities in New Member States very urgently have to find step by step solutions for housing large vulnerable groups, while cities in Old Member States can mostly profit from about 60 years of economic growth and socially acceptable housing policy.



However, also in the ladder living conditions, demographic, economic and environmental conditions have worsened and there is a lack of appropriate innovative policies and programmes to face changing needs.

If you are interested in reading more (on 17 pages), see both the overall version of the SUITE Baseline Study including all parts and a Part A paper on the website.

B. Partner profiles

The backbone of a network are the qualities, the expectations and the commitment of the partners. The **partner profiles** collected in this Baseline Study are the results of a repeated process, feeding in and feeding out. They served as an essential basis for the compression of the issue and the selection of key questions, the 'synthesis' and the requirements of the application form.

The collection at hand comprises information from **eleven partners** (in alphabetic order): Albacete, Iasi, Romania, Krakow, Poland, Hamburg, Germany, Medway Council, UK, Nantes Métropole, France, Newcastle upon Tyne, UK, Rennes Métropole, France, Tallinn, Estonia, Santiago de Compostela, Spain (Lead Partner), Siemianowice Slaskie, Poland.

You can find a complete version of this in Part B of the Baseline Study and also a single file of the partner profile of each partner on the website.

C. Synthesis

The short synthesis of the information in the partner profiles and the findings from various visits, meetings and exchange of discussion, which led to the definition of the future work programme, shows the main strands for further exchange and learning among the network.

Rainbow or clear line? - The broad variety of housing situation and policy

It would not be Europe if not housing did not also demonstrate a **multicoloured** rainbow of situation and solutions, precisely housing, because in reality it is so strongly 'bound to the ground' and has for so long been guarded jealously as a national competence. It is no different among the ten **partners of this network** (cities and conurbations) who only provide a comparable pattern to a limited extent, even if they are from the same country. Furthermore, the framework for housing policy for the members of our network shows almost all of the current **systems and tendencies**.

But the challenges (discussed in part A) are similar for all – the demographic development and the changing life careers, the poverty trap influenced by housing costs, and the significance of housing to environment and energy consumption.

Motivation and drivers of change - the main interests of the partners

By the help of a complex process of collecting individual formulation from the partners and a common discussion, we arrived on a **common 'set of interests'**, which would form the content of our exchange. Tenor of all interests is how to meet future increasing challenges of fighting both poverty and climate change.

Thus, **three main groups** of questions were defined, **social, economic and environmental**, and three according working groups were installed, who drafted more precise sub-themes for the common learning, based on a structured collection of questions and offers of good practice – a matter of give-and-take.



The member of the network agreed that sufficient competencies and financial capability on the local level are key for coping with the main challenges.

The triangular challenge - (Social) Housing – financially, socially and environmentally sustainable?

Pole position in the list of interests is taken by 'affordability of housing'. However, current access and ideas on how to reach the objective of 'affordability' diverge to quite an extent. Thus, the network partners revised approaches together with the LE, and defined the **basic objective: to bring together those three strands of sustainability**.

The concept consists of gathering various contributions on this main issue of the project on the basis of the suggested contributions from network partners (programme, model projects, feedback from participation in other EU projects supplemented by research throughout Europe.

To achieve this objective, the most important and challenging part of the common exchange will be to form a **synthesis group** (selected from the more specialised thematic working groups), which leads a common discussion integrating the findings from the special fields and prepares an overarching final synthesis meeting. The following examination will lead to final conclusions and recommendations.

In a nutshell again: The **common objective** of this Thematic Network (composed of Cities, conurbations and institutions) is to make decisive steps forward in developing higher levels of **sustainable housing provision**, in the respective local context, considering both the **social and environmental** perspectives.

Combining both perspective the network aims at the **improvement of the steering ability of local authorities** within a urban policy field characterized by a dynamic development in terms of economical, social, ecological and demographic challenges. This higher level of policy would be based on a broad involvement of different local actors, using open methods of cooperation/participation and a substantial responsiveness for needs of different social groups.

The **methods** chosen to deal with all expectations and contributions on partner level, plus the feedback process with the Local Action Plan level are based on **a triangle of thematic work** (coordinated by thematic working groups, integrating thematic meetings and a local-international process of mutual enrichment), culminating at a **synergy** level on top of the **pyramid**.

'Grounded' - how to arrive at tangible results

Mutual exchange and learning remains superficial and the final papers end up in the bottom drawer if there is no process of linking learning to local level and to implementation. This is also the motivation of the URBACT II programme – to introduce the tool of **Local Action Plans** (LAPs), which we highly appreciate.

The idea is to create a strong link between LAPs and the **Operational Programmes** of the respective country or region, to prepare possible funding of plans, parts of plans, or pilot projects deriving from those plans within the ERDF. We are keen to take this opportunity to pilot the first ERDF projects directly funded (in New Member States) or indirectly funded (in Old Member States) that is related to housing.

