

DUTCH SOCIAL HOUSING IN A NUTSHELL

EXAMPLES OF SOCIAL INNOVATION FOR PEOPLE
AND COMMUNITIES



vereniging van
woningcorporaties



HANDLE WITH CARE

Dutch social housing providers have been delivering high quality and affordable housing for more than a century. How does our sector work exactly? This booklet intends to give you an overview of how it functions. We will use a series of best practices to illustrate the range of responses from social housing. I am convinced that these examples will illustrate how social and affordable housing contributes to the resilience of communities throughout Europe. My message is: handle social housing with care and encourage its further development. Decent, safe and affordable housing is a foundation for people's lives.



Marc Calon

Chairman Aedes, Dutch association of social housing organisations

SOCIAL HOUSING IN THE NETHERLANDS

In the Netherlands, our social housing organisations ensure that 4 million people live in 2.4 million houses. They are responsible for adequate and affordable housing, contribute to the quality of life in neighbourhoods and invest in the construction of new dwellings and sustainability.

NON-PROFIT

Dutch social housing organisations are private, non-profit enterprises that pursue social goals within a strict framework of national laws and regulations. They involve local government, tenants and other stakeholders in their policies and are accountable to society.

POLICY-MAKING

Municipalities and social housing organisations are partners at the local level, each with their own responsibilities. Tenant organisations are also involved and help to determine the quality and quantity of housing needed. This results in 'performance-agreements'. Tasks vary greatly between areas and regions. Different approaches are tailored to local and regional situations and require local cooperation.

GOOD QUALITY HOMES

Social housing organisations ensure an adequate supply of affordable, good-quality homes. Energy saving is a high priority as it can lower the total housing costs of tenants. Surveys show that tenants are satisfied with the services provided (source: Aedes-benchmark 2015).

TARGET GROUP

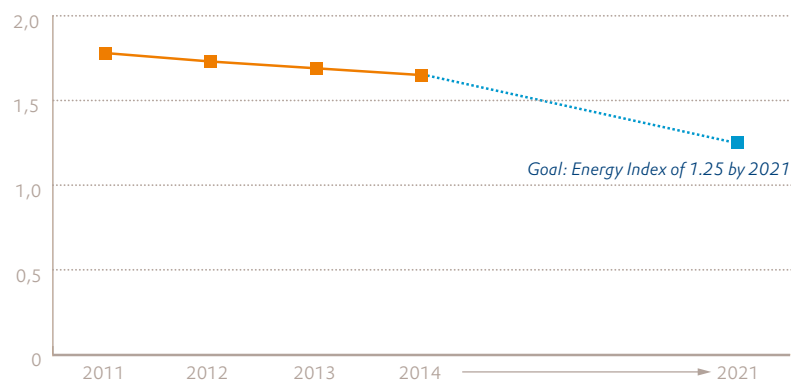
The principal target group are low-income households (e.g. families with an income below 29,000 Euros / year). The cheaper rented housing is intended primarily for this group, which gets housing benefits from the government. Additionally, the secondary target group consists of lower middle income groups who are unable to find suitable housing on the market (up to 43.000 Euro gross income per year per household). Other target groups include the

elderly, disabled persons, students, refugees and homeless persons. They all experience problems finding appropriate or affordable housing on their own.

All social dwellings (up to 710 Euros rent/month) are allocated on the basis of national and local rules. Nowadays, housing organisations are required to let 80 percent of the vacancies to households with an income below a national income threshold (35,739 Euros/year in 2016) or to households with a care requirement. This threshold follows from the EU state-aid rules and the Decision on Services of General Economic Interest from the European Commission.

Energy saving is a priority

Social housing organisations work towards achieving a label B on average for all their dwellings by 2021. This is equivalent to an average Energy Index of 1.25.



Source: SHAERE

RENT LEVELS

Social housing organisations may set their own rent policy within the limits of the national rent regulations. On average, social rent levels are approximately 30 percent below the maximum permitted rent. The average rent in 2014 was 497 Euros per month. However, also due to the lower income level of tenants, the share of housing costs in the rental sector is one of the highest in the European Union. In 2015, this was one of the reasons for social housing organisations to formulate a national agreement with the Dutch Tenants' Association to limit the yearly rent increases in the future.

ATTRACTIVE NEIGHBOURHOODS

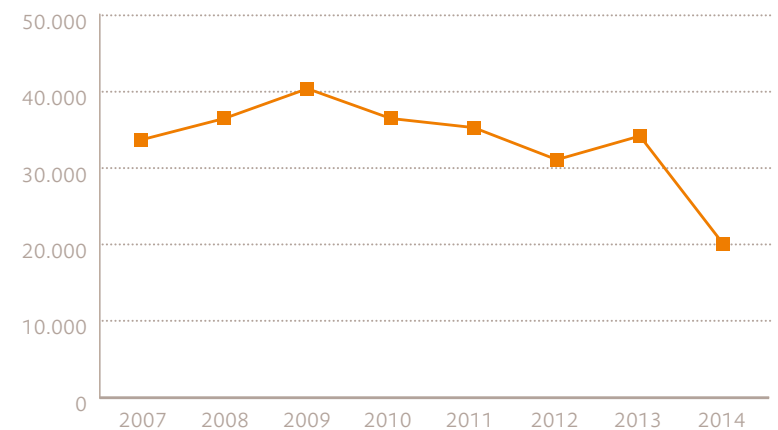
Social housing providers are also engaged in keeping communities liveable and safe. In order to restructure neighbourhoods they can also cater to the demand for dwellings in slightly higher segments. The conviction is that more diversity contributes to attractive neighbourhoods and prevents ghettoization. However, such activities beyond the core tasks of social housing organisations are strictly regulated: the needs are to be determined by local municipalities; commercial enterprises should not be interested and state aid is not permitted.

HOUSING MARKET CONTEXT

The proportion of social rented dwellings in the Netherlands is the highest in Europe for various reasons. The Netherlands is a densely populated country and tenants' incomes are limited. The percentage of owner-occupied dwellings is not exceptional but owners benefit from generous fiscal incentives. This explains the lack of an affordable middle segment of dwellings for rent, home-ownership or cooperative housing. The European Commission recommends that the Netherlands improve this situation by taking measures in order to prevent further risks for the overall economy.

New construction of social housing under pressure

Dutch social housing organisations built 50 percent less new dwellings in 2014, compared to 2009



Source: Autoriteit woningcorporaties and Companen - Presteren woningcorporaties, 2013

FINANCING

Investments are financed by housing organisations' own equity and bank loans. The collective assets of all social housing organisations are used as collateral for financiers through a sectoral guarantee fund which also watches over risk management. Ultimately, bank loans are backed up by the Dutch State and municipalities which act as potential guarantors of last resort. This results in more favourable financing terms and counter-cyclical investments, without any direct subsidies for new investments.

A SUSTAINABLE SYSTEM

The goal of our Dutch social housing structure is to ensure sufficient investments in housing on a long-term and sustainable basis. The social housing sector is a closed system in which all revenues must be reinvested. Essentially, it acts as a revolving fund. In recent years, social housing organisations were responsible for more than 50 percent of total Dutch housing construction. Unfortunately, due to a hefty tax levy on social dwellings (1.5 billion Euros in 2015), they are being forced to reorganise their priorities. New social housing has decreased by 50 percent between 2009 and 2014. Still, the actions of social housing actors remain essential for many households, communities, towns and bigger cities in the Netherlands. The following pages give a glimpse of the variety of social challenges and the innovative solutions Aedes members are displaying.

REAL-LIFE CASES

- Mobility in the housing market
- Zero energy homes
- Housing of migrant workers and mobility
- Housing for the homeless
- Housing residence permit holders
- Social profits from neighbourhood investments
- Care and senior citizens
- Transformation of unoccupied buildings
- Care residences
- Affordability & preventing debt



MOBILITY IN THE HOUSING MARKET

SENIOR CITIZENS ESTATE AGENT WORKS: MORE DWELLINGS AVAILABLE

Vidomes, a social housing organisation operating in municipalities around the city of The Hague, has a special real estate agent for the elderly, in order to improve their mobility on the housing market. This real estate agent assists citizens in their search for a suitable – often smaller – dwelling. Research has revealed that the approach works. More large dwellings are becoming available, the senior citizens are satisfied with the service and Vidomes can allocate their old dwelling to families on the waiting list.

The agent works for Vidomes and helps both healthy over-fifties with children who have left home and older tenants who are less mobile. They can continue to live independently for longer in a suitable home. More affordable rented social dwellings are being made available for families and starters on the housing market. This causes a domino effect – the tenant who moves into the scarce dwelling that has just become available leaves another dwelling for someone who is searching for a home.

Another associated advantage is that the 'rent discounts' are assigned to families with a limited income. Rent discount is the difference between the rent in the private sector and the rent in the social housing sector. This difference can be between 100 and 300 Euros per month.

ACCELERATION IN INNOVATION: ENERGY RENOVATIONS TO ZERO ENERGY BILL

Six social housing organisations and four building companies are participating in the national project Stroomversnelling (energy efficiency pilot project) in order to reduce the energy bill of existing social housing organisations dwellings to zero. They hope to accelerate the pace of sustainable innovation by joining forces. The goal is to set the energy meter to 'zero' in at least 111,000 homes.

Social housing organisation **Lefier** in the northern province of Groningen delivered the first sustainable homes in 2014. The first pilot involved working on three homes. The foundations were renovated and the homes were fitted with ready-made 'facade walls' with frames. Solar panels were installed on the new roof in order to generate electricity and heat water. A heat pump for ventilation and a storage vessel for hot water were installed in the basement. The balconies were sealed with sliding windows so they can be used by the residents throughout the year.

Another goal of Stroomversnelling is to be able to convert a regular home into a sustainable home within one week. The building companies are triggered by the scale to innovate more, for instance in pre-fabricated parts. The first pilot dwellings produced by Lefier are not yet completely zero energy because they still have a gas connection. A next step is the use of biogas. The Lefier social housing organisation wants to reach around 1400 of such renovations by 2016.



BETTER HOUSING FOR AN AFFORDABLE PRICE

Migrant workers are frequently obliged to live in poor accommodation for an excessively high rent. **Waterweg Wonen** in Vlaardingen near Rotterdam wishes to prevent this in cooperation with its partners in the municipality. For example, the social housing organisation made the premises of a healthcare institute, which had been earmarked for demolition, available for the temporary housing of migrant workers.

In 2009, Waterweg Wonen, the local council, another social housing provider and two temporary employment agencies signed a Housing Covenant for temporary migrant workers. The signatories engaged themselves to providing this group with good housing at a reasonable price.

The 130 dwellings in the former healthcare institute are small – approximately 30 square metres – were no longer suitable for senior citizens. The social housing organisation wishes to demolish the property in the long term. But migrant workers can now live there temporarily, until the demolition takes place. The two temporary employment agencies renovated all of the dwellings and made them fit for habitation.

Waterweg Wonen has signed a contract with these temporary employment agencies that runs until 2018. The social housing organisation rents the dwellings to the two temporary employment agencies. They then sign a rent contract with the migrant workers. The temporary employment agencies charge 65 Euros per week per tenant. This includes gas, water, electricity, television, Internet and furniture.

People living in the neighbourhood are closely involved with the project – they are part of a stakeholder group that acts as a sounding board, together with the municipal council and the social housing organisation. They were also invited to get to know the caretaker and several residents of the building.

'HOUSING FIRST'

The **Alliantie** social housing organisation provides homeless people in Amsterdam with accommodation. But this is not all. Social partners of the social housing organisation help these new tenants to learn to live independently. The motto is *First a home, then help*. The approach works – more than three quarters of the participants in the project still have a dwelling after five years.

Social housing organisations help to provide homeless people with a roof over their heads. Besides responding to these crucial social needs, if fewer people have to live on the streets, this also improves the quality of life in cities. Approximately fifty homeless people live in normal homes in the Amsterdam Discus project. Everything is organised so they can live there as independently as possible from day one. They are given support, for example when applying for social security benefits or in their daily activities. Eventually they have to be able to function without assistance. Just as the other residents they may not cause a nuisance and must pay the rent on time.

The Discus project is a collective initiative of the Alliantie, together with a regional mental health care institute and an institute for social care. The different roles are clear: the Alliantie supplies the dwellings, the mental health care institute provides the treatment and the institute for social care is responsible for the social supervision of people who have lived on the streets for many years.

When the participants in the project have got to grips with everything and maintain this grip, the rent contract is officially transferred to the name of the resident after one year. The care is considerably cheaper than similar care in an institute for supervised accommodation. Most importantly – the participants in the project, formerly homeless people, are extremely satisfied.

SEARCHING FOR ALTERNATIVE FORMS OF LIVING

The number of refugees receiving a residence permit in the Netherlands is increasing. Most of these permit holders are housed in a social housing organisation dwelling. Social housing organisation **Wonen Limburg**, in the southern Netherlands, believes that housing this group is a core task and works on creating alternative and temporary forms of living for this group.

Temporary homes can offer a solution according to Wonen Limburg. For example, a healthcare complex that becomes available can be assigned a residential purpose. The social housing organisation also believes that social housing organisations should think less traditionally and must also develop and build temporary living concepts for a period of, for example, twenty years. This does require a different form of financing.

The number of affordable, available rented dwellings is limited. Wonen Limburg wants to collaborate to provide housing for legalised refugees, but takes care to continue to combine this with the assignment of available homes to all other people with an urgent status. In small towns and villages in the province of Limburg, where normally only a few houses become available, the social housing organisation also takes account of local inhabitants who have already been waiting for a house for some time.



HAVING ACTIVE PEOPLE IN THE NEIGHBOURHOOD PAYS OFF

Between 2005 and 2012, social housing organisation **Eigen Haard** invested a total of 42 million Euros in improving the quality of life in neighbourhoods in Amsterdam. The largest investments were directed to care, nuisance prevention, housing fraud, neighbourhood management, resident participation and physical intervention for the quality of life in the neighbourhood. The most important evidence found in the research is that the involvement of social housing workers in the community, such as community managers, make a calculable difference.

According to Eigen Haard there is often debate about what economic results certain social investments produce for the neighbourhood. This is why it calculated – on the basis of an analysis at zip code level – what the social benefits of its social investments are. The research revealed that they are positive. This enables Eigen Haard to show interested parties, such as the municipal council and tenants, that the investments actually have a real positive effect and where this occurs.

The improvements in the quality of life, expressed in Euros, occur in several ways, including the rise in property prices in the neighbourhood. The effect of the reduction in crime has also been estimated – the costs for other partners, such as the police and the judicial system, are lower. On the basis of these calculations it is apparent that the total social benefits of the investments for Eigen Haard, but also for other local parties and the community, exceed the costs made by Eigen Haard.

Besides Eigen Haard and its residents, the other residents and home-owners in the neighbourhoods in which Eigen Haard has invested also benefit. These are the social benefits, if the focus is limited to the housing provider and its residents then the found monetary benefits don't outweigh the costs.

MEETING PLACE AS A MEDICINE FOR LONELINESS

Meeting place 't Meijerke in the city of Den Bosch has become the living room of the neighbourhood where senior people struggling with loneliness meet. A volunteer with more than twenty years' experience in social work started working – at the request of social housing organisation **Zayaz** – on relieving the isolation of the elderly.

This meeting point buzzes with activity, and it all started with an open afternoon, live music and games. Whenever a special event is organised the volunteer sends a hand-written invitation. A great many (extremely) elderly residents do not have e-mail and almost never receive letters.

The social housing organisation in Den Bosch believes that this 'Living room' in the neighbourhood, as it is now known, must continue to exist. Zayaz has renovated the meeting point. And the social housing organisation asserts that the fact that the activities are tailor – made for the needs of (lonely) senior citizens – often in their final phase of life – contributes to the success.

It is not only about the friendly atmosphere at the meeting place. They are also encouraged to be active, whenever possible. For example, one of the older visitors has the key to the building, so that activities can continue when the volunteer is unavailable. The visitors do the washing up and occasionally the vacuum cleaning. They also learn to stand up for themselves when they have problems. For example, by calling the social housing organisation if there is something wrong with their home.

FROM EMPTY OFFICE TO SOCIAL HOUSING

There are tens of thousands of unoccupied buildings such as offices, residential and care complexes throughout the Netherlands. Social housing organisations devise creative solutions in order to give these buildings a new future.

A former office building in Amsterdam – with twelve floors and floor space of approximately 12,000 square metres – has been given a new purpose. It now houses 285 students. Student housing organisation **DUWO** and social housing corporation **Rochdale** had the property, which dates from the sixties, converted into student residences and business units. A double wall was installed in order to decrease the noise from the nearby highway. The ground floor is reserved for businesses, restaurants and catering. The office building was unoccupied for a long time. The new use has a positive effect on the neighbourhood.

Another example comes from social housing organisation **Jutphaas Wonen** which has transformed a former office building into 25 loft residences with gardens for young people. House hunters were involved from the start and literally sat around the table with the contractor. The effect of this is that the residences fulfil the expectations of the new tenants. As many materials as possible were re-used in the transformation of the office building. Moreover, the residences are extremely energy-efficient. This project won an innovation prize and a sustainability prize. The juries were impressed by the approach – from empty offices to affordable and sustainable homes for starters, with the participation of the tenants.



LIVING INDEPENDENTLY WITH AUTISM

Parents, social housing provider **'thuis** and a small municipality in the south of the country joined forces in order to create care homes for autistic young people. This resulted in 2014 in a building with 24 apartments and a common room where they can live independently.

Young people with autism thrive best in a stimulus-free residential environment. However, living in a regional mental health institution does not meet their needs sufficiently, according to one of the parents involved in the initiative. The parents were searching for a residential form in which young people can live independently and still receive intensive supervision.

With effective cooperation, some moving back and forth and a subsidy from the municipal council the social housing organisation succeeded in achieving the building within the available budget. The design of the apartments took account of the young people's sensitivity to noise and stimuli. For example, the rooms are fitted with extra insulation and the complex is located on a quiet street.

The parents also play a role. Stichting Woondroom (dream living foundation) manages the eight apartments for young people who need intensive supervision and the parents are in charge of the waiting lists, the allocation and the purchasing of the care services. Besides this project in Veldhoven, social housing organisation **'thuis** also delivered two similar projects in Best.



APPROACH TO RENT ARREARS: FEWER EVICTIONS

Social housing organisations take quicker actions when rent arrears occur and take measures in order to prevent evictions. This approach pays off – the number of evictions in 2014 decreased by 15 percent in comparison with 2013. There were a total of 5900 evictions in 2014.

Eviction is a traumatic event for tenants that social housing organisations wish to prevent as much as possible. Evictions are also very costly for social housing organisations.

When it receives early signals, social housing organisation **Domijn** approaches tenants with payment arrears personally in order to arrange a payment scheme. A community manager makes contact after one week. If a technician has to visit the dwelling for a reparation he checks if the tenant has paid the rent. Domijn uses customer profiles in the approach and communication – red stands for tenants with structurally poor payment behaviour, orange for moderately poor behaviour and green for tenants that usually pay promptly, but did not do so on one occasion. These profiles are guidelines. Every tenant's story is different, emphasises Domijn.

Social housing organisation **Woonpunt** visits tenants with rent arrears in their homes. The fast and personal approach produces results. In addition, the social housing organisation works with the Kredietbank (a special social credit and debt assistance bank) because rent arrears are not the only debts that tenants are struggling with in many cases.

Social housing organisation **Rochdale in Amsterdam** has conducted a successful experiment in which the rent or the sum of a payment scheme is deducted directly from the social security benefit of the tenant. The tenant also receives support from a budget coach.

FACTS AND FIGURES 2016

(REPORTING YEAR 2014)

THE DUTCH SOCIAL HOUSING SECTOR

363	Number of social housing organisations in the Netherlands
24.651	Jobs in the social housing sector (in FTE)
2,4 million	Housing stock of social housing organisations
31,7%	Market share in total Dutch housing stock
4,0 million	Number of people housed by social landlords
€497	Average amount of monthly rent
68%	Rent as percentage of the maximum rent level allowed
8,8%	Average percentage of yearly renewals
€136.000	Average fiscal value of dwellings owned by social landlords
19.700	Number of houses built
17.200	To let
2.500	For home-ownership
44%	Market share of new residential construction in NL
€160.400	Cost of development - dwellings to be let
€172.500	Cost of development - dwellings for home-ownership
22.900	Number of dwellings sold
17.000	Sold to private households
5.900	Sold to investors and other persons
9.700	Number of demolished dwellings
141.700	Number of renovated dwellings
52%	Percentage of dwellings with an energy index below 1.6
€3,1 billion	Maintenance expenses
€4,4 billion	Investments
€2,8 billion	Development of new dwellings
€1,2 billion	Renovation
€242 million	Quality of living in communities
€185 million	Energy-efficiency measures

Sources: Corpodata, CBS, Shaere, Editing by Aedes Kenniscentrum

ABOUT AEDES

Aedes is the national organisation that promotes the interests of more than 300 (practically all) social housing organisations in the Netherlands. Aedes co-operates with the government and special interest groups in order to guarantee the right working conditions for social housing organisations.

Aedes is an active member of Housing Europe. Housing Europe promotes the interests of public, cooperative and social housing organisations in Europe. Its members manage 27 million homes throughout Europe

AEDES BRUSSELS OFFICE

Aedes' EU Public affairs office in Brussels focuses on crucial European issues in order to safeguard and optimize the legal, fiscal and financial conditions for Dutch social housing providers.

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