

GLOBAL TENANT



INTERNATIONAL UNION OF TENANTS' QUARTERLY MAGAZINE

May 2010



Dancing – but affordable?

Welcome to Prague, IUT congress October 1–3

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Austria, Australia, Belgium,
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Canada, the Congo (Dem. Rep.),
Croatia, Czech Republic,
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Estonia, Finland, France,
Germany, Greece,
India, Italy, Japan, Kenya,
Latvia, Liberia, FYR Macedonia,
the Netherlands,
New Zealand, Nigeria,
Norway, Poland, Portugal,
Romania, Russia, Scotland,
Slovakia, Slovenia,
South Africa, Spain, Sweden,
Switzerland, Tanzania, Togo,
Uganda, USA, Wales



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Publisher and Editor: Magnus Hammar
May 2010

Publication Design: Peter Bäckstam

Cover photo: Dancing House, in Prague

Greetings from Russia

As a newcomer the IUT family, I would like to briefly introduce Russian housing and our Russian Association of Tenants to the readers of the Global Tenant.

For many years rental housing was the absolute dominating tenure in Russia, almost 100 per cent. We had low "rents", no evictions, and flats were allocated to all citizens by the state. Privatisation started in 1991 and now 85 percent of all dwellings are in private ownership. But the buildings are still owned by the municipalities!

If you are a family with low incomes you can apply to your municipality, and after a few years you will probably get a municipal flat. Today, there are still an estimated 16 million municipal tenants in Russia, residents who did not privatise their flats for different reasons. Private rental housing does not exist yet in Russia. Still, many Russians rent from private persons, from owners as well as from municipal tenants. Usually this is a hidden sector, but we estimate the number of private renters to some 10–15 million. So all in all, there are maybe 30 million tenants in Russia.

Tenants in Russia face many problems; lack of tenancy agreement and unsecure tenancy, high rents and tenants' right are often ignored. But tenants also ignore their duties and there is a sort of

housing illiteracy among tenants. Many still expect the State to take care of everything.

Our aims are; protection of tenants, and we want tenants to be respected and the voice of tenants to become heard. We have created the "School for Tenants" in 45 regions of Russia, and we have met a lot of interested people – from young people to pensioners, politicians and also realtors.

Tenant issues have in fact become the subject of public discussion at all levels in all regions of Russia. We hope that the Russian Tenant Union will be able not only to attract attention to tenants and their problems, but also to raise their status and help them with information and consultation. We can learn best practices from colleagues in the IUT, and we would like to translate the Global Tenant into Russian.



PROF. ELENA SHOMINA
VICE PRESIDENT OF RUSSIAN
ASSOCIATION OF TENANTS

CALENDAR 2010

May 5–9: International Collaborative Housing Conference, Stockholm Sweden.
May 26: Ageing and housing requirements, conf. by EHF, in Brussels.
May 28–29: 14th International Passive House Conference, in Dresden, Germany.

June 5: PZL / IUT conference on Tenant's Rights in Poland, Krakow Poland.
June 7–July 3: Training course "Making Housing Affordable for All", by HIS.
June 12–13: Congress of the Swedish Union of Tenants, in Uppsala.
June 17–18: LTA / IUT conference on Rights of Sitting Tenants, Riga Latvia.
June 21: EU informal Housing Ministers meeting, Toledo in Spain.
June 29: Creating attractive and safe urban centers, conf. by EHF, in Brussels.

July 4–7: ENHR Conference 2010 in Istanbul, Turkey.
July 23–25: TPAS England Annual Conference, Birmingham, U.K.
Aug. 21–22: Asia Pacific Network for Housing Research, in Beijing.

Sept. 10: Právo na bývanie / IUT conf. on Rights of Sitting Tenants, Bratislava Slovakia.
Sept. 20–21: UN ECE Committee on Housing and Land Management, Geneva.
Sept. 22–24: Nordic Urban and Housing Research Seminar, in Gävle Sweden.

October 1–3: IUT Congress in Prague, Czech Republic.
October 8–10: TPAS Scotland Annual Conference in Dundee, Scotland.
October 13–14: International Social Housing Summit, in the Hague, NL.
October 26–29: 37 World Congress of the IAHS in Santander, Spain.

November 17–19: Australasian Housing Researchers Conference, Auckland N-Z.

For more information on conferences: www.iut.nu/conferences.htm

Spaced out in the UK

Demand for housing is high in the UK, so why aren't we building homes the size people want and what is being done about it? asks Sir Bob Kerslake, chief executive of the Homes and Communities Agency, HCA.

'There's not enough room to swing a cat!', people cry all too often in our communities when describing their home. An amusing cliché perhaps, but it does underline the serious problem of space and design in modern life.

It suggests to me that the homes built today, compared with homes built several generations ago, aren't always what the consumer wants. This includes more storage, more bedrooms, outside space, and flexible living space. The quality of our home is, after all, key to our sense of well-being and mental health. So why is there such a mismatch?

Space standards have ebbed and flowed over the years and become more sophisticated, but it's no secret that the UK has held the dubious honour of building the smallest average rooms and new homes in Europe.

Bizarrely, Britain, unlike most of Europe and the US, uses a home's bedroom count rather than overall footprint, to indicate the size – and therefore the desirability – of the property.

That was brought home to me during the research phase for the recently published HAPPI report, where an HCA-led collaborative expert panel tussled with housing our elderly population and compared inspirational schemes across Europe. Key to these marvelous places is design around residents' needs. Walk-in store rooms, for instance, are standard in many European schemes.

In Britain, new social housing is often more spacious than private dwellings. More recently, we've witnessed a well-documented trend for private developers reducing overall prop-

erty size while trying to minimise any reduction in value. In inner city areas particularly, large-scale developments of smaller one or two-bedroom flats – some of which are now selling at a huge loss – were prioritised over larger, more flexible apartments.

You could call this a response to the huge demand for homes. But in many cases clever marketing for open plan starter homes, geared towards entertaining and single professionals, only disguises a small property with limited use living space.

Elsewhere in Europe, space standards are promoted through fiscal incentives or regulation. Planning and building rules are combined into a single permit, which includes space standards. We could learn from this.

A major problem in the UK is that it lacks unified standards for house building. Oddly, England and Wales are the only European countries with no minimum space standards for housing. Granted, various individual bodies have set up and managed standards to improve the quality of housing; but there is no overlap between them. Confusion reigns.

As the single housing and regeneration agency for England, with our remit to create great places people want to live in, the Homes and Communities Agency, HCA, is in a very strong position to lift the lid on this debate and demystify, influence, lead and build on the work our legacy agencies did on standards.

I look forward to our soon-to-be published harmonised set of core standards for consultation, to apply to all new homes funded by the HCA or built on our land, with enhanced standards for some schemes. We hope this will set the benchmark for the whole housing industry.

No debate can ignore the environmental impact of creating desirable new homes.

Currently, only some HCA housing schemes reach level four of the Code for Sustainable Homes; we must improve. To

this end, sustainability is high on the agenda for our standards consultation.

We want to see flagship schemes like Hanham Hall near Bristol – England's first large-scale zero-carbon housing development – become widespread. We know that while hitting code level six is challenging, we must do so to prevent the impact of climate change and dwindling natural resources.

This is one of our greatest tasks, particularly in these tough economic times. The house building industry has a responsibility to play a major role. We must seek simultaneously to significantly increase the number of new homes we build and lower their carbon footprint. We know that this will not be easy, but creating a unified set of core standards will be a major step along the way.

While there's room for more research into what consumers need, we already know enough to take steps to improve the quality of what is being built. Key now is how we implement what we already know. We must agree what good design actually means in practical terms and how standards should be used to achieve this.

Perhaps the planning system should do more to ensure high quality schemes. Yet this must be combined with closer quality control through the construction phase and a good design to start with. This applies to both public and private sectors.

If we can do this, then we will be able let the proverbial cat stretch out and sleep in peace.

SIR BOB KERSLAKE,
CHIEF EXECUTIVE
OF THE HOMES
AND COMMUNITIES
AGENCY, HCA.



This article appeared first in Inside Housing, February, 2010. Reprinted by permission. www.insidehousing.co.uk

Theme:

A new Deal for Affordable Rental housing

We invite you to come to Prague and the 18th congress of IUT to meet with colleagues and friends from all over the world!

The congress is a joint event by the IUT and Sdružení Nájemníků ČR, SON – Czech Union of Tenants

Speakers include

- **Rostislav Vondruška** Minister for Regional Development, Czech Republic (tbc)
- **Sven Carlsson**, President of International Union of Tenants
- **Stanislav Křeček**, President of Czech Union of Tenants
- **Jan Olbrycht**, Member European Parliament, Poland, and President of EU Urban Intergroup (conf.)
- **Daniela Grabmüllerová**, Director, Ministry for Regional Development, CZ (conf.)
- **Michael Smyth**, head of Economics, University of Ulster, Northern Ireland (conf.)
- **Christian Schlosser** UN Habitat, Human Settlements, Financing Division (conf.)
- **Martin Lux / Petr Sunega**, Research Centre, Institute of Sociology, Academy of Sciences of the Czech Republic. (conf.)
- **President of CECODHAS** (tbc)
- **IUT members** speaking on housing in Canada, Australia, South Africa and many more countries!

On the program:

- presentations of the housing situation in different countries
- study visits (Sunday)
- social activities

More information, about program and fees, deadlines etc., on www.iut.nu

Affordable housing – not the case everywhere!

Affordable housing has always been central to the success of thriving mixed communities, but with house prices and rents rising rapidly in recent years, even in the current downturn market, affordability is more important than ever.

TEXT MAGNUS HAMMAR, IUT

Home plays the most important role as space of sanctuary to all, irrespective of tenure. Many say that ownership is the only way to guard this sanctuary. IUT says that it is all a question about security of tenure, fairness, tenant participation, quality and affordability.

The choice whether to rent or to own should be possible in all countries. In countries where this choice is established, we can clearly observe a direct linkage between the distribution of ownership vs. rental housing on the one side, and ingredients such as tenant participation, security of tenure, reasonable and fair affordable rents on the other side. In other words, there is a good supply of quality rental housing in countries where tenants feel secure and treated fairly. In the Netherlands, Austria, Germany, Denmark, Switzerland and Sweden the share of rental housing vs. ownership is 40 %, or more. These countries also demonstrate high levels of the mentioned criteria of positive ingredients for safe renting.

Security of tenure exists where the state



considers all households equal, tenants as well as owners, where the state has established legal frameworks and norms where tenants are as well protected as owners.

Affordability also comes with a certain amount of legal protection from rent increases, with good construction norms and with the positive attitude of the state and municipality towards rental housing.

Affordability is about costs for energy, costs for maintenance, costs for renovation, costs for rents – and about salaries.

Energy prices continue to burden the households in Europe. Altogether, energy prices in the EU rose by an average 4 % from January 2009 to January 2010¹. But, in the OECD countries, during the same period, energy prices rose by nearly 11 % and by a staggering 19 % in the US.

In Malta, Finland, Sweden, Poland and Cyprus more than half of the respondents of the 2006 Eurobarometer² regarded electricity as not affordable or the price as excessive. For gas, Poland recorded the highest proportion of the population, 49 %, that regarded the price as not affordable or excessive, followed by France, 46 % and Germany 44 %.

Total expenditures on housing, water, electricity, gas and other fuels represented, according to Eurostat publication Consumers in Europe 2009, around 28 % of total household costs in the EU-27, in 2005. In countries such as Poland and Bulgaria these costs exceeded 30 %.

For tenants who rent at market rate, living in cities, housing costs amount to almost 34 % of disposable income as a whole. Owners without mortgage only pay 16 %, and with mortgage 21%³.

Tenants in urban areas who rent at market rate in the UK and in Spain are the worst hit, and pay over 40 % of their disposable income in rent, 44 resp. 42 %, followed by tenants in Slovakia, Poland, Latvia Ireland, Estonia and Belgium – where tenants all pay over 35 %.

On average across the EU, housing costs in 2007 represented around 21 % of disposable income. For people of working age living

Continues on page 16 ➔

¹ OECD Consumer Price Index, News Release January 2010

² Consumers in Europe, Eurostat 2009

³ The Social Situation in the EU 2009, DG Employment, Social affairs and Equal opportunities, Eurostat 2010. Chapter 3.2.3.

Snapshot of the Australian Housing and Rental Market

The Australian housing market is dominated by owner occupiers who make up around 65–68 per cent of all households. Those remaining are predominantly housed in the private rental market. Only a small percentage of households are social housing renters.

The vast majority, over 80 per cent, of Australian renter rent in the private rental market, via real estate agents or from other private landlord. Social housing across Australia only house around 4 per cent of all households, or around 15 per cent of all households who are renting.

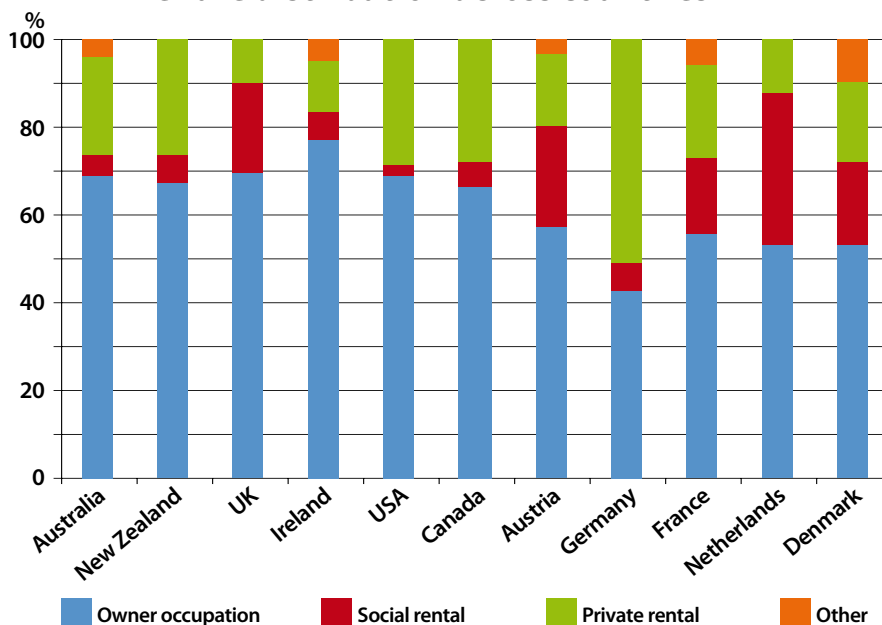
Renters in Australia, according to the National Housing Supply Council, were three times more likely to have moved within a previous 12 month period than owner occupiers.

Properties in Australia transition between the owner-occupier and rental markets and the rental market is characterised by short tenancy agreements and the absence of security of tenure. Of private renters, 17.7 per cent reported their current tenancy agreement is for the duration of six months, 38.2 per cent for 12 months and only 3.7 per cent for another fixed period.

Significantly, 16.5 per cent reported that their current tenancy agreement is month to month, 7.5 per cent have indefinite tenure and 14.9 per cent reported having no formal lease or tenure.

TEXT AND TABLES PENNY CARR,
STATEWIDE COORDINATOR,
TENANTS' UNION OF QUEENSLAND INC

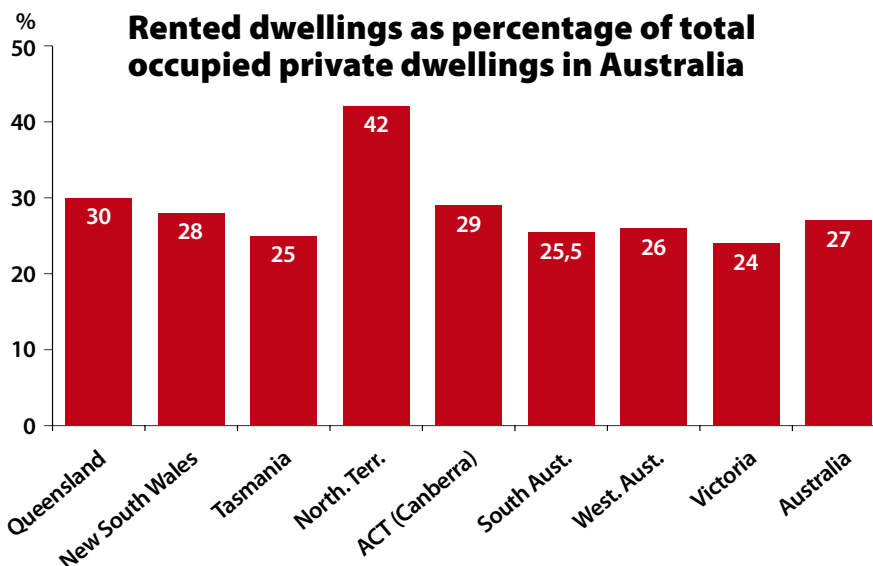
Tenure distribution across countries



Table, with data from 2005–2007, shows how Australian housing tenure compare with other countries. Table compiled by National Association of Tenant Organisations (Australia), NATO.

SOURCE LAWSON AND MILLIGAN, INTERNATIONAL TRENDS IN HOUSING AND POLICY RESPONSES, AHURI 2007, P. 20. DENMARK "OTHER" INCLUDES NOT FOR PROFIT HOUSING.

Rented dwellings as percentage of total occupied private dwellings in Australia



The following table show what percentages of all residential dwellings that are rented in Australia. Figures are shown for each State and Territory as well as the aggregate for Australia. These figures include those renting from social housing providers and those renting in the private rental market.

The somewhat striking figure for the Northern Territories is because there is a high Indigenous population in this territory and not many Indigenous people own their own housing.

Across Australia 64.8% of private dwellings are owned outright or being purchased.

SOURCE AUSTRALIAN BUREAU OF STATISTICS QUICK STATS 2006

From around Australia

QUEENSLAND

Individual measuring of energy

The Queensland Government says all new office and apartment buildings will have to be fitted with electricity meters for every tenant. Energy Minister Stephen Robertson says the change will reward those who use less power.

“People who do the right thing, who live in residential apartments, who do the right thing and save electricity, will receive bills reflecting their actual usage,” he said.

“Of course what that means is people who are more wasteful with their electricity; they’ll see their bills increase to reflect their true amount of energy usage.”

SOURCE WWW.ABC.NET.AU

NEW SOUTH WALES

New South Wales: Rents in Sydney remain stable

Tenants in Sydney have been spared the predicted steep rises in rents in the first quarter of this year, with rents in many parts of the city remaining the same.

The median weekly asking rent for a house in the city and the eastern suburbs stayed at \$750 (€ 520) a week; while in some south western suburbs it held steady at \$420 (€ 290) a week. This year economists warned the improving economy and rising interest rates would result in steep rent rises, but so far that has not happened in many parts of Sydney.

Chris Martin, policy officer with the Tenants’ Union of NSW, said the stagnation in rents reflected the inability of many tenants to pay higher prices.

“Affordability is a brake on rising rents,” he said. “At least one quarter of the rental market is in housing stress. The idea that rents can keep going up regardless of people’s income or affordability is wrong.”

The median Sydney price remained flat, in contrast to other Australian capital cities, where rents rose by up to 10 per cent. The median weekly asking rent in Melbourne and Perth rose by 2.8 per cent, in Adelaide by 3.1 per cent and Darwin by 10 per cent.

SOURCE SYDNEY MORNING HERALD



VICTORIA

Rooming houses exploit home seekers

Driven by the chronic undersupply of affordable housing in Melbourne, the private rooming house sector has boomed in the last decade. After years of inaction, the Victorian Government finally plans to crack down on dodgy rooming house owners.

Recent research reveals just 5.3 per cent of dwellings let in the March quarter were affordable to those on low incomes. Only two years ago 16.8 per cent were considered affordable. As a result, more and more individuals and families, including women and children, are turning to private rooming houses as their last resort.

The majority of rooming houses are privately owned by individual operators or companies. The rooming house sector is now dominated by large scale providers who exploit legislative loopholes to maximise their returns. Their substantial profits are made at the expense of security for the resident, and without regard to existing health and building regulations. They benefit by charging exorbitant rents and overcrowding. Despite widely acknowledged vulnerabilities of residents, the rooming house sector remains substantially unregulated in Victoria.

Of the rooming houses visited by the Tenants Union of Victoria, TUV, 90 per cent were unregistered.

In July 2009 the Victorian Government announced that more than \$1 million would be spent on stepping up enforcement efforts

by appointing twelve Consumer Affairs Victoria inspectors

specifically trained and dedicated to rooming houses. The TUV has participated in the deliberations of the task force and looks forward to seeing the recommendations implemented once they are finalised.

SOURCE TENANTNEWS, TUV

TASMANIA

Lowest housing standards

Presently Tasmania has the lowest standards of all states and territories in Australia, simply requiring landlords to maintain the houses as near as possible to the condition at the beginning of the lease, apart from wear and tear. All other jurisdictions require premises to be maintained in a reasonable or good state of repair.

Tenants’ Union Principal Solicitor, Sandy Duncanson said “At the moment in Tasmania, a house can be let with mould throughout and the Residential Tenancy Act condones it. With low vacancy rates in all Tasmanian cities, desperate tenants have to take substandard properties as is.”

The Tenants’ Union has recently completed its submission to the Tasmanian Government on the Residential Tenancy Act with the key recommendation being the introduction of minimum accommodation standards for rental housing.

SOURCE RENT RANT, TENANTS UNION OF TASMANIA

EU, its Commission and its housing cases

Europe is not what it used to be. Decisions taken in Brussels have increasing impact on the daily lives of all EU subjects. Areas of politics that our governments some five year ago thought to be protected – according to the principle of subsidiarity, are no sanctuaries any more. Since some years we have learned that the issue of housing touches upon a multitude of adjacent areas, of which the EU has indeed competence; state aid, energy, homelessness, competition and procurement, the labour market and social exclusion to name a few. And the EU brings us “cases”.

TEXT MAGNUS HAMMAR, IUT

THE SWEDISH CASE

In 2005 the European Property Federation, EPF, filed a complaint to the EU Commission against Sweden, claiming that the Swedish housing system was unfair, on the private landlords.

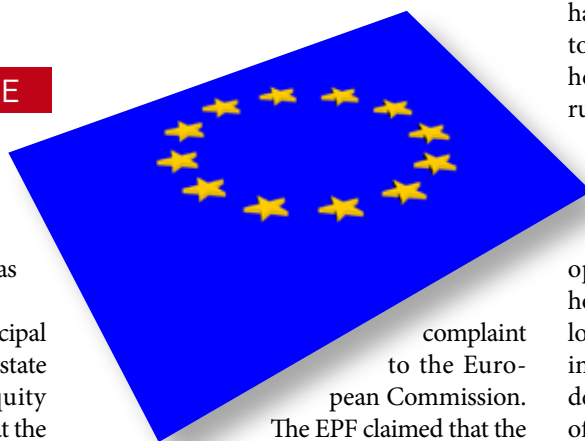
The EPF claimed that Swedish municipal housing companies, MHC:s, received state aid, in the form of provision of equity capital from the municipalities, and that the municipalities had foregone a fair rate of return on this capital. EPF alleged that the entire capital of the MHC's had been built up with insufficient requirements on the rate of return – which accordingly should be considered as indirect state aid.

If the case would have been decided in favour of the EPF complaint, this would have had direct implications on the rents in Sweden. The Swedish Union of Tenants got heavily involved in the process.

After five years of negotiations, the three housing stakeholders in Sweden; Swedish Union of Tenants, the Swedish Property Federation and the Association of Municipal Housing Companies, SABO, came to an agreement that seemed to have satisfied the EPF and the Swedish Property Federation – and the complaint will hopefully be withdrawn. This agreement was reported on in Global Tenant of December 2009.

THE DUTCH CASE

Also in 2005 the European Property Federation, on behalf of its Dutch member organizations IVBN and NEPROM, filed another



complaint to the European Commission. The EPF claimed that the Dutch housing corporations received illegal state aid. Illegal in the sense that this aid is violating Article 86.2 of the Treaty regarding state aid and SGEI – Services of General Economic Interest. In other words, the maximum income for being eligible for social housing was thought to be set too high, and that too many Dutch households had access to social housing.

In January 2010 the EU Commission presented its final decision on the Dutch

case. The most important element in the decision is that 90 % of all vacant houses of housing corporations have to be allocated to households with an income below € 33.000.

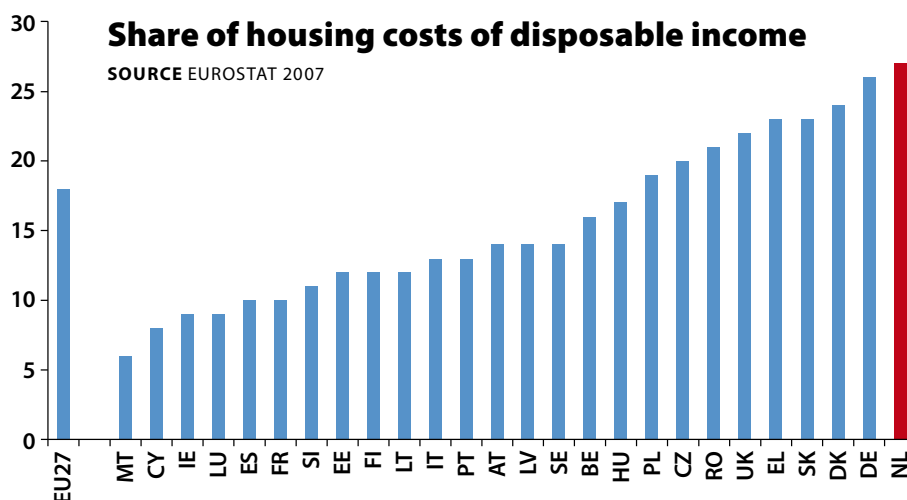
The IUT and the Nederlandse Woonbond, Dutch Union of Tenants, mean that the decision will have far reaching negative consequences for the accessibility and affordability of good quality housing, especially for middle income households with an annual income between € 33 000 and approximately € 38 000. In the Netherlands this applies to approximately 500 000 households.

Commercial rental housing is not affordable in the Netherlands and in very limited supply. Private owned housing is hardly accessible because of the difficulties to get a mortgage. People forced to find housing at the free market are seriously running at risk of poverty. These groups are therefore very dependent on the supply of housing corporations.

The Nederlandse Woonbond strongly opposes this decision, because if social housing becomes the exclusive domain of lower income households, the social housing sector tends to get marginalised. This decision to narrow down the target group of the Dutch means a serious breach with Dutch policy that social housing should be accessible to broad target groups. This will lead to social and economic segregation, stigmatisation of tenants, poorer quality housing and big threats to sufficient supply in the future. The Dutch public interest of sufficient, good quality, sustainable and affordable housing is at stake!

To be continued: the Austrian case? The Danish case?

SOURCE NEDERLANDSE WOONBOND





"Housing issues need a higher profile in the EU 2020 strategy", explains Claire Roumet, Secretary General of CECODHAS, in talks with MEP Heidi Rühle, Group of Greens, from Germany. Jan Olbrycht, far left, MEP from Poland and Chair of the Urban Intergroup, together with Barbara Steenbergen, IUT Brussels, and René van Genugten from the Nederlandse Woonbond can only agree.

EU:

"More strength needed for Anti-poverty programs"

Poverty is still a major problem for many tenants throughout Europe. Therefore, much more emphasis has to be put on the anti-poverty programs already included in the so called EU 2020 strategy. The same goes for energy issues, as expensive and inefficient energy sources is a major cost for millions of tenants in Europe.

These were some of the conclusions made at a meeting with the Urban Intergroup¹ at the European Parliament in Strasbourg on March 11. This Intergroup has 69 members, MEPs representing all the European Parliament committees and political groups. The main objectives of the Urban Intergroup is to monitor the legislative and non-legislative work of the Parliament's committees, to formulate common EU-strategies on housing issues and provide support for reflection of urban needs in EU policies.

The meeting was chaired by Jan Olbrycht, Polish MEP from the Group of the European People's Party (Christian Democrats).

Discussing ways of influencing the EU 2020 strategy, Barbara Steenbergen, IUT Liaison

Office to the EU, regretted the fact that the EU Council had weakened the proposed EU strategy. Still, she was happy to note that there is actually a clear ambition to deal with poverty issues included, not only proposals to stimulate economic growth.

– It still needs to be stronger and more concrete to make an impact, Barbara Steenbergen concluded, adding that substantial funds for actual poverty reduction would also have to be included.

As for the efforts to make MEPs more interested in housing issues, Barbara Steenbergen felt quite confident about reaching results. "Most MEPs are interested in housing issues and open to discussions. So, presenting the right arguments, policies may well be changed for the better for European tenants" she added.

The EU 2020 strategy was brought up by Claire Roumet, Secretary General of CECODHAS, European Liaison Committee for Social Housing, representing over 39 000 public, voluntary and cooperative social housing enterprises in Europe, and providing 25 million homes to 12 per cent of the EU households.

– It is certainly a challenge to try to give housing issues a higher profile in the forthcoming strategy, said Claire Roumet.

CECODHAS wants to see a more pronounced plan for switching to an economy that embraces lower CO₂ emissions. A number of initiatives target low income tenants, which include developing a Neighbourhood-fund and local green economies, rethinking housing costs and promoting smart grids for decentralised production of energy. CECODHAS also promotes public service obligation to contribute to energy efficiency and fight fuel costs.

– Our proposals for reduced energy costs would cut our tenants cost for energy bills with 40 per cent, concluded Claire Roumet.

The issue of state aid to non-profit housing corporations in the Netherlands was also brought up at the meeting, following the EU Commission's decision on Dutch social housing in January – see previous page, 8.

– The Dutch Tenant Association, the Woonbond, strongly opposes to this decision, said René van Genugten from the Woonbond. The Dutch system of social housing serves many important public interests, far more than the interests of the individual tenant alone. The system plays a key role in reducing housing shortage; it boosts restructuring and improvements of cities.

TEXT AND PHOTO DAVID DAHMEN,
FREELANCE JOURNALIST

¹ EU Inter-parliamentary Intergroups can be formed by MEPs on issues that are not an EU issue as such; e.g. sports, women's rights, Palestine, gay's rights, Tibet, and housing.



"The whole pension goes to rent!" Senior demonstrators in Warsaw can not cope with high costs for housing in Poland.

New laws, and new threats to tenants

A proposition to change the Polish housing law was presented at the end of 2009. This proposition would radically minimise tenants' rights in Poland. During the social consultation procedure, the proposition met massive protests from all Polish tenant organisations, among them Polskie Zrzeszenie Lokatorów, PZL, – the Polish Tenant Association.

The government's proposition refers to the Act on the Protection of Tenants Rights, APTR. The APTR was established in 2001 with a main aim to regulate the problems of so called "sitting tenants" in Poland. These are tenants who were once allocated to a flat by the state during the socialist regime, but after restitution, they are now tenants in a privately owned house. Many of these tenants have lived in their flats for more than 40 years.

The proposed changes would remove the limitation which today allows landlords to raise rents only once every six months, and by a given reason. According to the proposition, landlords would have to give only one

months notice to raise rents, so theoretically they would be allowed to increase rents every month. And the requirement to give a reason would be removed. Also, the time period tenants have to question rent increases would be shortened from the current two months to one month. It will in fact lead to a situation in which the rents will be totally released.

The amendment would also lower the notification period for terminating rental agreements for tenants in restituted houses from three years to only one year. And, the termination would not need any reason. Today, there must at least be a reason when terminating the rent agreement – often a will of the owner to live in the flat, which of course can not be claimed by juridical persons.

If the amendment is passed, there will be no limitations for companies to buy flats with tenants inside and then force the tenants to move out. This would of course have most serious effects on tenants in inner city flats, often inhabited by elderly persons.

To sum up, if the proposed changes

are implemented, there will be no secure tenure for Polish tenants and thousands of Polish families will most probably lose their homes.

Cranes are visible everywhere in Polish cities and you can see that private developers build quite a lot of housing. But in fact, new flats can be bought only by the few per cent of the Polish people; people who have the cash, and by the young people who can get bank credits for 25–30 years. The biggest group among the "sitting tenants" are elderly people whose only income is often the low state pension, middle aged people with children at home and other low income households. These groups can not afford to buy, or even to rent, a new flat on a free market. It seems that Polish authorities do not seem to recognise these problems.

"The act of lifting barriers to citizens and enterprises" was the original name of the framework of the much larger proposal, in which these amendments were imbedded. Yes, tenants' rights are seen as a "barrier" to the business of being a landlord. This is the good picture of the government's attitude, which must be changed immediately, if we want to avoid the social tragedy of tenants losing their homes.

Strong protests from all Polish tenant organisations against the proposition have shown some result. In early April the

Polish government decided to reconsider their proposition. The PZL, Polish Tenant Association, in cooperation with other tenant organisations in Poland, is planning to undertake a campaign against the governmental proposition of changes in Polish housing law.

Tenants' rights are seen as a "barrier" to the business of being a landlord. This is the good picture of the government's attitude



TEXT KAROL SZYLKO,
PZL BOARD MEMBER



Housing Need in Romania



The second largest country in Central and Eastern Europe with a population of 21.6 million, Romania has a growing middle-income class. Yet poverty persists in the country, with more than 15 per cent of the population living below the poverty line. Some 2.4 million Romanians live in extreme poverty, while another 1.2 million are struggling to secure basic daily needs.

Many Romanians live in cramped housing and only half have access to piped water. Much of Romania's housing stock is low-quality and deteriorating because of a lack of maintenance. More than 10,000 blocks of apartment flats erected before 1980 need serious renovation to their infrastructure, heating systems and roofs.

SOURCE HABITAT FOR HUMANITY

China, and anti social behaviour



The poor could be booted out of government subsidized housing for frequent spitting

under a draft plan being considered in Guangdong province. Tenancy would be terminated if the tenant recorded too many "misdeeds" within a two-year period. Under the draft punishment plan, believed to be the first of its kind on the Chinese mainland and resembling a marking plan in Hong Kong, misdeeds include spitting, littering and parking outside designated areas.

All misdeeds carry penalty points that vary depending on the seriousness of the offense. If the offender accumulates more than 20 points within two years, tenancy is terminated. Spitting carries three points

SOURCE CHINA DAILY

Denmark, Copenhagen



Rents in Copenhagen increased, in 2009, by 7,2 per cent, and by 5 per cent on average in the whole country.

SOURCE EKSTRABLADET.DK

Sydney, New South Wales



The not-for-profit housing sector in NSW is currently enjoying positive growth. In addition to almost 9 000 new

properties being added to the system, there are three new reforms driving this growth:

One is the introduction of a Registrar of Community Housing to which community housing providers must register and comply with a new regulatory code, which includes eight performance areas.

The community housing sector is expected to grow from 13 000 to 30 000 properties over ten years.

SOURCE TENANTNEWS

US, NEW YORK:

Tenants score victory



A group of Bronx tenants scored a court victory, in January, that rolls back recent rent hikes and could bolster rent regulation protections across the city.

Tenants at 1600 Sedgwick Ave. sued their landlord for hiking rents on 80 apartments after removing them from a federal rent regulation program, which the tenants' lawyers argue was done illegally.

In late December, a Bronx state Supreme Court judge issued a preliminary injunction, ruling that the landlord must charge regulated rents.

Riverview Redevelopment took the 80 flats out of the federal Below Market Interest Rate program early last year and then hiked rents by hundreds of dollars. The landlord had already begun eviction proceedings against a half a dozen tenants for non-payment of rent by the time UJC filed suit.

Since the 383-unit building was built prior to January 1, 1974 and has more than six units, tenants' lawyers argued it automatically falls under state rent regulations.

SOURCE NEW YORK TIMES

Housing Rights and Mega-events



On March 24 the UN Human Rights Council adopted a resolution on housing rights in the context of "mega-

events" such as the World Cup and the Olympic Games.

Research shows that development projects adopted in preparation for "mega-events" often result in extensive human rights violations, particularly with regard to the right to adequate housing. Mega-events can be organised without forcibly evicting people, without criminalising the homeless and without making housing unaffordable.

The resolution Calls upon States, in the context of hosting mega-events, to promote the right to adequate housing and to create a sustainable, development-oriented housing legacy, and to strive in this regard.

SOURCE COHRE AND UN



Renovated colourful houses in the "Ali Demi" neighborhood, Tirana.

Albania, a state undergone dramatic and rapid transformation

Shpresa, Albanian for "hope", is a lady that had been working as a teacher, and married to a former military officer. When I heard of them, they were both relying on social assistance as a result of the structural reforms.

As many military officers of the socialist period the family had been transferred from the capital city to another city for services. After the fall of communism they had moved back to the capital, but their Tirana-home was not available anymore. They now rented a flat in the expensive free market but they have had to move very often. The instability of

their housing situation had aggravated the mental conditions of their son of 19, who has attempted to commit suicide several times. Among many, this is one of the most striking cases that have stayed on in my mind. It is one of those cases that demonstrate the tremendous impact of stressful housing conditions.

The Albanian population has undergone periods of hardships; 50 years under centralized socialist regime have left deep wounds in many Albanians. The radical changes of the 1990's together with the shock therapy and a neo-liberal approach needed to introduce the market mechanisms, aggravated the social and economic situation for many families and polarized the society.

50 years under centralized socialist regime have left deep wounds in many Albanians.

The privatization of the public housing stock between 1993 and 1994 to the sitting tenants, almost for free, fueled the market. By sub-renting, selling, mortgaging their newly acquired assets, the families started to use their resources as a way to improve their economy and housing conditions.

The barriers of free movement were eliminated and migrants started flowing into the urban areas. The laissez-faire attitude towards the private sector gave birth to the informal and unregistered housing developments, accounting now for almost 25–30 per cent of the total housing stock in Albania.

The formal and informal private housing markets have been thriving as one of the most prosperous sectors of the economy, and have increased the total housing stock by almost 33 per cent in 15 years. But even in this sector the consumption is not equally distributed. The period of transition gave many possibilities to certain groups of the population to benefit from the market development. But it could not solve the housing problems for many others. This shows that the market alone cannot ensure efficiency and fairness in distribution of the wealth.

When the social housing project started in 2007, described in the adjacent article by Prof. Sasha Tsenkova, there were many skeptic opinions, based on a presumption that “for the Albanians, owning a house is considered as their birth right, while renting is a step child”. A presumption originating from the Mediterranean rural culture, but also from the need to escape from the socialist housing system. Surprisingly, the project has got the interest of those individuals that cannot have access to an alternative way, such as the interest rate subsidy program. Disabled people, elderly that cannot get a loan from the bank, young couples that have not saved enough to get a mortgage, are those that very frequently ask about the ongoing of the project. They monitor us, they push us, and they keep us under pressure. It might not be the best project ever done in social housing, but it is a start that can give hope to people like Shpresa. It is a way to challenge the myth of “small and poor countries not able to afford social housing”. It is a start that will open other doors to be explored. It's an investment that has fueled the private companies in a period of crisis and has helped the local administration, where it is being implemented, to improve visibility in front of their community.



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A new model of social housing for the CEE region

Albania, like most of the other post-socialist countries, has experienced rapid privatization of state-owned housing, rapid growth of deregulated house prices in high growth urban markets and shortages of affordable housing for low income families. In the absence of government support to address housing problems, the urban migrants are housing themselves in the last fifteen years, leading to rapid proliferation of informal settlements in peri-urban areas.

A new project, based on partnerships between central and local government, launched in 2007, presents an innovative model for new provision of social housing. The project aims to address the housing shortage affecting low and mid-income households in Albania through the construction of 1.200 municipal rental apartments in eight cities. The Government of Albania is financing the project by a State loan of €15 million from the Council of Europe Development Bank (CEB), representing up to 60 per cent of housing development costs. The remaining costs are expected to be co-financed by the Government and the participating municipalities. The municipal governments contribute with land and infrastructure, as well as repayment of the principal of the CEB loan.

The new social housing integrates social facilities, small scale retail and business premises at the ground level, which may generate much-needed revenue for the maintenance and management

of the buildings. The tenants of this new municipal housing are vulnerable persons with low income, according to eligibility criteria. These are vulnerable groups such as the poor, victims of violence, people with disabilities, and orphans that do not have access to the formal housing market. Tenants are expected to pay monthly rent of up to four per cent of the construction costs.

The project has an important learning and innovative role for the future provision of social housing in Albania as well as in other post-socialist countries in South East Europe facing similar challenges. It has created a clear partnership between central and local governments, and has enhanced the capacity of participating municipalities to provide rental housing for socially vulnerable groups.

As a pilot project, well advanced in



Conceptual architectural drawing of the new social housing in Tirana with 400 apartments.

the implementation phase, this experiment offers important lessons. Post-socialist governments need to develop new models for the provision of social housing in collaboration with

international organizations and local governments. Further, it is particularly important to promote efficient management of social housing at the municipal level through the creation of decentralized project implementation structures responsible for construction, allocation and management of the new social housing assets.

In the long run, the sustainability of the social housing stock needs to be ensured through the design of rent policies that aim at cost recovery with targeted means-tested subsidies for tenants to maintain housing affordability.

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Geneva: a constant housing crisis for 60 years

Since the 1960's, the canton of Geneva, a territory almost surrounded by France, is experiencing a permanent housing crisis. The housing stock increased from 248 000 units in 1960 to 384 000 units in 2000, a 54 per cent increase. However, during the same period, the population increased from 253 000 to 458 000 inhabitants, an 81 per cent increase. As a consequence, the housing vacancy rate in Geneva has been under 2 per cent for more than three decades.

Why have the Canton and the city of Geneva never managed to solve the housing situation, in a canton where tenants make up for 80 per cent of the households? And where rents are the most expensive in Switzerland.

Geneva is the industrial and banking centre of Switzerland, the location of the second headquarter of the UN and the home of many international organisations and corporations. From the 1950's to the 1980's job opportunities in Geneva increased quickly and the city became the most important town of the French-speaking Switzerland. At the same time Geneva attracted a lot of workers from all over Switzerland and from Italy, Spain, Portugal and other countries around the world. This economic expansion created a great demand for new land to build houses on, and new building plans were quickly drawn up.

In a great political consensus, at the end of the 1950's, the Parliament of Geneva passed two fundamental laws that permitted the construction of tens of thousands of new housing units. The first law, the general law on development zones, made new construction possible in large zones of the territory and fixed the rules of how densely the houses could be built.



PHOTO ASLOCA

Demonstration organised by ASLOCA against unaffordable housing.

Environmentally friendly Geneva has trams, and free bicycles to borrow.



PHOTO MAGNUS HAMMAR, IUT



PHOTO MAGNUS HAMMAR, IUT

Old and new residential rental housing in Geneva.

The second law, the general law on housing, established a public-private sector partnership for the construction of rental housing. The property developers built housing units and in return, the state gave the developers subsidies for ten to twenty years. This design reduced the costs, and so the rents became less expensive. With the introduction of these mechanisms, social housing came to represent 20 per cent of the housing stock at the beginning of the 1980's.

Construction slowed down at the end of the 1980's, because there was almost no more available land to build on. Additionally, people started to oppose to the increased density of urban areas. Politicians' and policy makers' desire to expand the sector of social housing became less strong, and production of housing dropped. This explains the acute housing crisis of today.

It took a long time to get a relevant political reaction to the problem. The decision to make more land available for construction sparked off a strong opposition from environmentalists, despite the acute shortage of housing and the severe lack of social housing which now was down to only 10 per cent of the total housing stock.

The processes of reclassification of land resumed again in the last decade, 2000–2010. And almost each land-reclassification project causes political and legal fights. Never the less, new zones have been or are about to be reclassified into zones available for new construction. But of course, the dwellings will not be available until another five to ten years.

Consequences are tragic for the less well-off households in Geneva; rents are increasing rapidly. During the last five years, average rent increases were only 1 to 2 per cent per year, but new rents that were introduced, when a new contract was signed, increased by 15 per cent to 18 per cent on average. Also, the rare availabilities are monopolized by multinational corporations while thousands of households, according to the authorities, are queuing for a social dwelling.

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Switzerland, with most tenants in the world, but in costly housing

Living is expensive in Switzerland. Thus, a recent study by the OECD has determined that rents in Switzerland are approx. 60 percent over the EU average. This makes living the largest part of expenses for the 2.2 million Swiss tenant households, far ahead of taxes or health insurances.

Swiss tenants, who make up for approximately 58 percent of all households, thus pay almost as much as tenants in France, but a bit less than German tenants.

But the situation for tenant households, with a low to middle income, is very difficult as low-cost accommodation is very rare in cities. The vacancy rate in urban regions such as Zürich, Geneva, Lausanne, Bern or Zug – where 70 per cent of the Swiss live – is practically zero. In rural cantons such as Glarus or Jura, where there are only few workplaces, the offer is sufficient.

The dried up housing market in urban areas results in steadily increasing rents for present tenants, particularly when having to renew tenancy agreements, or for new tenants in newly constructed houses or for those in renovated buildings. A rental apartment in the trendy Zürich quarter of Seefeld, on the lakeside of Zurich with a size of 96 m², costs CHF 4.500 (€ 3.140) a month, while the average Swiss monthly salary amounts to CHF 7.600 (€ 5.300).

There is a high rate of immigration to Switzerland. An estimated 21 per cent of all 7,7 million people in Switzerland are considered "foreigners". In 2008 about 100 000 persons arrived to Switzerland. This influx of people has notably contributed to the shortage on the rental market. A major part of the recently immigrated persons are highly qualified professionals.

Important providers of low-priced living space are the cooperatives with around 160 000 rental flats, which due to the non-profit oriented model of the cost rent, can let apartments for an average of 15 per cent less. For historical reasons, the highest share of rental flats of cooperatives is in Zürich. However, the housing estates which were



Old Town Zürich.

constructed between 1920 and 1950 have to go through extensive renovation, or face demolition and become replaced by new houses. Another option, in order to make room for new construction, is containment of the housing estates.

Expensive price of land, if there is any available at all, makes construction of non-profit housing more difficult. The price of land has at least doubled during the last years. Therefore, spatial planning measures in the communities, and use of zoning plans, are necessary for determining the shares for new construction of non-profit housing. In the tax haven city of Zug, with a long lasting housing shortage, this measure has been successfully implemented.

In the city of Zürich, our association the Mieterinnen und Mieterverband Deutschschweiz has launched a debate on this issue, as the high rents and the hopelessness in finding low-priced flats are on the top of the agenda.

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The Schweizerische Mieterinnen- und Mieterverband Deutschschweiz (Association of Tenants in German-speaking Switzerland) has 110 000 members and represents the interests of tenants towards governmental authorities in matters of tenancy law, promotion of housing construction, spatial planning or energy efficiency.

➔ *Continued from page 5*

Affordable housing...

alone housing costs averaged around 34 % of disposable income, and around 32 % for single parents.

US tenants, nearly 38 million or a third of all households, have gloomy future prospects. According to a recent study⁴, on average, a family must earn \$38,355 a year, \$18.44 an hour, to afford a simple two-bedroom apartment at the 2010 national average fair market rent of \$959.

However, the average wage for U.S. tenants is \$14.44 an hour, down from \$14.69 last year. Further, more than 60 % of U.S. tenants live in counties where even the average one-bedroom fair market rent of \$805 isn't affordable for average wage earners, the study found.

Minimum wage earners are at the greatest disadvantage. Under the standard meas-

ure of affordability – housing costs should account for no more than 30 % of income – fulltime minimum wage earners can't afford one-bedroom apartments in any county in the country, even though Congress hiked the minimum wage from \$6.55 an hour to \$7.25 last year.

So-called affordable housing is becoming harder to find. Harvard's Joint Center for Housing Studies has estimated that 200,000 such apartments, for which tenants pay less than 30 % of their income for rent and utilities, are lost each year in the U.S

Housing stress is common in Australia. In 2008, approximately 35 % of households receiving Commonwealth Rent Assistance were paying more than 30 % of their income on rent. In February 2008 over 1,5 million households in Australia were being assisted by the Government housing assistance programs – out of a total nine million households.

Poor people pay more. For people in the

EU, of working age living alone with income below the poverty threshold⁵ the situation is even grimmer; they pay 57 % of their disposable income for rent. Across the EU as a whole, tenants below the poverty threshold paying market rents, pay almost half of their income for rent, 48 % on average.

Tenants below the poverty threshold⁵ in cities who rent at market rate are worst of in Spain, Estonia, Poland, and Slovakia and in the UK, who pay an average of over 60 % of their disposable income in rent, followed by tenants in Slovakia, Poland, Latvia Ireland, Estonia and Belgium – where tenants pay over 35 %.

Dear governments, this is not really affordable, is it?

⁴ "Out of Reach 2010", by the National Low Income Housing Coalition.

⁵ "Poverty threshold" / "people on the risk of poverty": with incomes below 60 % of the national median.

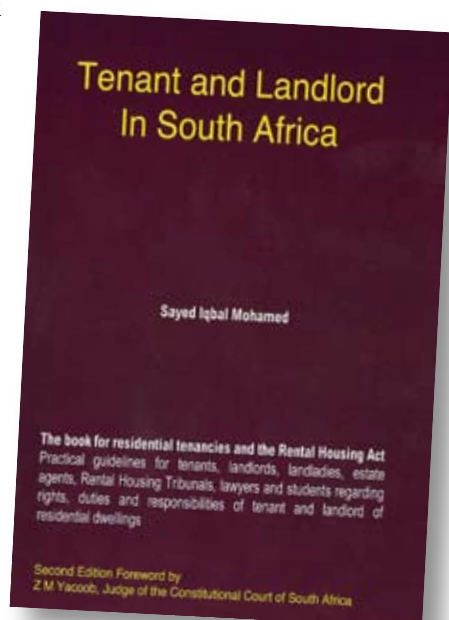
NOTICES

SOUTH AFRICA:

New publication; Tenant and Landlord



A practical hand book, by Dr. Sayed Iqbal Mohammed, was released in Durban in February. The book presents practical guidelines for tenants, landlords, landladies, estate agents, Rental Housing Tribunals and others. The book deals with rights, duties and responsibilities of tenants and landlords of residential dwellings. How to lodge complaints, rules on evictions, rent increases, security deposits, unlawful discrimination and tells about decided court cases, and more. Published on 244 pages by Organisation of Civic Rights.



www.ocr.org.za

IRELAND:

Councils swamped by demand for housing



The collapse of Ireland's property market has resulted in a near doubling of social housing waiting lists in major cities. Figures obtained from local authorities by the Irish Independent show that Dublin, Cork, Limerick, Galway, and Waterford have experienced an explosion in demand for local authority housing over the past 18 months. A hike of 64 % in Cork, 23 % in Dublin, 39 % in Galway and 48 % in Limerick Cash-strapped Irish councils are struggling to cope with the flood of applications for local authority housing amid growing pressure for privately-owned "ghost estates" to be secured on long-term, cut-price leases by local authorities.

SOURCE: IRISH INDEPENDENT

ABU DHABI:

New rent panels to settle disputes



The new rent committees set up in Abu Dhabi will settle disputes between landlords and tenants. Letter to the Editors of Gulf News welcomed the setting up of the rent panels to tackle rent disputes and feel they could help resolve most cases. However, they are reluctant to place all hope in them because of concerns about property owners not playing by the rules

SOURCE: GULF NEWS