

Secure occupancy in rental housing: A comparative analysis

Country case study: The Netherlands

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Foreword

This country case study report was produced by OTB Research Institute for the Built Environment in January 2010 for the Australian Housing and Urban Research Institute (AHURI) project entitled Secure occupancy in rental housing: A comparative perspective. The study was led by Kath Hulse and Vivienne Milligan with Hazel Easthope. OTB's contributing report is one of eight country cases which formed the empirical basis for the final peer reviewed report, which can be downloaded from <http://www.ahuri.edu.au>: Hulse, K., Milligan, V. and Easthope, H. (2011) *Secure occupancy in rental housing: conceptual foundations and comparative perspectives*, Final Report, Australian Housing and Urban Research Institute, Melbourne.

The four case studies produced by OTB for AHURI, concerning Germany, Austria, Flanders and the Netherlands can be downloaded from <http://repository.tudelft.nl/>.

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The Netherlands

Part A: The context for rental housing in the country

A1 General

Central and local governments have long played an important role in the promotion of affordable rental housing - via the provision of public loans and favourable development sites. Today, this country boasts one of the largest social housing sectors in Europe. However social rental housing is no longer the favoured tenure in policy circles and is declining as a proportion of all dwellings, lagging behind tax privileged owner occupation as the most preferred tenure.

Overall, the housing market in the Netherlands suffers from a scarcity of higher quality dwellings, which in part has promoted a drift towards home purchase, where newer dwellings are more spacious and luxuriously appointed. In the context of more accessible mortgage credit provision during the 1990s, amidst a scarcity of quality dwellings (also in the social sector), the Dutch housing market experienced sharp increases in housing prices. However, there remain strong regional differences in housing and labour markets. In areas with limited employment opportunities and weak housing demand there remains a surplus of higher density rental apartments. In the Northern provinces social landlords are often confronted with vacancies and even confronted with the need to demolish unrentable stock. Conversely there are long waiting lists for similar dwellings in cities such as Amsterdam, Rotterdam, The Hague and Utrecht.

The rental market in the Netherlands is dominated by the social rental sector, with the private for profit segment comprising 11% only of all rental stock. The social sector has its organisational roots in the municipal and non-profit private association sector and has a long history of government support in the form of supply subsidies. In the past the government provided privileged access to low cost land as well as tax exemptions. However, these advantages have all been gradually withdrawn since the mid-1990s.

Not for profit social landlords are now reliant on private funding to continue to their task of providing broadly accessible accommodation, which has become increasingly focused on lower income households. The provision of decent quality, affordable housing to lower income tenants, who may have a weak position in the housing market, is now their primary task. Under social performance standards, regulated through local agreements and enforced by central government, they are also obliged to ensure quality living environments, consult with tenants and ensure the availability of appropriate services, as well as maintain a secure financial position.

Rents are regulated across all segments of the market under a government determined quality/price range and valued according to a centralized point system. The Minister for Housing decides on the maximum allowable rent increases each year, which for housing associations can differentially apply across their portfolio. In the past this has been above the rate of inflation (+0.4%), to allow social landlords to adapt to their new financially independent status. Now rent increases are matched with the rate of inflation.

Rent setting continues to be field of policy tension and experimentation, as some providers seek to balance their social task amidst pressure to exploit dwellings of high market value and scarcity for greater financial return. As part of this dynamic process, asset management practices are becoming much more attuned to market movements, again to secure a greater financial return in the context of

financial independence and substantially reduced government support (Nieboer and Gruis, 2004, Lawson and Nieboer, 2009).

A1.1 Size of the rental sector in private dwellings and households

As mentioned above, owner occupation has overtaken renting as the dominant tenure in the Netherlands housing market. Within the rental sector, private renting declined in market share between 1975 and 2000. Since then social renting has declined more rapidly from 38% in 1995 to 32% in 2008 and the share of the private segment has been stable at 11% since 2005. Actual figures are provided below in Table 1.

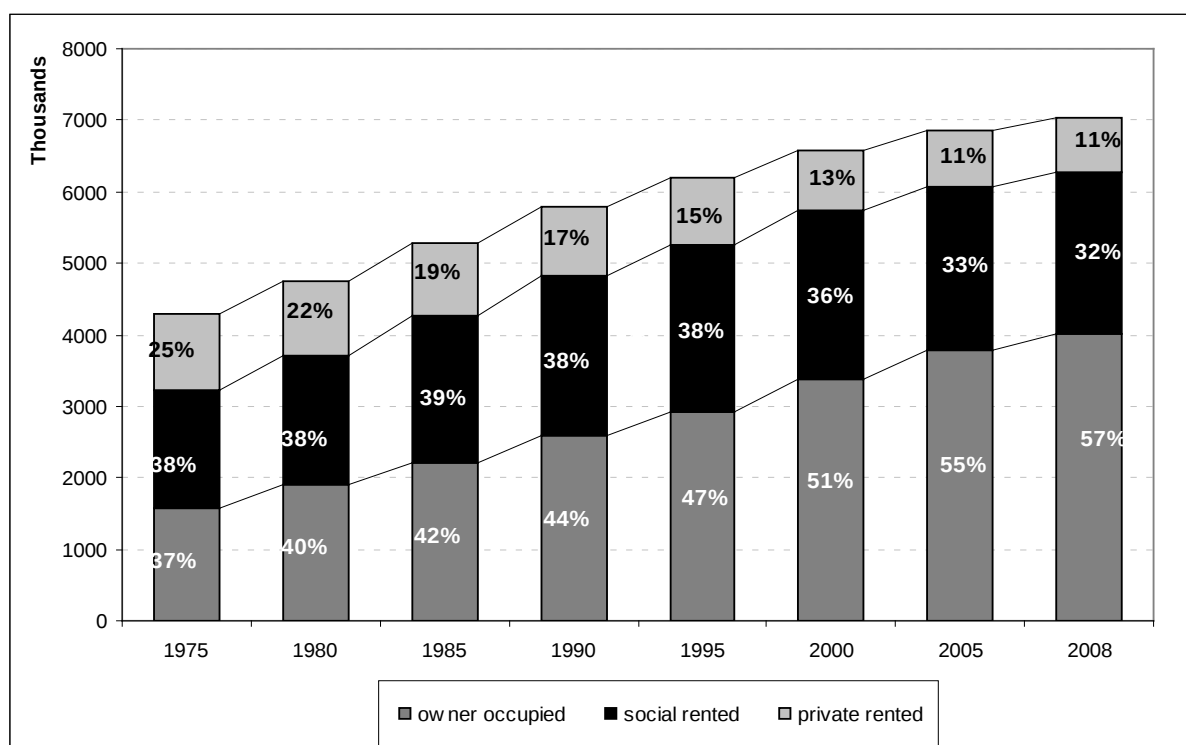
Table 1 Tenure movements in the Netherlands 1975 - 2008

Tenure/ dwellings	1975	1980	1985	1990	1995	2000	2005	2008	% 2008
Owner occupied	1573772	1909353	2217215	2579718	2930766	3387423	3784926	4021451	57
Social rented	1644013	1797853	2054980	2233692	2328793	2352711	2293993	2251401	32
Private rented	1062956	1039879	1017126	988952	932363	849526	779800	755754	11
Total	4280741	4747085	5289321	5802362	6191922	6589660	6858719	7028606	100

Source: ABF Research - Systeem woningvoorraad (Syswov) adapted by OTB

The Figure (1) below illustrates the above data, clearly demonstrating the rise of home ownership in the Netherlands over the past three decades.

Figure 1 Number of dwellings by tenure 1975-2008



Source: ABF Research - Systeem woningvoorraad (Syswov) adapted by OTB

It is important to note that the tenure distribution in major cities varies significantly from the national aggregates above, as demonstrated by the four major cities below:

- In Amsterdam the stock is 381,800, of which 51.8% is socially rented, 27.7% private for profit or commercially rented and 20.5% owner occupied).
- In Rotterdam the stock is 287,260, of which 52.1% is socially rented and 21.5% commercially rented and 26.4% owner occupied.
- In Den Haag the stock is 230,625, of which 34.9% is socially rented and 21.3% commercially rented. 43.8% of dwellings are owner occupied.
- In Utrecht the stock is 120,804, of which 38% is socially rented and 14.4% commercially rented. 52.4% are owner occupied in Utrecht (Woonsurvey 2006, provided by Woonbond, 2009).

A1.2 Policy settings for rental housing

Supply side subsidies

Since the 1950s housing supply in the Netherlands has been strongly supported by public policy, with subsidies distributed by national governments and also, within a national framework, by the provincial and local levels of government. Significantly, Dutch housing policy gave equal treatment to both the private and social sectors, which received operational subsidies for many decades. These subsidies were later supplemented by premiums for more expensive dwellings and one off grants to enhance accessibility and address local differences in construction costs.

There were various forms of large-scale object subsidies for housing production in both the rented and ownership sectors. During the 1970s and 1980s, rental premiums were paid to social landlords to compensate for the difference between the cost price and the actual rent paid by tenants. These operating subsidies ended in the 1990s.

In 1995 all future subsidy obligations and outstanding public loans were balanced, cutting the ties between the government and social housing providers, leaving many associations in a sound financial position but shifting the operational risk in their direction. Alongside other supply factors, including reduced preferential access to land, this led to a decline in social housing construction as proportion of all housing starts. Since 2005 almost all forms of supply side subsidies have ceased for both segments of the rental sector, with the exception of performance based payments to meet specific local housing targets and less direct forms of assistance as described below.

Despite these significant changes, other forms of promotional assistance persist in the social rental sector. These include the subsidies to ensure the discounted price of land transferred to associations by local government land companies. Today, modest supply side assistance continues to be channelled via municipalities and in 2009 amounted to Euro 136 million (Cijfers over Wonen, Wijken and Integratie 2009).

Indirectly the government also supports a guarantee established in 1983 to reduce the cost of private borrowing by social landlords on the capital market. Despite this assistance, the level of social housing production declined in the 1990s and early 2000s and the housing shortage grew. However, production levels have gradually increased again, in the context of a weaker ownership market.

Demand side subsidies

While supply side subsidies have largely disappeared, demand side subsidies continue to be available for tenants and have grown in importance. Since 1975, an initially temporary system of rental subsidies was introduced for tenants in the social and private rental segments.

The rent setting regime is regulated and maximum rents are nominated by the government according to certain standards with increases currently indexed to inflation for 2007-2010, which is a low 1.1 per cent. In 2009-2010 all dwellings with rents under €647 per month are subject to this control.

This nominated rent system covers 95 per cent of Dutch dwellings as only expensive dwellings are exempt. The Housing Appraisal System (*Woningwaarderingssysteem*) is used to measure quality and concerns the size of the dwelling, quality of the environment, amenities in the dwelling and the build-quality of the property. The rent is not related to household characteristics.

On the basis of the point system above, a maximum eligible rent can be calculated. In principle, rents can only be changed on July 1st of each year. The government decides each year the maximum rent increase in terms of percentages. Currently, this is based on the rate of inflation.

Following a period of very rapid growth in the 1990s, expenditure on rent subsidy has stabilised in the 2000. However the number of recipients declined considerably as income ceilings reduced the eligible tenants from 1.05 million households in 1999 to 962,000 households in 2009. Today, rental assistance is the largest remaining housing expenditure in the Netherlands, consuming 2 billion Euro in 2009. However, the size of this expenditure should be considered in light of the untargeted indirect subsidies available to all home purchasers via mortgage interest tax deduction. In 2009, it is estimated that this cost the government a considerable 15.5 billion Euro in foregone revenue. Amidst a major review of public expenditure and revenue in 2010, this very popular but costly feature of the Dutch housing system is under close scrutiny and reforms are anticipated in 2011.

A1.3 Sub-sectors in the rental sector

The rental sector comprises two segments, consisting private rental 12% and social rental 35%. Landlords in private rental sector, dominated by pension funds¹ as well as small scale individual investors, provides both regulated rent dwellings (under the quality rent cap) and free market dwellings above the rent cap, the level of which is determined centrally.

Virtually all social housing (more than 99 percent) is procured and managed by housing associations, which are private organisations registered under the Housing Act which aim to ensure that a number of social tasks such as housing lower-income households, are fulfilled. The remaining half percent of the social rented homes are owned by municipalities. Municipal provision has largely been privatised since the 1990s, a process accelerated by capital market financing arrangements and public borrowing limits.

A1.4 Role of rental sub-sectors in the housing market

Analysis of the different role of social, institutional and individual private landlords in the rental market has been undertaken by Elsinga et al, (2007:74-77). All landlords are subject to the same rent regulations (the point system for setting rents) and tenancy conditions. Thus appreciating the space/quality attributes of dwellings offered by each sub-sector of the rental market is important to understanding of its role in the housing market.

Analysis of Housing Need Research data for 2002, demonstrates that there are some differences in the *form* of dwellings provided (apartments or row houses), however in all segments apartments are the

¹ Professional private landlords manage these dwellings.

dominant housing form, with institutional investors such as pension funds and insurance companies tending to invest in a greater proportion of larger single family dwellings. Consequently, this latter segment offers more expensive rental dwellings than both the social and individual landlord segments. Social landlords offer both apartments and single dwellings with a range of rent levels, however low to middle range price classes dominate their stock.

Single person households dominate every segment of the rental sector and especially in the private individual investor segment. However, the social rental sector accommodates a greater proportion of single and dual parent families than the other segments. In terms of the age of the head of the household, the social sector also accommodates an older population, especially compared with the private individual segments, where households under 30 years predominate. Differences in the household income of tenants can also be found across each segment of the rental market, reflecting allocation and price characteristics. The income profile of tenants in the individual private and social sector vary very little, with greater proportions of low and middle income households than dwellings let by institutional investors.

A2 Rental dwellings

A2.1 Composition of the rental sector by dwellings type

As mentioned in section A1.4, apartments in multi story buildings and terraces of single family dwellings are the most common forms of rental dwellings in the Netherlands. However, there are important shifts in housing form, towards better quality, larger single family dwellings in new outlying urban areas (known colloquially as VINEX locations) and commuter settlements. Since 1994, these areas have been developed by project developers and housing associations. However there is now a limit of 30% on the proportion of social rental housing in each new estate.

The private for profit rental segment has generated a declining number of single family row houses and apartments since 1975. Social landlords have gradually increased their production of a range of dwellings for the same period – including dwellings for sale being from a very low base (see table 3). Notably, the supply of single family dwellings (typically in terrace form) for *owner occupation* has increased dramatically since 1975, surpassing the production of all rental dwellings, both apartments and single family houses. The following Table 2 details the supply of dwellings for each tenure/form category.

Table 2 Supply of dwellings by tenure 1975-2008

Supply of dwelling type by tenure	1975	1980	1985	1990	1995	2000	2005	2008
Total supply	4280741	4747085	5289321	5802362	6191922	6589660	6858719	7028606
Owner occupied single family dwellings	1467346	1757718	2029055	2368165	2682684	3039980	3320972	3470653
Private rental sector single family dwellings	527062	508103	486891	467646	429405	397220	362442	348679
Social rental sector single family dwellings	934089	1038509	1173304	1240694	1265860	1231923	1195764	1175666
Supply apartments	1352244	1442755	1600071	1725857	1813973	1920537	1979541	2033608
Owner occupied apartments	106426	151635	188160	211553	248082	347443	463954	550798
Private rental sector apartments	535894	531776	530235	521306	502958	452306	417358	407075
Social rental sector apartments	709924	759344	881676	992998	1062933	1120788	1098229	1075735

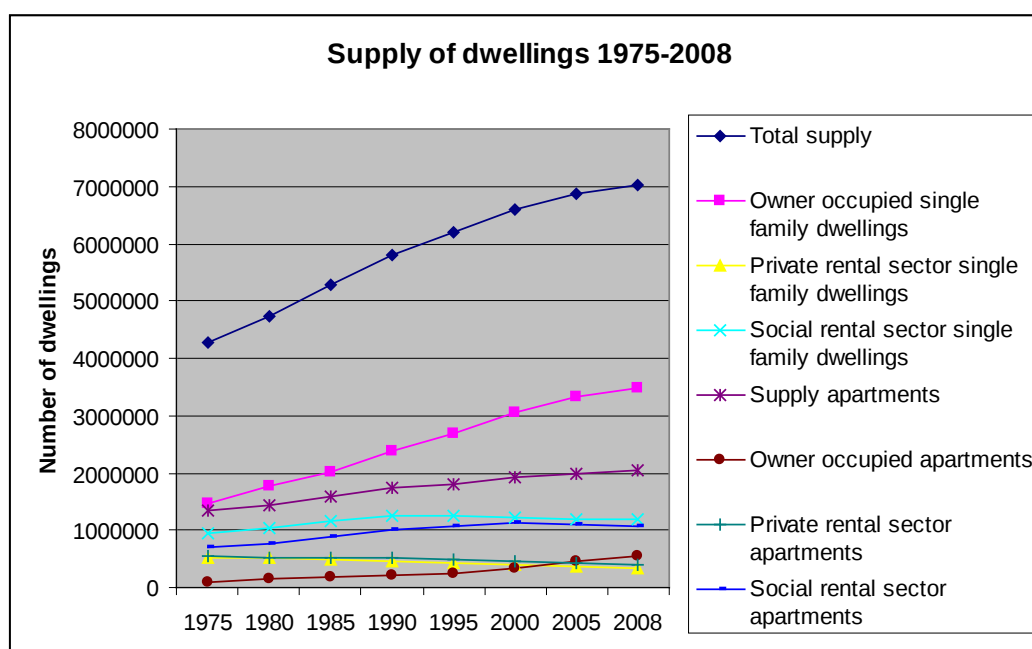
Source: ABF Research - Systeem woningvoorraad (Syswov) adapted by OTB

Housing associations are allowed and indeed encouraged to sell dwellings, since the promotion of home-ownership is a key plank of housing policy - although the extent to which this policy is imposed has varied over time. Given their financial self reliance of social landlords, their sales strategies are often motivated by their own reinvestment strategies. Since the abolition of the 'brick-and-mortar' subsidies in the 1990s, housing associations are more or less forced to sell off homes, from either new-building or the existing stock, as the production and renovation of rented homes often leads to operating deficits.

A2.2 Purpose built rental housing

As mentioned in section A3.2, the development of purpose built rental apartments and houses by the private sector has gradually declined over the past three decades. Social housing organisations have continued to build, although the volume they produced gradually declined from 1990 as illustrated by Figure 2 below.

Figure 2 Supply of Dwellings 1975-2008



Source: ABF Research - Systeem woningvoorraad (Syswov) adapted by OTB

More recently, total production levels by housing associations demonstrate a varying pattern, first declining from 72,958 homes in 2001 to 59,629 homes in 2003, followed by a gradual increase to 80,193 homes in 2007. Despite public criticisms, the number of dwellings procured by housing associations has actually doubled since 2001 – catering for both renters and purchasers (see Table 3). However, this contribution to overall supply is largely cancelled out by a high rate of rental demolition. This has accelerated in both low and high demand areas. Typically, older low cost rental stock has been redeveloped to make way for a mix of tenures, such as ownership.

Table 3 Number of dwelling units produced by Dutch housing associations and total number of dwellings produced in the Netherlands, 2001-2007

Tenure / Year	2001	2002	2003	2004	2005	2006	2007
For rent	12,600	13,600	13,800	18,800	21,800	24,700	25,200
For sale	3,600	5,200	5,100	6,300	7,200	7,900	8,500
Total produced by HAs	16,200	18,800	18,900	25,100	29,000	32,600	33,700
All dwellings produced	72,958	66,704	59,629	65,314	67,016	72,382	80,193

Sources: for figures on social housing CFV (2006 and 2008), for figures on all dwellings <http://statline.cbs.nl>

A2.3 Ownership structure of rental stock

The social rental stock is owned by registered private non-profit associations (99%) and a small number of remaining municipal companies (1%). The private for profit rental stock is owned by individual landlords (42%); institutional investors (24%) such as pension funds, insurance companies and property investment funds; building companies and project developers (16%), social landlords active in this market (12%) as a variety of other landlords (6%) (Elsinga et al, 2007:74).

A2.4 Quality issues and strategies to address them

According to research by Thomsen and van der Flier (2007) the quality of the housing stock varies according to building period, tenure and dwelling type. In all building periods the mean quality of the owner-occupied part of the stock roughly equals the quality of the social rented stock. However, the mean quality of older parts of the private rental stock lags behind (Table 4).

Table 4 Mean quality of dwellings (1.0 is excellent; 6.0 is very bad) according to building year, tenure and dwelling type (Thomsen and van der Vlier, 2007)

Tenure	Owner-occupied		Social rental		Private rental	
Building Period/dwellings form	single family	multifamily	single family	multifamily	single family	multifamily
Before 1945	3.02	2.90	2.91	2.81	3.29	3.17
1946-1970	2.83	2.76	2.79	2.69	2.98	2.77
1971-1990	2.62	2.61	2.58	2.51	2.67	2.55
After 1990	1.91	1.86	1.85	1.86	1.84	1.83

Source: KWR 2000 in Thomsen and van der Flier (2007)

Closer examination reveals that the proportions of substandard dwellings in the pre-war part of the owner-occupied and private rental stock are much higher than in the social rented stock (Table 5).

Table 5 The Dutch housing stock; dwellings in substandard condition according to building period, tenure and dwelling type (%)

Tenure	Owner-occupied		Social rental		Private rental	
	single family	multifamily	Single family	multifamily	single family	multifamily
Building Period/dwellings form						
Before 1945	12.8	9.7	5.3	5.9	27.6	21.5
1946-1970	4.1	4.1	3.5	1.3	8.2	4.4
1971-1990	0.6	0.0	0.5	0.1	2.8	0.4
After 1990	0.0	0.0	0.0	0.0	0.0	0.0

Source: KWH 2000 elaborated in Meijer and Thomsen (2006)

Social rental stock is primarily in good physical condition; however older dwellings built in the immediate post-war period are less likely to meet contemporary living standards. According to Straub and Vijverberg (2004) improvements to post-war multifamily houses have been limited to the fabric of the building blocks (e.g. insulation), entrance halls, stairwells and communal facilities such as central heating systems, with some changes to the level of equipment and finishing of the dwellings themselves (Straub, 2001). Their research of renovation strategies found that there were few changes to interior volumes or the layout of the building's interior, or any measures to enhance housing differentiation (Straub and Vijverberg, 2004:38-44).

Typically social landlords employ planned maintenance strategies, identifying the technical conditions of building blocks and prioritizing their urgency (Nieboer and Gruis, 2004:196). However, these plans are increasingly influenced by market considerations and asset management has become a more complex and professionalized task. The financing and regulatory changes outlined earlier, and the perceived over supply of small inexpensive rental apartments and demand for larger quality dwellings have transformed the focus and asset management practices of Dutch social landlords. Due to reduced government support, they now operate in a far more market-oriented way, responding to demand, exploiting the buoyant housing market and pursuing more profitable strategies. Wholesale demolition of older sub standard rental housing blocks and their replacement with mixed tenure higher quality dwellings has become increasingly common - particularly in high value locations.

Since the financial reforms in the 1990s, associations have focused on the production and exploitation of not only cheap dwellings, but also more expensive dwellings in both the rented and the owner-occupied sector, encouraged by coalition governments that perceived that the supply of cheaper rental dwellings in the market was excessive (VROM, 2000 in Gruis and Nieboer, 2004).

At the same, the allocation of stock to low-income households has become a political issue. This has occurred in the context of a growing popularity of purchasing a home, which better-off tenants could afford. Moreover, sale of dwellings has become a necessity to finance re-investment strategies, which are frequently applied in restructuring neighbourhoods. This partly explains the considerable shift in tenure in these areas, alongside shifting political ideas concerning social mix in deprived neighbourhoods (Kleinhaus, 2004 in Lawson and Nieboer, 2009).

A3 Households who rent their accommodation

A3.1 Profile of households in rental housing in different sub-sectors

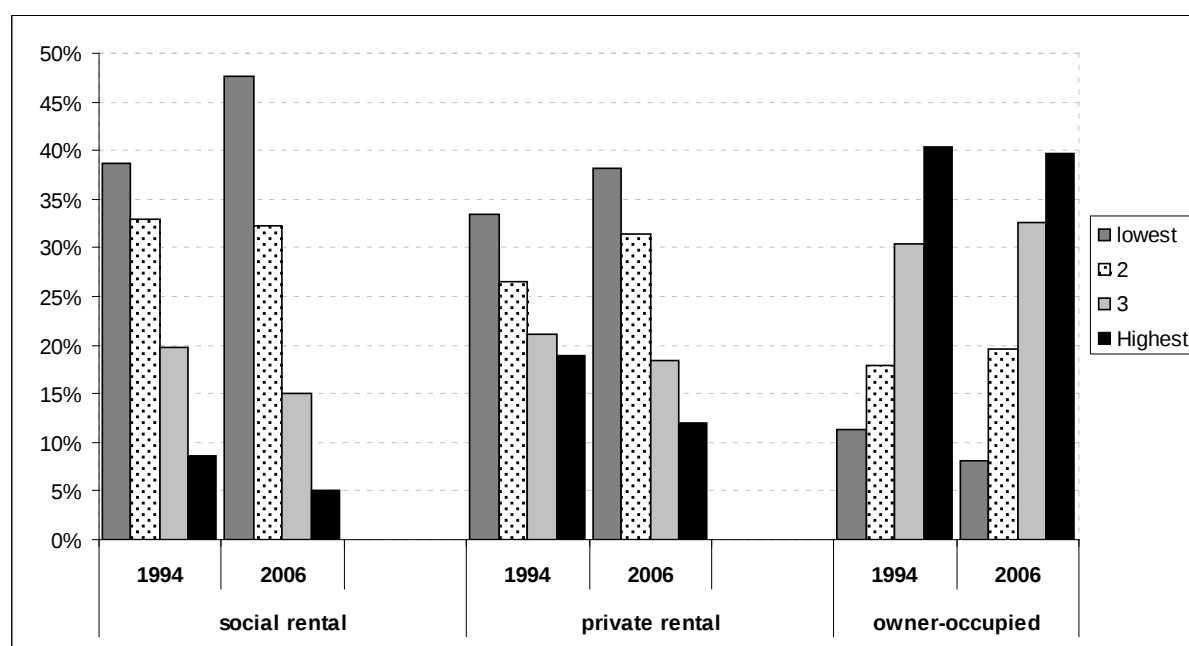
As can be seen from the table and figure below, the rented sector and especially the social rented sector is accommodating an increasing proportion of the lowest income households in the Netherlands, while the owner occupied sector provides dwellings for those in higher income categories. The EU Commissioner for Internal Markets has pressured the Netherlands to target to social rental dwellings even more closely towards lower income households and significantly reduce its overall market share. (currently 32%).

Table 6 Number of households by income quartile and housing tenure

Income	Income quartile	Lowest 1	2	3	Highest 4	Total
Tenure	social rental	1139833	773563	358106	123194	2394696
	private rental	188832	155141	91369	59174	494516
	ownership	307119	745354	1236788	1507424	3796685
Total		1635784	1674058	1686263	1689792	6685897

This drift towards lower income households in the private and social rented sector is clearly demonstrated by the Fig. 6, taking place due to a range of push and pull factors.

Figure 6 Income quartiles by tenure 1994 and 2006



Source: WoON 2006 / OTB Research Institute for Housing, Urban and Mobility Studies.

A3.2 Position of lower income households in the rental market

Although the Social Housing Management Decree (known as the BBSH) stipulates that housing associations must give priority to accommodating households with a weak position on the housing market (mainly lower-income households), housing associations are allowed to provide dwellings for other target groups and to deliver high-rent or owner-occupied housing. A national restriction is that relatively cheap homes must be allocated to low-income households. At the local level, many associations work together with municipalities to manage distribution systems, each with its own allocation criteria

(Lawson and Nieboer, 2009). In Rotterdam, there are some housing associations that are allocating cheap dwellings to relatively high income applicants to promote social mix and strengthen the socio-economic profile of disadvantaged neighbourhoods.

The actual income and employment position of households in different tenures is provided in the tables below.

Table 7 Housing stock according to socio-economic position and ownership category, the Netherlands, 2006

	Owner-occupier	Rented dwelling			Total
		Total	Social	Market	
Income from employment	77	50	48	59	65
Unemployed	1	11	12	6	5
Retired	19	31	32	29	24
Other	2	8	8	6	5
Total	100	100	100	100	100

Source: *W%ON 2006* / OTB Research Institute for Housing, Urban and Mobility Studies.

As can be seen above, tenure in the Netherlands is socio-economically differentiated. The rental sector accommodates a much higher proportion of unemployed and retired households than the ownership segment. Table (8) below, reinforces this picture, revealing a tenure polarised distribution of household incomes.

Table 8 Housing stock according to income group (disposable income) and tenure, the Netherlands, 2006

	Owner-occupier	Rented dwelling			Total
		Total	Social	Market	
Less than €12,000	4	20	20	18	11
€12,000 – €18,500	9	33	34	28	19
€18,500 – €25,000	14	22	22	21	18
More than €25,000	73	26	24	33	52
Total	100	100	100	100	100

Source: *W%ON 2006* / OTB Research Institute for Housing, Urban and Mobility Studies.

It can be said that from the above, that both segments of the rental sector play a key role in providing accommodation for low income households. The social sector in particular accommodates the unemployed, retired and households with a low income.

A3.3 Capacity to pay for rental accommodation amongst low income households

OTB has undertaken detailed research for the central government on the development of housing expenses between 2002 and 2006 (Haffner et al, 2009). This research found that the cost of living in a rental and owner occupied dwellings grew considerably in the first half of the 2000s. An important explanation for this is the low growth of average disposable income amongst home owners and the decline of this income amongst renters, as a consequence of lower economic growth. Further more, housing related expenses, especially energy costs, rose sharply over this period.

Focusing on the rental sector, the basic rent between 2002 and 2006 increased by 13 %. This was only partly compensated by housing allowances. However it is housing related expenses, which comprise

approximately one third of housing costs, that have risen most rapidly (37%) in the rental sector. (Haffner et al, 2008:2). The greatest increase was in gas and electricity, while the cost of water remained the same and local taxes declined.

As indicated in A3.1, available household income varies significantly between the rental and owner occupied sectors being an average of €36.800 in the ownership sector, which is almost 1,8 times higher than the rented sector (€20.600). While housing costs are lower in the rental sector, the proportion of income spent on housing is higher over a sustained period, due to this substantially lower income. This income is often fixed or has limited capacity for growth, due to the high proportion of elderly and single person households (Haffner et al, 2008:4).

In the rental sector, households spend an average of 26% on their housing costs (Haffner, et al, 2008:6). However 40% of renting households spend less than 24% and 35% spend more. Of this latter group, single person households and older people are overrepresented (respectively 76% and 33% of the target group paying more than 26%, whilst being 49% and 29% of all renters, WoON 2006, OTB-calculations, see Table 4.8:45 below. The following figures are net of other expenses and after housing allowances.

Table 8 Selected characteristics of all households with net housing expense ratio more than 26% in 2006

2000

	Target group		All renters
	Rent above		
	26%	total	
Composition of household			
Single person household	76	56	49
Group household without children	9	21	20
Group household with children	15	23	32
Total	100	100	100
Age			
tot 23 year	7	5	3
23-44 year	33	36	37
45-54 year	13	13	16
55-64 year	14	12	15
65 year or older	33	34	29
Total	100	100	100
Recent moved			
Starter	8	7	5
Semi-starter	5	5	4
Flow through	12	10	11
Staying sitting	75	78	80
Total	100	100	100
Type landlord			
Social landlord	83	85	80
Private landlord	17	15	20
Total	100	100	100
Totaal absolute (x 1.000)	617	1.331	3.004

Source: WoON 2006, OTB-adaptation in Haffner et al, 2008:45

The government continues to assist households with their housing costs via a system of rent allowances, which is discussed in A3.4 below. However, capped income limits have meant that over time whilst rents have risen fewer households are able to access this resource. Further, there is pressure to

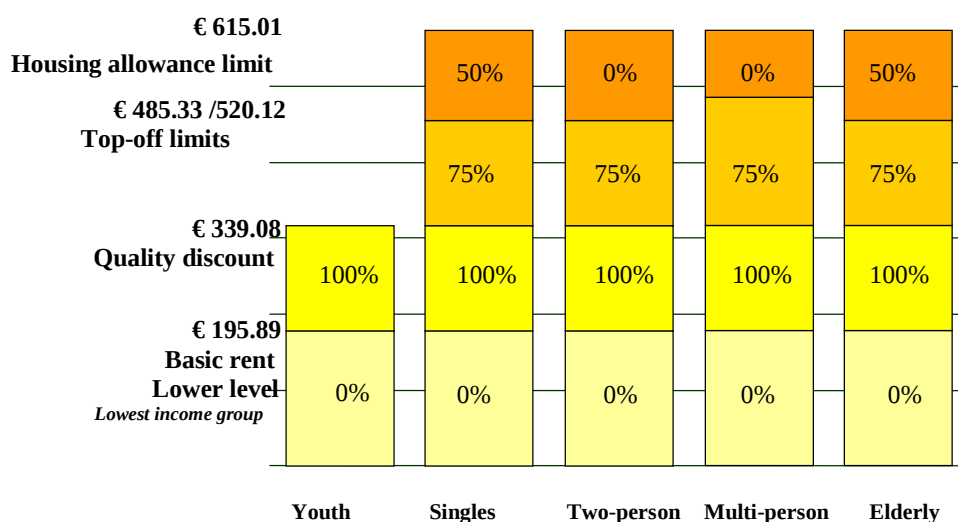
cut 20% to public expenditure in 2010 and direct expenditure in the form of housing allowances (almost 2 billion euro per year) are being scrutinized.

A3.4 Eligibility criteria for subsidies for renting households

Housing allowances have been provided in the Netherlands since the mid 1970s and today they are allocated to around 30% of all tenants. Rental allowances aim to promote affordability and prevent residential segregation and are available to tenants in social and commercially rented dwellings. The level of housing allowance depends on a household's income, rent and composition. All tenants must pay a basic lower rent and above this allowances are differentiated by household type up to an annually defined limit by the central government.

The allowance has various bands, as illustrated by Figure 8. The first covers the difference between the basis rent, the second up to a defined quality limit for decent housing. Further, there is a top up for all households except young people, finally singles and the elderly are eligible for a further top up to a maximum as described in Figure 8.

Figure 8 Housing allowance system, percentage of the rent covered by housing allowance within the set limits, the Netherlands, 2006-2007



Source: VROM 2006; adapted by OTB in Haffner et al 2009).

Rent assistance is only available to households occupying dwellings under a certain price limit, determined according to the government defined point system for quality and space. This limit was raised to €647.53 from July 2009 and for singles under 23 years the rent must now be under € 357.37 in order to receive an allowance. Soon after financial independence, rents in the social sector have rose rapidly. During this period, the average percentage of household income spent of rent rose from 19.7% in 1990 to 23.9% in 2002 and is now 24%. Including housing related expenses, which have risen even more sharply, total housing and related expenditure for renters has risen from 33% in 2002 (MVRM, 2004 in Elsinga et al 2007:80) to 37% of household incomes in 2006 (Haffner et al, 2009:2)

Furthermore, in response to the EU Commissioner for Internal Markets and Competition, from April 1 2010 only households below 33,000 Euro household income limit can be allocated a social rental dwelling.

Waiting time for social housing varies considerably, but is always several years in major cities. There are instances in very popular districts/housing types, such as Amsterdam, where up to 15 years has become the norm (Woonbond, 2009).

A3.5 Differences in access to allowances across rental sub-sectors

As mentioned above, housing allowances are available to tenants in social and private rental dwellings, which are rent regulated up to the quality standard of €647 per month. This assistance varies according to by a tenant's age and household type. Most dwellings fall under the rent regulated quality cap according to the point system. A considerable proportion of tenants (33%) in the social sector receive allowances. The number of tenants receiving allowances in 2002 by tenure is provided by the following table.

Table 9 Numbers of tenants receiving house allowances, by tenure

Tenure	Number of households ('000s)	% receiving allowances
Social rented	745	33
Private rented	94	13
All rented	839	28

Part B: Legislation, regulation, policy and programs

B1 Legislative framework for secure occupancy in rental housing

B1.1 Type and coverage of residential tenancies legislation

Tenancy laws have evolved in the Netherlands in the context of market scarcity, poor housing conditions leading to health problem and the exploitation of key workers during the 19th century. The Dutch Civil Code (DCC) (1838) includes clauses on tenancy which have origins in the French Civil Code. These concern the tenancy-contract, transfers, termination, and obligations of landlord and tenant. These general clauses left much room for contract negotiation and the norms were gradually established through jurisprudence. Rent protection was introduced after WWI and again by the occupying forces in WWI. These temporary measures were translated into Rent Law in 1950. Specific tenancy protection for residents was introduced in 1979, in a separate Residential Tenancies Act. In 2003, this was replaced by a new set of rules in the DCC including the rules concerning maximum rents (Rueb and Kauffmann, undated).

There is no prescribed format for tenancy contracts, but typically outline purpose of the tenancy, rent, rights and obligations of tenant and landlord. The same general rules of tenancy apply to tenants of private and social housing (owned by the state or public bodies). However, the landlords are subject to different regulatory regimes, including standards concerning the participation of tenants.

Tenancy contracts, in both the private and social sector, are usually for an indefinite time period unless they are holiday homes or scheduled for demolition.

B2 Access to rental housing

B2.1 Effect of selection processes upon access to secure housing

According to Kullberg (2009) the most common allocation mechanism in the Netherlands is the ‘advert model’, often referred in housing studies as the ‘Delft model’ having originated in this town. This involves the advertisement of vacant dwellings in a weekly newspaper and on the Internet. Information on the characteristics of the vacant dwellings are provided as well as the qualifying conditions (suitability criteria) for future tenants, such as dwelling size in relation to household composition and income level in relation to rent level. House seekers interested in a certain dwelling must submit a reply coupon to the housing association or react through the Internet. The characteristics of the applicants are compared with the suitability criteria of the advertised dwelling. Then, for all eligible applicants, sequence criteria determine who is first in line.

The dwelling is usually allocated to the applicant with the longest length of residence or waiting period. The advert model demands active responses of house seekers to advertisements and meeting the eligibility criteria of social rented housing (Klienmans and Van der Laan Bouma-Doff, 2008).

Whilst low-cost social rented housing is increasingly intended for households with low incomes (now set under 33,000 Euro by the EU)², once a tenancy agreement is fixed, any increase in the household’s income does not have consequences for the rent level demanded. Nevertheless, such tenants may not be eligible for housing allowance. Kleinmans and Van der Laan Bouma-Doff, (2008) argue that this detachment of income from ongoing rents, means that many households with above-average incomes rationally remain in decent quality social rented housing for long periods. However, this has led to a perceived mismatch between initial allocation criteria and actual household characteristics over time, and is constant source of frustration to policy makers who wish to promote a better flow and turnover of tenancies and ensure better targeting of cheap rental dwellings to low income households and address lengthy waiting lists.

Where owner occupied dwellings are relatively scarce and affordable alternatives are thus lacking, measures to address this mismatch are gaining legitimacy. There have been experiments in rent and allocation policy, which move towards a more market orientated model (“Huur op Maat” more fully exploiting locational advantage via high rents for those who chose these dwellings). However, as demonstrated earlier, the characteristics of social housing tenants increasingly reflect their narrowing low income target group (See A 3.1) (Kleinmans and Van der Laan Bouma-Doff, 2008).

Where dwellings are developed and tenants apply for another social rented house, their current income is reassessed. Growth above the 33,000 Euro limits could mean that these households are only offered more expensive parts of the social housing stock, or are excluded completely from the social rented sector (Kleinmans and Van der Laan Bouma-Doff, 2008).

² The Tenants Union and Aedes have championed for a higher income limit to reduce socio-economic – tenurial polarization and enable key workers such as police, nurses and building workers to have access to social housing. February 2 2010, this provision was extended to tenants in commercially rented dwellings. See <http://www.nieuwbouwwijzer.nl/nieuws/1732/Woonbond-Inkomensgrens-38-000-euro-voor-sociale-huurwoning/> Accessed 4 February 2010.

B2.2 Incentives for landlords to accommodate low income households

There are no incentives for private commercial landlords to accommodate low income households. Nevertheless individual landlords (as opposed to institutional landlords) do accommodate a strong proportion of low income households. This is because all dwellings assessed as being under a certain quality/price cap have regulated rents and tenants across the sector, social or private, can access rent assistance.

Income is certainly a factor determining eligibility for social rental housing in the Netherlands, traditionally there has been a broader focus encompassing those on middle, as well as very low, incomes. This has ensured that social housing is perceived as a main stream sector and prevented the phenomena of social stigmatisation which afflicts this tenure in other countries. Beyond income, the appropriateness of the dwellings for the household's size is also taken into account as well as their social or economic ties with the local area.

Social housing organisations are registered landlords under the Housing Act, which requires them to operate in the interests of providing decent housing. Further, they are beholden to the requirements of the Social Housing Management Decree (BBSH) to house those who are unable to find an appropriate dwelling in the market. While there is a broad tradition of more universal allocation, there is increasing pressure to lower income eligibility limits, from the European Commissioner for Internal Markets, which since April 2010 will be set at 33, 000 Euro despite opposition from the tenants union and social landlords who want a broader sector.

Until 1 January 2009 social landlords were entitled to an exemption on corporate tax given their non-profit orientation. With financial independence, the business model has increasingly relied on the transfer of profits from subsidiaries generated from more market maximizing development activities (such as building for sale rather than low cost rental) to create a revolving fund for more socially orientated developments. Under scrutiny from the EU Commissioner for Internal Markets, following complaints from private developers, the corporate tax privileges across all subsidiaries both for profit and limited profit were withdrawn. Thus without conditional supply subsidies or taxation advantages, it can be argued that there are no longer any explicit incentives provided to social landlords to accommodate low income tenants. As a result, some associations wish to leave the sector and there are court cases pending where the ability to do is being raised.

The BBSH requires local agreements between municipalities and social landlords to specify targets for the achievement of social tasks. However, not all municipalities have established agreements. However, there are certainly penalties, which can be determined by the Minister for Housing responsible for the supervision of BBSH performance. In recent years since financial independence, much stronger emphasis has been placed on maintaining financial continuity than low cost supply. In recent months, much more attention has been given to the regulatory and performance structures influencing housing association activities and there are plans to establish a housing authority with strong supervisory powers in 2011.

B2.3 Costs of establishing a tenancy

Typically, rental dwellings are provided without cooking or laundry facilities and completely unfurnished, lacking even basic floor coverings and curtains. Thus the up front cost of establishing a tenancy can be considerable, especially given that many tenants are reliant on fixed or low incomes.

A preliminary review of literature has not revealed detailed information on the actual financial burden, thus to establish actual set up costs may require further research.

As mentioned earlier, there are special provisions where assistance is provided to move house for the purposes of demolition and redevelopment. Since mid 2005 in the social housing sector - housing associations must cover the costs of moving house for the tenants to a minimum of EUR 5,000.- (in 2005). In the private rental sector the costs involved will have to be settled between the tenant and the landlord; in case of dispute the court will then decide (VROM, 2009).

According to the Ministry of Housing, if a landlord wants to renovate an occupied property, they must first propose this in writing to the tenants and the tenants must comply. However, the tenant may claim a lower rent, termination of the rental contract and receive compensation (VROM, 2009). This is an area of political discussion in the Netherlands, as in many other countries where redevelopment takes place on housing estates.

B3 Affordability of Rental Housing

On average gross rents have risen with 13% between 2002 and 2006; housing allowances have also risen by 18% resulting in an average increase of net rents by 12%. The expense of housing related utilities increased significantly, especially gas (+77%) and electricity (+50%). Local government levies on tenants decreased. In 2006 the local property tax for the occupier (and not the owner) of a building was abolished (Haffner and Bouwmeester, 2009).

Haffner and Bouwmeester (2009) report that none of the increases in net rent were followed by an increase in disposable income, rather this declined an average decrease of two percent as a result of deteriorating economic conditions. Their work demonstrates that as a result of the increase of expenditures and the decrease of household income, on average the net expenditure-to-income ratio in the rental sector increased with 3.6 percentage points to 24.2% in the period 2002-2006; and the total ratio, including housing related expenses, with almost six percentage points to 36.3%. In balance households on average lost purchasing power in the period 2002-2006 to an extent that has not happened before (Haffner and Bouwmeester, 2009:8).

B3.1 Rent payments and secure occupancy

Rents under a certain quality standard are regulated and increases determined by the government. Security of tenure is indefinite, yet where the dwelling is let temporarily (as in a holiday house) or is occupied temporarily prior to demolition, normal rules concerning security of tenure do not apply.

The rules concerning the rent setting are found in the legislation Implementation of Rent Prices Living Space [Uitvoeringswet huurprijzen woonruimte], which specifies a point system for assessing rents. The Housing Valuation System (*Woningwaarderingssysteem*) is in force for the major part (about 95%) of the dwellings in the Netherlands (except expensive dwellings). On the basis of this valuation, a maximum eligible rent can be calculated. In principle, rents can only be changed on July 1st of each year at a level nominated by the Minister for Housing.

The aspects which are covered in the valuation system are:

1. surface of the rooms (including bathrooms and kitchens)
2. size of other spaces (including attics, back-kitchens, garages)
3. central heating
4. insulation
5. size of kitchen sink
6. sanitary facilities
7. facilities for people who are physically handicapped
8. private external spaces (such as balconies, gardens)
9. type of dwelling (terraced dwelling according to location; multi-family dwellings, taking into account the existence and accessibility of elevators)
10. location aspects of the dwelling (including vicinity of public green spaces, play facilities, parking facilities, schools, shops, etc.)
11. inconvenient circumstances (such as: noise hindrance, serious dereliction of the neighbourhood; soil- and air pollution)
12. services offered in the dwelling (such as: alarm installation; provision of meals by the landlord, use of recreational rooms).

The value points accorded to these aspects can add up to a total between 40 and 250 points. For example a dwelling which has been accorded 40 points has a low rent level of about Euro 166 per month, whereas a dwelling with 250 points has a monthly rent level of about Euro 1,107 (VROM, 2009). According to Ministry of Housing, an average dwelling in the Netherlands is valued as 131 points, with a monthly rent calculated to be Euro 570 (price level 2006).

Rents at the beginning of a contract can be freely decided on, but the tenant can verify the level at a rent tribunal, which will determine whether it meets the quality standards based on a point system, for the demanded rent. Where the rent sought is higher than the point system would advise, the rent can be lowered. Improvements to the dwellings can also lead to an increase in rent, which can be verified using the point system. Rents can also be reduced by the tenant, if rent is above the statutory maximum or there are quality defects with the dwelling.

Rents can be increased annually based on a level set by the Minister for Housing, via decree [Besluit huurprijzen woonruimte]. This Decree has varied over the years, and is the subject of much political discussion concerning the breadth of rent regulation, achieving a better match between incomes and housing consumed to reduce demand for rent allowance and liberalization at the upper end of the rent market. Recently there have been experiments with more market rent setting models, to investigate what affect markets rents would have on the choices of tenants and the cash flow of associations.

For housing associations, the government also determines each year a maximum rent increase on corporate level. The latter regulation is in force since 1993. Before, the government determined the annual rent increase on individual level and housing associations were not allowed to vary the annual rent increase per dwelling themselves.

The current regime gives housing associations more freedom to set rents at various levels. This autonomy, however, is confined by rent regulations, limited availability of land, and external agreements, especially with local governments. The average rent in the social sector is 70 per cent of the maximum permitted for the quality of their dwellings (Haffner et al., 2009:220) and this reflects their limited profit orientation and social mission.

During the transition from public to commercial loans affecting social landlords, the government permitted more rapid rent increases across the entire rental sector. However, this policy increased demand for housing allowances. However, with a relatively static ceiling on eligibility, a declining number of tenants were eligible for assistance and those in a stronger financial position no longer eligible for rental assistance were encouraged to leave the sector. In the context of rising housing prices and generous tax concessions (MITR), many social tenants were enticed in to home ownership.

However, national rent regulations have recently confined the policy freedom of housing associations. Until 2007, the maximum rent increase for individual dwellings varied between the inflation rate and the same rate plus 2%. Since 2007, rent increases are not allowed to exceed the inflation rate, which has been very low: 2006 1.1% and 2007 1.6%. Thus maximum rent increase have been very constrained and for the period of July 2008 till July 2009 were 1.6% (VROM website, accessed 31 January, 2009).

There have been attempts to deregulate an increasing share of the rents at the upper end of the market, including various experiments such as *Huur op Maat* (rent to size). So far deregulation has been resisted by the Social Democratic Party, which is in a coalition government with the Christian Democrats. This compromise was in exchange for maintenance of home ownership mortgage interest tax deduction and thus housing policy reform can be considered to be in a stalemate condition.

B3.2 Other expenditure which affects secure occupancy

As mentioned earlier, there are complex and intersecting issues pressing on tenants affecting their security of occupancy: declining affordability, reduced access to housing assistance, rapid rise in the cost of utilities, redevelopment of housing and on their re-housing, reassessment of income eligibility for a social dwelling.

B4 Safety, privacy and quiet enjoyment

B4.1 Standards to improve safety and their regulation

As mentioned earlier, the quality points system covers 95% of all rental properties. This ensures that landlords cannot obtain rent increases for poorly maintained properties. Further, there are a number of regulations, policies and practices to encourage good maintenance and management of rental housing in the Netherlands.

Tenants and landlords are considered jointly responsible for the upkeep (maintenance) of their dwellings. In principle, repairs and proper upkeep must be provided for by the tenant, whilst more expensive maintenance and refurbishment, often on the outside of dwellings, must be paid for by the landlord (VROM, 2009).

Under the building code, municipalities must notify landlords when housing falls below a minimum standard, in which case landlord must carry out repairs.

Currently, the Netherlands is pursuing a targeted urban renewal policy to promote major upgrades of housing in areas with a weak socio-economic base and poor housing standards. A levy has been imposed on social housing associations to carry out this work in addition to direct government support. The imposition of a levy has been perceived as a major intrusion into the financial independence of the social housing sector, leading to heated political conflict and public debate.

B4.2 Autonomy in home making

It is typical for the tenant to make superficial alterations to the dwellings interior to suit its intended use, such as new floor coverings (tiling, carpet etc), curtains, painting of walls and even upgrading the kitchen and laundry. However, far reaching alterations such as the movement of walls may only be made with the permission of landlord. Informally, where the old tenant is able to communicate with the new tenant the issue of purchasing made improvements such as a new kitchen or carpet is raised (otherwise it may be wastefully removed). However, legally the tenant must deliver the dwellings, in the same condition on leaving the property, less wear and tear.

B4.3 Measures to support privacy and quiet enjoyment of home

Market research has found that acceptable levels of noise production by neighbours and traffic is an important aspect of living comfort and excessive levels can motivate tenants to move from their dwelling (Dogge and Smeets, 2001). In such as densely populated country, with compact living environments often close to industrial and transport areas, measures to protect residents from excessive noise have been an important element of regulation in the Netherlands since the 1950s. The Noise Abatement Act was introduced in 1979 in the Netherlands and regulations have gradually developed, informed by specialist technical research. In 2006, reforms were introduced to modernise standards in this highly specialised technical field.

There are regulations governing noise levels in residential environments during different parts of the day; between dwellings in the same building and within zones of the same dwelling. As part of the planning process for new residential estates, noise surveys of existing uses are often undertaken and appropriate measures incorporated into the development plan to reduce hindrance. The Netherlands is one of the few countries in the world to require acoustic protection between spaces within the same dwelling (Visscher and Meijder, 2006) and there are innovations in measures to reduce the noise of traffic for residents in dense areas, such as noise reducing sound barriers alongside major roads.

Noise is typically a problem for residents living in dense apartment buildings, especially where roves are inadequately insulated and the sound of upstairs movements is easily transmitted, Regulation and enforcement of noise levels is encouraged to begin by good communication between residents, promoting agreements specifying simple modification to behaviour such as removal of shoes within the house and placement of felt under chair and table legs. Noise reduction often involves the police, environmental inspection services, housing associations, and health departments to promote good behaviour, measure and enforce acceptable noise levels. Education and mediation is typically used, rather than prosecution (Berry et al, 2002).

With regards to privacy, tenants are entitled to quiet enjoyment of their home for an indefinite period. However, during the redevelopment of their dwellings, they may well have to re-apply for an alternative dwelling. Where their income is assessed to be higher than eligible, they will not be allocated a social dwelling. Further research is required to investigate the regulations and practices concerning privacy.

B5 Comfort and Standard of repair

Comfort and standard of repair varies considerably according to the type of dwelling, such as single-family or multifamily dwellings (apartment blocks), tenure form and importantly the year of construction. According to Straub and Vijverberg (2004) the year of construction tends to correspond with typical building features, internal layout of dwellings, standard of facilities and thus overall quality of the dwelling. Different regulations, economic conditions and quality standards have been applied and enforced over the years, generating dwellings of using different technological innovations, methods of construction and conditional subsidies. Pre-WWII social housing rental stock includes renovated former private rental dwellings. Social landlords dominate this post-war stock and also manage a large stock of functional mass produced dwellings developed after WWII in monotonous less desirable neighbourhoods.

The Dutch Housing Condition Survey 2000 (DHCS) reports that dwellings in the Netherlands are typically of good quality in physical terms of size, provision of heating, facilities in the dwelling. However, there are issues concerning the security of living environments, size of dwellings, internal layout and quality of heating. Indeed, the standards of older dwellings and apartment buildings from the 1970s do have significant deficiencies. The following paragraphs concentrate on these issues and efforts to improve housing quality comfort and security in the social rental sector.

The size of older family dwellings in multi-story apartments from the 1950s (69 sqm) are much smaller than 1970s single family dwellings (94 sqm). Redevelopments of apartment blocks typically increase the dwelling size substantially, but this is costly and often leads to a change in the household target group able to be housed, with previous tenants unable to afford the new dwelling or not suiting the size of the reconfigured dwelling in the same location (this issue is discussed below).

Many older people occupy social housing, thus accessibility is an important concern. However, only 7% of multifamily houses with four storeys or more built before 1945 have a lift compared with 65% of buildings constructed after 1965. Apartments in gallery style buildings are on one level and social landlords often allocate these to elderly applicants (Straub and Vijver, 2004).

Research by Straub and Vijver (2004) involving interviews with social rental tenants found that safety was also an important issue. There is a perceived poor level of social safety in many apartment buildings where entrance halls, stairwells and basement areas are accessible to all. In some cases these are being upgraded with an entry-phone intercom system and remote electronic door release. Housing associations are now introducing 'total security packages' with burglary-proof hinges and locks on all doors and windows and a changeover of all locks each new tenancy.

Given the cold winter climate heating and insulation is a very important aspect of housing quality contributing towards housing comfort, which is closely related to housing related expenses. The DHCS reveals that 71% of the social housing stock has central heating and many homes have had additional insulation added in recent years. Further 70% of the housing stock had double-glazing, 50% had wall insulation, 63% had roof insulation and 34% had floor insulation. Social landlords are gradually replacing collective heating and ventilation systems with individual systems and meters, where possible, giving residents better control of their own energy expenditure. This has led to reduced consumption amongst tenants (Straub and Vijverberg, 2004), amidst rising cost of gas and electricity.

Within social housing organizations technical departments and front offices are typically responsible for registering complaints and breakdowns and commissioning of contractors to resolve these problems. Technical departments and central business units execute planned maintenance activities and central business units often play a role in budget and quality control, initiating new innovations and ordering of maintenance (Straub, 2004).

As mentioned above in the case of substantial renovation, as in the conversion of very small family dwellings for more spacious dwellings with fewer rooms, the target group and thus original tenants tenure security may well be affected.

Unlike demolition or intensive upgrading, this does not necessarily require termination of the rent agreement and forced (temporary or permanent) relocation of the residents in a block, especially if the landlord (usually a housing association) plans to conduct modest renovation. In these cases, the landlord is obliged to write a proposal to the renters involved. If 70% of the renters involved consent to the proposal, it is accepted, if not it may be formerly assessed in a legal court. If the judge consents opposing residents cannot stop the renovation. Further, the landlord is allowed to terminate the rent agreement of opposing residents, due to their refusal of accepting a reasonable proposal (Klienhans, personal communication, 2009).

B5.1 Means for ensuring basic standards of physical comfort

If the tenant has a complaint about the maintenance of the dwelling, he/she can report these via a letter to the landlord and the Ministry of Housing provides a format for this. If the landlord does not react within 6 weeks, the tenant can report the complaint and non-reponse to the Rent Commission. There is a procedural fee of Euro 11 (for the landlord also), which is returned to the successful party. The Rent Commission studies the complaint and there is a hearing, which is followed a decision. If there the complaint is very serious the rent can be lowered by 20%, 30% or 40% of the maximum rent of the dwelling. There are 3 lists which outline what these serious complaints can be. If the condition is not on the list, and causes discomfort, tenants can still make a complaint. Once the condition is rectified the landlord can return the rent to the original level, and include any missed annual rent increase. This legal procedure is intended to enhance position of the tenant.

B6 Landlord Tenant Relations

B6.1 Policies and programs to improve the quality of rental management and provide information for landlords and tenants

In addition to these general legislative requirements affecting the entire rental sector, such as the point system and rent setting, there are additional requirements and innovations applicable to the social housing sector. Since the introduction of the Social Rented Sector Management Decree (Besluit Beheer Sociale Huursector - BBSH) in 1993, housing associations operate in a system in which they are supervised on the basis of general 'fields of performance':

- contribute to combining care and housing accommodation of target groups;
- preservation of the quality of dwellings and their environment;
- consultation of tenants;
- securing financial continuity;
- providing housing and care arrangements; and
- promoting liveability.

The national Minister responsible for housing may impose sanctions if an association performs poorly or in conflict with regulations, such as a directive (to undo or to perform a certain activity) or the appointment of a temporary supervisor. Apart from the national government, the external supervision is carried out by the Central Housing Fund, which thus has not only a funding role, but also a supervisory role, focusing on financial performance. Finally, there is also an internal supervision, which is carried out by a supervisory board (Lawson and Nieboer, 2009).

Unlike the UK (under Reporting to Tenants requirements and the creation of the Tenant Services Authority), elevating the position of the social tenant has not been prominent in policy direction in the Netherlands. However, within in the social rental sector, a number of instruments have been developed by the sector to assess and promote the quality of services to tenants (Bortel and Mullins, 2009). These include the Dutch Quality Centre (KWH), established in the late 1990s, which uses an assessment and labelling system covering issues such as landlord services, tenant participation, community interaction and good governance. More recently, since 2007, a system of self regulatory performance audits has been piloted by the sector, through which an independent committee of three assess landlords according to an established methodologies.

All members of the social landlord's umbrella organisation AEDES must submit to a performance audit once every four years. This concerns the following fields: housing affordability, housing supply, liveability, support services, housing production and quality, urban regeneration and sustainability. Assessments are based on information such as housing associations own strategic plan, local housing issues and wider needs (such as those laid down in local agreements), expectations of stakeholders, financial capacity of the organisation (financial accounts and reports) and governance arrangements and practices (supervision and monitoring systems (Bortel and Mullins, 2009).

There are local initiatives to inform tenants and promote improvements in living environments and housing conditions, such as Rotterdam's estate safety index which is mentioned in section C.

B6.2 Form of tenancy agreement and affect on secure occupancy

Contracts are typically for an unlimited duration in the Netherlands and tenant protection is very strong. Reasons for eviction are strictly defined and only the judiciary, and not the landlord, can terminate the contract. Eviction can only occur for defined approved reasons after the landlord has given notice from three to six months. Where the contract is for a fixed period of time, he is restrained from

giving notice except towards the end of that period.. A landlord may only cancel occupancy under specific circumstances, as described in the Civil Code, such as when a tenant does not behave as a good tenant or when the landlord urgently needs the home. In other instances the landlord may thus not break the lease (Haffner et al, 2007).

B6.3 Management arrangements for rental properties and impact on secure occupancy

All tenants, regardless of landlord, are protected by tenancy legislation, rent setting according to the quality point system for dwellings under the quality ceiling and subject to rent indexing by the government. They may also be eligible for rent allowance, depending on income and household characteristics where they are living in the regulated rent segment (95% of all stock). Management arrangements, in the private and commercial segments, are not a determining factor influencing security of occupancy. However, there are differences concerning between the size of the landlord and consultation requirements with tenants, and the necessity to consult when redeveloping and rehouse after major redevelopments. These matters are dealt with in section B1.2, B 2.1 and B 2.3.

B6.4 Length of tenancy

Tenant protection is considered to be strong in the Netherlands and rental contracts of unlimited duration are the norm. However, there are defined reasons which can be used to terminate a rental agreement and in all cases the judge must decide whether this can occur and the dwelling should be vacated. These reasons have been outlined in details by the Ministry of Housing (VROM, 2009) and listed below:

(1) Bad conduct of the tenant. If the tenant does not comply with his/her obligations (such as not paying rent in time, or because of improper conduct). If the tenant does not agree with termination on these grounds, the landlord can appeal in court; the judge can then set the date by which the tenant must ultimately leave his/her dwelling.

(2) Temporary rent

The date by which a tenant must leave his/her rental dwelling must be clearly stated in the rental contract.

(3) Urgent personal use.

If a landlord has good, urgent reasons to occupy the dwelling let to a tenant, he/she may request the judge to terminate the rent agreement. The judge will take the interests of the tenant, landlord and any sub-tenants into account. This will include an assessment of possibilities to find an alternative, suitable dwelling; this must be look into by the landlord. In the judges assessment of what is suitable s/he will look, inter alia, into the possibility of finding alternative dwelling space for the tenant and his financial position. If the judge is planning to decide to terminate the rent agreement s/he may fix a compensation sum for the costs of moving house and furnishing for the tenant.

Urgent personal use can include: - the demolition of the dwelling or its renovation that would not be possible to undertake within the period of the rent agreement; - the allocation of dwelling that has been equipped at the time of its construction for occupation by a handicapped person; - the allocation of an independent dwelling that has been adapted after its construction for occupation by a handicapped person with state financial assistance for such adaptations; - the allocation of an independent dwelling to an elderly person in a multi-family building that was specially built and furnished for the elderly- allocation of a dwelling that was specifically built for housing of students to a new student-tenant.

(4) A new agreement

If the landlord makes a reasonable proposal to terminate or change the rental contract, and the tenant does not agree with it, the landlord can terminate the rent contract and ask the judge to make this termination legal. Such proposals could include a change in the way the rent is paid, a change in the

way water/electricity is paid, putting oral agreements in writing, a revision of antiquated stipulations, and adaptations or improvements of a dwelling that may or may not include an appropriate rent increase.

(5) A land-use plan that is in force

Furthermore, according to VROM (2009) if a landlord wants to construct a building on the location of the dwelling concerned in order to realize a land-use plan that is in force. If the judge decides to comply with this wish, s/he may determine the level of compensation for the tenant for the costs needed to cover moving house and furnishing.

If a married couple (or partners who are registered as cohabiting) rent a dwelling it is usually one of the two partners who signs the rental agreement. According to the law, the other partner is then considered as co-tenant as long as he or she actually lives in the dwelling. Tenant and co-tenant are both liable for the fulfillment of obligations contained in the rental contract.

In case of divorce or separation between a married couple or partners registered as co-habiting, and the tenant leaves the dwelling, the co-tenant automatically becomes the tenant. As the case may be, the judge can be asked which of the divorced or separated partners remains tenant. The partner who continues the rental contract is obliged to inform the landlord about the changed situation.

Unmarried (and unregistered cohabiting) people largely have the same rights as married couples/registered cohabiting people. They can claim co-tenancy. But in case the tenant and possible co-tenants relinquish the rental contract, the other members of the household cannot appeal for rental protection. Tenant, co-tenant and the other members of a household can request the landlord to agree with co-tenancy; they will have to indicate that they have a durable common household. This is not the case if the person who wants to become a co-tenant is a guest, or sub-tenant. Generally, the relationship between a tenant/co-tenant and his/her children is not considered as a common household, because it is to be expected that the children will, in time, leave and form a separate household themselves. In such cases where children spend (health) care for the tenants they can sometimes be seen as part of a common household.

In case a landlord does not agree within six months after receipt of the request to make a member of a household a co-tenant, the tenant, the household member (and, as the case may be, also the co-tenant) can jointly file a demand in court to make the household member a co-tenant. The judge can refuse this claim on three grounds: (1) if the durable common household has not existed for two years; (2) if it is evident that misuse is made of the regulation by giving someone the possibility to become a (co-)tenant very quickly, and (3) if the household member does not provide sufficient financial guarantee to fulfill the obligations of the rental agreement properly.

Co-tenants, are, just as married people, individually accountable for the fulfilment of the obligations contained in a rental agreement. For the co-tenant this is only valid from the moment when he/she has become co-tenant. A co-tenant who does not permanently reside in the dwelling loses his/her position as co-tenant.

In case of death of the tenant, the co-tenant automatically becomes the tenant. Within the first six months, the new tenant can then terminate the rental agreement earlier even if the rental contract was agreed for a fixed period. This must be done in writing. The new tenant who wishes to continue the rental contract is obliged to inform the landlord about this.

If tenants of two dwellings wish to exchange their dwellings, they can request the landlord(s) to cooperate in doing so. If the landlord(s) agree usually two new rental agreements will be made, but the tenants might agree to carry forward each other's rental agreements. If the landlord(s) are not willing to co-operate the tenant can ask the judge if he/she can exchange dwelling with someone else. This may be requested even if the rental agreement stipulates that house exchange is not allowed. The judge can then decide to approve only if the tenant has a very clear interest in exchanging, for instance if s/he is physically handicapped and cannot walk stairs. There are two grounds for refusal by the judge to exchange house: (1) if the tenant is not likely to be able to pay the rent for the other dwelling, (2) if a residence permit is needed for the dwelling in question, the proposed tenant must in all cases have such a permit for that dwelling (VROM, 2009).

The Woonbond, the Dutch tenants' union, is concerned at the rising rate of evictions, which they argue is due to rising housing costs in the Netherlands. They state that “

“the dissolution of a rental contract due to arrears in rent payments is legitimate because a tenant has a reciprocal obligation. He or she is required to pay the rent in the agreed-upon manner and time, usually the first day of the month. This is specified in the Dutch Civil Code [Burgerlijk Wetboek 7:212 BW]. If rent payments fall into arrears for a period of three months, dissolution of the rental contract by the court is not only possible but probable. The landlord however is not permitted to carry out the verdict to evict if the tenant is participating in a debt assistance programme. Fortunately, there are housing corporations who are willing to cooperate on debt assistance programmes.....”

“The Nederlandse Woonbond fears a sharp increase in the number of evictions in the coming years. The introduction of more market competition in the rental housing sector by the current centrist/right-wing government will lead to far higher rents. This, combined with economising measures such as cuts in housing subsidies, is leading to a decrease in consumer spending power. Tenants must devote an increasingly larger portion of their income to rent. As long as they can continue to pay it. However, the number of evictions has been steadily rising in recent decades. In 1996 the figure was more than 6,000 but by 2004 it had risen to about 8,400. In nine out of ten cases the reason for the eviction was that tenants had fallen into arrears with their rent payments. The stricter debt collection policies of housing owners have somewhat curtailed the growth of evictions. This, however, can only go so far.

For more on their concerns see <http://www.iut.nu/Landrapporter/2006/EvictionsNL.doc>

B6.5 Mediation and conciliation of disputes

Dispute resolution

There is a comprehensive system for assessing fair rents according to the points systems in the Netherlands, comprising 59 Rent Commissions (Huurcommissies) which mediate tenant-landlord disputes concerning maintenance, rent levels and service costs in the regulated sector. Typical disputes concern annual rent increases, service costs, initial rent and maintenance responsibilities. Most disputes are brought to the commission by landlords and concern rent increases. Policy discussions have been held over the past few years to simplify procedures of the Rent Commissions and to involve, also financially, organizations of landlords and tenants, and to turn Rent Commissions into independent administrative bodies (VROM, 2009).

Rent Commissions draw their membership from local tenant associations, housing associations and real estate agencies and tenants and landlords must be equally represented. The chairperson of each commission is appointed for six years and members for four years by the Minister of Housing. All commissions are supervised by both the Minister of Housing and a national ombudsman (VROM, 2009)

When a tenant or landlord disagrees with the decision of a Rent Commission, they can submit their case before a judge. However, this must occur within 8 weeks, otherwise the decision of the Rent Commission is binding (VROM, 2009).

The number of disputes has declined over the past decade, due to changes in legislation and to lower maximum rent increases in recent years and was 44,237 in 2005 (VROM, 2009). Three common types of disputes and their routes for resolution have been described by the Ministry of Housing concerning:

Rent price level - annual rent price increases; temporary rent decreases as a result of maintenance deficiencies; structural rent decreases as a consequence of higher rent prices than the norms set by the Ministry of Housing; additional costs for lighting of common spaces and costs of janitors in service flats. These issues are dealt with by rent commissions.

Contents of the rent agreement - rent termination by landlords, financial arrears of tenants, extortion of maintenance or renovation/refurbishment, and nuisance caused by neighbors. These issues are dealt with by the cantonal judge; the Ministry of Justice is primarily responsible for the relevant legislation and dispute settlement.

Other procedural disputes not primarily between tenants and landlords - procedures for lodging objections against administrative bodies and the competence of judicial courts (VROM, 2009). The extortion of maintenance works or compelling evictions by a municipality on legal grounds. The evacuation of student homes on the basis of inadequate fire safety is also included in this category of disputes.

Consultation

Consultation between tenants and landlords has been regulated by a special Consultation Act (Dutch: Overlegwet) since 1998. This requires all landlords with more than 100 rental dwellings to consult with their tenants concerning policy matters relevant to tenants. This legislation provides tenants with certain rights with regard to information and consultation. A summary of the Consultation Act is provided by Ouwehand and van Daalen (2002:74).

The Consultation Act came into force in 1998. It provides legislation on a number of matters and it applies to both housing associations and private landlords:

_ Recognition of tenants' organizations

Tenants' organizations in the meaning of the act are recognized by landlords as consultation partners. The act sets criteria for tenants' organizations; for example, that all tenants must have the opportunity to become members of a tenants' organization. An organization which satisfies these criteria must be recognized by the landlord. The landlord may also recognize organizations which do not satisfy all the criteria.

_ Right of information and consultation

The act lays down the matters over which the landlord must in any case, on request, give information to the tenants' organization such as the policy with respect to the rents, maintenance, management, letting and allocation of dwellings. The landlord gives the opportunity to the tenants' organization to enter into consultation about this information.

_ Right of tenant organizations to advise and consent

If a housing association wishes to alter its policy on one of these matters mentioned in the act, the tenants' organization must be asked for its consent. Tenants' organizations have a minimum of four weeks' time to draw up their recommendations and give their consent. Landlords who do not agree to comply with the advice given by their tenants' organizations are required to communicate their arguments to them in writing, within fourteen days of the advice being given.

_ Financial contribution of the landlord to the tenants' organizations

It is also stipulated in the Consultation Act that landlords pay the tenants' organizations a compensation for the costs of the consultation and informing the tenants. Usually a contribution of about 4 to 5 euro per dwelling per year is involved, with meetings facilities for the tenants' organization. Often the associations also ask tenants for a contribution from their members. The stipulations laid down in the Consultation Act will be incorporated in the new Residential Act

Amendments were passed in 2009, favouring tenants of smaller housing providers and requiring their landlords to consult on major repairs.

B6.6 Professionalization of rental management

Due to the large size of the rental sector, long historical development of associations with roots in their social task, it can be argued that tenancy management is professionalised task in the Netherlands. Some of the methods to measure performance and promote good practice have been outlined in section B6.1. However, there is increasing concern about the adequacy of self –regulation, the transparency and integrity of governance and the voice of tenants, particularly those affected by redevelopment. Whilst there is much attention, leading to reviews, surveys and reports, on the management of social landlords, there is very little attention given to the quality of management by the commercial players (who cherry pick easier to manage and high income tenants) and much smaller individual landlords who may own only a small number of properties but have a far more invasive style in managing their stock and tenants. Priemus (2003) argues that much more needs to be known about these landlords in order to gain a clear picture of management efficiency and effectiveness across the different segments of the rental market.

As mentioned by Priemus in 2003, very little research has been undertaken of the management of private rental housing in the Netherlands. Anecdotal evidence suggests that a range of management vehicles are used including local real estate agents and residential property management and sales companies which cater for larger portfolios owned by insurance companies (such as ABP). The scale and spatial distribution of portfolios plays a role in the choice of vehicle employed.

In focus group research Kullberg (2009:58) found that some tenants in dwellings managed by small private landlords are more often exploited and discriminated against:

“discrimination seems to occur in two forms. The first is charging vulnerable (illegal) tenants too much for too little. This malpractice is encountered by municipal maintenance and safety inspectors and is fought through municipal, often area-based maintenance policies.... the second form of discrimination in private rentals, [occurs when] denying some candidates access to a vacant place. ... this kind of discrimination was encountered by some Turkish, Moroccan as well as Antillean young men”³

B6.7 Umbrella organizations and their scale of operation

There several organisations providing information and representing tenants, social landlords, private landlords and institutional property investors. Some important once are outlined below:

Wijksteunpuntwonen – Provides free advice to tenants via a large number of neighbourhood based information hubs across Amsterdam and a website

Woonbond – Tenants Union, which represents the interests of all tenants in the Netherlands and has a network of regional offices providing tenant advice.

Aedes – the national federation of social housing associations, which has about 500 members.

VastgoedBelang - the federation of private landlords in the Netherlands, with about 9,000 members.

Vereniging van Institutionele Beleggers in Vastgoed, Nederland (IVBN) - Association of Institutional property investors in The Netherlands which represents the interests of corporate (institutional) investors in Dutch property (pension funds, insurance companies and share funds).

³ http://buildinginclusion.oberaxe.es/repository/library/NetherlandsReport_DEF.pdf

B7 Specific provisions to improve secure occupancy for lower income and vulnerable households

B7.1 Programs for low income and vulnerable tenancies

The Dutch housing system delivers rental housing which is largely rent regulated according to a quality points system and where a considerable proportion is provided by social housing organisations with a social task to provide housing for low to moderate income households. Social rental dwellings are allocated on the basis of income, household size, local priorities and degree of urgency of housing need.

Via the urban planning decrees [Besluit ruimtelijke ordening (artikel 1.1.1 under 1 d and e)] a municipality or a group of municipalities can define the group of inhabitants which is eligible for social housing (rental and buying). Mostly the target group is defined by income levels and household composition. The city of The Hague for example participates in a regional agreement according to which 70% of the stock is allocated to a defined target group (income limited) whilst the remaining 30% has to be allocated in any case to lower middle incomes. The City of Rotterdam tries to reduce the concentration of low income households, by allocating cheaper dwellings now and then, to higher income households.

However, the ability to allocate dwellings to meet need largely depends on available stock. Cities certainly vary in the resources they can allocate, with Amsterdam and Rotterdam social landlords traditionally managing a higher proportion of older smaller, thus cheaper dwellings and Utrecht and the Hague providing somewhat larger more expensive rental dwellings. Further, as household income is not assessed after tenancy is established, and tenants with rising incomes can remain in low cost dwellings, tenancy protection of all tenants including middle incomes prevents ongoing occupation of low income households in low cost dwellings. This has the potential to force low income households to rely on housing allowances in order to afford available higher cost stock. Reliance on housing allowance of course, not only strains public budgets but places these tenants and the mercy of ongoing political support for this assistance. Thus it is certainly the intention of successive governments to promote a better match between incomes and rents.

B7.2 Policies and programs to identify at risk tenancies

Increasingly, through choice based lettings (CBL), potential tenants have to 'play the market' to access available housing. They can do so by regularly checking newspapers and online data bases of available housing and making choices based on information on what dwellings are more quickly available. Vulnerable households need assistance to gain access to housing through this system. Typically, regional needs agreements inform the construction of a weighted index with the choice based system, which gives priority to their allocation. Emergency status is given to households confronted with the redevelopment of their homes or medical conditions which require appropriate housing. However over crowding or divorce are not typically considered reasons for priority allocation of housing.

There are 430 municipalities in the Netherlands, which make plans with housing associations and contribute towards regional housing plans. Regional needs agreements vary according to market circumstances and political conditions. Municipalities can make concrete performance agreements with associations concerning investments by the associations on the basis of municipal housing concepts, however around one third have actually done so. Nationally there has been a drive to focus on quality issues affecting new and existing housing stock.⁴

⁴ See VROM web sites <http://international.vrom.nl/pagina.html?id=37612>
<http://www.vrom.nl/pagina.html?id=37399>

According to Kullberg (2009:57)

“Eligible applicants are ranked and allocated in accordance with open and quite objective criteria, such as age, number of years in their current residence, or length of time spent waiting. For ‘new applicants’, priority is often given to the oldest applicant. Transferring tenants are often ranked according to length of occupancy. The applicant with the longest residency period is given priority. Both criteria were chosen because they resemble waits in the old waiting list system.”

However, there are concerns that CBL allows less space for redistributive policies and can discriminate against those with a short term history residence, such as new migrants, and impede mobility.

For more details on recent developments in the letting and allocation policy in the Netherlands see *Next Steps in Choice-based Letting in the Dutch Social Housing Sector* by Gelske Van Daalen a;Marco Van Der Land.

Once allocated a dwelling, the Housing Allowance system can be drawn upon. This is administered centrally via the tax system, is accessed online and is the primary vehicle to assist vulnerable tenants in the Netherlands.

One of the vulnerable groups identified in the Netherlands is ethnic minorities. While municipalities have been encouraged to monitor their situation they are not obliged to. Without adequate information it is difficult to assess the impact of CBL on different ethnic groups (Kullberg, 2009:82). Further, beyond priority allocation and financial assistance, urban renewal and social mix policies have had a real impact on the housing careers and options of vulnerable tenants. Indeed, inclusion of higher income households in low income areas has been an explicit policy goal – causing displacement of original residents known as a watershed effect, dispersing vulnerable groups across neighbouring areas. Following redevelopment low income tenants who cannot afford to return typically relocate in outer urban areas, where older smaller cheaper dwellings can be found.

A number of small scale programs to assist vulnerable groups are outlined in section C.

B7.3 Financial and legal assistance for tenants

In addition to Housing Allowances, compensation is available for tenants displaced by the landlord for urgent personal reasons or to complete an approved land development on the site of the occupied dwelling. This compensation is for the costs of moving house and furnishing the new dwelling and is paid by the landlord. In the case of dispute concerning eviction, a judge must decide on the outcome and the level of compensation to be paid. The work of tenants organisations such as regional offices of the Woonbond are very important in this area, informing and representing tenants in the case of eviction or redevelopment. Rent Commissions only deal with disputes over rents and not evictions. For more detail on their role see section 6.4 and 6.5.

Part C Policy Context and Innovations

C1 Policy context

C1.1 Secure Occupancy – A policy issue?

Tenants in the Netherlands are regarded by many stakeholders as being well protected, with rents well regulated and increased modest. However, from time to time the security of occupancy of certain tenants come into question, currently two groups for very different reasons: higher income tenants in social rental dwellings and tenants affected by redevelopment. There are also concerns for particular ethnic minorities and households with a shorter term history of residency in a single locality (Kullberg, 2009).

C1.2 Changing importance of secure occupancy

Rent setting policy and the housing allowance are the major instruments of housing policy, benefiting vulnerable households in the Netherlands. Rent and subsidy policy is a prominent political issue. From time to time, concerns about poverty traps, liberalisation and cost are raised by researchers and policy makers. During the late 2000s several attempts were made to reduce the cap below which rents are regulated and thereby liberalise a greater proportion of the rental stock. This could reduce the coverage of the rental allowance. There has been a long term interest in promoting a better match between household incomes and rents paid, as many higher income dwellings are perceived to occupy cheaper rental stock (although this has changed in the past 10 years, it remains a common claim). Recently, there is intense concern for the cost of rental assistance, amidst austerity measures and government deficits in 2010.

C1.3 Source of ideas promote innovation in secure occupancy

The Woonbond, often in partnership with other community organisations, plays a very active and constructive role in promoting tenant security and the improvement of housing quality and living environments. A number of their initiatives are outlined in the section C2 below.

Despite the dominance of central governments in rent and allowance policies, Municipalities continue to play a key role in housing planning and allocation policy. The housing policy of a local area can be very influential in shaping allocation policy in existing and newly developed areas. There has been a very active program of urban renewal and improvement in the Netherlands, targeting weaker socio-economic areas for major renewal and physical improvements, often with the consequence of dramatically changing the socio-economic base – thus having with major implications for security of occupation amongst original residents. As mentioned earlier, this process has not always benefited the most vulnerable and lowest income tenants.

Some cities actively seek to draw attention to and promote improvements in safety in problematic areas. Rotterdam's safety index is such an example which has been copied by a number of other cities across the Netherlands. The Association for Experiments in Housing (SEV) funds experiments by key stakeholders on a variety of issues such as energy reduction and redevelopment processes and groups of social landlords have combined forces from time to time to focus on particular issues (CORPOVISTA), such as environmental efficiency, waterfront housing and supervisory systems. Some of these innovations most relevant to tenant security are described below.

C2 Innovations

C2.1 Innovations to improve secure occupancy

There have been a number of innovations to improve security of occupancy of tenants in the Netherlands, which are often closely related to the quality of dwellings and their living environments:

- Safety index of housing estates to promote positive action to reduce risks
- Local care networks to assist at risk tenancies in Rotterdam
- Compensation for tenants of redeveloped dwellings
- Lowering of rent for tenants of very poorly maintained dwellings
- Consultation between tenants and landlords
- Mechanisms to report landlords providing poorly insulated dwellings which are costly to occupy
- Tests for tenants to assess the safety and comfort of their dwelling

These initiatives are outlined below.

C2.2 Illustrations

The following illustrate the type of programs in the Netherlands which are orientated towards low income and vulnerable tenancies and their neighbourhoods.

Safety index on social housing estates

The Rotterdam Municipality has kept a safety index of the 33 major social housing estates in five areas of the city since 2001. Each estate is scored between 1 and 10 and five grades are given:

1. Unsafe and dangerous
2. Serious problems
3. Safety under threat
4. In need of attention
5. Safe

According to Randall, (2005) the safety index is based on crime figures, among them those for street violence, domestic violence, burglaries, car thefts and thefts from cars, drug abuse and vandalism. The published index has helped concentrate the minds of housing organisations.

Rotterdam employs a City Marshall works with and encourages housing organisations, the police and others to improve estate safety. Safety has improved on all the estates, apart from two in the Feyenoord area, since the scores were introduced. Three estates in the city centre have the lowest scores, ranging from 2.7 (unsafe and dangerous) to 4.2 (serious problems). The highest given are 9.4 to an estate in the Feyenoord area) and 8.3 to another in the Charlois district. With three others, these are the only estates in the safe category.

Since 2001 the safety score for the Schiemonde Estate has risen from 4.1 (serious problems) to 6 (in need of attention). A higher score cannot be achieved without physical improvements. The Dutch cities of Tilburg, Groningen and Arnhem have also introduced a safety index (Randall, 2005)

Local Care Networks in Rotterdam (EC, 2005)

This program is targeted towards regular tenants, who have developed or accumulated problems such as social isolation, over-indebtedness, mental health problems, drug or alcohol dependency, which may threaten their secure occupancy, through eviction or lead to institutional confinement. It in-

volves Local Care Networks operating at neighbourhood level, which administer a form of outreaching help. Care is provided as much as possible in the immediate living environment of the client. Each Network consists of a coordinator, a core group of care workers from the district and the necessary contacts with other relevant organisations. The core group meets regularly to discuss new cases and to draw up joint action plans. New cases are usually spotted by one of the network participants, the landlord (usually a housing association), family or neighbours.

The Municipal Health Service employs a network of coordinators and Municipal district councils and some housing associations contribute to the costs of accommodation. The Department of Social Affairs may guarantee clients' rent payments. In this model, housing associations function as problem detectors and cooperate in maintaining the rent contract. The district police ('local bobby') are important intermediaries (EC, 2005).

Steering Committee in Rotterdam, The Netherlands (EC, 2005)

As found by Kullberg (2009) is difficult for some 'risk groups' in the Netherlands to find a dwelling quickly; self-searching is often unsuccessful and appropriately located dwelling may not be affordable, even without assistance. For some at risk households, housing is often just one part of the solution to their complex needs (EC, 2005).

Many different organisations can become involved supporting a household at risk, addressing one specific dimension of their needs and often there is no single organisation with an overview of resources and their management. In Rotterdam there are now 25 social care providers co-operating with 10 housing associations and 10 different departments of the municipality. Overview is necessary and in Rotterdam is provided by a Steering Committee. This comprises a limited number of representatives, attuned to the demand for and supply of housing and care on a city-wide basis and represents local authorities, housing providers and social service providers to vulnerable tenants (EC, 2005).

Consultation with tenants

Since 2006 there have been efforts to reform the consultation process and strengthen the position of tenants in commercially rented housing, especially by smaller private landlords. Since 2009 a new consultation law or 'Overlegwet' gives tenant organisations and their tenants in the commercial rental sector the same rights to consultation with landlords as social tenants.

Compensation for displaced tenants and tenants of housing in need of repair

Since 2005 housing corporations are required to compensate tenants who are forced to move due to urban renewal. This has been widened to include tenants of all segments of the rental market. In the first instance this amount was 5000 Euro and is now indexed to €5135.88, however indexing has proven a regulatory weakness. A recent reform involves the lowering of rent until serious maintenance problems are rectified. In such situations rent can be lowered by 40% (Woonbond, 2009)

Promoting the improvement of poorly insulated dwellings

The Woonbond, together with the Trust for Nature and Environment has established a Complaint Point for Energy Waste. Tenants can report poorly isolated dwellings let by landlords, with the aim of developing a plan to improve the responsiveness of landlords to these issues. A related website identifies worst offending landlords and there is an annual election for the best and worst landlord in the Netherlands. On this site, both tenants and landlords can also access information concerning insulation techniques.

Self assessment of housing conditions for healthy and safe living

Again the Woonbond has developed an innovative web tool for testing the comfort and safety of a dwelling. This site also offers tips on how to improve these aspects. Four themes are covered: air quality, comfort (temperature and drafts); noise and safety. Questions are asked concerning the dwell-

ing and resident behaviour, providing an overview of performance, outline of the risks and list of tips and suggestions on how to improve the health and safety of the dwelling and, the context of household circumstances (sensitivity to allergies, breathing problems, etc.) tenants can take the necessary actions to reduce urgent and necessary improvements.

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