

Housing governance
for sustainable cities



4 layers, a paradox and 4 roles



Housing: 4 layers

- Aims
- Institutions

The housing tenure paradox

- Why home ownership is so important
- What social/affordable housing is

Policies: 4 roles

- Governance
- New solutions

Housing for households

- A roof over the head
- A home
- An investment



Housing for policy makers

- Why is housing relevant:
 - Resilient cities: urban
 - Wellbeing: social
 - Economic growth: market



Different stages in housing policies

Encyclopaedia of Housing & Home, 2012, Elsevier

- **(1950-1960's): Modernisation: urban**
 - Developing world: emphasis on urban planning/slumclearing,
 - Europe: emphasis on solving housing shortage after WOI
- **(1970-1980's): Structuralism: wellbeing**
 - Developing world: welfare and support self-help,
 - Europe: housing as part of welfare states
- **Since 1990's: Neoliberalism: market**
 - Developing world: marketisation, formalisation
 - Europe: marketisation, privatisation, deregulation
- **Next?**

Housing market not perfect

- Homogene good?
 - Connected to place
 - Partial markets (rental, owner occupied)
- Full competition?
 - Little providers
 - High cost of moving (hold up problem)
- Full transparency?
 - Hidden (technical) failures
 - Quality of neighbourhood
- No external effects?
 - Health
 - Access to labour market and participation

Improve housing markets: welfare economics, (Barr, 2003)

- Overcome market failures to optimise welfare:
- Aims for equity

- By
 - Provision by government
 - Regulation
 - Subsidies
 - Deals, promotion

Housing policy: less red, more green

Government

- Public housing at below market price
- Subsidies (lump sum, yearly, tax-reduction), land, loans, bricks:
 - For developers/landlords
 - For people
- Regulation:
 - Price, Quality,
 - Energy efficiency, transparency

Housing policy: less red, more green

Government

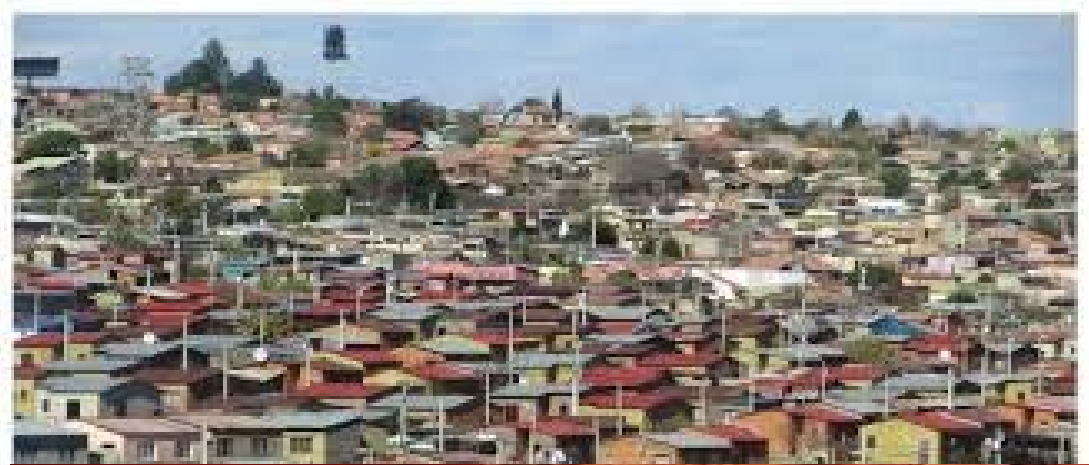
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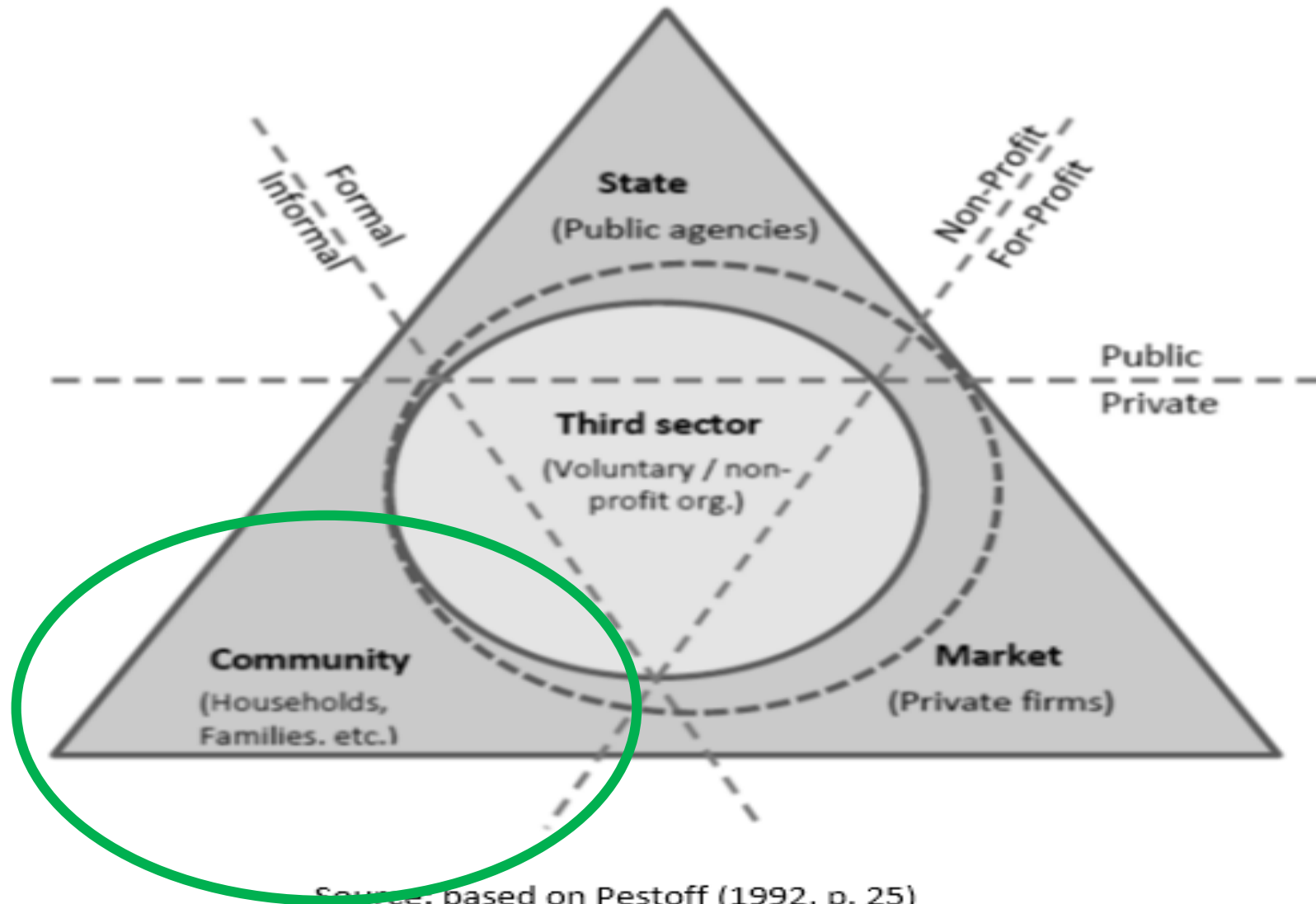
Others (and government)

- Non profit initiatives (cooperatives), PPP
- Impact investment, guarantee
- Informal housing solutions

Basic need

- Informal solutions:
 - 1.4 people billion by 2020 (UN-Habitat)
 - 30-50% of the population in urban areas
 - Family help
 - Cohousing: ant tribe

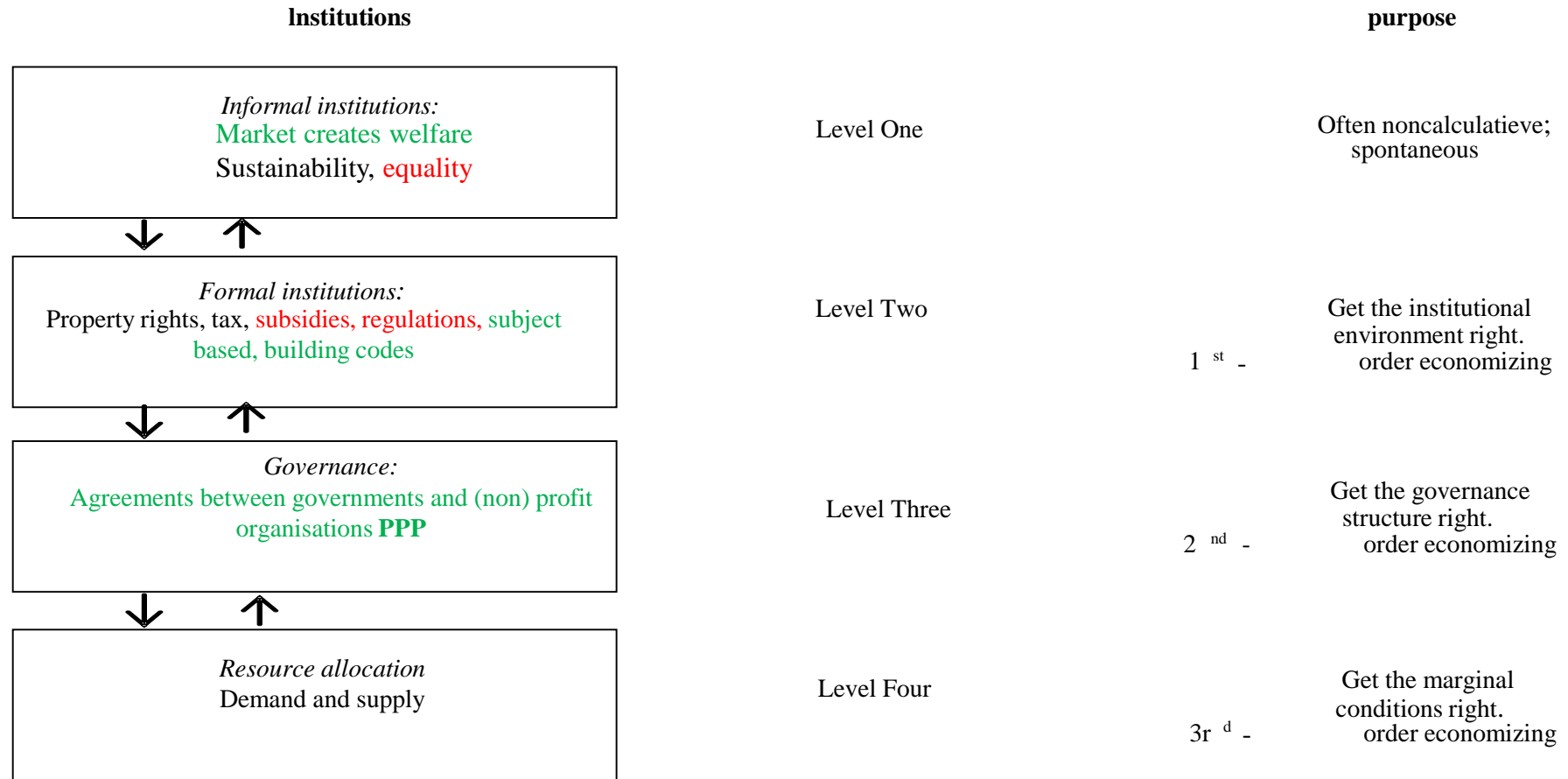




Source: based on Pestoff (1992, p. 25)

Institutional layer model;

Williamson 2000, my interpretation



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Home ownership for households

- Privacy something for your self
- Being your own boss
- A good investment
- A nest egg, financial security
- No other option (no rental available)



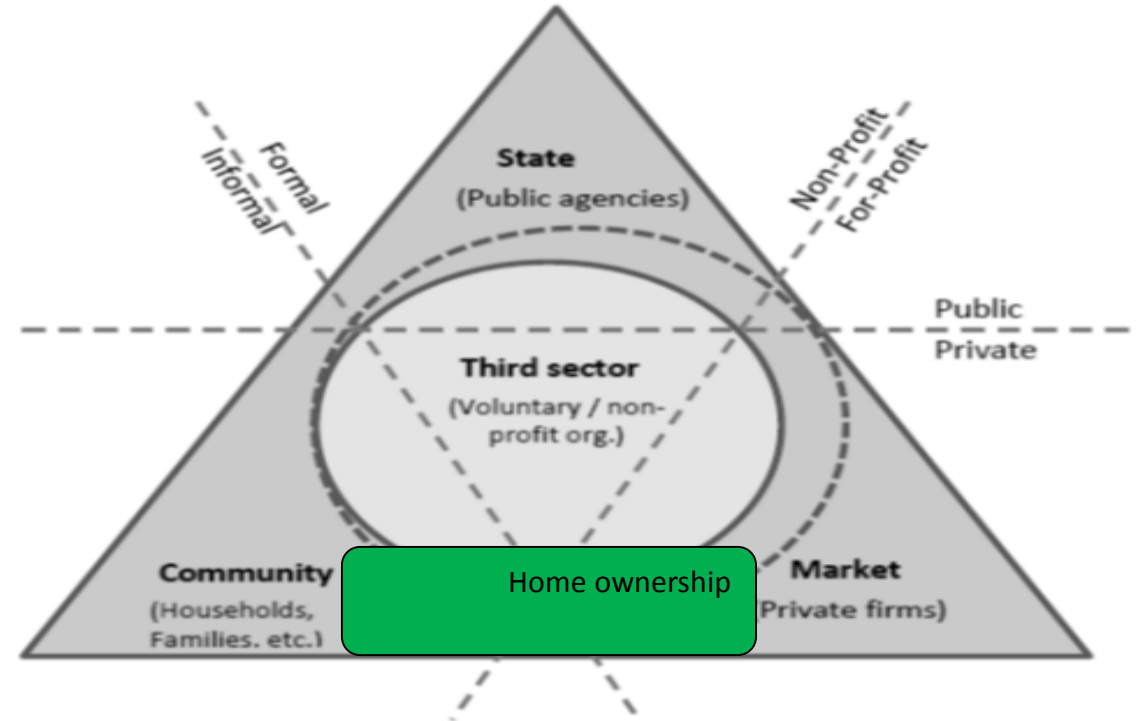
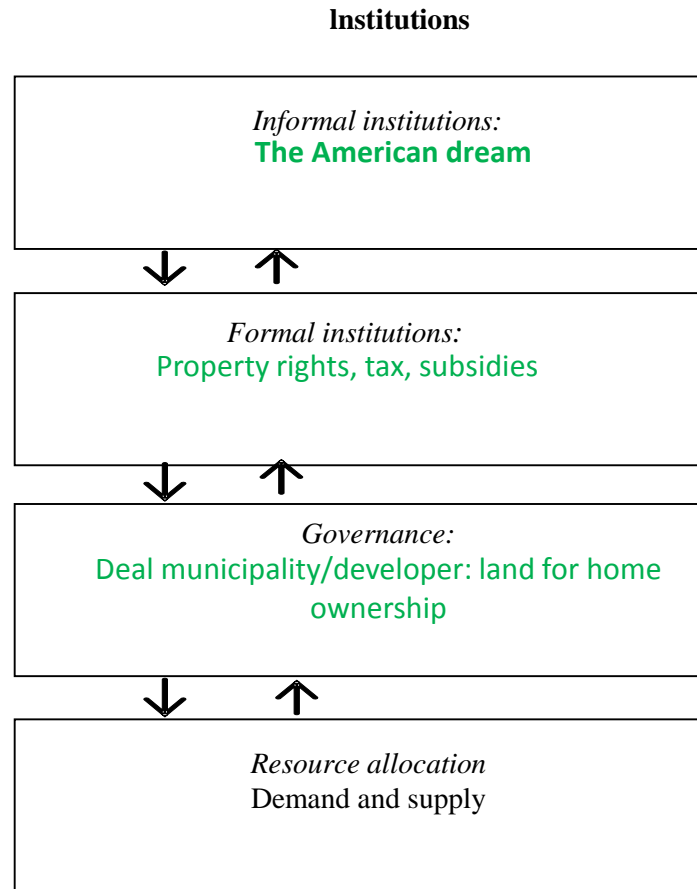
Why encourage home ownership?

- To attract voters:
 - Help households to buy
- To “improve” people, have a stake in society:
 - More responsible citizens
 - Empower people
 - Better involvement in neighbourhoods



Supporting home ownership;

Institutional Layer model Williamson 2000, my interpretation



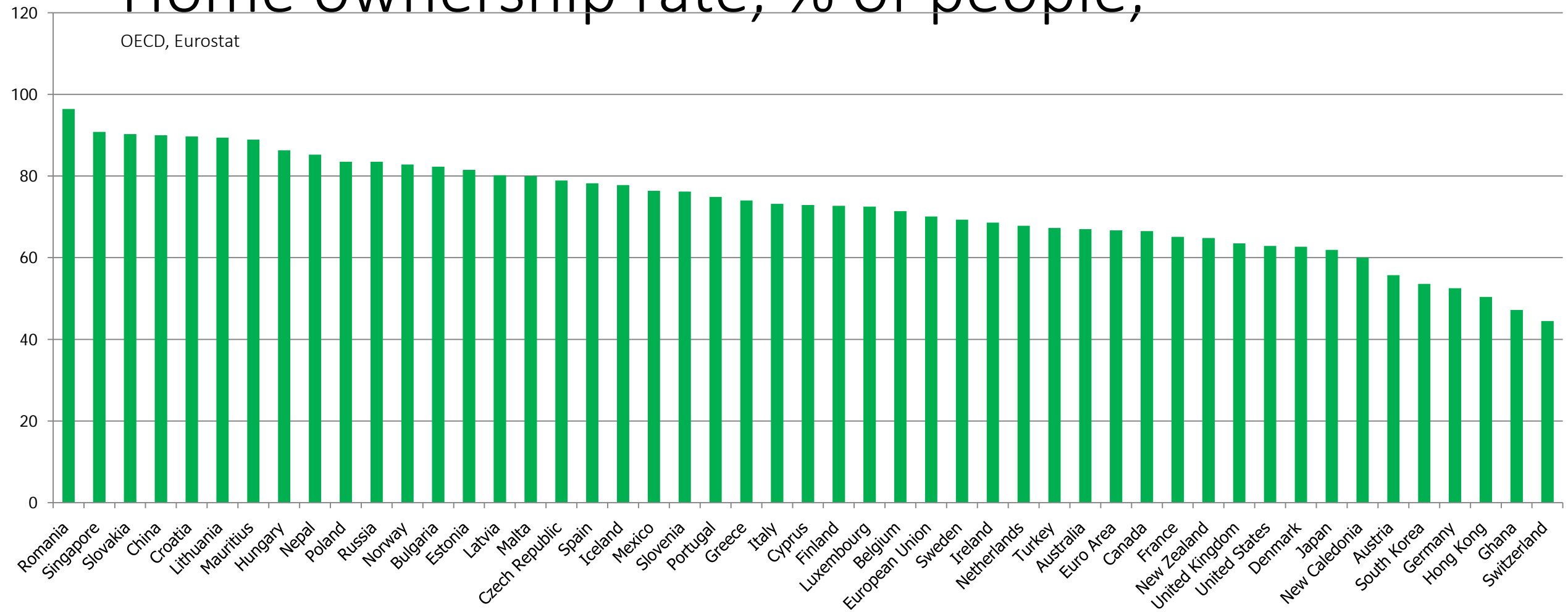
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Level Four

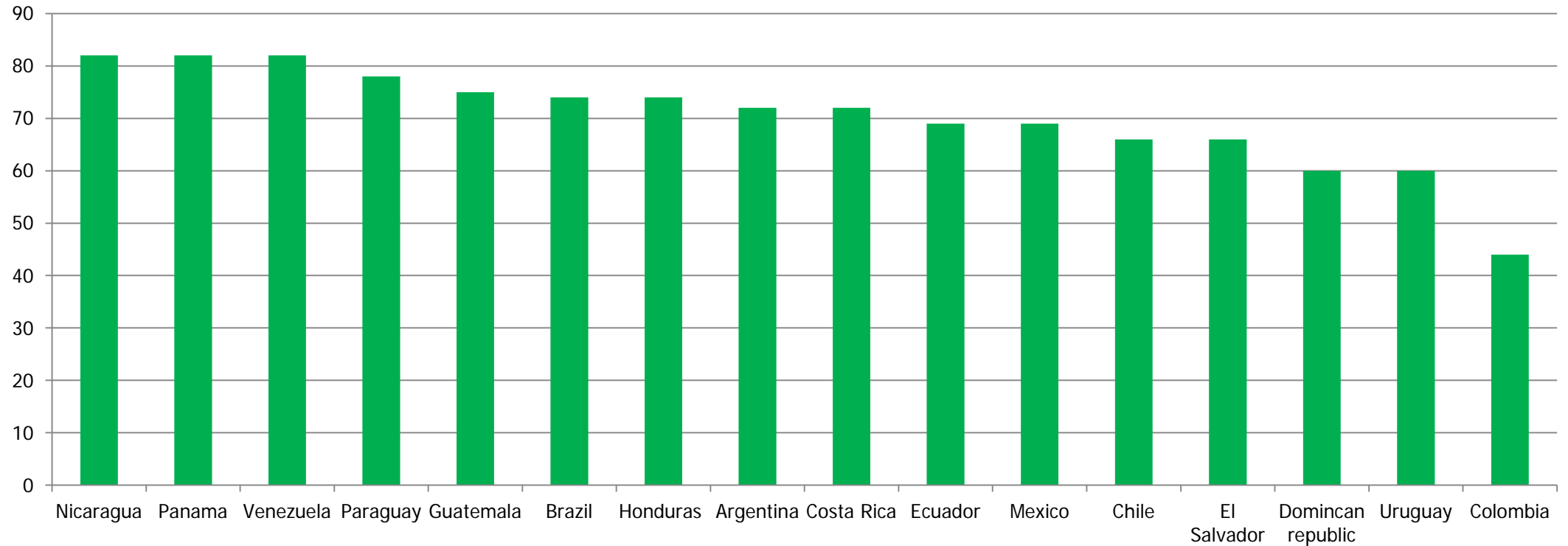
3r^d - Get the marginal conditions right. order economizing

Home ownership rate, % of people,

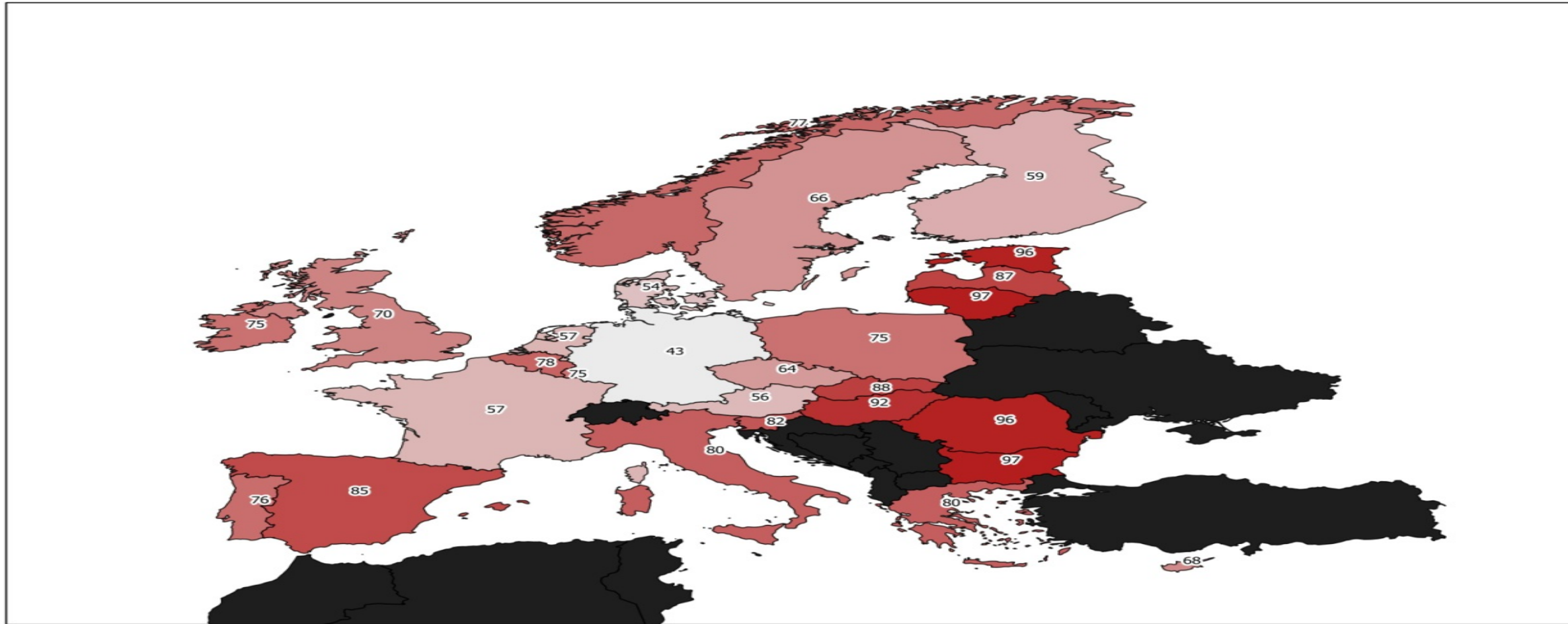
OECD, Eurostat



Home ownership rate, % of people

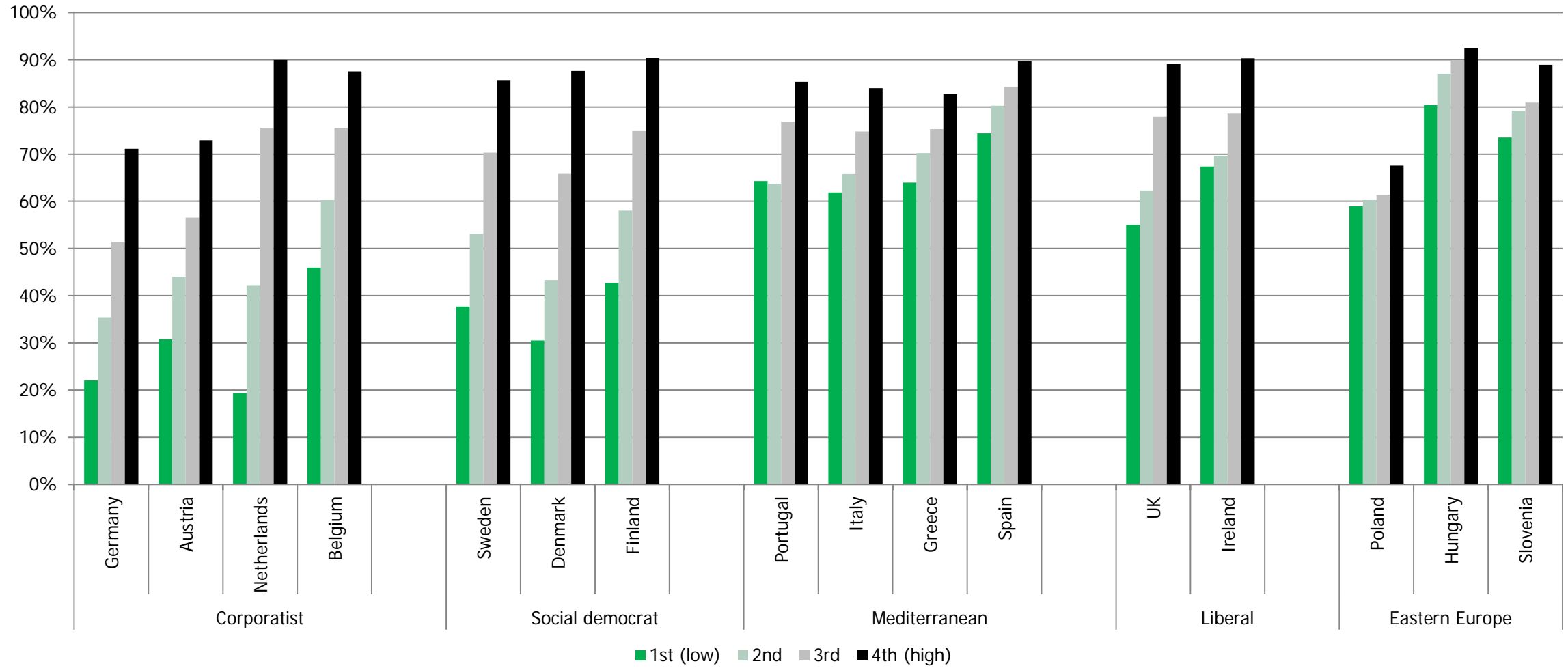


Home ownership EU27, EU-SILC 2012

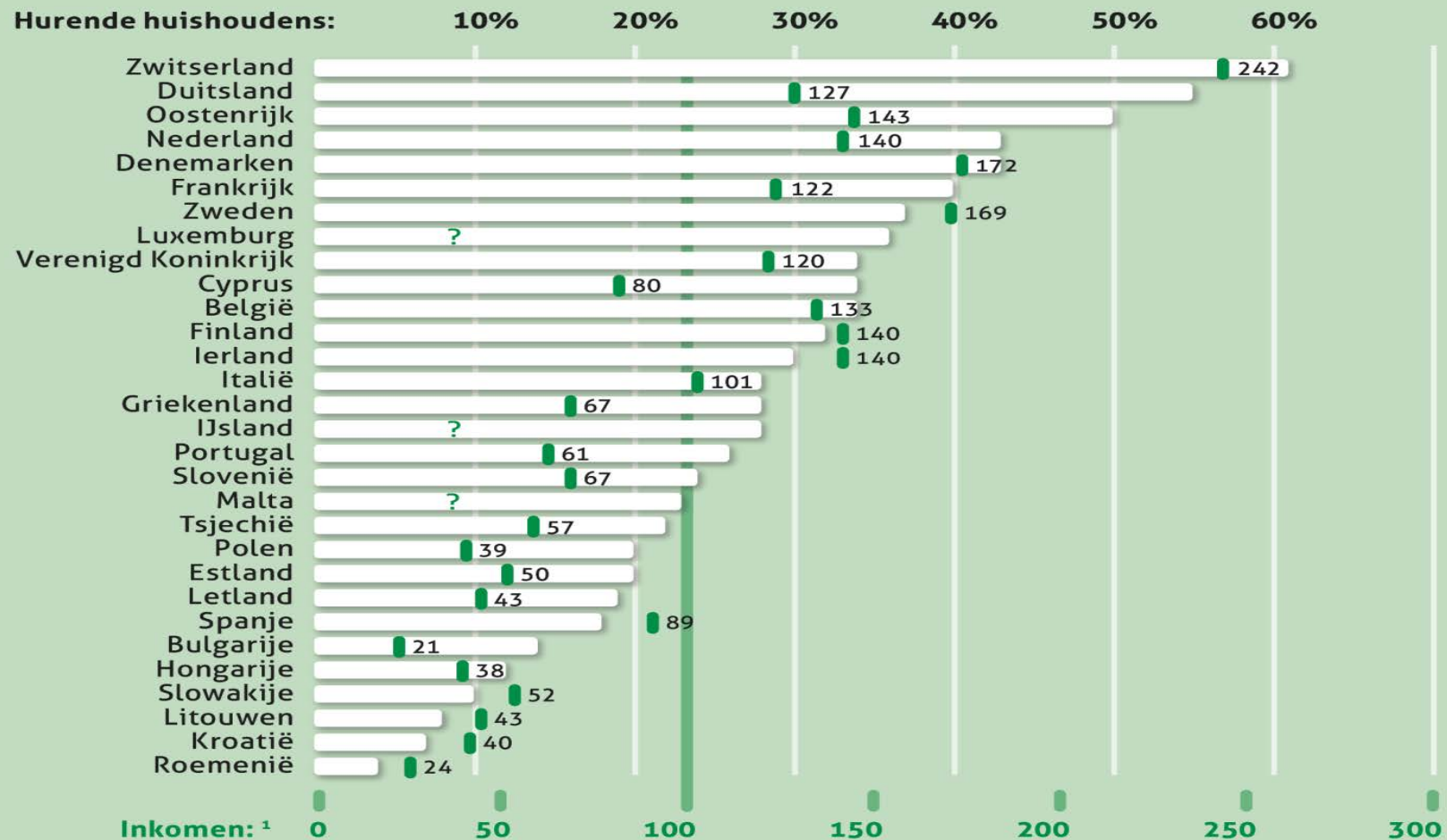


Home ownership by income quartile,

EU-SILC 2009



Size of rental sector (in %) by average income per head (index, 100=EU-average), 2012



¹ Per hoofd van de bevolking (indexcijfer, 100 = EU-gemiddelde).

Bron: Eurostat, SILC en IUT

The home ownership paradox

- The higher the income of a household, the higher the rate of home ownership
- The higher the income of a country, the lower the rate of home ownership
- How can this be explained???



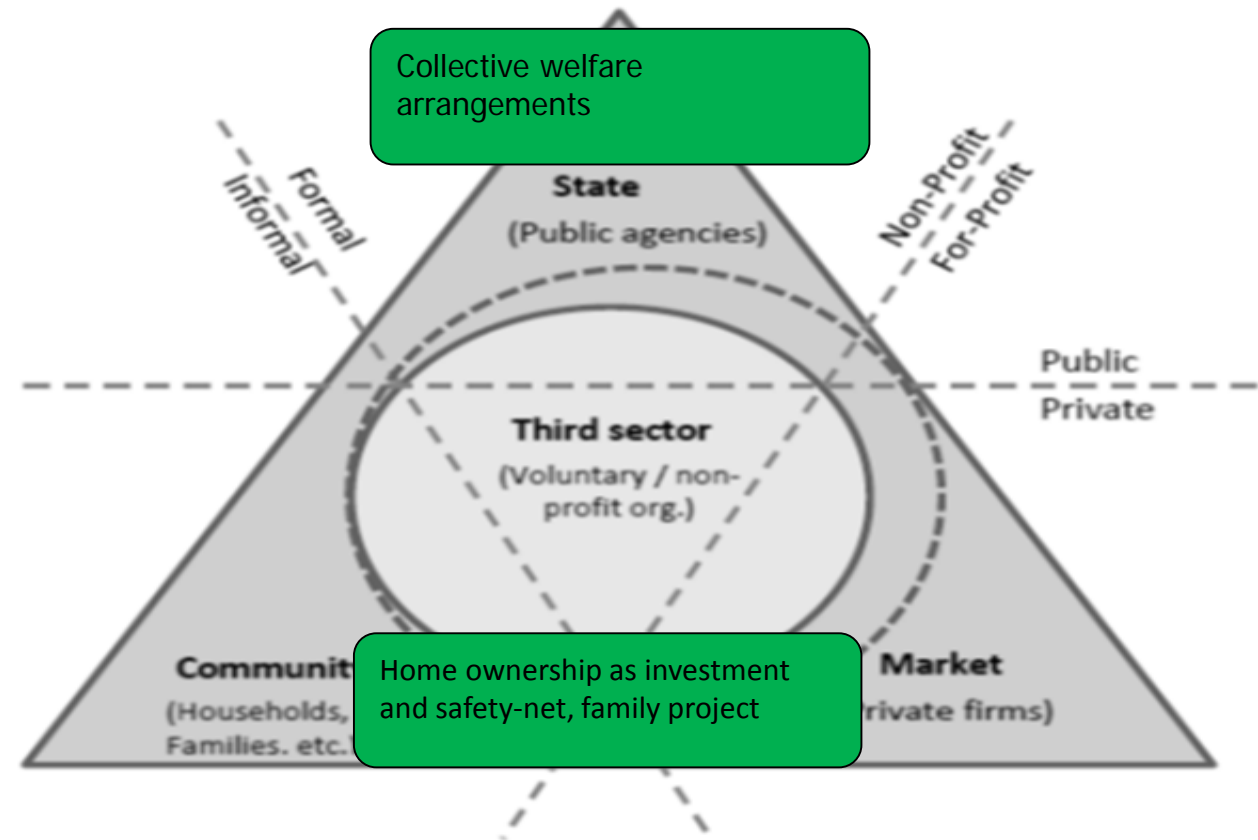
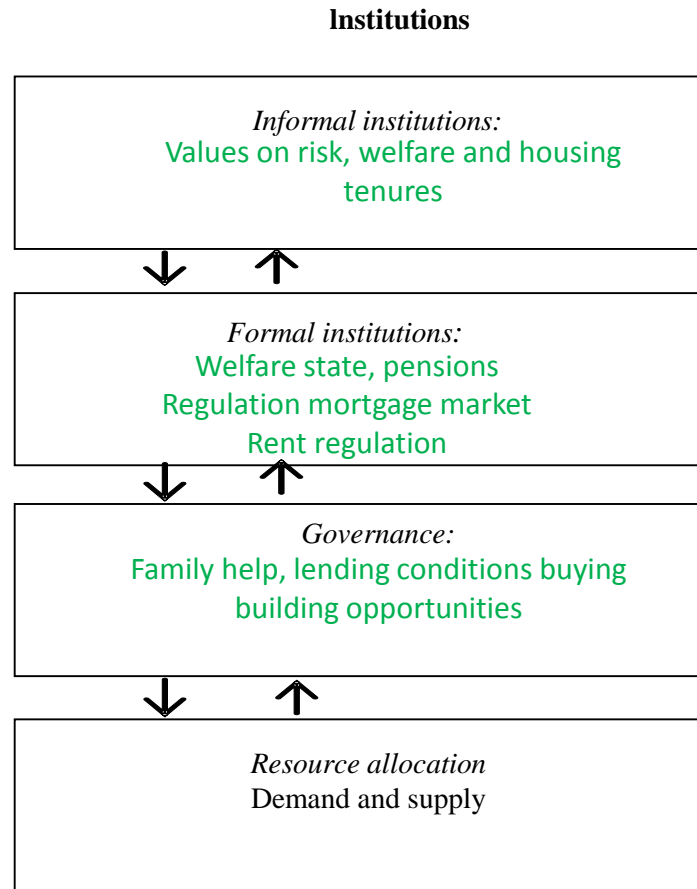
Can you explain the paradox?

Explaining the paradox

- Richer countries have lowest home ownership rates:
 - There are other investment/pension options available: home ownership is not necessary as pension
 - There is budget for social support and government: fear negative effects of low income home ownership + inefficient policy
 - Balance between interests of landlord and tenant (policies)
 - Preference for rental among mobile households
 - Interest among investors

Explaining the paradox;

Institutional Layer model Williamson 2000, my interpretation

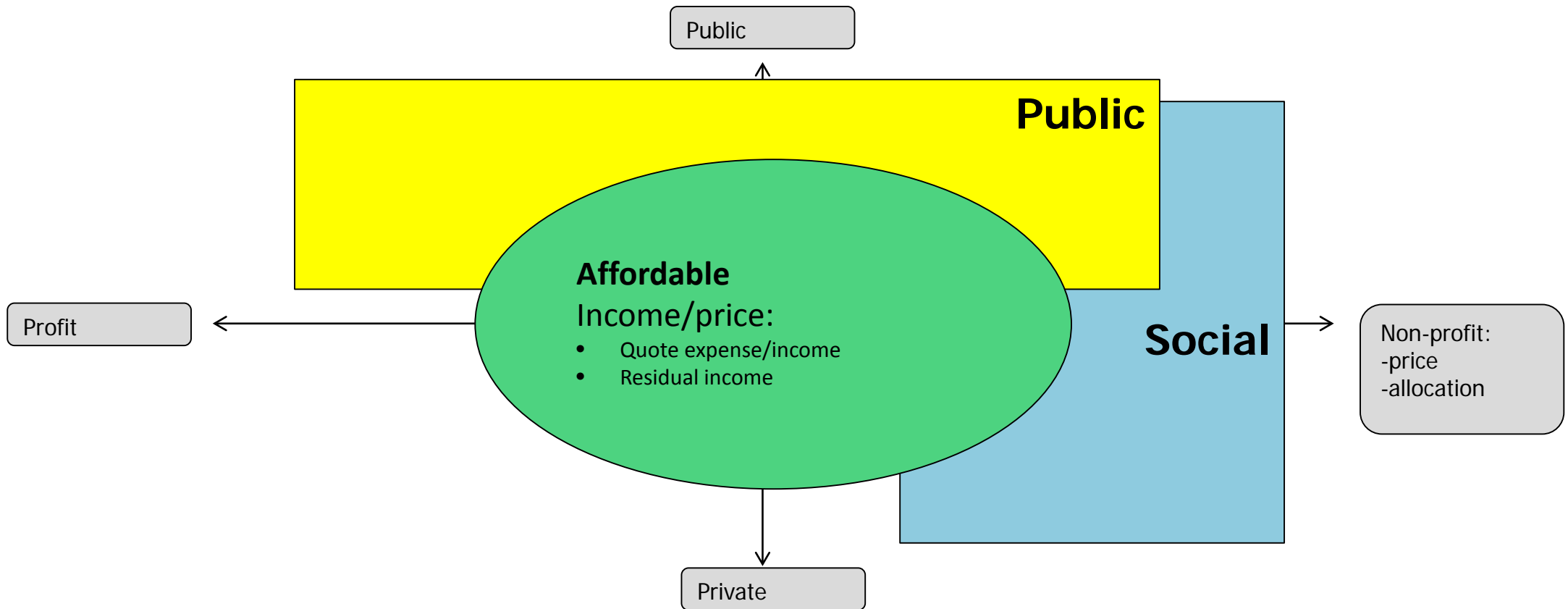


Source: based on Pestoff (1992, p. 25)

Social rental housing EU27, Cecodhas, 2012



Social housing, public housing, affordable housing (rental or owner occupied), Elsinga, 2017



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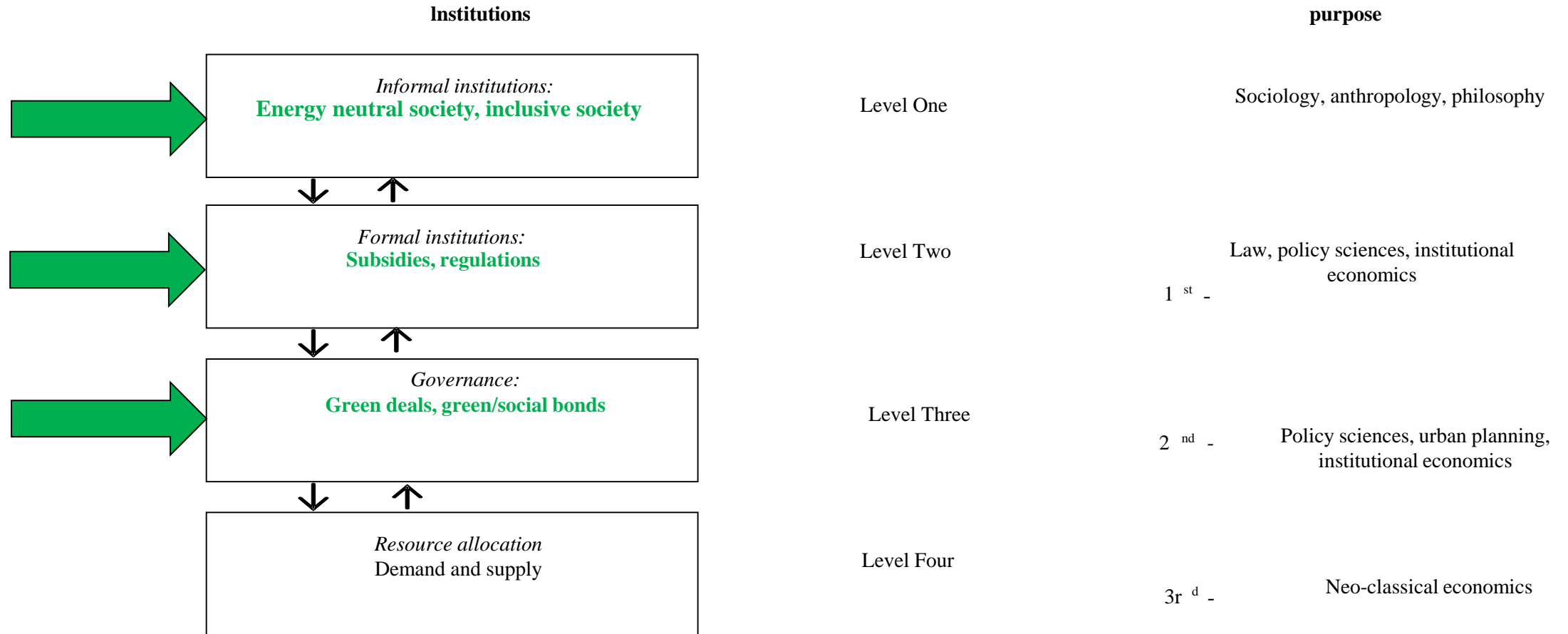
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Policies: 4 roles

- **Governance**
- **New solutions**

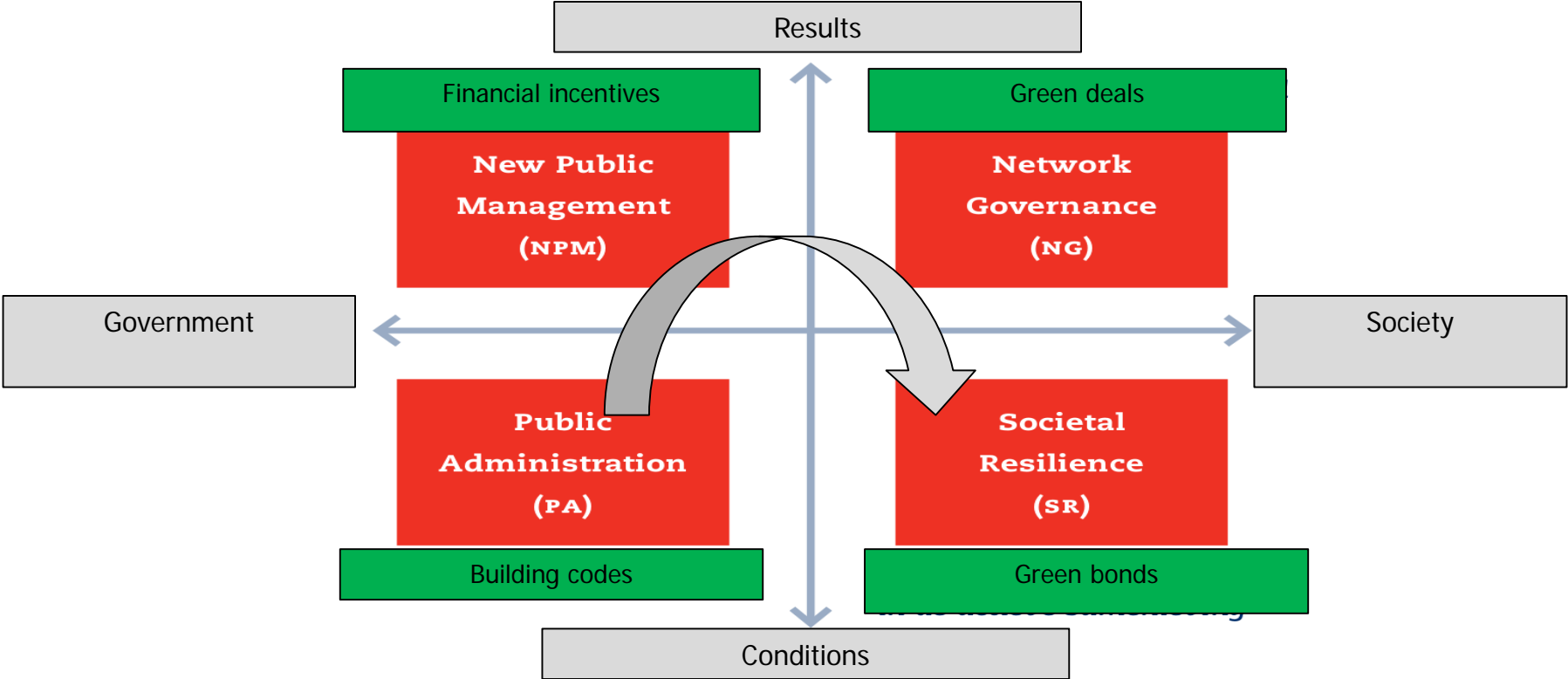
Sustainable housing;

Williamson 2000, my interpretation



The changing role of the government,

(Van der Steen, 2015)



Housing Institutions and Governance: New challenges

- Housing = access to the city, inclusive and resilient cities/societies
- Need for affordable sustainable housing
- Making creative connections to solutions:
 - Individual households: home owners, tenants
 - Landlords
 - Builders
 - Lenders
 - Investors
- Universities are of key importance

PhD-projects: Dealing with affordable housing

- Non-profit providers of rental housing:
 - KyungHo Choe: housing regimes and non profits in South Korea,
 - Samson Aziabah: public housing governance in Ghana,
 - Juan Yan: provision of social housing in China, Chongqing & Fuzhou
- Housing and sustainable transformation/urban renewal:
 - Gerard van Bortel: non profits in urban renewal in Netherlands & UK,
 - Toazhi Zhuang: organisation of urban renewal in Chongqing, China
 - Marjolein Overtoom: from vacant building to temporary housing, NL

PhD-projects: Dealing with home ownership

- How to deal with home ownership:
 - Janneke Toussaint: housing as pension, 8 European countries
 - Rosa Donoso Gomez: governance of condominiums Bogota and Quito
 - Wenjing Deng: home ownership as family project in Chongqing
- Estimating risks of home ownership:
 - Peter Neuteboom: perceptions of risk of home ownership in 6 European countries
 - Alfred Larm Teye: modelling risks of home ownership

OBRIGADO

