Affordable and social housing: key item on EU Urban Agenda

Aedes response to EC consultation on "The urban dimension of EU policies: key features of an EU Urban Agenda"

We welcome the opportunity to respond to the European Commission's consultation.

Rationales, added value and elements of an EU urban agenda?

The provision of affordable and social housing is primarily a local issue. The need for accessible and affordable housing in urban areas is mainly influenced by local challenges. To face these challenges social and affordable housing providers integrate hardware and software skills: capital intensive investments in bricks and mortar go hand in hand with the provision of a wide range of services to keep cities attractive and stimulating.

Any involvement from the EU, and its Member States, must first embrace and understand the, sometimes fragile, logic of these ecosystems. The need for EU and an EU Urban agenda is present. However, any city related item should only be included within an European agenda after a, case-by-case, discussion regarding **proportionality, necessity and shared commonalities.** These initiatives should take place within a common vision for a European Urban model every EU city should strive for in the interest of the welfare of each of its citizens.

Social and affordable housing is a central aspect when dealing with issues such as **poverty, social inclusion, jobs, homelessness, energy, crime and insecurity, demographic changes, environment and EU labour mobility**. This way, with local parties, social housing providers keep urban areas attractive, safe and liveable so their inhabitants can reach their full potential. These efforts directly relate to the EU2020 goals and, thus, the question of affordable and social housing requires a special attention from the EU and its cities in the EU urban agenda. *(Question 1)*

The EU and services of general economic interest in cities

In this respect it should be crucial that, when cities signal **problems organizing local services of general economic interest (SGEI) due to EU interventions,** this should get the fullest attention from the EU. A well-known example is the strict interpretation of the SGEI rules by the Commission regarding state aid for housing. Many cities have contested the social housing definition used by the Commission in its SGEI Decision because it limits their local housing policies.[1] The report 'Cities of tomorrow' recognizes that *'The future urban territorial development pattern contains strong metropolitan regions and other strong urban areas (...) which provide good accessibility to services of general economic interest '* (Question 1)

The EU and the impact of housing market reforms in cities

The provision of social housing and ancillary and integrated services is pressing in cities where, for example, increasing real estate prices have generated higher income disparities and result in shortages for lower and middle income groups. This creates social and geographical disparities within

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[1] [The Role Of Publicly Supported Housing In The European Union](#) Eurocities, 2013
[Towards a European agenda for social housing](#) opinion EESC, 2013
[Resolution for social housing in Europe](#), large European cities

cities, especially when no effective social or affordable housing organization are in place and other social and community services are under pressure. **EU's Urban agenda should recognize that housing is more than only a market item. Social and affordable housing needs the involvement of dedicated housing bodies with locally rooted and long term interests.**

Prescriptive EU policies are often difficult to combine with cooperative and integrated efforts of local actors. **Therefore more attention should go to foster cooperation between local actors instead of a dogmatic search for competition which hinders local economic activity and welfare.** For instance, the involvement of the EU in housing market reforms through the European Semester, although understandable from a macro-economic perspective, can have a negative impact on affordability and liveability in cities. *(Question 1)*

An effective structure to deal with Urban issues

There is a **need for a general framework, a work structure with adequate instruments, expertise and means**, to harmonize EU policies with the urban challenges. However since the urban dimension gathers so many elements, one must start by identify and focus on a set of **specific issues that are most profit from an EU Urban agenda.**

At the same time there is widespread opinion that EU policies are too remote and abstract from the local needs of people living in cities. In this light **an EU Urban agenda needs to shift EU policies closer to the daily needs of people in cities and bring tangible results.** An EU Urban agenda should contemplate an adequate governance structure that can effectively translate the local impact and needs of cities into EU policies, and vice versa.

Furthermore, any governance structure should respond for the need for an integrated approach and try to **avoid replicating existing budgetary and bureaucratic divisions.** Instead a horizontal approach on key issues is needed to deal with the real local needs signalled by cities and their stakeholders. That would require the involvement of various departments and DG's.*(Question 2)*

Cities of tomorrow

In our view the Cities of tomorrow report provides a good basis and it addresses many issues social housing providers work on in their cities. The report rightly mentions the need for i**ntegrated urban development** policies that are indispensable for improving the competitiveness of European cities and facilitate **early beneficial co-ordination of housing, economic, infrastructure and services development**.

This co-ordination between different sectors is being reinforced by a trend towards more civil society involvement . More and more people in cities and neighbourhoods get involved in, often small-scale, projects to improve the well-being in their communities. **Community-based initiatives can be effective but require a different mind-set and governance**. An EU Urban agenda should recognize this as an element of the urban ecosphere[2]. The possibility to use ESI-funding for **community-led local development** is therefore a welcome support. *(Question 3)*

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[2] Future Of The City: the power of new connections, Dutch Council for the Environment and Infrastructure, 2014

Urban stakeholders' contribution to policy development and implementation processes at EU level?

The role and activities of urban stakeholders, like social and affordable housing providers, can be made more visible so their **efforts and impact can be taken into account in EU policies**. They can demonstrate solutions and be consulted as experts.

The **Urban intergroup** in the European Parliament is also a crucial platform and it would be a great help for the involvement of the parliament if it is re-installed.

In general, since cities and local governments receive social and economic signals and are one of the main actors of urban development there is no doubt they should be directly involved, together with Member States, in any EU policy that impacts urban settings and issues. One way to improve this involvement is to **strengthen impact assessment procedures with a special urban chapter** which an expert group of cities and urban stakeholders can call for and for which they should be consulted.

The progress report of the Europe2020 Strategy highlights that *'the cost and quality of housing are a key determinant of living standards and well-being, especially for the most vulnerable people.'* Local authorities and **actors actively pursuing these goals, such as Housing Europe and its members should be actively involved** on housing and related services in the European Urban Agenda. *(Question 4)*

How to support a stronger urban and territorial knowledge base and exchange of experience?

This can be achieved through: the gathering of best practices from cities and their local stakeholders; stimulate intra EU exchanges; create a central place where key performance indicators of Europe2020 items and key data (Eurostat's Urban Audit) is gathered for, say, the 100 biggest cities.

A special focus is needed to a **cross-sectorial approach** focused on efficient and effective social and economic impact of private, public and social investments in urban areas. This process should not only be in the hands of the European Commission or Member States. These tasks need to be **taken up by the most interested parties: the cities themselves,** whereas the Commission and Member States should facilitate and give their backing to this bottom-up process. *(Question 5)*

Local, regional, national and EU roles in defining, developing and implementing EU urban agenda?

Only a bottom up process will prove successful. This can serve to strengthen the potential of European cities. Cites can also act as whistle-blowers. The European Commission could then act and remove obstacles coming from EU policies (a role for new Commissioner for 'Better regulation'). The EU urban agenda would be served by including a **socio-economic monitoring chapter** that can feed into relevant EU policies.

Particularly for housing, the following questions would need a closer look and would benefit from a more coordinated work through an EU urban agenda: **housing market monitoring on long-term affordability for lower and middle incomes, social cohesion and mixed neighbourhoods , energy efficiency and sustainable energy in buildings, an internal market that delivers more flexible and sustainable (circular) housing concepts, especially for groups like students, elderly, EU labour migrants; and more integrated health and care services for elderly and disabled people. Not at least, the EU and its cities need to combat poverty, housing exclusion and homelessness vigorously. These should be top priorities in the EU urban agenda.** *(Question 6)*

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About Aedes

Aedes is the federation that promotes the interests of practically every social housing organisation in the Netherlands. Our members manage 2.4 million dwellings, constituting 34 percent of the total housing stock. We provide a platform for almost 400 members to meet, exchange ideas and develop visions. Our members are housing companies and service providers that work independently at their own expense and risk. Social housing organisations provide a broad package of affordable housing services. Apart from housing, this includes a wide range of services that contribute to comfortable, secure and good-quality living environments. Our members provide housing/care arrangements for the elderly and groups with special needs, such as mentally or physically disabled and homeless people. We supports housing organisations in local development and social infrastructure planning by collaborating with other organisations. Aedes works together with private and public stakeholders to create the right conditions. Aedes is member of Housing Europe.

About Housing Europe

Housing Europe, the Federation of Public, Cooperative and Social Housing, is a network of national and regional social housing federations that unites 4,500 public, voluntary and 28,000 cooperative housing organisations. Together, the 45 members in 18 EU Members States and 3 non-EU countries manage 25 million dwellings. CECODHAS Housing Europe members work together for a Europe that provides access to decent and affordable housing for all in communities that are socially, economically and environmentally sustainable and where all are enabled to reach their full potential.

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