

Not-for-profit housing in the Netherlands

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4-10-2018

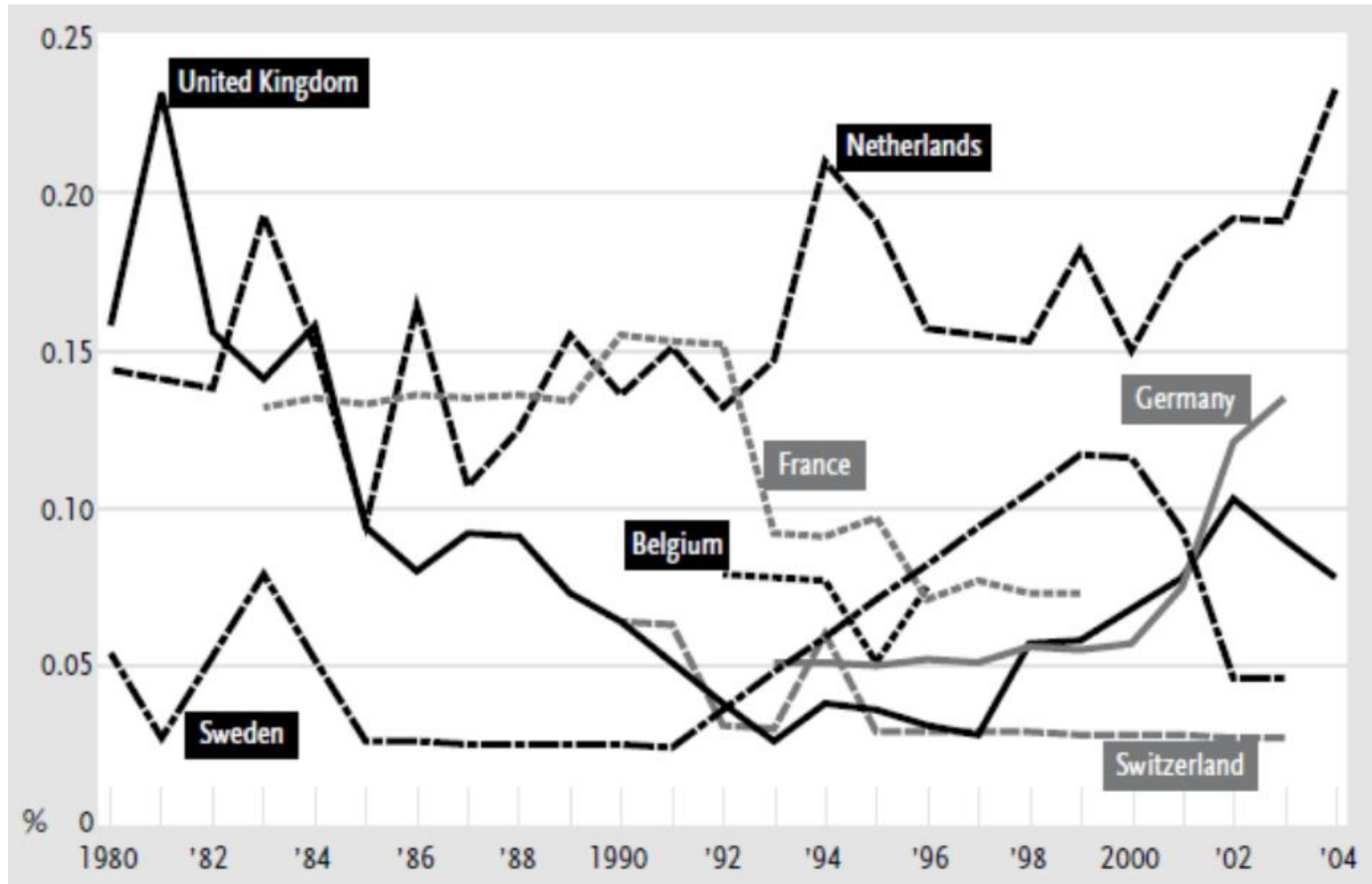
Dutch social housing corporations

- 30% of total housing stock
- Not-for-profit foundations
- Formally private, but operating within specific regulatory framework
- Financially and administratively independent (guarantee fund, individual housing allowance)
- Social and 'commercial' rent (SGEI, non-SGEI)

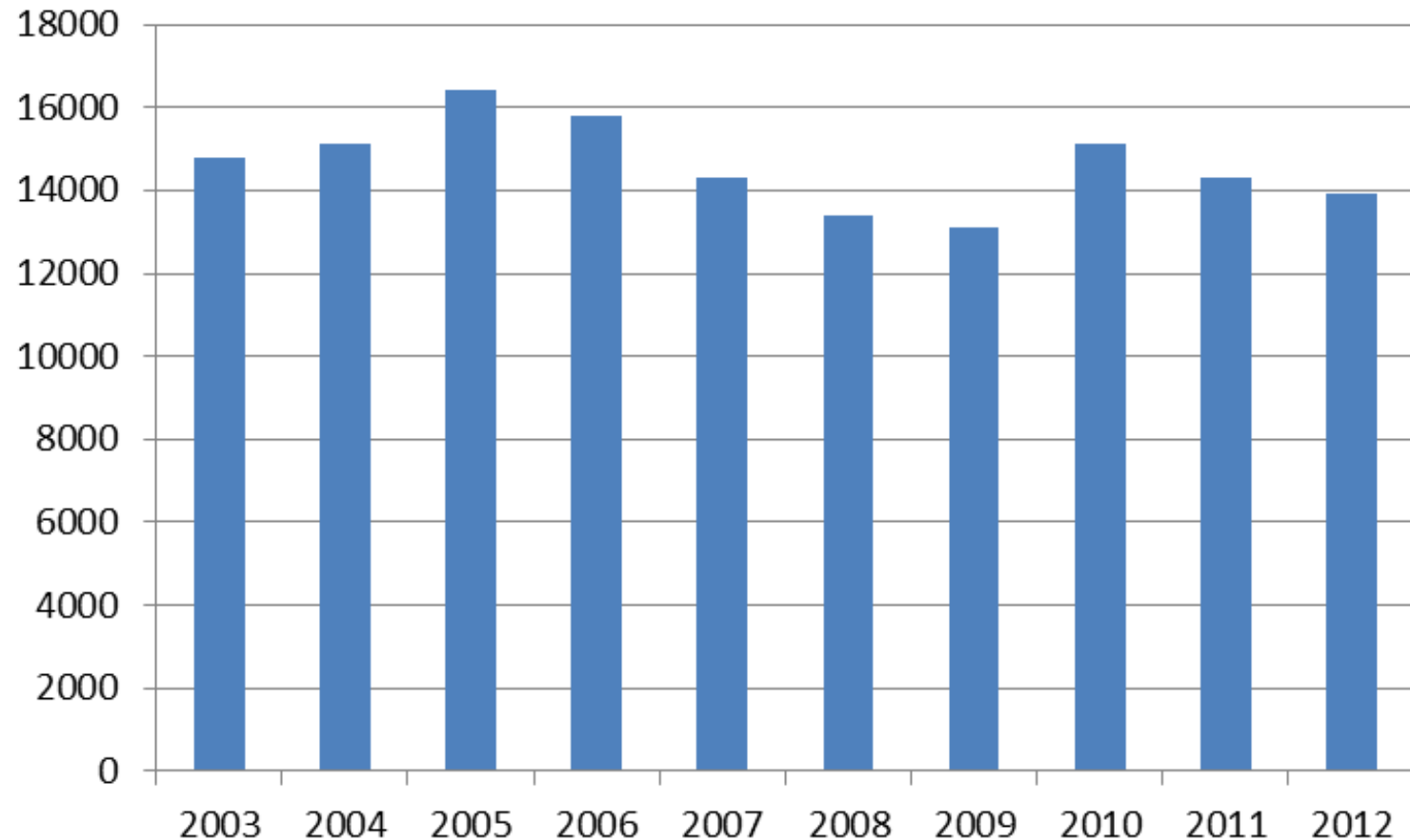
Chapter 1

1995-2015

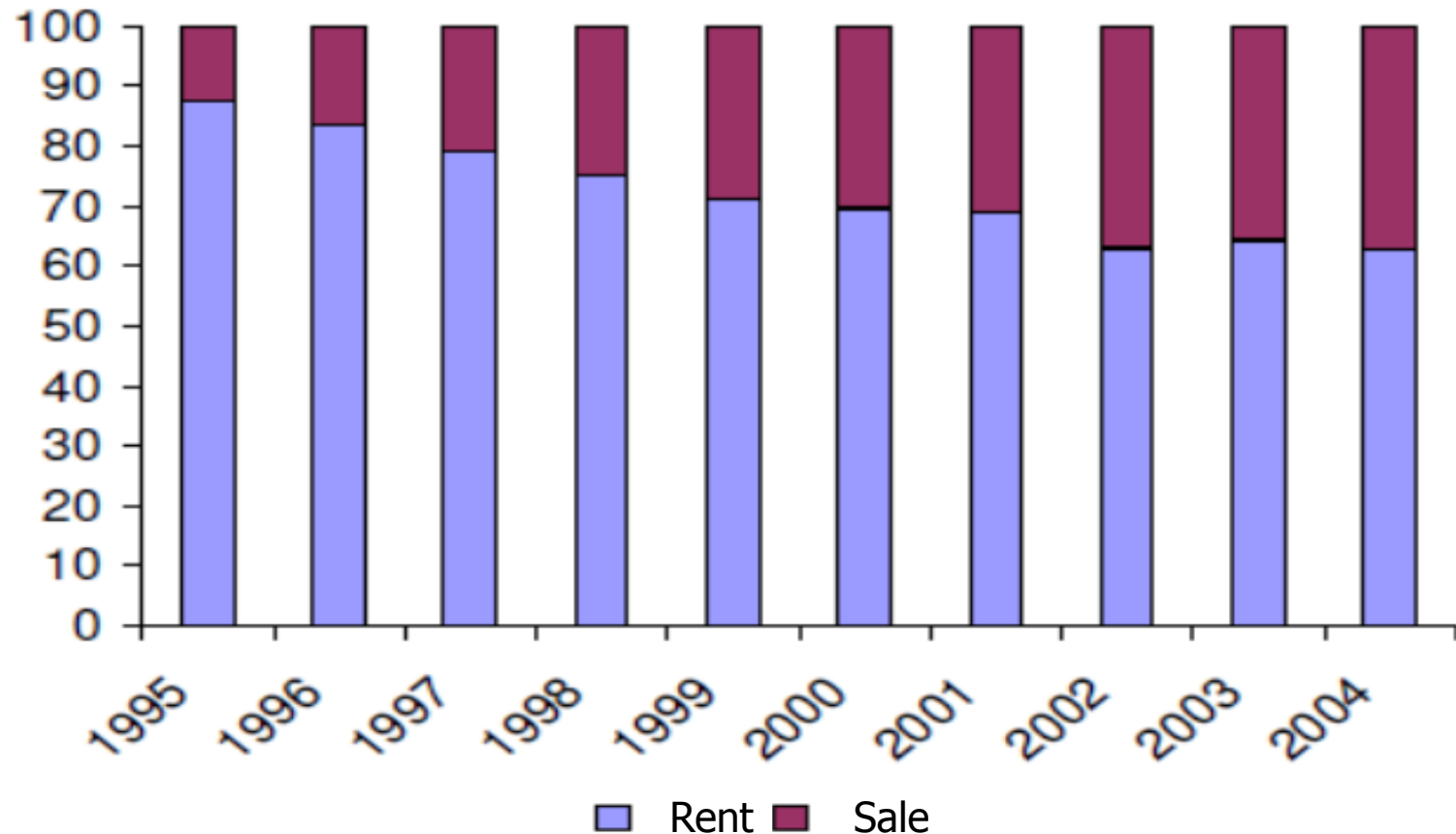
Demolition rates 1980-2004



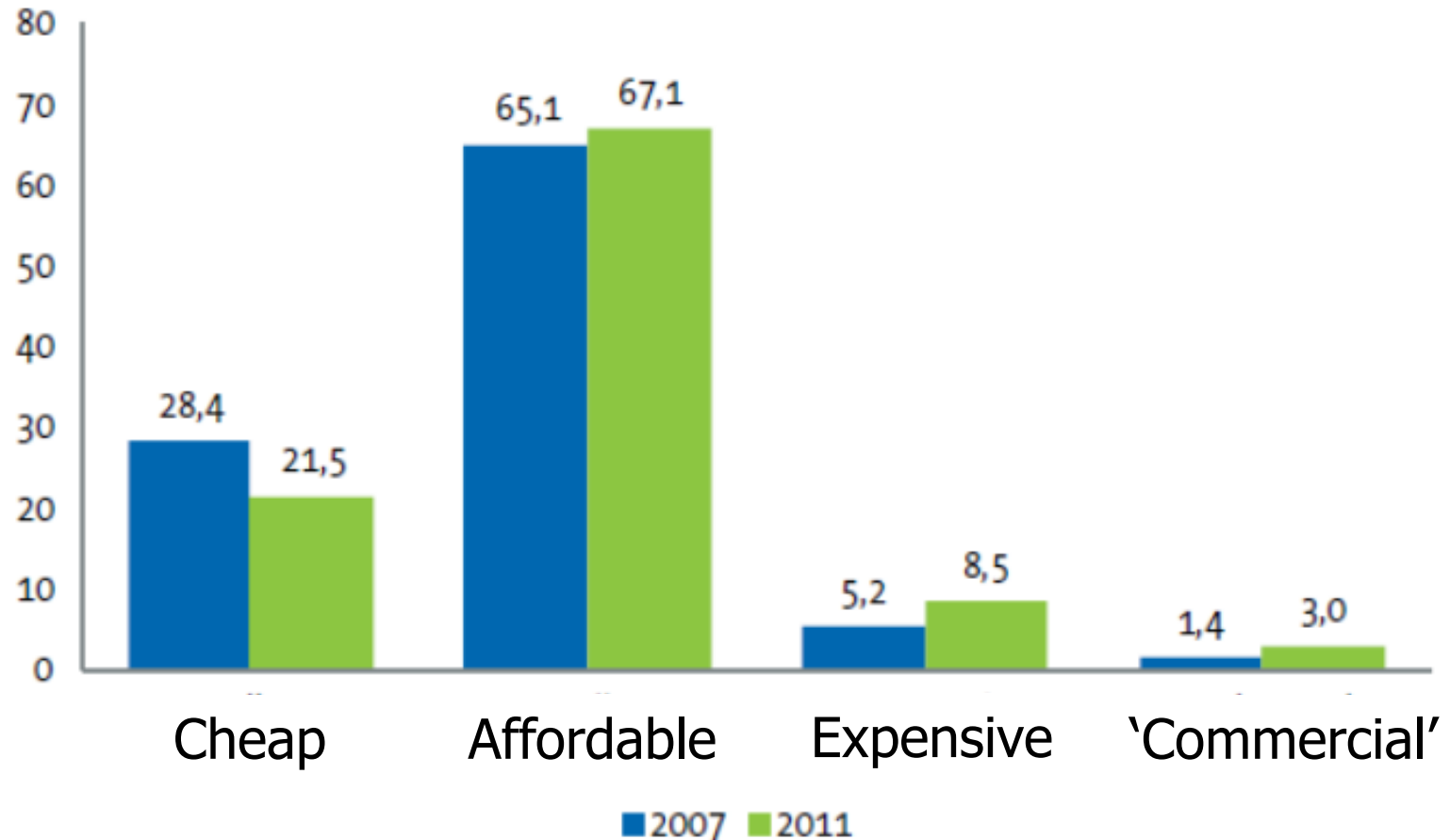
Sales (to individual households) 2003-2012



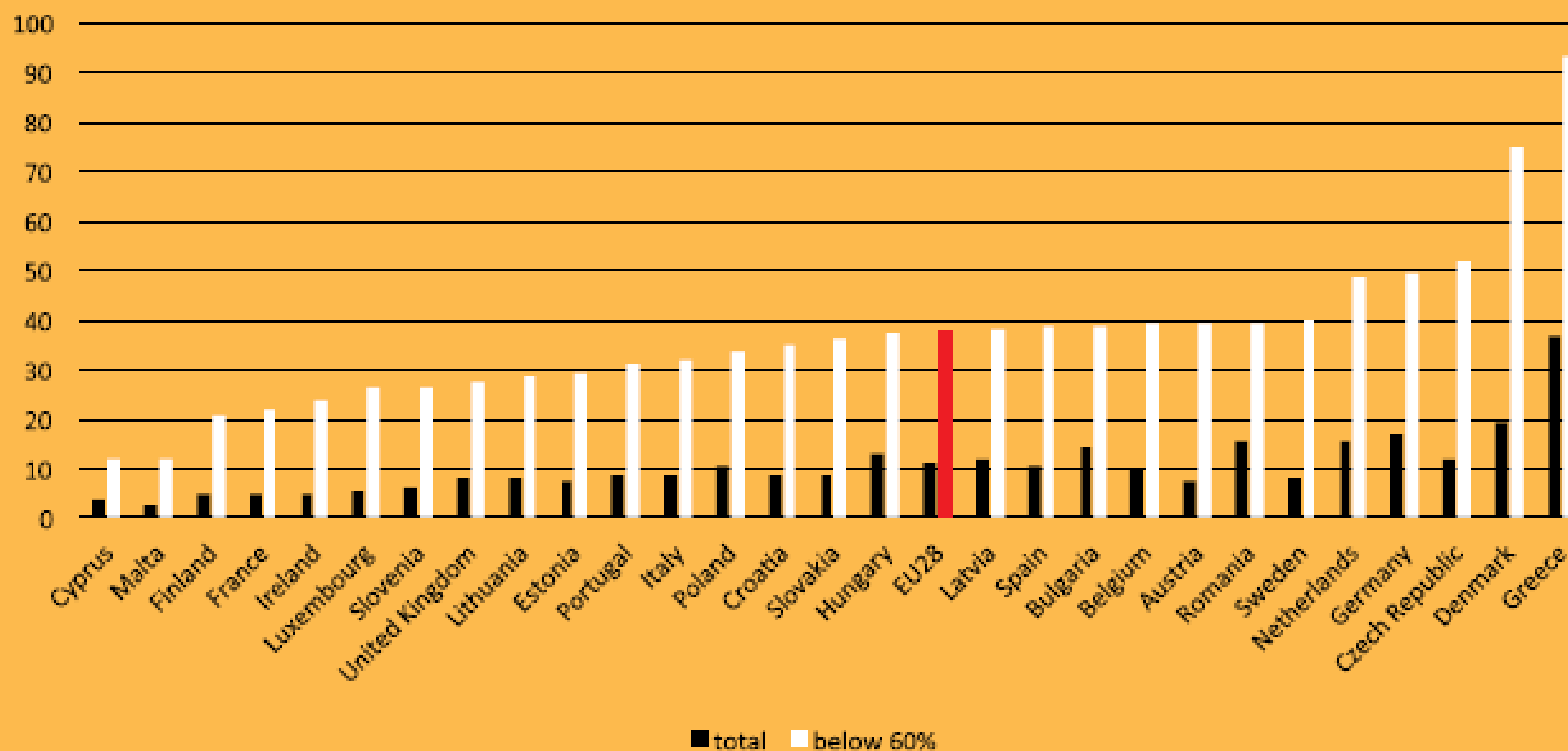
New developments for sale and rent 1995-2004



Price housing corporation dwellings 2007-2011



• **Chart 5:** HOUSING COSTS OVERBURDEN RATE AMONG TOTAL POPULATION AND THOSE WITH INCOME BELOW 60% OF MEDIAN EQUIVALIZED INCOME (Source: EU SILC, data referring to 2013)):



Source: The State of Housing in the EU 2015
(Pittinni et al., 2015)

European Competition Policy and National Housing Policies: International Implications of the Dutch Case

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(Received March 2006; revised October 2007)

ABSTRACT This contribution explores the relationship between housing policy, which is the responsibility of national governments, and competition policy, including the decision on the legitimacy of state support, which is the responsibility of the European Commission (EC). The paper paints a general picture of EU policy on competition and state support and describes the Dutch social housing system. Attention then turns to the recent intervention by the European Commission in the governance of Dutch social housing and it is asked whether the factors that prompted the intervention exist in other EU member states as well. The analysis shows that this is indeed the case. It is concluded that the intervention of the EC in the Netherlands could become a precedent for other European countries, particularly for those countries that opt against a residualised social rental sector and for a competitive role of social housing providers on the housing market.

KEY WORDS: European competition policy, social housing, housing associations, level playing field, the Netherlands

Introduction

The influence of EU policies on housing has been a topic of a modest number of studies (e.g. Chapman & Murie, 1996; Doling, 2006; Priemus *et al.*, 1993). In an early study on the effects of EMU and political unification on national housing policy Priemus *et al.* (1993) mention European competition policy, arguing that it could indirectly influence housing policies in the member states. Chapman & Murie (1996) argue that changes in EU policy have made the EU more important for the housing sector and that many EU activities have an impact on housing in a variety of ways. Within their review of the interaction between European policies and housing activity, Chapman & Murie refer in particular to the Social Action Programme for 1995–97 (CEC, 1995), in which poverty

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ISSN 0267-0307 Print/1466-1810 Online/08/030485–21 © 2008 Taylor & Francis
DOI: 10.1080/02670300802030030

Policy Review Social Housing and Illegal State Aid: The Agreement between European Commission and Dutch Government

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ABSTRACT The size of the Dutch social housing sector, with a 32 per cent share of the housing stock, has prompted concerns over the 'level playing field' of competition between social and commercial housing providers. In 2007, this concern culminated in a complaint from the Dutch Association of Institutional Investors (IVBN) to the European Commission, with particular reference to the distorting effects of state aid to housing associations. In December 2009 the European Commission published its decision about the conditions for state aid to Dutch housing associations. The Commission agrees with the proposal of the Dutch government that housing associations allocate at least 90 per cent of their social rental dwellings to households with an income of less than EUR 33,000, if they want to remain eligible for state aid for these activities. Furthermore, housing associations may invest in real estate for public purposes. With its decision, the Commission ends a long period of uncertainty and contributes to creating a level playing field on the Dutch housing market. Nevertheless, the Commission's decision also hampers policies to increase tenure diversification and social mix in Dutch neighbourhoods.

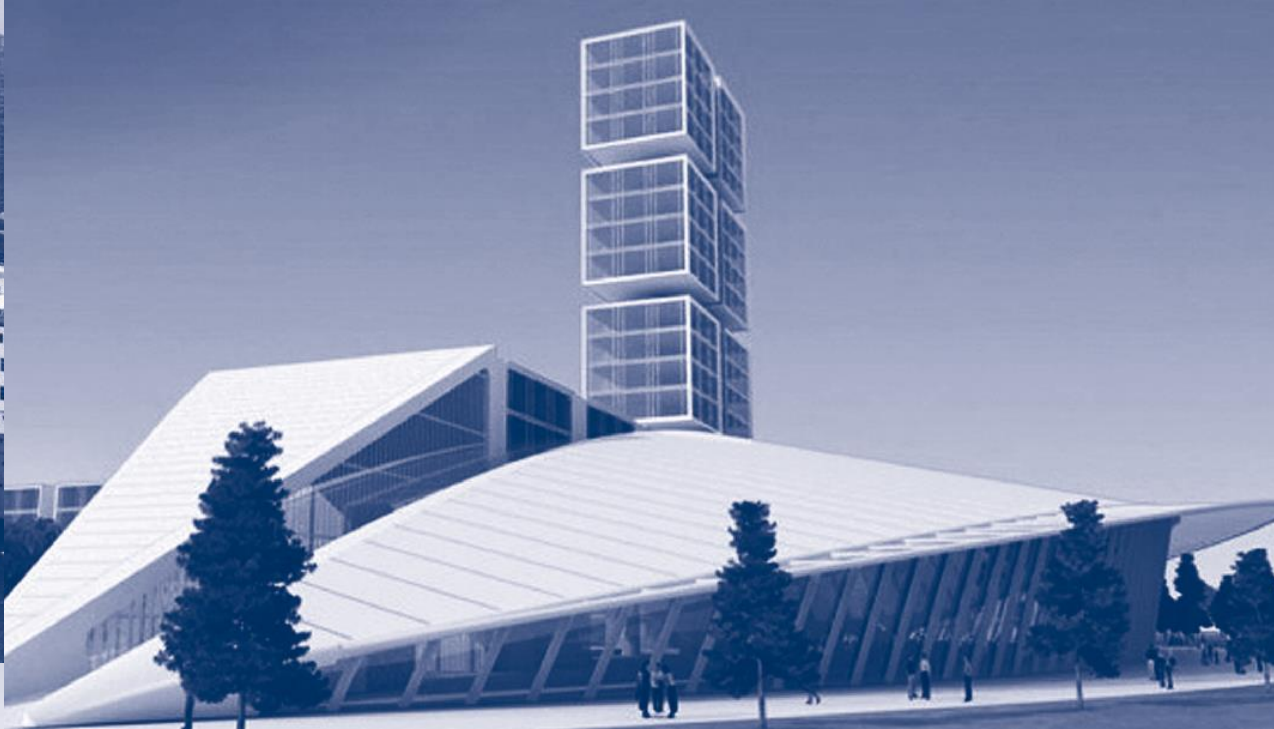
KEY WORDS: Housing associations, social housing, state aid, European Commission, the Netherlands

Introduction

The Dutch social housing sector is a special case within the European Union (EU). No other EU country has a housing stock with a share of 32 per cent social housing. The size and diversity of the Dutch social housing stock constitutes a point of concern for the level playing field between social and commercial housing providers. This has led the Dutch Association of Institutional Investors (IVBN) to file a complaint to the European Commission (EC) on 16 April 2007 with particular reference to distorting effects of state aid to housing associations (Priemus, 2008). Earlier, in

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ISSN 1461-6718 Print/1473-3269 Online 11/010089–16 © 2011 Taylor & Francis
DOI: 10.1080/14616718.2011.548588





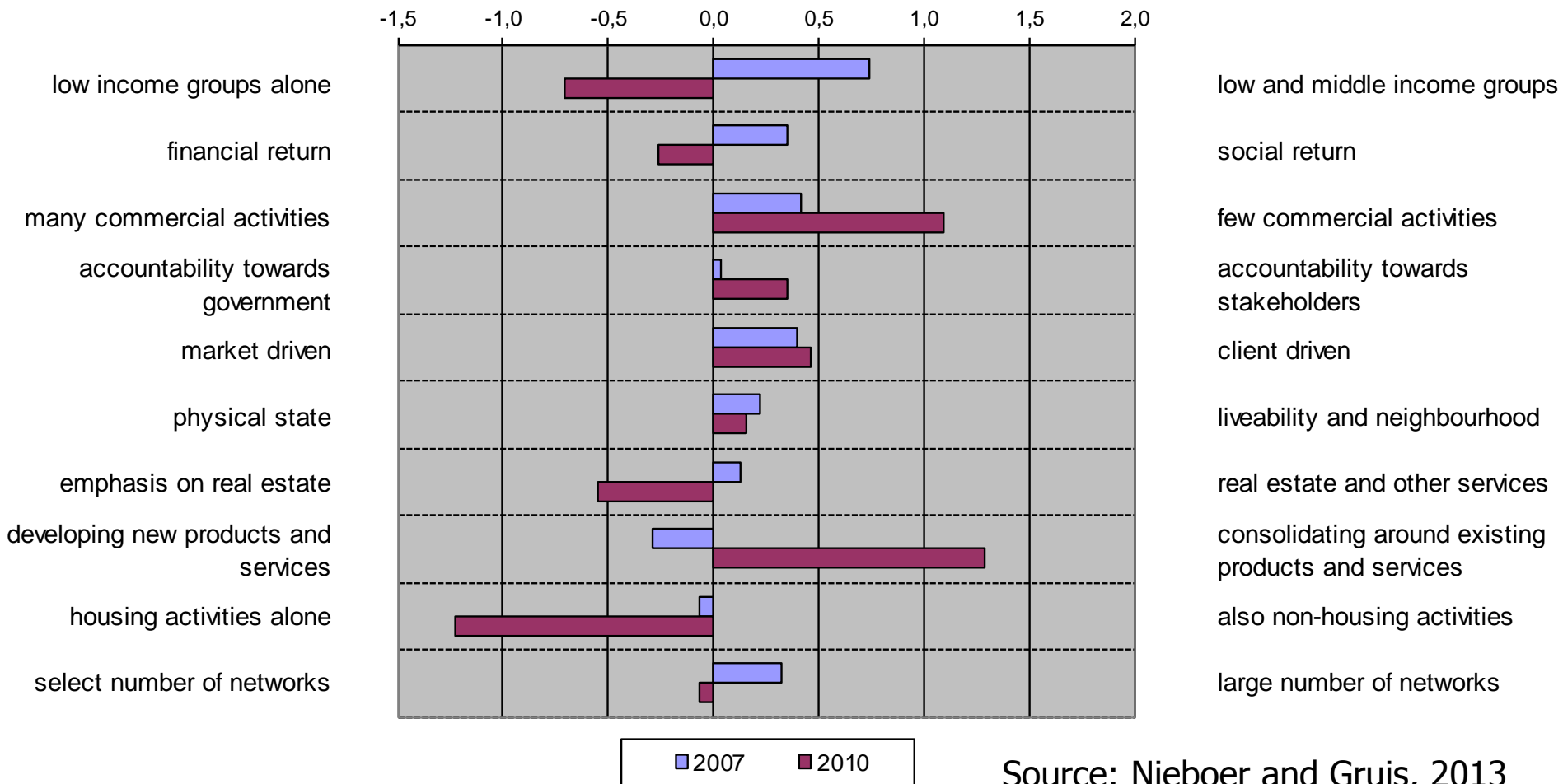
Tweede Kamer
DER STATEN-GENERAAI



Revised Housing Act 2015 and related policies

- “Back to the core”
- Split SGEI and non-SGEI
- Non-SGEI activities discouraged (‘market check’, ‘minumum rate of return’)
- State levy on social rented housing
- Fitting allocations
- Significant targets for investment in energy efficiency

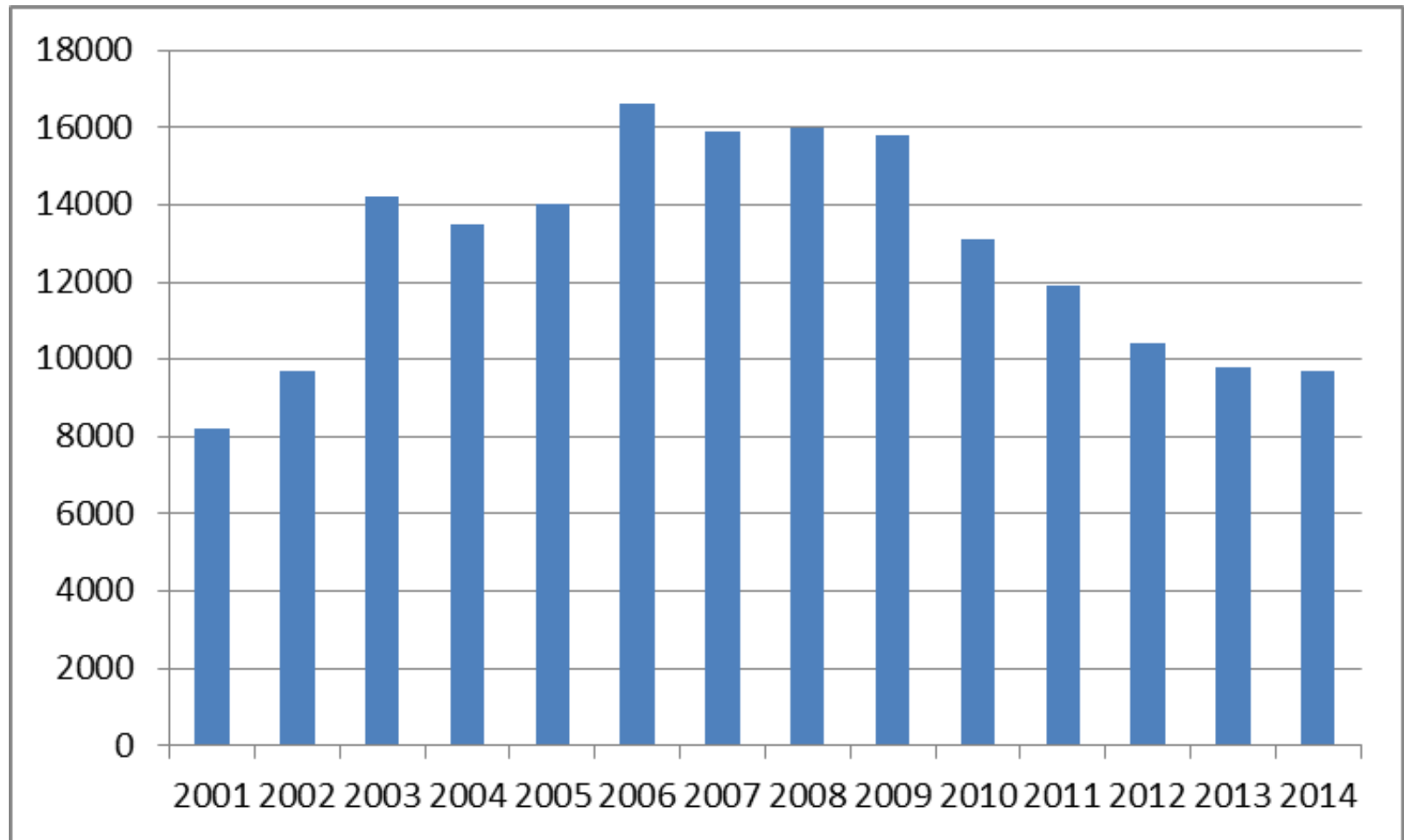
Shifting priorities housing corporations



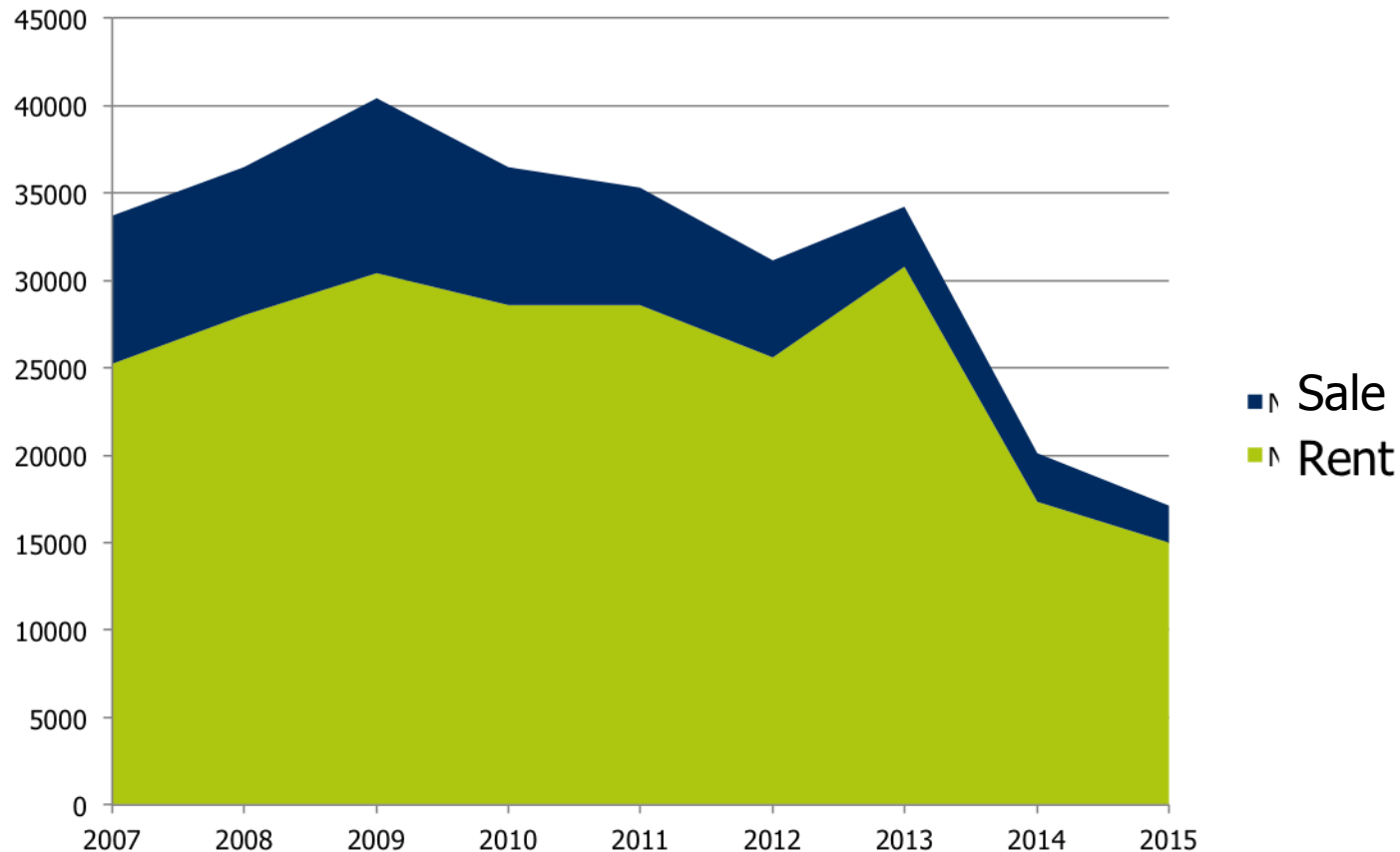
Chapter 2

2015-2018

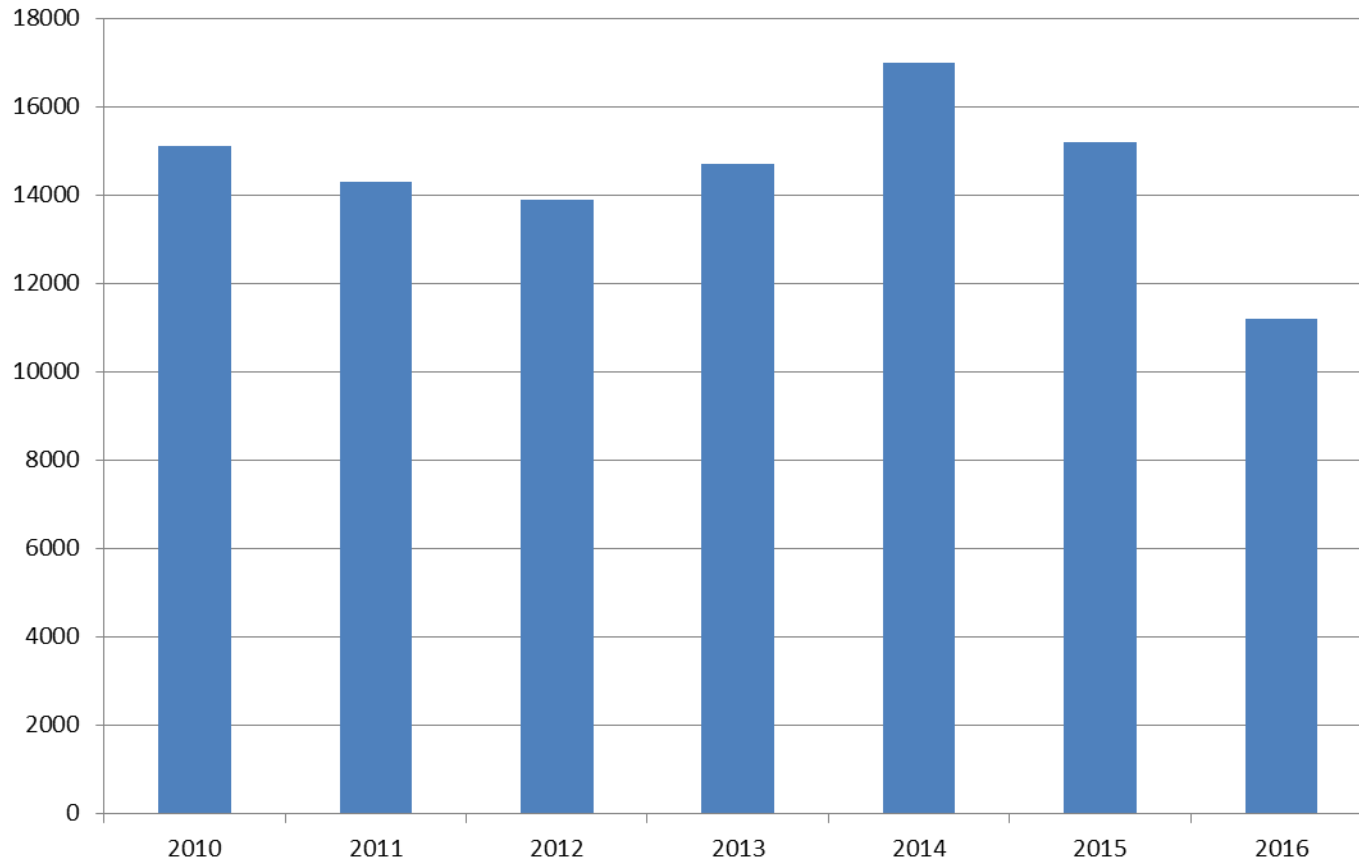
Demolition housing corporations 2001-2014



New developments for sale and rent 2007-2015



Sales (to individual households) 2010-2016



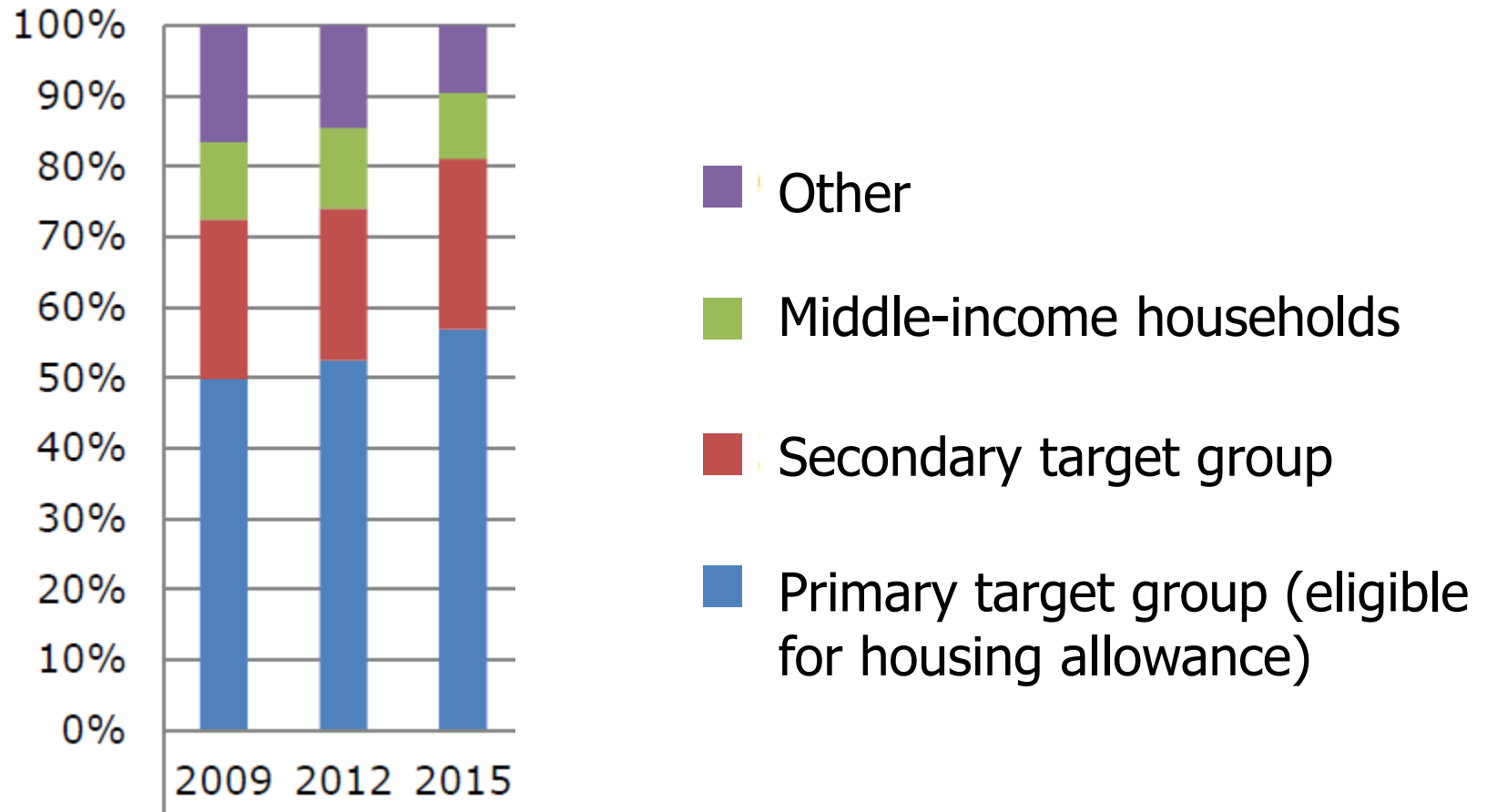
Rent increases (%)

	2012	2013	2014	2015	2016
Housing corporations	3	5,1	4,9	2,7	1,8
Private investors	2,8	4,2	3,6	2,4	2,5

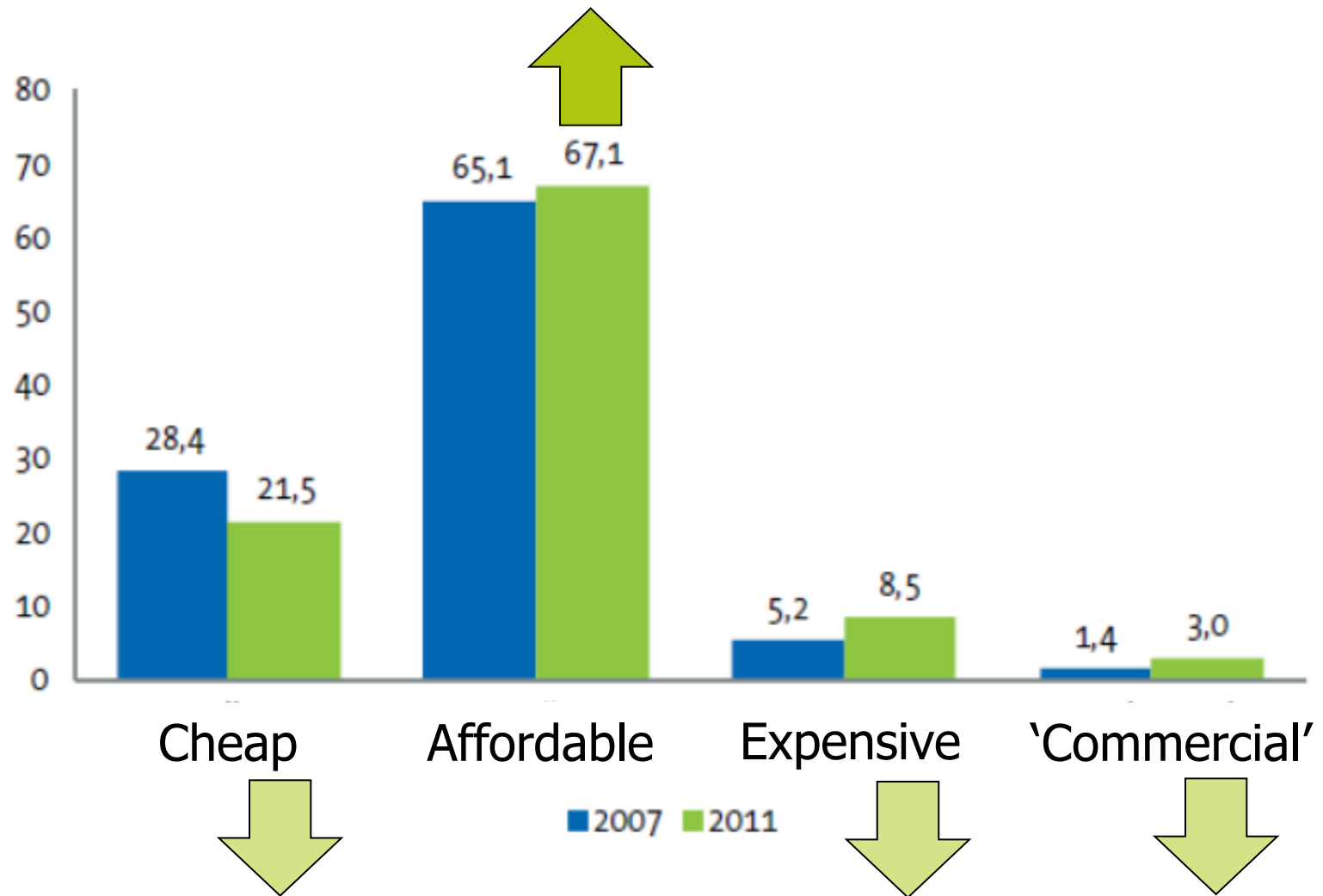
New development plans

	2016-2020	2017-2021	2018-2022
Cheap	9%	11%	8%
Affordable	47%	59%	70%
Expensive	40%	27%	19%
'Commercial'	4%	3%	3%

Increasing concentration low-income households



Price-quality ratio lost?



Chapter 3?

2018 onwards?

If you cannot be a star in heaven
be a light in your home