

GLOBAL TENANT



INTERNATIONAL UNION OF TENANTS' QUARTERLY MAGAZINE March 2005



C O N T E N T S

Theme:
ANTI SOCIAL BEHAVIOUR

Chronicle: Graffiti or art?
page 1

**What is Anti Social
Behaviour - ASB?**
page 2

**ASB in the UK and
elsewhere**
page 3-7

**Anti Social Behaviour
observation in France**
page 8

• IUT CEE conference
in Ljubljana
• Housing on the EU
agenda...
page 9

**Housing in post socialist
Latvia**
page 10-11

South Korea
A scheme for one million
new rental dwellings.
page 12-13

• IUT and the Council of
Europe
• Hutten-Czapska vs. Poland
page 14

Vienna combats segregation
page 15

**IUT and the EU Housing
Ministers in Prague**
page 16

IUT member organisations in:

Austria
Australia
Belgium
Benin
Bosnia-Herzegovina
Canada
the Congo (Dem. Rep.)
Croatia
Czech Republic
Denmark
Ecuador
England
Estonia
Finland
France
Germany
Greece
Greenland
Hungary
Iceland
Ireland
India
Italy
Japan
Latvia
Macedonia, FYR
the Netherlands
New Zealand
Nigeria
Norway
Poland
Portugal
Romania
Scotland
Serbia and Montenegro
Slovenia
Slovakia
Spain
Sweden
Switzerland
Tanzania
Togo
Uganda
USA
Wales



P.O. Box 7514
103 92 Stockholm, Sweden
Tel +46-(0)8-791 02 24/791 02 25
Fax +46-(0)8-20 43 44
E-mail: info@iut.nu
Website: www.iut.nu
Publisher and
Editor: Magnus Hammar
March 2005
Publication Design: Cinna Gross
Cover Photo: Magnus Hammar

Graffiti or art?

A hundred years ago most people knew and conformed to conventions and social rules independently of social status. But it was the upper classes that set the rules and norms for what was socially accepted. And the elderly set the rules for the young ones.

Today, we still have the upper classes, but they do not set the norms anymore. And the elderly, or grown-ups, do not manage to set the rules for the young, even if they try to.

Today, each grouping has its own statutes to follow, its own style etc., often manifested in clothing. This makes life more diverse and exciting, but it obviously also creates problems.

To some people even this diversity and unfamiliarity is a threat, and to some extent a form of anti social behaviour.

While working on this edition of the Global Tenant I have been browsing the Internet, and I dare say that my findings of what the norms are differ. But most people, irrespective, of country, seem to have a common view on what is socially accepted. The evident differences show in the different ways of dealing with anti social behaviour.

Instinctively I could accept the more strict policy established in the U.K. and in the USA. If you do not behave, out you go – according to the new laws. But, does this policy really change things to the better? If you are out, how do you get in again? Or are you supposed to stay out for good?

I am not sure if this method is sustainable. Yes, the bad eggs are not in my back yard or street anymore, but they move on to someone else's backyard – if we do not look for the causes at the same time.

Anti social behaviour must be stopped, but it can only be stopped if we work on it in order to prevent it from happening. And remember that stricter laws and solely punishment have never ever shown effective in the long run.

Magnus Hammar



Calendar

April 7-9: Demographic challenges for social cohesion, Strasbourg France.

April 14-15: Integration through Improved Housing and Empowerment. Stockholm, Sweden. Organised by CECODHAS, Eurocities and City of Stockholm.

May 19-21: Conf. on Restructuring large housing estates in Europe. Ljubljana, Slovenia.

May 20-21: German Tenants' Day in Kiel. Organised by the Deutscher Mieterbund, DMB.

May 25: Sustainable Housing Europe, seminar in Turin, Italy. Organised by SHE.

June 3-5: IUT Board meeting in Amsterdam, the Netherlands.

June 29-July 2: Housing: New Challenges and Innovations in Tomorrow's Cities. ENHR conference in Reykjavik, Iceland

August 5: TPAS Annual Conference, Birmingham England.

August 19-20: Nordic meeting of tenants' associations. Oslo, Norway.

September 6-8: Housing and Globalisation. Kobe, Japan. Organised by the APNHR.

For more information: <http://www.iut.nu/conferences.htm>

ANTI SOCIAL BEHAVIOUR

do we have to live with it?

By Magnus Hammar, IUT

Anti Social Behaviour, ASB, takes place in all societies, all over the world. In every housing area, estate or neighbourhood there are neighbours who like loud music, through litter around themselves, teenagers that slam doors and talk too loud at 1 pm. We have all woken up from dogs barking or from cars without mufflers. These are, in our urban societies, the kind of anti social behaviour that we have to accept from time to time.

But there are more severe forms of anti social behaviour that we do not have to accept. These are abandoned cars and garbage that litter the neighbourhoods, graffiti that cover most even surfaces or when you do not feel safe because gangs pester the streets around your house. The quality of life changes for the worse when drug addicts threaten you and your family and when your drunken and screaming neighbour knocks on your front door asking for money or an unwanted conversation. When you can not walk down to the super market in the evening without being intimidated by gangs on street corners.

Anti-social behaviour includes; Unkempt gardens/properties, intimidating gatherings of young people in public places and damage to cars and property, including graffiti and vandalism. ASB is also the use and selling drugs and alcohol and solvent abuse. ASB can also include uncontrolled pets and of course harassment, including racist and homophobic incidents. Common ASB is nuisance from vehicles, including abandonment. ASB can be nuisance from business

use, such as noisy ventilation and gathering of people outside bars. And who has not been annoyed by motorcycles on footpaths!

Different terminology, but same meaning

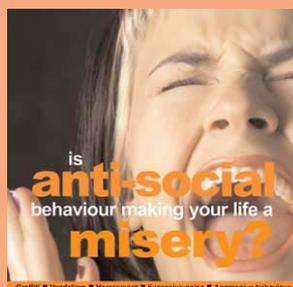
Anti social behaviour seems to be a terminology mainly used in Anglo-Saxon countries such as the UK, and in Ireland and Australia. Other expressions used in other countries are anti-social offending and quality-of-life offences and public nuisance. A search on Google for ASB gave over 500 000 hits, all but a few were links to British sites.

Browsing through newspaper clippings show that anti social behaviour, or what ever term you prefer to use, is tackled differently from country to country. Most articles found in the British press indicate that the situation has somewhat gone out of hand. Information and talk are not enough anymore and politicians now need to show the ability to act and the problems seem to be dealt with through the introduction of new and rather harsh laws.

Will new British laws curb ASB?

The British Government responded to anti social behaviour by introducing a number of measures including the *Anti-Social Behaviour Act*, ASBA, and the use of *Anti-Social Behaviour Orders*, ASBO's.

The Anti-Social Behaviour Act, which came into force in January 2004, gives county councils and housing action trusts permission to apply for Anti-Social Behaviour Orders. This helping to tackle nuisance neighbours, to close



Only half of all Anti Social Behaviour Orders stop anti-social behaviour

The UK Home Office released on March 1st statistics on ASBOs. This reveals that by December 2003, 42 % of all ASBOs in England and Wales had been breached, up from 36 % in 2002. 55 % of the cases ended up in prison in 2003.

"People under anti-social behaviour orders will soon face "naming and shaming" as a matter of course, Home Secretary Charles Clarke announced."

down crack houses; to disperse groups causing harassment or intimidation; to restrict ownership and sale of airguns; to extend penalty notices for disorder to youth down to 16 year old, and lift automatic reporting restrictions on Anti Social Behaviour Orders on conviction in youth court. The Anti-social Behaviour Act includes measures that will widen the use of fixed penalty notices and apply them to youth down to 16 years of age. Officials say that the Act has given the police, councils, housing officers and others the tools to deal with the kind of problems that afflict community life. Local residents are now encouraged to watch out for and report incidents of anti social behaviour.

The 'dispersal order' applies to a particular area and means that the police and community support officers can order groups of more than two people to leave. The police can also return children under 16 years old to their homes if they are out after 9.00pm. Those who refuse to leave or return after they have left can be arrested.

4 Strike Out

An ASBO in England and Wales is a "4-strike-system" starting with a letter of complaint leading eventually to a court order and possible imprisonment. The Order is imposed by the courts and can run for up to five years. Minimum length is two years. An ASBO sets down prohibitions, that can include exclusions from an area, prohibited contact with specified individuals and prohibition of certain actions, to prevent any further anti social behaviour and protect the community or individual.



ASB and elsewhere

Scotland gets tougher

The Scottish Parliament passed the Anti-Social Behaviour Bill in June 2004. The legislation includes:

The power to disperse groups of more than two people in designated trouble spots and the introduction of parenting orders. Further it includes the ability to extend electronic tagging to children under 16 and also a ban on selling spray paint to people under 16. Fixed penalty notices are introduced for offences such as litter, vandalism, drunken behaviour or consuming alcohol in a public place. More powers for councils to deal with private landlords who turn a blind eye to anti-social tenants and also more powers for the police to close 'crack houses', premises where drug-dealing takes place.

Edinburgh: Big Brother watches you!

Police will now be able to monitor the streets and housing estates of Edinburgh via more than 100 CCTV cameras after entering into a new deal with the city council. Officers today said the agreement, which allows them to access live

feed from the council's 110 cameras, will prove a "valuable tool" in the fight against crime. But human rights campaigners voiced concerns that the move amounted to a "Big Brother"-style invasion of privacy.

Source: Edinburgh Evening News, September 2004

Ireland introduces new measures to tackle ASB

The Irish Minister for Housing and Urban Renewal, Mr. Noel Ahern T.D., plan for new measures to help tackle anti-social behaviour in relation to housing, including tenant purchase houses. This is just one of the provisions contained in the Residential Tenancies Act 2004. The main purpose of the Act is to introduce major reforms in the private rented sector.

Existing legislation provides an effective range of measures for dealing with anti-social behaviour in local authority houses. For example, where an occupant of a local authority house is believed to be engaged in anti-social behaviour, an excluding order or an interim excluding order may

be obtained from the District Court directing that person to leave the house and prohibiting them from entering or being in the area. These provisions will now be extended to persons residing with tenant purchasers and with anyone to whom the house is subsequently vested. Local authorities are also being empowered to refuse to lease or sell a house, under the Shared Ownership and Affordable Housing Schemes.

The Residential Tenancies Act 2004 also provides an explicit statutory obligation on tenants in the private rented sector not to engage in anti-social behaviour. In the case of serious anti-social behaviour, the landlord will be entitled to terminate the tenancy with only 7 days notice!

Source: Limerick Post, August 2004

Germany

The German official policy is somewhat different from the policy in the U.K. The Germans do not speak explicitly of Anti Social Behaviour, but of stressed neighbourhoods. The German term is "geforderte Nachbarschaften" – challenged neighbourhoods. This means more than pointing on the wrong behaviour of people, it also leads to the fact that those people often are living in a bad, sometimes inhuman, housing environment. The persons' address is the proof that you are belonging to a socially stressed group, and with that address it is even harder to get the chance for work or a new rental apartment.

The social-democratic and green coalition set up an integrative programme, which stressed on the vicious circle; bad housing conditions – high unemployment rates – less education – wrong social behaviour. More information: <http://www.sozialestadt.de/en/programm/>.

Source: Deutscher Mieterbund, DMB

Sweden: Black lists

In January the municipal public housing company in Malmö, Malmöbostäder, was found to illegally have registered tenants, or prospect tenants, with anti social behaviour tendencies. The register also included information such as race, ethnic belonging and mental disturbance.

The Ombudsman against Discrimination and the Office of the Public Prosecutor are currently examining the case. Swedish Union of Tenants insists on guarantees from the housing companies that no such lists are in use today.

Japan: Noisy karaoke

The Osaka municipal government forcibly removed eight karaoke booths and other stalls that had illegally been set up on a pedestrian street, following complaints about noise. It is only the second time the city has enforced the Law on Subrogation of Administrative Acts - it removed tents erected by homeless people from streets in 1998. The law allows administrative organizations to execute their orders given to individuals or corporations if the orders are not obeyed, for the public good. Expenses for such acts are charged to individuals or corporations subject to the law.

But, in the future there will be no room for the booths, as the city plans for two-meter-wide avenues of trees that

will be planted on both sides of the pedestrian street.

Source: Yomiuri Shimbun, December 2003

USA, New York:

Clampdown on quality of life offences

New York City administration has released new data showing that the police have issued an increasing number of summonses for quality-of-life offences. The administration reported that over 500 000 summonses were issued by the New York Police Department in the fiscal year that ended June 30, 2003. The summonses were for a range of offenses, including graffiti, noise and disorderly conduct. Not only is that figure an increase over the previous year - and a slight increase over the year before that - but it represents more than 100 000 more summonses than city officials reported last fall. Police have not issued as many of these kinds of summonses since at least 1999, records show. Police officials reported issuing 228 053 quality of life summonses in the first four months of the 2004 fiscal year, compared with 195 540 in the same four-month period a year earlier..

Source: New York Times, January 2004

The Netherlands:

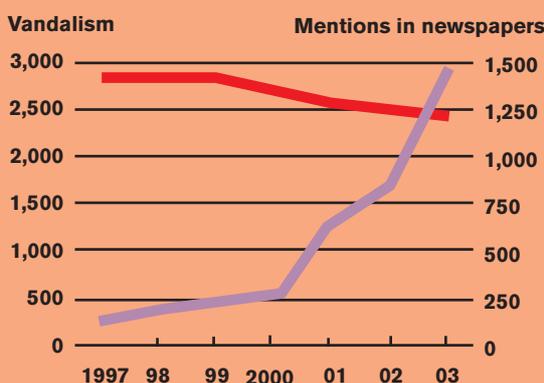
City plans to ban poor immigrants

The city of Rotterdam has said that it wants to ban poor and unemployed immigrants from moving there and evict existing anti-social tenants. The city council has adopted a policy paper which said it sought to restore "long-term balance" to the city.



Perception and reality

Mentions of anti-social behaviour in newspapers* and actual vandalism



* Daily Telegraph; Financial Times; Guardian; Independent on Sunday; Observer; Sunday Telegraph; Sunday Times; Times
Sources: Factiva.com; British Crime Survey

In spite of a massive campaign against ASBO, vandalism does not seem to decrease in England.

Almost half the port city's 600 000 population is of non-Dutch origin and the council said it was keen to curb new immigration "of the wrong sort". Its policy paper stipulated that any newcomers must earn 20% more than the country's minimum wage or about Euro 9.10 (£6.30) an hour in order to settle there. New immigrants would also have to possess a good command of the Dutch language in order to obtain a residence permit and the council said it would ask the Hague not to send new political refugees for the next four years.

"We have a lot of people coming into the city who just go on welfare," said Ronald Sorensen, leader of Leefbaar Rotterdam (Liveable Rotterdam), the right wing party behind the initiative. "If people want to come to Rotterdam they must have a job. If they don't have one, we don't want them." Mr Sorensen said that the council would stop building affordable housing and only build "expensive houses" in order to get the right "balance".

Deportations of illegal immigrants will be stepped up and the council said it intends to start evicting anti-social residents from social housing. Mr Sorensen argues that urgent action was needed to stop Dutch middle class families fleeing the city for better areas.

Source: The Guardian (Holland) December 2003

More clippings from England

Street bans for troublemakers

Good Behaviour Zones have come into force in north London trying to keep troublemakers off the streets. Police will use new laws under the Anti-Social Behaviour Act to ban intimidating groups of young people from two areas of Camden. Unaccompanied children under 16 could also be forced to go home by 9 pm. The first zone has been introduced in Somers Town, near King's Cross. Next week zone two will come into force in Camden Town. Public notices will be put up around the areas to mark out the zones' boundaries. There will be extra patrols around the boundaries to stop anti-social groups moving into the neighbouring estates.

Source: BBC News, June 2004

Police to use curfew powers

Bromsgrove has lost no time in introducing new legislation, enabling police to arrest any under 16-year-olds on the streets after 9pm. Bromsgrove is one of the first towns in Britain to implement the new measures and has earmarked an area of Charford where the problem of rampaging yobs is especially bad. The Anti-Social Behaviour Act allows police to disperse groups of two or more and to return unsupervised under 16-year-olds in a public place after 9pm, to their homes. Youths then risk arrest if they regroup again within 24 hours.

Source: This is Bromsgrove, February 2004

Behaviour order for 10-year-old

A 10-year-old boy has been made the subject of an anti-social behaviour order in Peterborough. The city council said it had obtained the order from magistrates after they accepted the boy had acted in a way which "caused or was likely to cause harass-



ILLUSTRATION: IGOR PASCHTCHENKO

ment, alarm or distress". The latest order brings the total number obtained by the council to 15. Christine Graham, community safety team leader, said anti-social behaviour was a major concern but was being tackled. "We are pleased that the magistrates have once again supported our efforts to tackle anti-social behaviour in the city," she said. "Anti-social behaviour is a major concern for local residents and is totally unacceptable."

Source: BBC News, February 2004

Boy banned from Manchester City for 10 Years

Terence is a 16-year-old boy who has been banned from entering Manchester until 2014 under an anti-social behaviour order. Terence, who is originally from Scotland, is not allowed to enter the city for 10 years under its terms. Manchester youth court heard that he had taken part in "gratuitous and unbridled attacks" on a businessman in Gorton, north Manchester. He hit him with a baseball bat and broke his nose with a bottle. District judge Alan Berg lifted reporting restrictions on the case. He said: "The public is entitled to have any ammunition it can in order to ensure this anti-social behaviour order is properly policed." Judge Berg said he had listened to a catalogue of gratuitous and unbridled aggression towards innocent members of the public.

Terence and two other youths had confronted a shop keeper, Mr Crawford, at his shop, bruising his hand with a baseball bat, last September. An elderly man was knocked to the ground in the fracas. Later, Terence returned to the shop with two friends and attacked Mr Crawford again, breaking his nose when a heavy glass bottle was thrown at his face.

Source: The Guardian, January 2004

More information:

On the British Anti Social Behaviour Act:
www.bbc.co.uk/dna/ican/A2283824

On Anti Social Behaviour, from TPAS, England:
www.tpas.org.uk/sub_page.asp?cat=1&id=1
A Guide to Anti-Social Behaviour Orders and Acceptable Behaviour Contracts:
www.crimereduction.gov.uk/asbos9.pdf

The Editor welcomes readers' views and reactions to the contents of this article, and experiences and news from your country and city. Please mail to info@iut.nu

Extreme Cases

As the use of Anti-Social Behaviour Orders has increased, courts have become bolder and more inventive with regard to tailoring them around an individual's case. Many of these prohibitions are absurd simply because the act liable to land them a prison term is so clearly not of a criminal nature.

If the previous cases from Manchester and about the 10-year old boy is not enough here are a few more examples from the UK;

- **Brian Hagan**, a farmer in north Norfolk received an interim order in December 2004 because his pigs were regularly escaping the confines of his farm. Breached in a matter of hours, Hagan is now considering mounting a legal challenge to the order and has told magistrates he wants his case to be put before a jury at a crown court. In January 2005 the Crown Prosecution Service, dropped the charge of breaching the order because "no reasonable time had elapsed to enable Mr Hagan to comply with it", claimed they had advised from the beginning that this was not a suitable case to apply for an ASBO. It is now almost certain that the application for a full order will be dropped.

- **David Boag**, a man fixated with the film *An American Werewolf in London* was punished in December 2004 with an order for his persistent howling. Having breached it he was handed a four month sentence and spent Christmas in jail.

- **Bridge family** - The first case of a 'family ASBO' in which a married couple and their three sons have been banned from congregating together outside their home in groups of more than two. Other conditions of the order include an 11pm-7am curfew and bans on the use of foul language and the entering of the local police station and council buildings. October 2004

- **Daisy** - A 17-year-old profoundly deaf girl served an order for spitting in public. Having broken it she is currently in prison on remand. October 2004

- On the same day as **C. Wood** was released from prison in September 2004 this 21-year-old found himself back in court being served an interim order which banned him from entering any car park in England and Wales, touching any car without the owner's permission and riding a bicycle. On the full application hearing, the council also managed to have him banned from wearing all forms of headwear in public.

- **Alexander M.** is the oldest recipient of an order to date. At 87 years of age he is, among other things, forbidden from being sarcastic to his neighbours. Update: He has since been found guilty of breaking the terms of his order on three separate occasions. Sentencing will take place on 13 November 2004 but the judge has already made clear that: "There will be no prison for an 88-year-old-man."

- **The High Hedge Bill** passed, on November 20th 2003, through Parliament, as part of the government Anti-social Behaviour Bill. For an illustrative we recommend: www.ivor.org/

Anti Social Behaviour observation in France

The USH - Union Sociale pour l'Habitat, former HLM, has taken the decision to create a mechanism for the systematic observation of security-related incidents occurring in social housing stock. The USH is the French umbrella organisation which brings together the various professional organisations representing social landlords.

The social housing sector needs to map a number of factors which affect the day-to-day life of individuals and tenants across its properties. A better understanding of these factors may help not only to strengthen co-operation with public authorities and local partners, thereby reducing the level of anti-social behaviour in certain neighbourhoods, but also to target professional initiatives and support to individual organisations more effectively.

The setting up of a national observation mechanism responds to demands within the profession for a system designed to provide a better understanding of and thus to improve the working conditions of social landlords and their staff. It constitutes an additional body of data supplementing the various official statistics already available. The various incidents recorded make it possible to formulate a number of specific indicators such as staff exposure to the threat of violence and the cost of vandalism per housing unit, for example, and then to track their evolution.

A variety of landlords

Social landlords in France constitute a sector which is highly diverse in many respects.

In legal terms: with different legal forms including public agencies, voluntary organisations and co-operative businesses all managing housing stock. In terms of the volume of housing stock held: with almost 650 organisations managing over 4 million rented units with housing stocks ranging from a few hundred to almost 130 000 units. In terms of internal organisation: with each landlord having a specific, often decentralised management structure taking into account both the geographical distribution of its housing stock and local decision-making forums involved. In terms of security management: where, though community security strategy may be determined at senior management level, it is implemented and its day-to-day impact is monitored locally by local housing officers in the individual neighbourhoods. This diversity makes it difficult to gather standardised information on security-related incidents. It was therefore decided to use a single questionnaire to be sent to each organisation on an annual basis which limits the number of incidents recorded and seeks to elicit the most objective responses possible. The survey should be both easy to understand and easy to complete.

The nature of the data collected reflects the various fields in which social landlords are active. It relates four different types of categories: 1. Attacks on staff, 2. The economic cost of damage due to vandalism, 3. Criminal offences, and 4.

Anti-social behaviour. The diversity of data gathering methods used meant that it was possible to select only four broad categories of quantifiable incidents: arson attacks, other damage to property, neighbourhood disputes and the volume of squatted housing stock.

Principal results

Notwithstanding the fact that the observation mechanism was set up only recently, it is nevertheless possible to assert that:

- Attacks resulting in time off work are rare. Staff exposure to this type of risk is only 0,45%. These attacks take place, in descending order of frequency, in the common parts of blocks of flats, local offices (verbal threats) and outdoor spaces.
- The cost of repairing acts of vandalism to the various organisations which have to account for them is 12 Euro per flat.
- Neighbourhood disputes represent the fastest rising group of incidents amongst the categories. They are the major concern of organisations across their housing stock. In particular these incidents include general and abusive graffiti and damage to personal property, in particular cars.
- The incidence of arson attacks is very low. The consequences of these attacks nevertheless remain an important concern among organisations due to the risks they pose to the general population.

It can also be concluded that the organisations in question know considerably less about issues less directly related to their core activities (trafficking, drugs, etc.). The observatory set out not to provide specific statistics on such incidents, but rather to detect any general trends which may exist.

By Ms Evelyne Brun, IUT and CNL - Confédération Nationale du Logement.





Anna Pachtová and Milan Taraba, SON Prague, in Ljubljana. SON held the IUT CEE Regional office 2001-2004.

PHOTO: SVEN CARLSSON

IUT Central and East European meeting in Ljubljana

Delegates from the Czech Republic, Estonia, Latvia, Poland, Slovenia, Croatia, and Serbia-Montenegro met in Ljubljana, December 4-5. The Association of Tenants in Slovenia hosts the IUT Regional Office for CEE countries, and as such they also hosted the conference. The main purpose of the conference was to report on the housing situation in each country and also to prepare a questionnaire, addressed to IUT members and also to the state institutions in transition countries. The result of this questionnaire will serve a basis for a comparative and descriptive analysis of the legal, political and overall housing situation in central and eastern Europe. The result will be presented at an international conference this autumn.

The conference also formulated an appeal regarding the rapidly increasing rents in CEE countries. There is great fear particularly among the tenants in Estonia, Latvia, Slovenia and in Poland that new laws from January will allow huge rent increases and homelessness as a result. The appeal was sent to the respective governments, to the Council of Europe and to the European Commissionaire for Human Rights.

Rapporteur: Sven Carlsson, IUT

Conference report is available on www.iut.nu/conferences.htm#IUT, in English and in Slovene.



Housing is now on the EU agenda, well almost...

The 732 elected members of the EU Parliament have the possibility to join one or more so called Interparliamentary Intergroups. These interest groups cover specific issues on a cross-party basis, such as Gay and Lesbian issues, Medicine, Energy, Tibet, Animal Welfare, Disability and Sports.

On February 24, the Intergroup on Urban and Housing held its constituency meeting in Strasbourg. This group is chaired by the French MP Jean Marie Beaupuy, from the EU Group of Liberals and Democrats for Europe.

Additionally, a working group dedicated to the Housing area was established, chaired by Mr Alain

Hutchinson, Belgium, from the Socialist group in the EU Parliament.

The Intergroup is first of all a place of information collection and diffusion on the urban and housing policy theme. It will also collaborate in the organising of events.

In spite the informal set up of this group and affirmation of the principle of subsidiarity, housing has finally been recognised by the EU, and will most certainly have a more important status in the future.

More information on the IUT website.

Asset management and privatized housing in post-socialist Eastern Europe

A troubled relationship

By Dr. Sasha Tsenkova

Lessons from Latvia

Privatization of public housing has been the flagship of housing reforms in post-socialist Eastern Europe, creating some unique challenges for the management of multi-apartment housing from the Balkans to the Baltics. Drawing on evidence from Latvia, this article argues that future reforms need to address effectively the complex set of organizational, institutional and financial issues related to asset management in order to create a more efficient and sustainable housing system.

Housing Privatization

The central state in Latvia today is almost 'invisible' in housing matters, most of the housing subsidies have been eliminated and the responsibility for housing has been decentralized. Despite its late start, privatization of public housing through housing vouchers has increased homeownership by 30% within less than 3 years. These changes are much more significant in Latvia's cities, where recent privatization policies have transferred close to 80% of the housing to sitting tenants. Meanwhile the share of social housing in Latvia has remained at 0.1%. Privatization has led to some unique challenges for asset management of multi-apartment housing. As one senior official pointed out: "In the housing estates of Riga landlords own the land due to restitution, the municipality owns the buildings and tenants own their flats." At the same time, privatization of public housing is the largest transfer of housing assets into private hands in Latvia's history. A conservative estimate suggests that during 1999 the market

value of privatised housing in Riga accounts for 23% of Latvia's GDP. In addition to its economic dimension, privatization has legitimized existing housing inequalities (Figure 1). Some of the residents are entitled to privatize a room in a communal apartment; others have the chance to privatize a good quality, spacious flat. In some cases, new owners acquire a liability, rather than an asset, given the massive need for investment in repair and renovation.

Asset Management Challenges

- **Organizational.** Two thirds of urban households in Latvia live in multi-apartment housing. Although most of the stock was only built in the last 40 years, its quality is poor and chronic underinvestment in maintenance has led to its deterioration and even structural problems. In the aftermath of the give away privatization, local and central governments still own close to 93% of multi-apartment buildings. The new owners are reluctant to assume ownership and management responsibilities for the common areas, which places municipal maintenance companies in the unique position of managing privately owned housing, while collecting uniform locally regulated rents for their services.
- **Technical.** The quality of the existing stock, particularly in the multifamily buildings, has deteriorated during the transition due to government withdrawal from the financing of repair and modernization activities. According to a recent study by the Latvian Ministry



of Local Governments and Regional Development the prefabricated panel buildings, which comprise close to 59% of the housing stock in urban areas, require close to 1 billion Euro for energy improvement and reconstruction. Meanwhile less than 21 million Euro annually is invested in modernization of housing.

- **Financial** Despite their autonomy, local governments in Latvia are charging uniform rents regardless of quality or location of housing. Both tenants and owners pay the same 'rent', which barely covers operation costs. Correspondingly, maintenance companies carry out marginal upkeep and resort to patchwork maintenance and emergency repairs. The financial difficulties of owners and renters are significant constraints for asset management. Close to 67% of all urban households find it difficult to maintain their utility and maintenance payments. The problem is much more pronounced in the rental sector, where the equivalent share stands at 73%.



Housing inequalities have become significant with some apartments in Riga Old Town selling for more than 100,000 EUR, while others in the peripheral housing estates barely fetching 12,000 EURO.

The Way Forward: Initiatives in Riga

Pilot projects in energy efficient renovation. These projects have gained some popularity in the last two years. The Land and Mortgage Bank provides small credits to multi-apartment buildings based on their cash flow. So far, close to 80% of the loans are dispersed to housing cooperatives and the rest to municipal maintenance companies. In most cases, the projects involve replacement of heating installations, insulation of walls and retrofitting of roofs. Repayment schemes imply gradual 'rent' increase to account for capital improvements and the cost of servicing the loan. Energy efficiency retrofits appear to be financially attractive with a payback period ranging from 6 to 10 years.

Pilot projects in institutional development. Riga City has made a commitment to assist the establishment of homeowners' associations in privatized buildings. In most of the cases buildings have mixed ownership, and accom-

modate people from diverse social and ethnic background. Given the paternalistic culture of asset management in the past, the shift to new style of management might take years to become established. The initial efforts across Latvian cities have been supported through Canadian assistance. The Latvian-Canadian Housing Project, managed by Dr Tsenkova, focused on training and capacity building for homeowners associations. The results include the development of specialized training modules for homeowners, the training of trainers and a *Manual on Housing Management*. The manual, available in Latvian and Russian, provides user-friendly information on legal, financial and technical issues related to housing management and a step-by-step guide in energy efficient improvements. So far more than 5,000 copies were disseminated across the country, and more than 300 homeowners from Riga and other Latvian municipalities have taken the training.

In summary, the housing privatization

in Latvia has created significant organizational, institutional and financial challenges for the management of multifamily housing, which are surprisingly similar across Eastern Europe. The pilot projects in Riga indicate a commitment to comprehensive reforms and are an important source of policy learning for other municipalities in the region.

Dr. Sasha Tsenkova is associate professor at the University of Calgary, Canada. She specialises in housing and urban policy in Eastern Europe.
<http://www.ucalgary.ca/~tsenkova/>



SOUTH KOREA

A scheme for one

By Kazuo Takashima, JTA Japanese Tenants Association

Supporting the middle-classes for owing their homes is the main housing policy of South Korea, as well as in my country, Japan. But the house-lease systems of these two countries are utterly different.

The South Korean government has escaped the construction of public rental housings for the low-income group by making full use of the unique private house lease system – the “Jonsei-Walsei System”.

As a result of this, the number of public rental housings in South Korea is only 3.4 percent, 390 000¹ housings units, compared to Japan’s 6.7 percent. But now the government wants to see one million new rental dwellings!

Jonsei and Walsei

After the World War II, the Jonsei- and Walsei system started as a kind of deposit system. It derived from the circumstances that few people used the banking loan system. As the interest rates exceeded 10 percent most investors preferred a lump sum, rather than a high monthly rent.

Jonsei

If a person who wants to rent a flat or a house, he/she needs to deposit a large sum of money to the owner which comes to 30-80 percent of the housing price – a Jonsei. The renter can use the residence without paying a rent for 2 years. When the landlord pays back the Jonsei, excluding the interest for two years, the tenant must move out unconditionally. In the time of renewing the contract, the tenant can not reject a big raise in the Jonsei.

Walsei

The walsei-tenant must pay the landlord a monthly rent, because the Walsei which is deposited is far more inexpensive than jonsei. The tenant must move out unconditionally when the landlord pays back the Walsei, also without its interest, after two years. The tenant can not reject a big raise in rent and the Walsei in time of renewing the contract.

Although the interest rate went down to 4 percent recently, the housing price and the Jonsei have been increasing. The rent of a 23 m² flat; Walsei is 1727 \$US and the rent is 35 \$US, which is less than

20 percent than the market rent, excluding maintenance fees and public utility charges.

Construction of Housing

Until the end of the 1980’s, South Korea has been suffering from a chronic housing shortage, owing to the population concentration into urban areas and because of the rapid development of industrialisation.

In the early 1980’s the South Korean government made an effort to construct a lot of housings by improving legal systems and establishing the Korean National Housing Corporation and the South Korea Land Corporation. The government also established the National Housing Funds which were to assist all those who were going to construct or purchase housing. Consequently, 6.12 million public-funded housing units were built from 1982 to 1995. Since 1984, when The Rental Housing Act, was established, the State began constructing the public rental houses.

However, after five years of the lease hold started, the



Street scene from Seoul. PHOTO: MASTERFILE/IBL

million rental dwellings

tenants were scheduled to buy their flats. But, only few of the tenants made use of this “offer”, independent whether they lived in the public rental housing or in the private rental housing. Simply because they could not afford the price asked. The government encouraged the middle classes to construct or purchase their own dwellings.

Bad Housing Situation and Public Rental Housing

In Seoul, back in 1985, 41 % of the households² lived in one-room residential units. Many families rented a part of a detached house or very small flats and basements areas for living, sharing conveniences. Today many families live in “row houses” and in small apartment units in private houses. In 2000, 18.2 percent of the South Koreans lived in dwellings less than 46 m²(³). In Seoul an average of 3 persons occupy a 2-room (including kitchen) flat of 23-43 m². As many buildings and facilities of the public rental hous-

ing were very decrepit, they have turned into slums, having bad impact on the surroundings.

One-million-rental-housing-scheme 2003-2012

In 2003 the South Korean government started a scheme for the aim of constructing one million national rental units. This scheme aims at raising the rate of Public Rental Housing up to 15% of that of all housing.

The target group for this project are the less well off people, whose income are less than 70 percent of the annual household income for an urban worker, about 21 780 \$US in 2003. The lease term is 30 years.

However, in the first place, to obtain building lots for this scheme itself is a big issue, and the Korean administrative organ has exercised its powerful authority in urban development works.

For example, in 1990 the government carried out a drastic land policy in order to control the skyrocketing land prices. This had in fact much effect on the number of homeless people whose number had reached over 10 000 by 1997. Today there are about 5 500 homeless people in the whole country!

From quantity to quality

It seems now that the government intend to shift the emphasis of the South Korean housing policy from quantity to quality. However, the housing situation is still complicated and unsatisfactory, and also unfair and unreasonable. The South Korean tenants’ rights are few and toothless. The lease term is stipulated to 2 years according to The House Lease Protection Act. The tenant can not renew the contract without the landlord’s consent.

A lot of low-income tenants suffer from an extremely bad housing situation, and high housing costs might cause serious social instability in the future. The most important thing is to what degree the Korean people can carry out the proper housing policy based on the idea of protecting housing rights for the low-income tenants as a human right.

Fact and figures

In 2000 only 41 percent of the households in Seoul owned their dwelling, 41 percent consisted of Jonsei housing and 16 percent was Walsei housing⁴. In urban areas Jonsei housing often corresponds to 2/3’s of all housing. Notably is that in South Korea as a whole the proportion of homeownership has declined from about 80 percent in 1960 to 54 percent in 2000.

¹ Source: Information on South Korea, by Tosikazu Suto

² Source: National Census 1985

³ Source: Major Statistics of Korean Economy, 2002. Korean National Statistics office.

⁴ Seoul Development Institute



IUT and the European Council

As from January 1st, the IUT has participatory NGO status with the Council of Europe in Strasbourg, France.

The Council of Europe, set up in 1949, has 46 European member states, and its Assembly with 315 representatives meets four times a year in plenary session. These representatives speak in the name of 800 million Europeans. The Assembly must be consulted in all new international treaties up within the Council of Europe. The Assembly monitors the extent to which countries honour their obligations and commitments. The European governments, represented in the Council by the Committee of Ministers – are obliged to answer on any subject regarding democratic rights that are being brought up. The most impor-

tant instrument is the European Court of Human Rights and the European Convention on Human Rights.

NGOs and the European Council¹

Additionally, the Council has granted participatory status to 374 International Non Governmental Organisations, INGOs. When NGOs are granted this status, the steering committees, committees of governmental experts and other bodies of the Committee of Ministers, may involve the INGOs enjoying participatory status in the definition of Council of Europe policies, programmes and actions in particular by granting observer status to the Liaison Committee and to the INGO thematic groupings.

Housing and the Council

The Councils' Social Charter, article 31, stipulates "The right to Housing - With a view to ensuring the effective exercise of the right to housing, the Parties undertake measures designed: 1. to promote accesses to housing of an

adequate standard; 2. to prevent and reduce homelessness with a view to its gradual elimination; 3. to make the price of housing accessible to those without adequate resources".

Collective complaints²

INGOs with participatory status are entitled to lodge complaints of violations with the European Committee of Social Rights. The Committee examines the complaint and, if the formal requirements have been met, declares it admissible. Once the complaint has been declared admissible, a written procedure is set in motion. The Committee then takes a decision on the merits of the complaint, which it forwards to the parties concerned and the Committee of Ministers in a report. Finally, the Committee of Ministers adopts a resolution. If appropriate, it may recommend that the state concerned take specific measures to bring the situation into line with the Charter.

By Magnus Hammar

¹ For more information: www.coe.int/T/E/NGO/public/Participatory_status/_summary.asp#TopOfPage

² More info on collective complaints: <http://www.coe.int/T/E/Human%5FRights/Esc/>



Mrs Annelise Oeschger, President of the NGO meeting in January, together with Mr Claude-Laurent Genty.

Hutten-Czapska versus Poland

A very important judgement was delivered by the European Court of Human Rights on February 22. This case concerns a French landlord of Polish origin who owns a house in Gdynia, Poland. The property previously belonged to her parents.

The judgement concerns violation of the European Convention of Human Rights in the applicant's case, concerning the system of rent control in Poland. The Court held that there had been a violation of Article 1 of Protocol No. 1, Protection of Property, to the European Convention on Human Rights. Also, that the violation originated in a systemic problem linked to

the malfunctioning of Polish domestic legislation, which restricts rent increases. Finally through appropriate legal or other measures, Poland was to secure a reasonable level of rent to the applicant and those similarly affected (estimated at some 100,000 landlords) or provide them with a mechanism mitigating the consequences of State control over rent increases on their right of property. The Polish government should reply to the Court within six months.

Serious consequences

This verdict, if confirmed, will threaten housing for thousands of tenants. Not only in Poland, but in other CEE-

countries as well, as the verdict might serve as a precedent. A majority of the tenants living in houses which would be affected by such a verdict are low income households, often elderly with low pensions. A drastic increase of rents would have disastrous consequences. Evictions and homelessness will most certainly be the effects.

The IUT Regional Office in Ljubljana together with the Polish association of Tenants, PZL, is currently studying the case closely.

For comments and IUT standpoints, check: www.iut.nu

Mixed housing in Vienna a way of preventing segregation

By Magnus Hammar, IUT

After a waiting period of one year at most, people seeking accommodation in Vienna can move into one of 220,000 attractive council-owned flats. The lucky ones get their own roof-top terrace, or access to an indoor pool. And the rent? About 450 Euro a month for 80 square metres, excluding electricity and heating.

In November 2004, the UN-ECE and the City of Vienna gathered some 300 members of national and local government, research groups, and tenants' organisations to discuss the future social rental market in Europe.¹

The UN presented its "Guidelines for Social Housing", which were devised chiefly to provide support in developing a future social housing market in eastern Europe. Countries in western and southern Europe may also need to review their previous and current housing policies, which have sought to give priority to owner-occupied housing.

Mixed forms of tenure in Vienna

Much of the discussion came to focus on how the state and the local authority can prevent increased segregation both between and within areas of housing – a problem that all towns seem to struggle with. One of the methods used in the City of Vienna is to go for mixed tenure. In one and the same housing block, some tenants can rent at a reduced price (social housing) if their income is less than 25 000 Euro per year, others pay rent at the market price, whilst a certain number may own their flats. Irrespective of the form of tenure, all residents have access to the common facilities and utility areas. The local authority representatives said that very few complained over this arrangement.

However, the Austrian tenants' association, the MVÖ, has certain reservations about mixed tenure. The MVÖ believes that far too many different interests have to be reconciled in just one building, both emotionally and legally speaking. This form of tenure also entails difficulties of a purely administrative nature such as fixing rents.

Another method of preventing segregated areas of housing is to allow tenants to remain in their accommodation even if, after some years, they find themselves earning more than the original maximum earnings figure. This policy can be considered unfair, but is generally accepted in Vienna. The same policy is also used in the Netherlands and in England.

Many of us were surprised by the beauty of the architecture of the buildings and the quality standard in relation to the low rents. This is partially explained by the fact that part of the tax revenue collected nationally is earmarked for the construction and renovation of buildings. The State then distributes the funds amongst the nine regions. As a result, Vienna receives 500 million Euro every year towards the construction sector. Construction companies can apply for a 30 per cent contribution toward a new building or restructuring project.



Social Housing at Anton Baumgartnerstrasse 129, with 54% native Austrians and 45% immigrants from 17 countries.

Moreover, by virtue of the mixed forms of tenure, the construction company can sell the most attractive apartments in newly-built blocks at premium prices.

Influence of the tenants

Tenants living in social housing elect a number of their neighbours as members of a contact group, which in turn conducts discussions with the local authority. These tenants can decide for themselves the level of standards and then have a new rent set, when renovation work is carried out. But they do not negotiate over the rent. Also in private rented flats the tenants have a veto in questions relating to the internal fittings, such as whether or not they want a new oven or a new bathroom – with the consequence that the rent is increased.

Tenants in social housing also carry out social monitoring of each other. Graffiti and vandalism result directly in higher rents, which everybody wants to avoid.

¹ <http://www.socialhousing2004.at/en/home.htm>



IUT and EU Housing Ministers in Prague

On March 14-15 the Czech government hosted the 16th EU Housing Ministers Conference. The conference gathered some 20 Ministers and other representatives from all 25 EU states, plus four from the applicant countries, including Turkey and Croatia. IUT was one of four NGOs to speak.

The theme was Sustainable Refurbishment of High Rise Residential Buildings. This theme is of great concern to all EU members states, but perhaps most acute in the 10 new member states in central and east Europe where approximately 60 percent of all dwellings are in need for repairs.

IUTs intervention of course emphasized that the majority of the people in high-rise are tenants and stressed the importance of tenant participation before and under rehabilitation, and urged the governments to establish mechanism that will ensure this participation. Also, the IUT mentioned the importance of re-establishing the rental housing stock, particularly in the EU 10, central and east Europe. Europe needs a variety of housing.

There are about 95 million multi family flats in Europe, which corresponds to almost 50 percent of the total housing stock in the present EU, and one third of these are in high-rise, > 4 floors. The costs for the rehabilitation of these houses are

very high. Approximately 320 billion euros (426.1 billion dollars) is needed to renovate post-World War II apartment blocks across the European Union. This is why the EU Commission defends itself from any attempts of using the EU structural funds for this purpose. This was repeated again in Prague.

But, in spite this position, the EU Ministers agreed to send a letter to the EU Commission where they express their willingness to explore the possibility of using EU funds to benefit housing – especially in relation to energy efficiency. Thanks to the delegations from Sweden, the UK and Ireland the Final Communiqué came to include a paragraph in which the Ministers confirmed that in order to achieve best results in the implementation of sustainable refurbishment, it is important to involve the stakeholders, the residents.

The IUT statement, the Ministers' Communiqué etc, are all available on www.iut.nu

TANZANIA: Tenants fight for affordable rents

The crescendo of criticism by tenants of the National Housing Corporation against the planned hike in rents increased in direct proportion to the Corporation's insistence that the increases set for January 1, 2005 will be implemented – come Hell or high water. NHC is sticking to its guns following its announcement last month that rental for commercial premises will go up by 30 per cent, while those for residential buildings will jump by 20 per cent.

The Corporation's tenants, however, have completely different ideas. Speaking to Business Times in personal interviews in Dar es Salaam in October, some of the tenants said the new rents are too high for them to afford, and enforcing the increases will be tantamount to trying to get blood out of a stone!

The chairman of Tanzania Tenants Association (TTA), Ludger Bernard Nyoni, called upon NHC to suspend its decision, and enter into a consultative dialogue with its tenants in an effort to arrive at an amicable solution.

Nyoni – who also chair of the International Union of Tenants, Focal Point for Africa – said the increases are too high for the tenants, considering that most of them are lowly paid public servants. TTA has threatened to take further legal action against the rent hikes, with a view to convincing the courts to suspend application of the new rents until the case it filed at the High Court in 1999 is determined.

Source: Tanzania Business Times, October 23, 2004

Slow, but fair..!

The High Court has stopped the National Housing Corporation from hiking rent pending a hearing and main suit of 1999.

Source; The Tanzanian Guardian January 3, 2005

SERBIA: Housing Centre in Belgrade

The Association of Tenants from Serbia and Montenegro, together with the IUT and support from the Olof Palme International Centre, will initiate a project aiming at setting up a Housing Centre in central Belgrade. This will be a service centre open to the public who has inquires about housing in general; such as rents, legal rights, tenancy agreements, where to look for a flat, etc. The Centre will co-operate with other consumer and human rights organisations.

More info from: ragush@EUnet.yu

GERMANY: Privatisation of Public Housing

Germany's largest public housing owner, the GAGFAH, has sold its housing stock because of serious national budget problems. GAGFAH is owned by the public national pension funds and owns 81 000 flats in Germany. The stock was sold to a private US-pension company. Last summer another US company bought 60 000 flats from the GSW, Gemeinnützige Siedlungs- und Wohnungsbaugesellschaft, one of the major public housing companies in Berlin.

The German Tenants' Union, DMB, was able to enlarge their influence concerning all issues in relation to the social rent law, ensuring strong individual rental agreements and protection against notices to quit.

"Together with the government we managed to make a pretty good deal for the tenants living in the GAGFAH houses" says Barbara Litke at the DMB.

Source: DMB e V