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Housing – a Path Forward: Focus on Regulated Market

In an inspiring and creative setting at Café De Ceuvel in Amsterdam North, a debate club of HPP-Y-GEN together with the Ministry of Internal Affairs (Martijn Eskinasi) and social housing corporations (Staedion, Maja Mooren-Orlic and Wooncompagnie, Stefan van Schaik) exchanged thoughts and formulated recommendations for the regulated housing market.

To look into the future, one should understand the past, be aware of main market trends and based on these make an informed forecast and investment decision.

With this in mind the HPP-Y-GEN kicked off the evening. **Martijn Eskinasi (Ministerie BZK)** and a historical overview of the establishment of social housing corporations back in 1900 and the evolution of their role from providers of housing. Since 2006 the Ministry of BZK in collaboration with CBS and based on the interviews of 70,000 households from various geographic regions and demographic groups, has been preparing the WoON Research on a 3-year time frame. Driven by technological advances, the Woon Onderzoek has been improved significantly and became more user-friendly (factsheets, interactive maps, infographics and direct access to the underlying data etc). Main results available at: <http://www.woononderzoek.nl>

Stefan van Schaik (Wooncompagnie), a social housing corporation with a social housing portfolio of 14,335 units concentrated around Schagen and Purmerend, addressed 3 key housing market trends:

- Inaccessibility of the housing market;
- Rising expectations of higher sustainability performance;
- Changes of the tenant characteristics & needs.

To address these trends 2 visions on the regulated housing market have been proposed: “Manifest” and “Pleidooi”. Manifest is based around the idea of changing tenant characteristics and as a result a need for “suitable living” in terms of space and financial suitability. While the proponents of Pleidooi (among which is Wooncompagnie) argue for flexibility of choice of the living form, focus on price/quality rather than price/income and abolition of landlord levy to release capital for investment in sustainability and quality of the housing stock.

Maja Mooren-Orlic, representing **Staedion**, one of the largest social housing corporations in The Hague with a housing portfolio of 35,000 units, told us about Staedion housing ambition until 2020.

Staedion is not standing still but embracing the demographic trends of aging of population. *“Together – we will get further”*. Staedion is convinced that innovation and improvement of city neighbourhoods can be achieved through bottom-up initiatives and strong collaboration with municipalities and the market. *“Wonen met een Plus+”/“Housing with a Plus”* is a perfect example of such bottom-up initiative in Loosduinse Hof. 100 social housing units for a diversified target group i) persons with “light” physical or mental disabilities and ii) elderly 65+. Developed around a strong community-based concept of healthcare, recreational and social amenities and managed by a professional community manager “Hofmaker”. Ambition is to expand this housing concept further. Together with HPP-Y-GEN, Maja exchanged thoughts on how to secure continuity and success of this housing concept. Quality of services provided by community manager and the financial strength of entrepreneurs are essential to a success.

The HPP-Y-GEN concluded the roundtable discussion with the following **Recommendations**:

- WoOn Onderzoek 2021 should be accessible in English to allow foreign investors to make informed investment decisions
- Balance regulation with de-regulation of the housing market. The municipalities should be well equipped to regulate locally the housing market. Nevertheless, to prevent “destructive” competition and politically-driven decisions, the government should play a facilitating role and create a forum for exchange of knowledge and best practices between the municipalities.
- Do not try to solve long-term issues with short-term politically-driven solutions
- Do not restrict provision of social housing units only to social housing corporations, which results in “undesired” partnerships between investors and social housing corporations. Investors are also capable of providing social housing, but land price needs to be adjusted accordingly.
- Do not penalize institutional investor and force them accepting lower returns. Institutional investors are often investing on behalf of pension funds and insurance companies, who need to fulfil their liabilities.
- Stop criminalizing “scheefhuurders”. They would also prefer to move on but are limited in their options due to shortage of housing.
- Stimulate bottom-up initiatives and pilot projects. Housing experiments and collaborations of various market players can lead to successful and long-term solutions.