Implementing new powers for private sector housing renewal

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How to Help People Excluded from Decent Housing? Co-Operate! Experiences from 9 European Cities: Report on Good Practice in Cooperation and Transferable Lessons
Coop Consortium (Ed.), 2005, Vienna

The report of the Coop Consortium is based on the research project ‘COOP’, which was funded by the EU Community Action Plan 2002–2006 within the Transnational Exchange Programme. The aim of the project was the evaluation of best practice examples of co-operative action between local authorities, housing providers, and social service providers in the provision of housing for groups vulnerable to homelessness or housing loss. The project team consisted of seven national teams from old and new EU member states representing Austria, Belgium, Czech Republic, Germany, the Netherlands, Poland and the UK. Each national team consisted of a co-ordinating institution and one or more project partners from local authorities, housing providers and social services. The international consortium was set up to exchange information, to learn from identified strengths and weaknesses of current practice examples, and to transfer knowledge and experiences.

The project was based on the identification and evaluation of best practice examples. The criteria for best practice were the relevance, effectiveness and efficiency of practice cases. Seventeen cases of best practice in nine European cities were chosen. In the report each case study is presented for its specific problems to be addressed, the found solutions to the challenges, the actors, the added values, weak points and success factors. The transferable lessons are discussed from a transnational perspective. The research design included nine transnational transfer meetings. The report develops ‘lessons to be learnt’ from these discussions on different projects and derives policy recommendations on the national and EU level.

The report lists a whole set of innovative ideas on further policy issues on housing for groups vulnerable to homelessness or housing loss. The 17 case studies provide a wide perspective on possible approaches on the relevant issues. The problem of co-operation and added values could be discussed in great detail in the report though. The focus of the report seems to rest more on the housing issues in general.

In my view, the added value of the project and its great strengths lies in the cooperation of the project team itself. Through the transnational discussion of national
projects and best practice examples, a successful exchange of expertise was made possible. The discussions of the national case studies show a high possible learning curve through these linkages of practice networks. The publication shows how transnational exchange programmes for communities can produce useful synergies. Last but not least the project is not only adding values to the issue of co-operation, it is giving a focus on a widely neglected policy field, too. The report provides a wealth of knowledge on possible approaches, it thereby gave these policy fields and projects a public stage. The Coop Consortium shows ways to make project co-operation more successful, not least through the voice and activities of a highly engaged research team.

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Housing and Social Policy: Contemporary themes and critical perspectives
Peter Somerville with Nigel Sprigings (Eds), London, Routledge, 2005, ISBN 0 415 28367 1

It is an interesting experience to review a book that has the same title as a book published 16 years ago by myself and colleagues. How is it different? Does it take the topic further than we managed all those years ago? The editors of the collection reviewed here are clear about the difference. In their view our previous book was about the place of housing in welfare provision, concentrating on public provision in its various forms. The present volume is said to see social policy more widely than welfare provision, with a focus on a wider range of interventions than just public provision. They also state that the individual chapters are informed by social theory and so allow for the development of a critical understanding of the subject area through elucidation of social theory debates that have driven or resulted from policy debates. In my view, the differences between the two volumes are overstated. The first did deal with areas of social theory and the present volume does deal with areas of welfare provision. Nevertheless, the topics covered in the two volumes are very different. Whereas the earlier volume had chapters on community care, homelessness and paying for housing as well as housing management, the present volume focuses on the regulatory aspects of government intervention, such as anti-social behaviour and social exclusion. Community care or supported housing is only mentioned in terms of house design and housing management in terms of the ‘respect’ agenda. Therefore, the topics are chosen on the basis of pre-selected themes that are outlined in the early chapters. Of course selectivity is necessary because of the large field involved that cannot be covered comprehensively in one volume.

Another main difference between the two volumes is that the present one is an edited one compared to the joint authored earlier volume. This has its strengths in
terms of the width of expertise that can be drawn on. However, the weakness of most
edited collections is the unevenness of the contributions. This volume is no exception.
Some chapters fulfil the editors’ promise to engage with social theory, but some do
not. Also the range of theory drawn on is very different.

After an introduction from the editors laying out the scope of the volume, the book
starts with a chapter by Bill Spink outlining the main forms of government intervention
in housing since 1800. As the rather wide remit would indicate, the review is rather
superficial, but it is a necessary and useful preliminary for the analysis that follows.
The chapter itself uses Doling’s (1997) useful classification of interventions into either
supply or demand side and into low level, middle level and high level. It then examines
the different reasons for state intervention. The explanations considered are the so-
called rational planning model, policy makers’ ideologies, economic explanations
and rational voters. Spink argues that the causes of housing policy development
are complex and can include all of these factors. Therefore, the chapter does not
argue a particularly original line or lead to any substantial insights, but it is a useful
introduction for the chapters that follow.

The next chapter by Nigel Sprigings examines the government’s agenda for dealing
with ‘anti-social behaviour’ in the light of different theories of social justice. He
argues that the proposals to cut the Housing Benefit of tenants who are deemed to
have committed anti-social behaviour is perceived as unjust when examined through
the lens of most philosophies of social justice which hold concepts of equality of
citizenship. He shows that only Communitarianism, the philosophy usually associated
with the present government, can be used to justify the proposals.

The following chapter by Charlie Cooper explores a similar theme, examining
the significance of perceptions of place in social policy. He argues that ideological
constructions of ‘dangerous places’ and their ‘dangerous’ residents have underpinned
spatial social policies that have sustained disadvantage and have not addressed the
causes of difficult neighbourhood circumstances. This conclusion has been reached
many times before, but the linking to the social constructions that demonise people
and places is interesting.

Chapter 5, by Peter Somerville, examines concepts of social class and their impact
on housing tenure, housing struggles and regeneration policy. This chapter has a very
dated feel. There has been a lot of recent work on the nature of class and of other
status differences by authors such as Mike Savage that is not covered in the chapter. A
clear definition of social class that takes into account the changing nature of society is
lacking. I felt this chapter cried out for an analysis of post-modernist thought on social
distinctions that lead one to question class analysis based on Marxist categorizations.
This would have led to a far more interesting discussion of inequality in housing.

Chapter 6 by Malcolm Harrison covers ethnicity and ‘race’ and housing. The
chapter provides a very useful overview of the housing situation of ethnic minority
households and the current policy issues. However, it is disappointing that this
chapter does not engage with social theory as was promised for the volume as a
whole. Malcolm Harrison has been at the forefront of the application of ideas of difference to housing and it would have been interesting to see this approach developed further and perhaps integrated with the discussions in other chapters of class and gender.

Chapter 7, by Joan Smith, takes a similar approach to the gender dimensions of housing issues. Again there is an interesting and useful overview of the main issues, but no engagement with social theory. Therefore, the potential for integrating the discussion of social class with those of gender and ethnicity is lost. The same comment applies to Chapter 8 by Jo Milner, which examines disability and housing design. There is a short discussion of the models of disability, which are not related to the other questions raised in other chapters, but the core of the chapter is a useful discussion of the history of house design standards.

Chapter 9, by Kesia Reeve, compares squatting in the 1960s and 1970s with the situation in the early 21st century. The chapter is the only one in the book to engage with post-modern social theory, but this is not satisfactorily related to the empirical evidence. It is unclear why the subject was chosen given the wide scope of issues that a book of this kind could have covered. The suspicion is that the editors saw squatting as a ‘class struggle’ and so its coverage would fit with their overall perspective. The problem is that the empirical study of the phenomenon does not lead to a confirmation of this position.

The final substantive chapter, by John Pierson and Clare Worley, covers the field of housing and urban regeneration policy, including programmes such as the New Deal for Communities, and the Housing Market Renewal Pathfinders. They then consider discourses of community, community cohesion and citizenship in regeneration policy. This chapter works best as a detailed discussion of the policy agenda, but the analysis of policy discourse could have been fruitfully expanded.

In the final brief chapter the editors discuss the possibility of ‘joined-up’ policy including housing and look towards a democratic transformation in housing based around the realization of ‘a community of shared values’. Given the aim of the book to embed the discussion of housing in social theory debates, it is surprising that this chapter does not reflect this with a detailed discussion of social theory building on the discussions in previous chapters.

The editors laid out very ambitious objectives for this book, looking to the critical analysis of housing policy debates through the application of social theory, so it is little surprise that it does not completely deliver. The problem of any edited collection of unevenness of approach is illustrated by the differences between authors on the degree to which they have drawn on social theory and the social theory they have chosen to apply. The editors seem to have had an implicit theoretical approach in their choice of chapter topics around class, gender, ethnicity and disability, and their emphasis on class struggles. However, their approach is not clearly articulated or followed through. The real surprise for me was a lack of the application of what has been called ‘post-modern’ social theory, with the exception of one chapter.
In general the book is a very useful addition to the material available on housing policy in Britain (or England would actually be more accurate as there is little on the position in other parts of the UK). Some of the individual chapters will be of interest to students and to researchers, although primarily one feels the former. If the volume does not quite succeed in meeting its lofty aims, this is not surprising given the inherent problems of an edited collection.

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Reference

Implementing New Powers for Private Sector Housing Renewal
Rick Groves and Sian Sankey, University of Birmingham, 2005, ISBN 1 859 35427 0

This book, by Rick Groves and Sian Sankey, on private sector housing renewal presents the evaluation of a new housing reform in England and Wales, the Regulatory Reform Order (RRO) from 2002. The book contains seven chapters. After an introduction and a presentation of the various elements of the RRO (Chapter 2) the authors go on to present how the RRO has affected local renewal policies (Chapters 3 and 4). Programmes for energy efficiency are evaluated separately in Chapter 5 and resources and constraints of the RRO are analysed and conclusions drawn in Chapters 6 and 7.

The RRO reform is not one comprehensive programme but consists of a number of different initiatives including provisions to improve energy efficiency, financial and renewal assistance to private landlords, help for old and disabled people, a decent home standard, tools to understand and tackle problems of declining housing markets, and powers for local authorities to intervene in high-risk properties. Thus, the RRO programme leaves local authorities (LAs) with a larger responsibility and initiative to encourage private owners to renovate by introducing more ambitious goals than before, and a number of new tools to support this.

In different ways the RRO represents a radical departure from renewal policy so far. The local housing authorities are given considerable powers to formulate local private housing renewal policies, and they are expected to work more closely with local stakeholders, such as banks and home improvement agencies, to establish an attractive framework for private sector renewal. Also, they are expected to target vulnerable households living in non-decent homes. The privately owned sector (privately owned and occupied, as well as privately rented) holds about 1 million of this type of homes. Of all the vulnerable households in non-decent homes, 30 per cent live in privately rented accommodation (pp. ix–x). The ambitious goal of the government is to increase the number of vulnerable households living in decent homes from 57 per cent to 70
per cent and in order to reach this target much will depend on how the local housing authorities implement the RRO.

Groves and Sankey present a thorough evaluation of the effects of the RRO so far, based on questionnaire surveys, reviews and visits to specific locations. This has revealed that reality has not achieved the ambitions and lived up to the intentions in the reform. Of the local authorities, 56 per cent have reported that their renewal policy is completely new or a mix of old and new (pp. 19–20), but the changes have in general been cautious, and the targets of the RRO have only been reached to some degree. For instance, less that half of the authorities have implemented measures to reduce the proportion of vulnerable households living in non-decent accommodation.

In particular, establishing private financing for housing improvements remains a problem. There are relatively few products on the market that meet the needs of the house-owners, and these types of loans are generally directed at high-value and low-risk properties (for instance, equity-based loans), which exclude the target groups of the RRO. Therefore some LAs (29 per cent) have developed financial aid from own resources. This consists mainly of grant aids, but since 2001 there has been an increasing shift from grants to loans in order to stretch the limited financial resources. Other types of initiatives include the LAs collaborating directly with local loan providers or with other community-based organizations (for instance the Registered Social Landlords, RSL) to provide finance. Although such initiatives are limited in numbers, successes such as the ART homes in Birmingham and HomeImprove in Rochdale/Oldham might provide some optimism for the future.

Clearance has been another main topic of the RRO. Several LAs expect to use negotiations in combination with the generally unpopular ‘compulsory purchase orders’ to increase clearance. Also under this type of activity are different examples of innovative approaches from the LAs, for instance in terms of forming partnerships, but in general these activities struggle with an unpopular image among consumers and politicians. For other area-based activities there is no evidence that the RRO programme has changed policies, except that more LAs see their policies as being less area-based and more client-based due to the target for vulnerable households under the RRO.

Concerning the energy efficiency programmes, the evaluation shows that almost all LAs are involved in energy efficiency partnerships through guidance, consultancy, audits, local partnerships and other arrangements. However, the effectiveness of these arrangements is difficult to assess, so are the implications for more general home improvements and the ability to target vulnerable households. Therefore, a better co-ordination between energy-efficiency programmes and the RRO could be a way forward.

There are different reasons for the lack of success of the RRO. One is the lack of staff to develop private sector programmes; more than half of the LAs have five or less full-time staff in this field of work. So there appears to be ‘… a strong contrast between the scale of the problem of private sector housing conditions and local
authorities’ commitment in terms of staffing resources to tackle it’ (p. 71). Another problem is related to the lack of loan products (as mentioned above), and one might question whether the local authorities should be the ones to develop such products, or whether they should have been provided or developed on a national level? Moreover, there is still a ‘grant culture’ among consumers, which seems uncomfortable by using loans for private renewal—and the LAs themselves need time to get used to the RRO regimes, for instance from having the role of answering questions, managing complaints, etc. to being pro-active, and develop policies (p. 68). On the basis of the research, the authors suggest a greater political commitment in the private sector housing renewal, and that better loan facilities and products be developed, including more public risk-sharing.

The research presented in the report is ‘a snapshot of the early stages of the introduction of a new regime for private sector renewal . . . ’ (p. 2). But for the same reason, the critical findings might prove really helpful in the introduction of the new forms of regulation. Actors in the field of housing renewal, such as practitioners, politicians and researchers, will have much to gain from this research. For readers not familiar with the British housing market, the book gives plenty of useful information about private sector renewal and the barriers related to implementing the new powers. It requires some patience to get a hold of the terms and details in the book, therefore a general overview of and introduction to the terms and problems of the private sector would have been welcome. However, evaluations of this kind are highly relevant, as British experiences often have a strong influence on policy formulation in other European countries.

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Trends and Progress in Housing Reforms in South Eastern Europe
Sasha Tsenkova with the support of the Council of Europe, the UNECE and the Norwegian Ministry of Foreign Affairs, Council of Europe Development Bank, Paris, October 2005, ISBN 92 990037 0 X

The Council of Europe Development Bank, in partnership with the Council of Europe, the UNECE and the Stability Pact, had commissioned this Regional Study of Trends and Progress in Housing Reforms to assess housing policy reforms and housing market performance in eight south-east European countries: Albania, Bulgaria, Bosnia and Herzegovina, Croatia, FYRoM, Romania, Moldova, Serbia and Montenegro, with a reference to Kosovo (province in Serbia and Montenegro). This Report, prepared by Professor Sasha Tsenkova from the University of Calgary (Canada), represents the overview of major policy challenges in the development of appropriate regulatory, fiscal and financial instruments necessary to enable the operation of housing markets
and access to affordable housing. The overall goal of the report is the establishment of recommendations of more efficient and equitable housing policy in south-east European countries.

The international comparative housing research has long neglected the south-east European countries due to different reasons such as ethnic conflicts in the western Balkans, lack of languages skills, knowledge of the local situation and access to data. This report represents detailed and profound analytical overview of housing reforms and housing market development in south-east Europe between 1991–2001. The study follows up the previous overviews of housing reforms in central and eastern Europe: (i) during the socialist time (see Sillince, 1990; Telgarsky & Struyk, 1990; Turner et al., 1992); (ii) the comparative evaluation of reforms during the first phase of housing transition (see Clapham et al., 1996; Chapman & Murie, 1996; Hegedüs et al., 1996; Struyk, 1996) and housing markets performance (see Buckley & Tsenkova, 2001; Pichler-Milanović, 2001); and (iii) recent country or regional reports commissioned by international organizations such as Council of Europe, UN ECE, UN-Habitat, World Bank, OECD, etc.

The survey of housing reforms in south-east Europe has used the set of housing policy and market indicators approved by experts from participating countries that are similar to those collected for the EU member states and published annually as EU housing statistics. Thus the study attempts to establish the basis for regular monitoring and evaluation of housing policy development in south-east Europe. In that case the data are comparable with the housing system performance in other central-east European countries and Baltic states which became EU members in 2004, or with some other more advanced EU countries.

The south-east European region examined in this Report is a home to almost 60 million inhabitants living in more than 20 million dwellings. It includes eight countries with very different size, population, resources, and stages of economic and social development. The common feature between these countries is the high degree of private ownership ranging in year 2001–2002 from 80 per cent to 95 per cent of homeowners. Housing privatization in the 1990s was implemented in an almost universal manner across the region, which has transferred significant assets in private ownership. While this has boosted private investments in housing sector, multi-dwelling buildings in urban areas has deteriorated due to lack of effective legal, organizational and financial measures for housing management.

The first part of the report provides the objectives of the study, sets the conceptual framework for comparative evaluation and defines the factors influencing the performance of housing systems in south-east European countries. The second part of the report focuses on phases of housing reforms in individual countries, and specificities of institutional and legal housing reforms with the type of fiscal and financial instruments for affordable housing. Part Three evaluates housing conditions and recent trends (2001–2002) in south-east European countries with the emphasis on housing system performance as a result of transition and structural reforms and their
implications for housing markets. Part Four of the report examines in more details important housing policy challenges such as: (i) privatization and housing management, (ii) public rented sector, (iii) housing and refugee related issues mainly in Croatia, Bosnia and Herzegovina, and Serbia and Montenegro (including Kosovo), and (iv) housing finance developments in the overall region. The conclusions of this comparative housing analysis are presented in the final part of the report with the comments on challenges and opportunities for further housing reforms in south-east Europe.

The study has highlighted several common issues for housing reforms. In addition to important information for housing researchers and policy makers on housing reforms addressing significant constraints in south-east Europe, this comparative study facilitates some value-added learning from the experience of individual countries. The comparative evaluation suggests that a much stronger commitment to comprehensive reforms in major housing policy areas leads to better housing system performance. Despite difference between south-east European countries and ‘path dependency’ on socialist legacy the experience suggests links between specific types of policy reforms and housing performance. Transformation of the housing sector along market principles is closely linked to the stabilization of the economy and the commitment of governments to improve fiscal, financial and real estate policies.

While recognizing the differences among the countries of south-east Europe, this study has highlighted several common themes and issues of the political, economic and social transition in the region. Housing represents an important source of economic growth for south-east European countries. The successful economic and social development requires further commitment of leading public institutions to more efficient housing policies, further liberalization of housing markets and stronger efforts in promoting economic and social cohesion. With the quality and quantity constraints in housing sectors, large investments will be necessary for new housing construction, maintenance and renewal of the existing housing stock in urban areas, with investments in the provision of infrastructure and local services especially in rural areas.

Therefore this Report represents a great contribution towards overall understanding of similarities and differences in housing policy reforms in central and eastern Europe since 1990, emphasizing the specificities of housing market performance in eight south-east European countries: Albania, Bulgaria, Bosnia and Herzegovina, Croatia, FYRoM, Romania, Moldova, Serbia and Montenegro (with a reference to Kosovo). It is not only a statistical overview of the housing situation in these countries but also represents an important evaluation study. Together with the recently published book on housing policies in central-east Europe (Czech Republic, Hungary, Slovakia, Slovenia, Poland) by Christian Donner (2006) this Report by Sasha Tsenkova is a substantial contribution to the literature on housing policies and housing markets’ performance in central and eastern Europe.

The Report will be highly appreciated not only by researchers and housing policy makers but it could also be useful as a basis for ‘policy manual’ for other actors (i.e.
housing managers, investors, local authorities, etc.) engaged in a day-to-day operation of housing markets in individual cities and countries in the region.

Reference


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