

## A French definition of social housing

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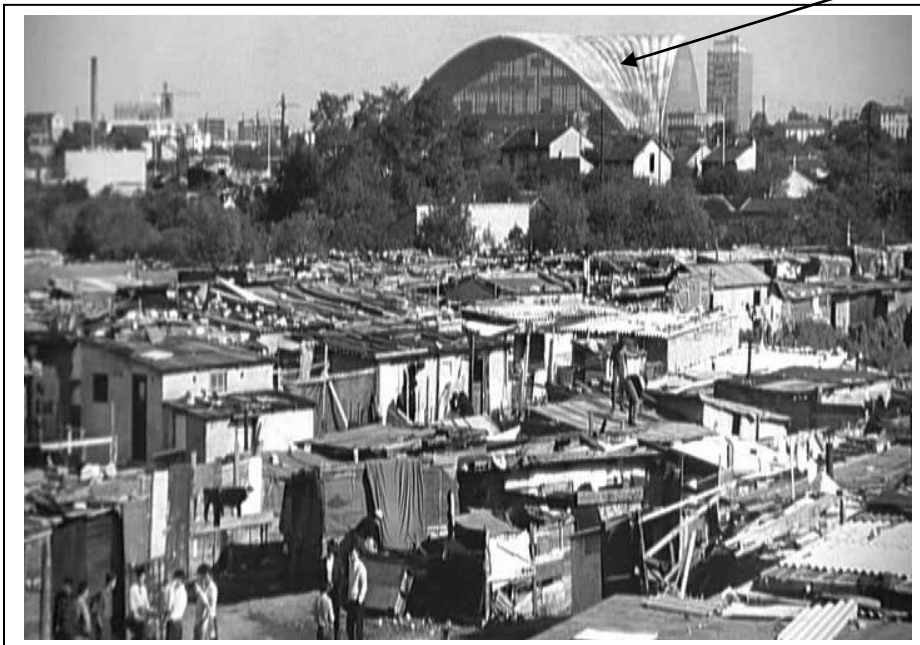
In France, the definition of social/public housing is clear: access is largely open to large groups of the population. In Theory, more or less 60% of the French population can have access to social housing, but on income limits base / conditions.

The French social housing system, called Habitation à Loyer Modéré (HLM), meaning roughly affordable rental housing is dedicated to lower social classes and to employees.

### Historical background

After WW II, there was an urgent need to build housing, especially for the flow of workers who arrived in industrial cities (from countryside + immigration from ex French colonies>Northern Africa) to work for the reconstruction and industrialization of France.

At that time (1950/60's), the social housing is synonymous of decent, quality and affordable housing and came within the scope of the fight against squalid housing, slums and informal settlements (ex : Bidonvilles de Nanterre, close to Paris >> in the backward, you can see the business centre of Paris, La Défense.



Till the 1970's, social housing was massively built in urbanization zones, at the periphery of towns.

At that time, social housing = houses for employees, like workers, civil servants, etc.; good social diversity, a family rental housing. Social housing meant a type of housing to help you to start your "adult life" for young working couple - the first step on the residential path.

But progressively, the households from middle classes left these areas to become owners and progressively this population was replaced by a new one, less advantaged, often immigrants with low financial means, less means also for the social housing companies to build new houses, to make renovation programs... and progressively, at the turn of the 80's, HLM = poor areas, "out of law areas"...

Now, social housing is not anymore the first step in the residential path but the last one.. Having access to social housing in the 60's= social progression  
Now= social fall.....

### The HLM system

- OPH, Offices Publiques de l'Habitat

The social housing system is organized by the OPH:s.

There are 289 « offices » run by local municipalities or regional governments or State + financial partners (public > Caisse nationale des dépôts et des consignations>> public funds) + tenants associations >>> members of boards.

2,18 million of housing units

- **ESH**, Entreprises Sociales pour l'Habitat

ESH are private companies but oriented to non profit. ESH receive subsidies from State to build social housing.

281 companies

2 million of housing units

- **EPL**, Entreprises Publiques Locales

Companies with a mix public/private capital (funds).

235 housing companies

490,000 of housing units

### **Target population**

There are also social housing for students managed par CROUS, a public service dedicated to the management of university grants and student residences... Like for normal social housing, access to the CROUS flats is based on income limits (based on parents' income, not on the student's incomes).

- Young employees and immigrant workers residences: in France exist also dedicated social housing for young people in internship/training or already working (from 18 y.old to 26 y.old most of time).
- It also exists a social housing for immigrant workers. At that time 60's, 70's, these residences were made for single workers, men coming from, most of time, Northern Africa and sub-saharian Africa. It still works this way, but now, the target population has been enlarged to people who don't manage to access to normal social housing.(See <http://www.adoma.fr/>)

### **Subsidy system**

There are direct subsidies to social housing companies to help them to reduce the construction costs.

Each year, the French Parliament, in the annual year state budget, decides the amount of subsidies. This budget has been decreasing for many years.

For instance, the budget for social housing in

- 2010 is € 630 million,

- 2011: planned for € 500 million,

- 2013: planned for € 400 million.

Further, the French government is planning to tax social housing companies by € 340 million each year during the next 3 years, so at the end, the State will only allocate € 160 million in 2011 and € 60 million in 2013.

So basically, the State relies on tenants and social housing companies to pay for renovation and construction!

Approx. 1,6% of the French GDP is dedicated to social housing.

The demand from CNL is 2% of GDP.

For the moment, the decree has been not yet enforced! There is a huge opposition to this project and CNL, USH (Union of social housing companies) signed a common declaration about this to ask the government to withdraw this project.

- **On October 27, the finances Commission in Senate suppressed this article proposal from the project of 2011 national budget, the representatives, as senators are against this proposal from Government. So from news published this morning, October 28, in newspapers, the government is working on an alternative.**