Re-inventing civil society: the role of Dutch social housing organisations

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• Inhabitants: 16 mln
• Housing stock: 6.6 mln:
  – 47% rented, 53% home-owned

Social Housing
• 500 social housing organisations
• 2.4 mln dwellings:
  – 1/3 of total stock, 3/4 of rented stock
• total assets 200 billion € (market value)
• revenue on investment 6.2% in 2006
• new dwellings: 35,000 in 2006
• Private not-for-profit social enterprises
  – Independent financial & risk management
  – No direct subsidies
    • tax exemption primary activities
    • state garanties financing primary activities

• Large domain of operation:
  – Decent, affordable housing
  – Production of rental and home-owned dwellings
  – Social real estate
  – Urban regeneration, avoiding segregation
  – Partners in chains:
    • housing-education-employment
    • housing-welfare-care
Trend market based regulation considers only two dimensions.

- Government
- Housing organisation
- Market

Shared public interest

Market-activities
Domains in society

general interest

self-interest

self-organisation

insiders

outsiders

government

justice

market
Origin of housing organisations

- General interest
  - Government
    - Governmental housing agencies
  - Justice
    - Housing foundation

- Self-interest
  - Self-organisation
    - Housing association
  - Market
    - Housing for employees
Development and objectives of welfare states

- **government**
  - cohesion
- **NGO**
  - empowerment
- **insurance**
- **provisioning**

- **family**
- **co-operation**
- **commercial enterprise**

**Dimensions:**
- General interest
- Self interest

**Insiders:**
- family
  - co-operation

**Outsiders:**
- commercial enterprise
Welfare state and role of social housing organisations

government

cohesion
governmental housing agency

empowerment

housing foundation

general interest

self interest

insiders

outsiders

insurance

housing association

social housing organisation

housing co-operation

housing for employees

self interest
Housing organisations in search for a new role in civil society

- General interest
  - National government
    - Cohesion
      - Social cohesion
    - Empowerment
      - Housing, education & employment
      - Housing & care
      - Real estate company
  - Self interest
    - Insurance
    - Shared home-ownership
      - Social housing organisation
        - Provisioning
        - Insiders
        - Outsiders

Conflicts with European competition rules

- Services to deliver are not explicitly defined
- Cross-subsidising (commercial–social) as objective
  => non-profit sector competes with profit sector
- Case DG Competition EC: letter manifest error:
  - size renting stock
  - not targeted
- Case privat investors (IVBN):
  - level playing field
- Case PPS:
  - housing organisations preferred supplier social housing
  - obligation public (European) tendering?
- Case investments in cross-border markets:
  - housing organisation invests in Belgium
  - investments in Germany, Spain?
• Returning to civil society:
  – housing organisations back to their roots in civil society
  – growing importance of social cohesion and empowerment
    ⇔ providing affordable/decent housing

• New institutional framework:
  – network partnership government – civil society
  – society entrusts public interest ⇔ government delegates/
    mandates public tasks
  – new forms of governance: horizontal accountability,
    independant performance review
  – legal status social enterprise

• Re-inventing the Dutch (European) social model
  creates a growing tension with European competition
  rules