

How do we strengthen the capacity of the NFP housing sector in other countries?

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The Role of the Not-for-Profit Housing Sector in Addressing The
Affordable Housing Challenge
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To start with:

In Spain there is a **small amount of permanent social housing stock (2.5%)** with controlled rental prices, managed by public or private entities, with turnover possibilities.

- (very) narrow NFP sector, nowadays represents innovation in social housing provision
- **persistent deficit of affordable housing**
- rented sector fulfilled the role of social housing...not anymore (increase in demand, increase in rents)
- Provision of social housing ultimately in hands of **private developers**
- Increasing **political awareness** of the need to provide more social housing, **political will?**

UNBALANCE BETWEEN SUPPLY and DEMAND of SOCIAL HOUSING

Example: Catalonia

(supply) In 2017, **1,057 social housing dwellings were initiated** representing 9.3% of the total of homes started in Catalonia, of which **41.1% are promoted by NFP entities (approx. 4% of starts)**. During 2017, a total of 1,358 social housing dwellings were completed.

(demand) That same year the Register of Social Housing Requesters accounted for **115,634 households**.

SOCIAL HOUSING IN CATALONIA

Dotacional: Temporary housing for specific collectives

HPO (ownership and rent): social housing

Reallotjats: for evicted households

Període	Estat	total	tipus																													
			OPERADOR					subtotal					OPERADORS					subtotal					OPERADORS					s u b t o t a l				
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2004 - juny 2007	Finalitzats	4.105	1.815	800	637	427	426	1.845	1.297	438	32	51	27	839	84	100	16	376	263	1.421	434	262	589	0	136							
	En construcció a jun-07	3.793	794	591	926	348	1.134	1.598	530	345	372	36	315	1.610	205	246	44	312	803	585	59	0	510	0	16							
jul 2007 - jun 2011	Finalitzats	4.548	1.196	920	1.046	862	524	1.334	581	345	372	36	0	2.338	153	561	143	823	463	876	267	14	531	3	61							
	En construcció a jun-11	1.889	662	497	45	271	414	600	263	161	0	0	176	1.161	355	297	0	271	238	128	44	39	45	0	0							
jul 2011 - jun 2015	Finalitzats	2.202	664	340	58	561	579	285	109	0	0	0	176	1.799	540	340	0	561	358	118	15	0	58	0	45							
	En construcció a jun-15	935	447	0	124	132	232	134	134	0	0	0	0	510	146	0	0	132	232	291	167	0	124	0	0							

Industrial Capacity

'The ability of the industry to perform the work and achieve the goals that governments and industry stakeholders, **in collaboration**, have envisaged for it'

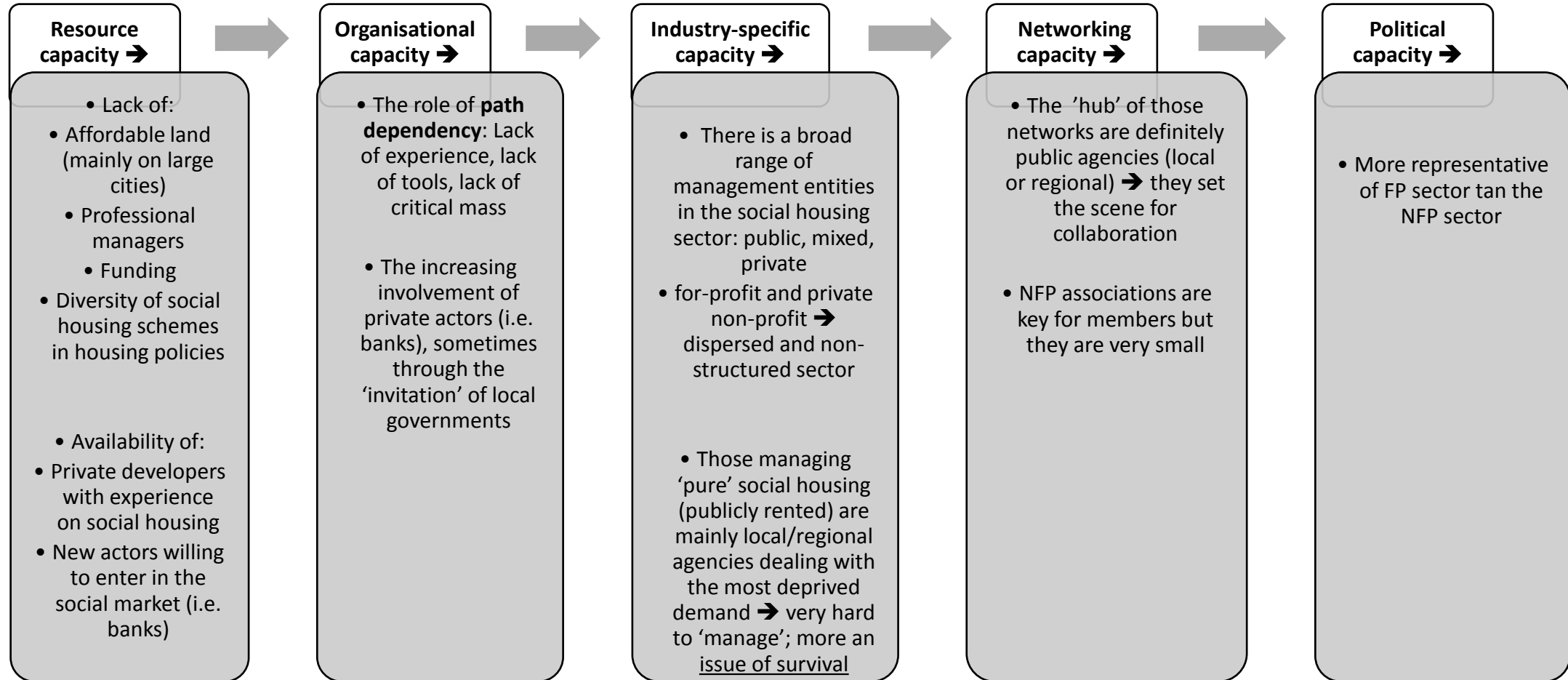
Direction of 'collaboration'? Who helps whom?

In an ideal world...

affordable housing \neq housing for social emergencies

Since **most of social housing providers are public** it means that investment in this type of housing depends on the public budget at any given time.

'Capacity limitations' as a constraint for NFP housing sector in Spain?



Are 'capacity limitations' more of an organisation-specific issue or an industry/system-wide issue?

They are definitely related to a ***system-wide issue***

Innovations in NFP housing industry capacity in in Spain

1. Currently TENDER Process to select a **private shareholder** to make **'Habitatge Metr polis Barcelona, SA'** a partially publicly owned Company

The **private shareholder**

- will subscribe and pay for the shares involved in an expansion of capital amounting 50% of the company's share capital
- will be responsible for the company's administration and property management
- Needs to show experience in managing affordable housing

Affordable Housing Association: Housing Metropolis Barcelona	
✓	Company owned by the City Council of Barcelona and with industrial, financial, social, investors and NGOs with limited profit. Established through a public tender (regulated by public law). The Municipality contributes with the provision of land.
✓	Part of the funding could be bank debt, part through the issuance of bonds by the citizens,
✓	The price of the rent would be between the market and the social (formally HPO).

Innovations in NFP housing industry capacity in in Spain

2. Loans from the **European Investment Bank** (2016 as of 125 millions of Euros to build 2,198 dwellings) to invest in public rented housing. A way to compensate the lack of a public bank in Spain or Catalonia involved in providing loans to develop public rented housing.

Formula: EIB: up to 50% of the investment Other financial entities (public or private): 19% Municipality of Barcelona: 31%

This action is framed in a new municipal policy in relation to the financial entities that want to promote, from public leadership, **a more plural economy and incorporate new types of financial entities in municipal management, such as cooperatives, ethical banking entities and multilateral credit institutions**. In this new framework, new financing offers and new banking services are incorporated that take into account criteria and social and environmental clauses.