URBAN RENEWAL POLICY IN A EUROPEAN PERSPECTIVE
AN INTERNATIONAL COMPARATIVE ANALYSIS

Hugo Priemus
Gerard Mentager
1. INTRODUCTION

2. URBAN RENEWAL AS A FIELD OF GOVERNMENT POLICY: RESPONSIBLE MINISTRIES, DEFINITION OF CONCEPTS AND CHARACTERIZATION

3. GOALS, MOTIVES AND BACKGROUNDS OF NATIONAL URBAN RENEWAL POLICY

4. LEGAL FRAMEWORK AND INSTRUMENTS OF NATIONAL URBAN RENEWAL POLICY

5. NEED FOR URBAN RENEWAL

6. EXTENT OF THE FINANCIAL AID TO URBAN RENEWAL FROM THE CENTRAL GOVERNMENTS

7. URBAN RENEWAL POLICY: DYNAMICS AND PROJECTIONS

APPENDIX 1 QUESTIONNAIRE FOR COMPARATIVE RESEARCH ON URBAN RENEWAL POLICY OF THE CENTRAL GOVERNMENTS OF SEVERAL EUROPEAN COUNTRIES

APPENDIX 2 DEPARTMENT AND INSTITUTIONAL LEVELS IN THE INTERNATIONAL COMPARISON OF URBAN RENEWAL POLICY

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# TABLE OF CONTENTS

1. INTRODUCTION ................................................. 1

2. URBAN RENEWAL AS A FIELD OF GOVERNMENT POLICY: RESPONSIBLE MINISTRIES, DEFINITION OF CONCEPTS AND CHARACTERIZATION ............... 5

3. GOALS, MOTIVES AND BACKGROUNDS OF NATIONAL URBAN RENEWAL POLICY ........................................... 13

4. LEGAL FRAMEWORK AND INSTRUMENTS OF NATIONAL URBAN RENEWAL POLICY ........................................... 19

5. NEED FOR URBAN RENEWAL ................................... 25

6. EXTENT OF THE FINANCIAL AID TO URBAN RENEWAL FROM THE CENTRAL GOVERNMENT ......................................... 29

7. URBAN RENEWAL POLICY: DYNAMICS AND PROSPECTS ........ 35

8. SUMMARY AND CONCLUSIONS ................................... 39

APPENDIX 1 QUESTIONNAIRE FOR COMPARATIVE RESEARCH ON URBAN RENEWAL POLICY OF CENTRAL GOVERNMENT IN A NUMBER OF EUROPEAN COUNTRIES ......................................... 43

APPENDIX 2 DEPARTMENTS AND RESPONDENTS INVOLVED IN THE INTERNATIONAL COMPARISON OF URBAN RENEWAL POLICY ......................................... 47

APPENDIX 3 SOME INDICES OF THE COUNTRIES INVOLVED IN THE STUDY ......................................... 49
APPENDIX 4  URBAN RENEWAL POLICY IN THE NETHERLANDS

Delft University Press
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2628 CN Delft
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Tel. (015) 783254

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3. GOALS, MOTIVES AND BACKGROUND OF NATIONAL URBAN RENEWAL POLICY

4. LOCAL FRAMEWORKS AND INSTITUTIONS OF NATIONAL URBAN RENEWAL POLICY

5. NEED FOR URBAN RENEWAL: EXTENT OF THE PROBLEM AND JUSTIFICATION OF ACTION FROM THE CENTRAL GOVERNMENT'S POLICY AND NORMATIVE POINT OF VIEW

6. URBAN RENEWAL POLICY: DYNAMICS AND PROSPECTS

SUMMARY AND CONCLUSIONS

APPENDIX 2 DEVELOPMENT AND ECONOMIC POLICY

APPENDIX 3 URBAN RENEWAL POLICY IN THE INTERNATIONAL COMPARISON OF NETHERLANDS

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INTRODUCTION

The Netherlands Ministry of Housing, Physical Planning and Environment is currently conducting a comprehensive evaluation of urban renewal policy designated as Belstato, an abbreviation for the Dutch title Policy for urban renewal in the future. This project started in the spring of 1989 and will soon be completed, resulting in proposals for the urban renewal policy to be followed by the central government in the nineties. As part of the Belstato project the Housing Ministry required a look beyond the country’s borders: how do other European countries shape (national) urban renewal policy? The Research Institute for Policy Sciences and Technology (OTB) was commissioned to perform an international comparison of urban renewal policy. In view of the limited time available, a first broad investigation was intended.

The investigation is based on three sources: a survey in writing among the sister ministries of the Housing Ministry in ten European countries, an extensive document analysis in six European countries and in addition discussions with a number of foreign experts. The document analysis involved in the first instance the following countries: Belgium, West Germany, Great Britain, France, Denmark and Sweden. Naturally the Netherlands was used as a basis for comparison. The survey was submitted to the above countries and further to the relevant ministries in Norway, Finland, Switzerland and Austria.

The investigation has resulted in a number of country documents, viz:
- urban renewal policy in West Germany;
- urban renewal policy in Great Britain;
- urban renewal policy in France;
- urban renewal policy in Scandinavia.

For detailed information on urban renewal policy in the countries mentioned we refer to the country documents. In the present report an international comparative analysis is presented in which Dutch urban renewal policy is compared in broad outline with urban renewal policy in a number of other European countries.

1 The survey is directed towards urban renewal and urban renewal policy in the former West Germany. The very particular urban renewal problems in East Germany are thus not considered in this report.
Table 1  European countries involved in the international comparison of urban renewal policy

<table>
<thead>
<tr>
<th>Country</th>
<th>response yes/no</th>
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<tr>
<td>Belgium</td>
<td>yes</td>
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<tr>
<td>Flanders</td>
<td>yes</td>
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<td>Switzerland</td>
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<td>Austria</td>
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</table>

At the beginning of 1991 the relevant ministries in the countries listed in Table 1 were sent a questionnaire (see Appendix 1). In addition to the completed questionnaire a usually extensive collection of publications on urban renewal policy in the country in question formed the basis for the analysis.

In the following a number of cross sections are made with regard to some questions of policy that are topical in the Netherlands.

We shall successively devote attention to the following themes:

Chapter 2: Urban renewal as a field of government policy: responsible ministries, definition of concepts and characterization (survey questions 1-4; 8-9).

Chapter 3: Goals, motives and backgrounds of national urban renewal policy (survey questions 5-7)

Chapter 4: Legal framework and instruments of national urban renewal policy (survey question 11)

Chapter 5: Need for urban renewal (survey question 10)

Chapter 6: Extent of the financial aid to urban renewal from the central government (survey questions 14-17)


The authors owe considerable thanks to the respondents of the OTB urban renewal questionnaire among the sister departments of the Housing Ministry (see Appendix 2). They are likewise grateful for the comments and suggestions by the members of the counselling committee - ir. H.C. Bergman (DGVH), drs. M.Y.M. Gudde (RPD), drs. F. van Dugteren (SCP), drs. H.S. van Eyk (DGVH-IVA) - and the Belstata project leader, ir. P. Mollema.
The draft text has been submitted to the respondents. Their comments have been received and incorporated in the text. The authors welcome further comments and criticism.

Delft, August 1992

Hugo Priemus
Gerard Metselaar

In this chapter we investigate which ministry is primarily responsible for urban renewal policy, what is understood by "urban renewal" and how the approach to urban renewal can be characterized.

In the Netherlands urban renewal is coordinated at central government level by the Ministry of Housing, Physical Planning and Environment. Many other departments are directly or indirectly involved in urban renewal, such as the Ministry of Economic Affairs, the Ministry of Transport and Public Works, and the Ministry of Welfare, Public Health and Culture.

In the Netherlands the concept of urban renewal is basically defined (in the Urban and Village Renewal Act, 1985) as "the systematic effort in the field of planning and building as well as of the social, economic, cultural and environmental standards of living in order to preserve, repair, improve, restructure or clear built-up areas within municipalities". Formulated in this way, urban renewal is an endless task. As the basis for granting aid the government employs a more restrictive working definition, which was already introduced in 1981: "an intensification of the residential, working, production and general environment in the built-up area from before 1970 in the current standards and standards that the areas are made up by larger and smaller, for the benefit of those who live, work and practice their trade in the areas in areas, maintenance and management are therefore excluded.

Urban renewal in the Netherlands is largely concentrated in practice on poor-year areas. In the cities of former and present positions occupied a cultural position. Since the seventies urban renewal has always been dominated by the improvement of dwellings and the construction of new residential housing, often in the social rental sector. Since 1985 about one third of the sum has been distributed annually among municipalities and provinces (the urban renewal funds) from which a multitude of urban renewal cases can be met.

Urban renewal policy in Flanders is part of the regionalised powers. Since this comparative study is directed towards national urban renewal policy, thought could be given to not including Belgium in this analysis. We have preferred to incorporate some information on Flemish urban renewal policy, even though the information
As the beginning of 1991 the relevant no details in the countries listed in Table 1 were with a questionnaire (see Appendix B). In addition to the completed questionnaires, a usually extensive collection of publications on urban renewal policy in the country in question formed the basis for the account.

In the following a number of cross sections are made with regard to seven questions of policy that are topical in the Netherlands.

We shall successively devote attention to the following themes:

Chapter 2: Urban renewal as a field of government policies in the ministries, definition of concept and characteristics (survey questions 1-4; 6-9).

Chapter 3: Goals, relations and backgrounds of national urban renewal policy (survey questions 5-7).

Chapter 4: Legal framework and instruments of national urban renewal policy (survey question 11).

Chapter 5: Need for urban renewal (survey question 10).

Chapter 6: Extent of the financial aid to urban renewal by the central government (survey questions 14-17).


The authors owe creditable thanks to the responsible of the GTG urban renewal programme, as well as the other departments of the Housing Ministry (see Appendix 2). They are; Oostedt, Zettelaar, M.J.W. Hein, Dominicus M.J. Halder, M.J. Van den Brug (HVIW), H.A. Reuten, M.J.M. Cunode (RFD), J.S.B. Jansen (SOJ), G.F. Oskam (DGV1-IVV1) and the Belgian project leader, F. Stelmann.
In this chapter we investigate which ministry is primarily responsible for urban renewal policy, what is understood by "urban renewal" and how the approach to urban renewal can be characterized.

In the Netherlands urban renewal is coordinated at central government level by the Ministry of Housing, Physical Planning and Environment. Many other departments are directly or indirectly involved in urban renewal, such as the Ministry of Economic Affairs, the Ministry of Transport and Public Works, and the Ministry of Welfare, Public Health and Culture.

In the Netherlands the concept of urban renewal is broadly defined (in the Urban and Village Renewal Act, 1985): "The systematic effort in the field of planning and building as well as of the social, economic, cultural and environmental standards of living in order to preserve, repair, improve, restructure or clear built-up areas within municipalities". Formulated in this way, urban renewal is an endless task. As the basis for granting aid the government employs a more restrictive working definition, which was already introduced in 1981: "so intensified an adaptation of the residential, working, production and general environment (in the built-up area from before 1970) to the current desires and standards that the arrears are made up by leaps and bounds, for the benefit of those who live, work and practise their trade in the areas in arrears; maintenance and management are therefore excluded".

Urban renewal in the Netherlands is strongly concentrated in practice on pre-war areas. In the sixties clearance and reconstruction occupied a central position. Since the seventies urban renewal has always been dominated by the improvement of dwellings and the construction of new substitute housing, often in the social rental sector. Since 1985 about one billion guilders has been distributed annually among municipalities and provinces (the urban renewal fund), from which a multitude of urban renewal costs can be met.

Urban renewal policy in Belgium is part of the regionalized powers. Since this comparative study is directed towards national urban renewal policy, thought could be given to not including Belgium in this analysis. We have preferred to incorporate some information on Flemish urban renewal policy, even though the information
furnished to us was extremely scanty. Within the Flemish Executive the Community Minister of Physical Planning and Housing is competent in the field of urban renewal. The Administration for Physical Planning, Housing, Monuments and Landscapes has an Urban Renewal Service. This services coordinates urban renewal policy. The Housing Bureau of this Administration is also closely involved.

In Belgium the concept "urban renewal" is non-existent. In a limited number of housing-shortage and densification areas social house-building is rendered possible. For the rest there are separate schemes for inter alia the building and restructuring of infrastructure and the restoration of monuments. One cannot speak of a coordinated, elaborated urban renewal policy.

In (West) Germany the Ministry for Physical Planning, Building and Urban Planning is responsible for national urban renewal policy (Bundesministerium für Raumordnung, Bauwesen und Städtebau). In addition to the central government the "Länder" and the cities themselves make a major contribution to the financing of urban renewal.

The Federal Government regards urban renewal as a national task: "eine innenpolitische Daueraufgabe von hohem Rang, deren Stellenwert im Laufe des nächsten Jahrzehnts noch weiter zunehmen wird". In Germany use of the concept "urban renewal" is reserved for projects that are subsidized under the Urban Renewal Act (1971). However, in the cities much more has been done with the aid of fiscal support and private and municipal means or assistance from the Länder. The Act is aimed at strengthening the economic functions of urban and village centres. The municipalities have broadened urban renewal to include maintaining the quality of the building stock in larger areas.

The original definition of urban renewal is "Elimination of arrears in urban planning by the demolition of buildings and by essential restructuring of the inner city". But this definition is no longer used today. In this day and age the law lacks a credible definition of urban and village renewal, nor is there a consensus between municipalities and central government on the question of what is meant by urban and village renewal.

The relation between urban renewal and housing in West Germany is a strained one. Rents are not controlled, and there is no rent protection. Divided private rental premises in urban renewal areas are converted into apartments for sale by selling them off individually. In this way urban renewal leads to the withdrawal of cheap rental dwellings from the housing stock.

In 1984 urban renewal was not only making up arrears in urban planning. The order of priority was then as follows:

1. traditional urban renewal: the renovation, reconstruction and replacement of (residential) buildings;
2. revitalization of large apartment blocks from the end of the sixties and the seventies;
3. reorganization of traffic in the inner cities;
4. environmental protection: decontamination of the soil, water treatment and sewerage;
5. energy supply in local authorities;
6. "Rückbau" in contracting industrial cities and outdated industrial conurbations;
7. improvement of the facilities and the infrastructure for modern business.

The Department of the Environment is the ministry responsible for urban renewal in Great Britain. In addition, in 8 cities across the country City Action Teams (CATs) bring together regional officials of the Department of the Environment regularly with the regional officials of the Department of Trade and Industry and of the Department of Employment, and if necessary also of other ministries, so as to guarantee coordination of the principal government programmes at individual city level.

Communication with local authorities is maintained by the CATs and by the regional offices of the Department. For Scotland, Wales and Northern Ireland ministries are organised on a territorial basis and not a functional one: the Scottish Office, the Welsh Office and the Northern Ireland Office, each of which is responsible for a wide spectrum of tasks, of which urban renewal policy is one. British urban renewal policy has many facets and lacks an all-embracing piece of legislation in which a definition is given of urban renewal. The different programmes are regulated by a variety of different pieces of legislation, such as the Local Government Grants (Social needs) Act 1969, the Inner Urban Areas Act 1978 and the Local Government Planning and Land Act 1980.

Urban renewal policy is developing in the direction of concentration on decayed inner-city areas of old medium-sized and large industrial cities in the United Kingdom. In addition, policy is aimed at rundown residential districts around the inner cities particularly publicly owned housing estates. Urban renewal comprises construction and renovation of dwellings in the social and commercial sectors, the promotion of economic activity, the tackling of dereliction, the provision for business of incentives to invest in employment and training initiatives and the provision of social facilities. Unlike the Netherlands village renewal is regarded as a separate problem.

In France urban renewal is coordinated at national level by the Comité Interministériel des Villes (Interdepartmental Committee of the Cities). This committee comes under the Prime Minister. In addition there is a Commission Nationale du Développement Social des Quartiers, which implements the programme for social development of the districts (DSQ). In December 1990 a special Minister for the cities was appointed.

Since 1958 France has had a systematic urban renewal policy. Initially a clearance approach directed towards modernization was chosen: the systematic demolition of old, badly maintained districts that were regarded as slums and after demolition were rebuilt in a functional way. The original occupants were generally ousted in the process. Around 1975 this approach was abandoned, on account of the high costs and changing ideas about policy.

In 1962 the Malraux Law was adopted, aimed at the preservation of protected townscapes and the restoration of buildings. In the sixties and seventies interest
developed in the preservation of old districts in connection with their cultural and urban-development value.

Since 1975 attention has shifted to less drastic steps, in the form of dwelling improvement, maintenance and repair. The slogan now is "Reconquête urbaine", winning back the city, meant as a form of "cautious urban renewal". Since the fifties builders and investors have always been closely involved in urban renewal in France. In this way the tradition has been continued of the large semi-public companies, the Sociétés d'Economie Mixte, that were formed in the thirties. Public-private cooperation is an approach that has been tried in France for decades. In urban renewal too this formula is often applied in France.

In Denmark urban renewal policy is the responsibility of the Ministry of Housing and Construction ("Boligministeriet"), which coordinates and implements the subsidized urban renewal policy. On behalf of this ministry subsidies for urban renewal and dwelling improvement, and expenditure, are supervised by the National Bureau for Construction and Dwellings (Bygge og Boligstyrelsen). Further, the Ministry of Physical Planning and Environment (since 1973 split off from the Ministry of Housing and Construction) and the National Bureau for Planning play an important role here. As in fact urban renewal and urban preservation are promoted by two ministries, coordination problems may occur. In practice there are no signs of structural problems with the coordination. For the Ministry of Housing and Construction urban renewal has a high priority. Denmark is the only Scandinavian country where urban renewal is tackled on a territorial basis. Unlike the situation in Sweden and the Netherlands the social landlords are strikingly absent from Danish urban renewal. Urban renewal has for years been dominated by clearance. Dwelling improvement can be embarked upon by urban renewal companies (comparable to the German "Sanierungsträger"). In Denmark these companies require the official approval of the ministry; they must be non-profit. To bring to an end the bureaucratization of the urban renewal process the minister abolished the protected monopoly of these urban renewal companies in 1990. Urban renewal in Denmark means the operation for making up the great qualitative arrears of private rental dwellings from before the First World War. Incidentally, the Danish respondent does not venture to give a definition of the concept "urban renewal". He does, however, note a tendency to give the concept "urban renewal" an increasingly broad meaning. The Danish Act for Urban Renewal and the Improvement of Dwellings (1983) defines urban renewal as a task for the municipality to renew outdated urban areas and villages by a territorial approach. The aim is an all-embracing operation for the renewal of an outmoded and languishing urban area or village. Partly as the result of the absence of a clear definition of urban renewal the urban-planning objectives and social housing objectives not infrequently differ. The 1983 Act has so far been applied above all in smaller and medium-sized municipalities (with a relatively limited need for urban renewal); in the larger cities clearance projects are still being completed on the basis of the Urban Redevelopment Act of 1969.
In Sweden the Ministry of Housing and Physical Planning is responsible for urban renewal ("Bostadsdepartementen"). This country likewise lacks a generally accepted definition of urban renewal. The emphasis lies on the improvement of post-war apartments, notably in the social rental sector. Since 1973 the whole housing stock has had to satisfy the minimum requirements made of dwellings in the social sector, the LGS (Lagste Godtagbare Standard). After renovation the dwellings must have a life of at least 30 years. Subsidization for dwelling improvement was possible up to 100% of the building costs of comparable new construction in the social sector. In practice luxury renovation has been observed not infrequently, leading to a change in target groups. Through this radical policy a shortage of small, cheap dwellings for rent has developed.

Urban renewal is not an independent field of policy in Sweden. It is interpreted above all as improvement of mainly post-war housing districts and estates. Municipalities are responsible for the planning.

In Norway local authorities play a relatively independent role in many fields. They also levy their own taxes. Urban renewal is regarded primarily as a responsibility of local authorities. The central government follows a stimulating policy and makes regular pronouncements on the qualitative and quantitative goals in urban renewal. The Ministry of Local Government (Kommunaldepartementet) is responsible for urban renewal. The Ministry of Physical Planning and Environment is responsible for physical planning. As many residents of urban renewal areas are aged and/or poor, the Ministry of Health and Social Affairs is also considered important.

Since 1967, and also since 1987, the law has contained the following definition of urban renewal: "The renewal of urban areas, so that the buildings and the sites satisfy the present and future requirements". Village renewal falls outside the definition.

The content of the current urban renewal policy in Norway is above all the endeavour to improve the living conditions of the residents of the badly maintained inner-city districts by providing the local authorities with legal means and offering financial aid for dwelling improvement and improvement of the general environment. In practice the emphasis falls entirely on the improvement of apartments in a number of old city districts, which are then divided up and sold. Through a recent crash on the market for owner-occupied property the results are disappointing. In the old districts few investments are now being made. In Norway social landlords play no part in urban renewal. The latter is performed exclusively by non-profit municipal urban renewal companies. Because they paid too high costs of acquisition in the eighties, many of these companies have gone bankrupt. Norwegian urban renewal is stagnating.

Finland has no coordinated policy for urban renewal. There is, however, a policy for the modernization of outdated dwellings. The National Housing Board (Bostadsstyrelsen) is responsible for this. This is an independent service, which as the central organization for overall housing policy comes under the Ministry of the Environment.
Finnish legislation contains no definitions of urban renewal. Neither the government nor the municipalities have the availability of legal means for systematically tackling the renewal of existing urban areas. In practice a substantial portion of the relevant government funds goes to village renewal.

In Austria responsibility "die Förderung des Wohnbaues und der Wohnhaussanierung" was transferred with effect from 1 January 1988 from the "Bund" (the central government) to the "Gliedstaaten" (provinces). For the legislation in the field of urban renewal, the Ministry of Economic Affairs (Bundesministerium für Wirtschaftliche Angelegenheiten) and the Ministry of Justice (Bundesministerium für Justiz) are primarily responsible. In the Austrian Urban Renewal Act of 1974 (Stadterneuerungsgesetz) the concept of redevelopment (Assanierung) is defined as follows: Changing the building stock by demolition and new construction, or conversion of individual buildings or clearance of parts of the built-up area and restructuring these areas on the basis of building and land-use allocation plans. The reason for these operations lies in the fact that the original buildings do not comply with health requirements and other demands. "Assanierung" also covers the improvement of dwellings. The following operations are regarded as part of housing renovation:

1. Construction or adaptation of facilities such as water mains, electricity, gas and sanitary fittings, and central heating.
2. Improvement of the heat and sound insulation of buildings.
3. Improvement of the damp-proofing.
4. Combining dwellings and transforming other rooms into dwellings.
5. Division of dwellings or of other rooms.
6. Re-arrangement of dwellings in combination with other redevelopment measures.
7. Special measures on behalf of the accommodation of families with many children, the handicapped and the elderly.
8. Construction or adaptation of air-raid shelters etc.
9. In combination with other redevelopment measures: improvement of the immediate surroundings of apartment blocks.

Urban renewal in Austria is interpreted above all as a constructional problem.

Conclusion
In general we see that in the countries investigated a department comparable to the Dutch Housing Ministry is responsible for urban renewal policy. Three classic fields of policy usually come together in the urban renewal field: physical planning, housing policy and building policy. The links with economic affairs, public health, culture, social affairs etc. are usually recognized but in general are not brought out well in the articulation of national urban renewal policy. That may incidentally be bound up in part with the choice of the respondents: in each country the information was provided by a ministry comparable to the Dutch Housing Ministry (see Appendix 2). This may have caused an overemphasis on housing, building and physical planning, and perhaps too little attention to economic and social
dimensions. In the definition of the concept "urban renewal" we see in some countries (e.g. Denmark, France, West Germany) a change from clearance to "behutsame Städterneuerung" or "reconquête urbaine", directed towards dwelling improvement, maintenance and repair. The relation between urban renewal and the social rental sector is strong in the Netherlands and Sweden, and is strikingly absent in Denmark, Norway and West Germany. The respondents, with the exception of the Netherlands, Denmark and West Germany, make no mention anywhere of village renewal. In Finland subsidies are, however, given for the improvement of owner-occupied dwellings in rural regions. The linkage between urban and village renewal policy is not observed outside the Netherlands. In West Germany village renewal is detached from urban renewal. Clear, operational and policy definitions of urban renewal are thin on the ground.

In West Germany urban renewal is aimed at strengthening the economic function of urban centres. Not only improvement of the stock of buildings is envisaged, but also the restructuring of old city districts. In Great Britain too the link between urban renewal and urban restructuring is strongly emphasized. In France the economic approach prevails in the tackling of inner cities and the social aspects in the improvement of dwellings, of which an increasing number are post-war.

By origin urban renewal in Denmark is primarily regarded as the improvement of old private rental dwellings from before 1914, but now the concept is more broadly interpreted. In Sweden the special focus is on the improvement of post-war dwellings; in Norway as in Denmark the emphasis falls on the improvement of pre-war private rental dwellings.

Outside the Netherlands the transition from urban renewal to urban renewal in the broad sense (see Chapter 3) is a smooth one. Not infrequently the two concepts are used interchangeably. The clear distinction that we made in the Netherlands between classic urban renewal and urban renewal in the broad sense is not to be found in other countries.

Almost everywhere, though, the stress proves to fall strongly on local policy. Urban renewal policy is above all municipal policy. An important circumstance in this connection is that municipalities in other countries of Western Europe have a much larger taxation field of their own than in the Netherlands. This gives the municipalities more scope, but also increases the competition between them. The situation is striking in Norway, where the Ministry of Local Government is responsible for urban renewal: here the decentralization line has been continued the most consistently, administratively speaking. In Belgium urban renewal policy has been regionalized and is scarcely recognizable as national responsibility for policy. The responsibility for regions or provinces is also strongly profiled in Germany and Austria. In respect of the central government the role of local government in urban renewal is definitely a weak one in Great Britain.
GOALS, MOTIVES AND BACKGROUNDS OF NATIONAL URBAN RENEWAL POLICY

Urban renewal policy at national level is conducted on the basis of certain goals and motives. The urban renewal policy followed is never an independent entity, but must be associated with certain relevant backgrounds. It is to this theme that the present chapter is devoted.

In the Netherlands the elimination of arrears is emphasized by the government. In the "limited" definition of urban renewal attention is focused on the interests of those who live, work and practise their trade in the areas in arrears. The motto is "building for the neighbourhood". Between the sixties and the seventies Dutch urban renewal underwent a change from demolition to maintenance, repair and improvement. Gradually a shift has occurred since then from a housing approach, directed towards the lower-paid, to an approach aimed more at the economic and cultural development of the city, in which private persons play an ever-greater part. The government is now endeavouring above all to develop the economic potential of cities. This approach has become known as "urban renewal in the broad sense", a concept that is clearly distinguished in the Netherlands from classic urban renewal.

Since the 1985 Act not only urban renewal but also village renewal has been promoted. After a centralist approach in the seventies, the decentralized approach gained the upper hand in the eighties. The central government does calculate the need for urban renewal in detail, but municipalities are relatively free to determine their own priorities.

In Flanders motives and backgrounds of urban renewal policy are not clear. In practice a territorial approach is followed. With the Decree of 4 April 1990 the Flemish Executive ruled that per province a maximum of two housing-shortage areas may be recognized and demarcated. On 27 June 1990 housing-shortage areas were demarcated in Antwerp, Louvain, Bruges, Ghent, Tongeren and the mining towns. Later housing-shortage areas followed in Aalst, Menen, Malines and Vilvoorde. In the housing-shortage areas principally a number of financial advantages apply in the acquisition and improvement of inferior dwellings and the performance of infrastructural works.
In addition Flanders designates densification areas. Here a number of policy measures apply of which municipalities and other public administrations (Public Centres for Social Welfare, housing companies, Flemish Housing Fund) can make use.

In West Germany urban-planning restructuring has long been the central objective of the Urban Renewal Act. Further, urban renewal is regarded as industrial sectoral policy on behalf of building. In the past years there has been no other field of government investment, says the Federal Government, from which the return has been so great for the national economy as the revitalization of old city and village cores by urban planning. Urban renewal is increasingly seen and used as an instrument of economic policy.

The financial contributions of the cities and the Länder to urban renewal carry much weight. The concept "urban renewal" is reserved for projects that are subsized under the Urban Renewal Act, although in the cities much more has been done in the field of dwelling improvement with the aid of fiscal support than by the Urban Renewal Act, and although in urban renewal the municipal programmes are practically the most important.

Through the significance of the city for international competition and through the increased housing shortages the political priority of urban renewal has recently increased. Since 1991 very large urban renewal tasks in the former East Germany have been added to the list.

In Great Britain the White Paper for the Inner Cities in 1977 formed the first specific policy document in which urban renewal policy and the programmes for urban renewal were laid down. Arrangements for encouraging dwelling improvement already date from the end of the forties and the beginning of the fifties. In the 1977 White Paper structural economic decline was identified as the principal cause of the decay of the old British cities. Policies to boost economic activity and employment opportunities are considered therefore central to urban renewal.

In 1988 the government launched the initiative Action for Cities, with the goal of combining the comprehensive set of programmes for promoting the regeneration of inner-city areas. Attention is focused on the economic, environmental and social improvement of inner cities. Priorities of Action for Cities are the encouragement of enterprise and of new businesses, improvement of occupational opportunities, improvement of the conditions for setting up businesses by clearing away derelict industrial and residential estates, preparing the ground for building again and improving housing conditions.

Special mention should be made of the Priority Estates Project (PEP) and other measures improving the management of poor quality publicly owned housing, with a strong emphasis on resident involvement.

In France forms of policy for the restoration of cities (reconquête urbaine) started after the Second World War, and since 1958 have been more or less integrated into
a national urban renewal policy. Until recently the term "urban renewal" covered a procedure of systematic demolition of old, poorly maintained districts, regarded as slums. The stripped sites were built on again in accordance with functional views of urban planning. This policy was abandoned in 1975, partly in view of the high costs and the realization that this procedure resulted in extensive capital destruction. Interest in preservation of the old districts grew correspondingly on account of their cultural and urban-planning value.

The clearing of "bidonvilles" and the "real" slums still proceeds in the classic manner. If public health is involved, the government often opts for compulsory purchase and demolition. Since 1975-1977 attention has been devoted to less drastic operations: major maintenance and dwelling improvement.

In addition to the renewal of pre-war parts of the city France opted at the beginning of the eighties for a vigorous tackling of the social problems of post-war high-rise districts ("grands ensembles"). In the programme for the social development of the districts ("Développement Social des Quartiers") measures are laid down into which the economic, cultural and urban-planning aspects are integrated. The emphasis is laid here on reducing unemployment, improving the occupational opportunities of young people, integrating migrants and combating drugs and crime.

In Denmark one of the motives for granting subsidies to urban renewal and dwelling improvement under the 1983 Act was the decline in the production of new dwellings from 55,000 in 1973 to 20,000 in 1982. By urban renewal and dwelling improvement it was endeavoured to utilize the overcapacity in the construction industry and to combat unemployment among construction workers. As part of urban renewal the government can promote both housing interests and branch-of-industry interests.

The goal of the Urban Renewal Act is the realization of reasonable living conditions in old residential buildings and districts. The number of antiquated dwellings is put at 270,000. The Act is concerned with the improvement of both dwellings and their surroundings. Danish urban renewal policy relates to urban areas from before 1950. This practically coincides with the pre-war urban areas.

In 1982 the Danish Ministry of Physical Planning and Environment presented a fundamental change in spatial policy in the National Planning Report. Improvement of the climate of life in the cities was regarded as the most important task for the years to come. The new policy was laid down inter alia in the report "Better Cities" (1986), in which the following objectives of physical planning and urban renewal may be found:

1. more attention in local land-use allocation and urban renewal plans to the conditions for establishing commercial and industrial concerns in pre-war urban areas;
2. more attention to the preservation of old buildings;
3. more attention to environmental protection within the city.

In 1987 the note "Survey of City Policy" gave the following list of principal tasks of
spatial policy:
1. Urban renewal.
2. Development of new recreation projects in the city.
3. Improvement of the conditions for establishing businesses in the city.
4. Reorganization of traffic in the city, incl. control of traffic noise.

House-building is therefore not a priority of planning policy in Denmark. The principal goal of house-building policy has thus been shifted from new construction to maintenance, improvement and adaptation of the existing housing stock.

Of the four million dwellings in Sweden only 0.3 million were built before 1930. Partly as a result of this, the emphasis in Swedish urban renewal falls largely on the improvement and restructuring of post-war residential districts: above all of staircase-access flats in the social rental sector from 1950-1965, and partly also of apartment blocks from 1965-1975. In this country the objectives of urban renewal policy tie in with the bases of housing policy. The objectives of the ROT programme associated with this (ROT = Reparation, Ombyggnad & Tillbyggnad = repair, conversion and extension of buildings) for dwelling improvement in 1983 are:
- maintaining a sufficiently large housing stock of contemporary quality, accessible to all sections of the population;
- application of new construction standards to the existing housing stock, inter alia with regard to energy quality, and adaptation to the requirements of the elderly and handicapped;
- performance of maintenance simultaneously with dwelling improvement;
- optimum utilization of national building capacity.

By aid to social landlords the government tried to reduce the role of the private landlord in the category of inexpensive rental dwellings. The freedom of choice between owner-occupied and rental dwellings is one of the fundamentals of housing policy. Typical of Sweden is the on average young age of the housing stock and the decentralization of physical planning to the municipal level.

In Norway the first urban renewal law was introduced in 1967. This law was strongly directed towards clearance: demolition followed by new construction. Since 1976 the pursuit of preservation and repair has come more to the fore. The urban renewal task is directed strongly towards 30% of the flats built before 1920. The central question is always whether these blocks must be renovated or demolished. A territorial approach is being tried, notably in Norway's three largest cities: Oslo, Bergen and Trondheim. As soon as blocks are improved or demolished, displacement processes are generally observed on the housing market.

In Finland the housing stock is of recent date, even more so than in Sweden. With a proportion of 89% of dwellings from years of construction after 1945 Finland has
the most modern housing stock in Europe. As in Sweden, physical planning policy in Finland is decentralized to the municipalities. In Finland hardly any pre-war private rental dwellings exist. Private rental dwellings (29% of the national housing stock) are practically all modern ones. As in Sweden, the first major maintenance is obligatory before the end of the thirtieth year of the dwelling's life. In Finland there are hardly any qualitative arrears of dwellings through ageing within urban areas. For subsidized dwelling improvement in Finland there is no budget based on an estimate of the number of unimproved dwellings. The emphasis of housing policy does not fall so much on the preservation of old dwellings.

Insofar as there is any discussion in Finland about "urban renewal", it is concerned with improvement of the residential environment and with improvement of the amenities in the residential environment in districts built since 1960. Among city authorities interest in territorial action for district and dwelling improvement has lessened as a result of fragmentation of the national subsidies for dwelling improvement across the whole country. Through the strong orientation of housing allowances towards the elderly, political attention is concentrated on the improvement of housing conditions lagging behind in the countryside.

Austria has had a national Compulsory Purchase Act for housing and redevelopment purposes ever since 1929. In 1974 urban renewal and land-use laws followed. This legislation aims to ensure the homogeneous development of cities and communities; new construction declined, the government was confronted with financial problems, development of the business centres of the larger cities came to a standstill and interest in stock control grew. The residential function of the city was rediscovered and urban renewal was seen as a counterweight to vacancy and the selective migration from the city. The Austrian respondent speaks of an "Umorientierung" from expansion to improvement. In 1984 a study appeared under the title "Instrumentarium Stadterneuerung, Untersuchung über die Auswirkungen und die Zweckmässigkeit des derzeitigen Instrumentariums für die Stadterneuerung und die Wechselwirkungen zwischen den Tätigkeiten der beteiligten Körperschaften". In this study the changes in urban renewal policy outlined above are analysed.

In addition, a broadening of the urban renewal concept may currently be noted in Austria. It is now of decisive importance "...dass nun zunehmend Stadtnerneuerung in einem umfassenden Sinn und als eine Aufgabe verstanden wurde, die nur bei Initiative und weitgehendem Engagement der öffentlichen Hand lösbar ist" (...that now increasingly urban renewal should be interpreted in a comprehensive sense and as a task that can be tackled only on the initiative and with the far-reaching commitment of the authorities).

In urban renewal living in the broad sense of the word - is the focus of attention. In addition economic activity is considered to be of great importance. In Austria endeavours are directed towards bringing about renewal "without driving out the occupants".

The goal of planned urban renewal is raising the quality of life ("Lebensqualität") in the cities. It is not only a matter of countering decay, but also of bringing about
improvements. The stress no longer falls only on new construction but also on modernization of the stock.

Motives for improvement of the stock are:
- better utilization of the stock of buildings and the infrastructure;
- cleaning up sites not built on;
- maintaining urban-planning structures;
- revitalizing inner-city areas;
- energy-saving;
- encouraging business, especially the construction industry.

Conclusion

Goals and motives of urban renewal policy differ to no small extent per country. Sometimes there is no clarity about the goals. Connected with the differences noted in goals and motives are also differences in approach.

In many countries urban renewal initially manifested itself - as in the Netherlands - as clearance policy, aimed at demolition. In a number of countries (such as Austria) attention to preservation and repair increased after the 1973 oil crisis, when new construction was hard-pressed in many places. Nevertheless, the clearance policy was continued for a longer period in a number of countries than in the Netherlands, where in the seventies the course was changed towards maintenance, repair and renovation work.

In many countries the relation between urban renewal and housing has remained a strained one, because urban renewal had been aimed at changing the target group: gentrification. Swedish dwelling improvement policy was not dominated by "building for the neighbourhood" but led to the rehousing of a considerable proportion of the occupants. We see this also in France, West Germany and - to a great extent - in Norway.

In a number of countries (West Germany, Great Britain, Denmark, Sweden, Austria) urban renewal policy has deliberately been used as an instrument to give an impulse to the economy of the cities, and notably as a stimulus for building activity. In this connection the German government speaks of the most successful public investment programme of recent years.

Making old residential districts and cities liveable is a characteristic of urban renewal policy in Denmark, West Germany and France. In Sweden, France and Finland the emphasis falls very strongly on the tackling of post-war residential districts. Part of the British effort is also directed to that.

It is striking that outside the Netherlands there us hardly any question of a pretension to an integrated policy at central government level, in which physical planning, urban restructuring, business activity and employment, traffic and transport, recreation, amenities and housing are considered in interrelation. In other countries integration must come above all from the municipality and/or the province. We encounter this view in for instance Austria.
This chapter is devoted to the regulations in the field of urban renewal. In many cases the policy instruments used vary per municipality and per region, province or Land. The emphasis lies on the national legal framework and the instruments of national urban renewal policy.

In the Netherlands the Urban and Village Renewal Act has formed the framework for policy since 1 January 1985. The first complete policy memorandum was published earlier, in 1981: the Urban and Village Renewal Memorandum, by Minister Beelaerts van Blokland. This includes a quantified estimate of the need for urban renewal.

Before 1985 an urban renewal policy was already followed by the Dutch government, inter alia on the basis of the Interim Balance Scheme. In 14 municipalities the central government made up the deficits of urban renewal plans. This approach led to a centralist urban renewal policy. In the Urban and Village Renewal Act great freedom of policy was created for lower authorities to give substance themselves to urban renewal policy. Some 20 subsidy schemes, mainly from the Housing Ministry, supplemented by a few schemes from the Ministry of Economic Affairs and the Ministry of Welfare, Public Health and Culture, were abolished and incorporated in a national Urban Renewal Fund of approx. 1 billion guilders a year. This sum of money is distributed among the municipalities and provinces in the Netherlands via the "urban renewal apportionment formula".

As from 1 January 1990 this formula has been adjusted, a businesses factor being added. On balance the share of the large and medium-sized cities increased through this adjustment, whereas that of the smaller municipalities fell.

Municipalities that, under the urban renewal formula, would be allowed to draw more than one per mille from the fund, receive this amount direct. There are now 83 of these direct municipalities. The other 600-plus municipalities must submit applications for financial aid to the relevant province, which acts as budget-keeper for the non-direct municipalities.

From the fund urban renewal expenditure in the broadest sense of the term can be financed, provided that it relates to the built-up area from before 1971. Interest payments and debt redemption cannot be paid for out of the urban renewal fund.
Subsidies for the improvement of rental dwellings and subsidies for new construction in urban renewal areas remained centralized on the Housing Ministry budget, like the housing allowances that play an important role in urban renewal areas, among other places.

The Urban and Village Renewal Act, in addition to the urban renewal fund as financial instrument, has two legal instruments: the urban renewal plan (as the spatial framework for urban renewal operations) and the general environment ordinance (as framework for district management).

In Belgium a legal framework for urban renewal policy is absent. Of importance here is above all the Housing Code, the present name for provisions introduced by the Brunfaut Law of 15 April 1949, which lays the basis for the social rental sector (extremely marginal in Belgium).

In (West) Germany the Urban Renewal Act was introduced in 1971. In addition to the national programme some Länder have their own programme of urban renewal, which is independent of the Urban Renewal Act. Moreover, the municipalities themselves also invest considerable amounts in urban renewal. The obsolete Act of 1971 contains a legal system for regulating demolition in old inner cities. In 1987 the Act was taken over unchanged in the Baugesetzbuch (Building Code): in this way the old system has entered into the legislation of each individual Land in respect of physical planning and building law.

Various amendments (Novellen) are attached to the Act, which are often incompatible with the still formally valid points of departure of demolition and clearance. Furthermore, independently of the Urban Renewal Act separate laws have been promulgated, on such subjects as preservation of monuments, environment and energy-saving in the home. All in all the legal styling of urban renewal policy in the Federal Republic is rather chaotic.

Worthy of mention is the fiscal policy that has been introduced partly to promote dwelling improvement (as in the United States, Canada and Sweden). In the eighties deductible accelerated write-offs for income tax were permitted on expenditure for improvements to private rental dwellings. This had a considerable stimulating effect on private dwelling improvement.

In Great Britain, the Labour government's White Paper 'Policy for the Inner Cities' (1977) can be seen to have heralded an era of permanent urban renewal policy. Since 1977, both Labour and Conservative governments have initiated a series of urban renewal policies and programmes. Attention has increasingly focused on the economic dimension of urban renewal and the role of the private sector in the urban renewal process. The Conservative government's 'Action for Cities' initiative (1988) was intened to improve the co-ordination and delivery of the full range of these policies and programmes.

In 1991 the pilot for the City Challenge initiative was launched. Under this initiative local authorities are invited to compete with each other for urban aid by submitting
proposals to rejuvenate key neighbourhoods in partnership with the private and voluntary sectors, and other agencies. The aim is to enhance the effectiveness of government expenditure in urban areas, bringing programmes together in a more co-ordinated and targeted manner to tackle problems comprehensively. Successful local authorities enter into five year implementation agreements with central government. Funding for the initiative is provided from existing urban and housing programmes.

Thus, there is no one piece of legislation governing urban renewal policy in the UK. A variety of different pieces of legislation cover the different programmes. These include: the Local Government Grants (Social Needs) Act 1969; the Inner Urban Areas Act 1978; and the Local Government Planning and Land Act 1980. The latter provided the statutory basis for the establishment of the Urban Development Corporations (UDCs). These agencies are a key instrument in bringing land and buildings back into effective use in derelict areas so as to encourage private sector investment.

In France the Malraux Law has existed since 1962 for the preservation of protected townscapes and the restoration of buildings. For the rest the institutional framework consists of Orders in Council (Décrets) from 28 October 1988. On the basis of these Orders in Council a National Commission, an Interministerial Committee and an Interministerial Commission for the Cities and the Social Development of the Cities (Délégation interministérielle à la Ville et au Développement Social Urbain) have been instituted.

On 13 May 1991 the Act for strengthening solidarity between the cities was promulgated. The special Minister for the Cities is charged with coordination of government campaigns aimed at guaranteeing a better organization of the cities in particular by greater solidarity between the cities on the basis of the above-mentioned Act. France has performed its urban renewal policy largely without an explicit statutory basis.

Denmark has since 1983 had the Act for Urban Renewal and the Improvement of Dwellings, by which the responsibilities were decentralized to the municipalities. Since 1983 urban renewal and local planning must be mentioned in one breath. Land-use allocation plans fit into the legal framework of the Act for Municipal Planning. Within a land-use allocation plan (Lokalplan) a territorial "Urban renewal decision" is taken, with the residents of the district being enabled to participate in the decision-making.

The first law on the subject dates from 1918: the Act for the Protection of Monuments. In the period 1939-1969 the Act for the Clearance of Slums was in force. In 1969 this Act was succeeded by the Act for Urban Redevelopment, in which the following points were regulated:
- the obligation of private landlords to maintain their property on pain of compulsory purchase by the municipality;
- subsidization of the tenant after dwelling improvement, by way of rent
The Act did not imply any noteworthy government contributions; the emphasis lay on repressive supervision. In practice this Act led above all to the demolition of dwellings, above all in Copenhagen.

Since the adoption of the Act in 1983 over 70 Orders in Council have been promulgated. Together with the 92-section Act for Urban Renewal and the Improvement of Dwellings, these Orders in Council form a network of complicated regulations. The Minister who is responsible for urban renewal complains about the sweeping bureaucratization of urban renewal.

In Sweden urban renewal has been promoted by considerable dwelling improvement subsidies. A separate law for urban renewal was not adjudged necessary. The tasks are regarded as falling under the general physical planning legislation. In 1983 the government launched the 10-year ROT programme for dwelling improvement in post-war districts (see Chapter 4). The general improvement subsidies were combined in this programme with subsidies for energy-saving, installation of lifts, improvement of the accessibility of buildings for the handicapped and adaptation of dwellings for the elderly. The ROT programme was aimed not only at intensifying stock control, but also at helping the construction industry through the difficult years 1983-1987.

In Norway the first explicit urban renewal law was introduced in 1967: the Urban Renewal Act. This was mainly directed at renewal by demolition of old buildings and replacement by new ones. In 1976 the Act was adapted, as a result of the policy directed more to preservation of old buildings. The 1976 Act enabled local authorities to make plans for renewal by conversion and repair. Subsidized dwelling improvement was rendered possible by the new Act. On 1 July 1986 the new Act for Physical Planning and Construction was promulgated. This Act enables municipalities to make land-use allocation plans for the built-up area. In this new Act too subsidized dwelling improvement is possible only in the officially designated urban renewal areas. Such areas exist only in Oslo, Bergen and Trondheim.

In Norway much of the financial aid is given in the form of fiscal deductions. Of the total aid to housing, 60% consists of fiscal deductions. Of this total housing aid, 83% goes to the owner-occupied sector. Since the Second World War an important role has been played by Den Norske Stats Husbank (Norwegian State Bank for Housing), which up to 1985 dominated the market for housing mortgages by offering loans at reduced interest. In 1985 the dominating position of this State Bank was considerably reduced as part of the deregulation of the capital market. The freeing of the market for housing mortgages has placed the Norwegian banking system in great difficulties. At the end of 1991 the largest mortgage bank (Real Kredit) and the second largest commercial bank (Christiana Bank) had to be saved from technical insolvency by liquidity support from the central bank (Den Norske Bank). As a result of the last years low activity in privately financed housing the
State Bank has regained its central position. The government possesses no legal instruments for imposing a given urban renewal policy on the municipalities. The government prefers aid to compulsion.

In Finland the Dwelling Improvement Act was introduced in 1979. This makes subsidized loans available for the modernization of existing dwellings and for improvement of the area outside dwellings. The Act has a social housing goal on behalf of low-income groups and the elderly, and very particularly for the combination of the two: old people with a low income. Finnish "urban renewal policy" consists of the individual-linked direct and indirect subsidization of major maintenance and the modernization of outdated dwellings.

Direct subsidy is available only for major maintenance of dwellings that are older than 30 years and that have been occupied for at least 5 years by persons aged 65 and over with a low income. For "repair aid" the status of the occupier as tenant or as owner is not relevant. Of the costs of major maintenance a maximum FM 25,000 (12,000 guilders) is reimbursed. For dwellings that have been occupied for at least 5 years by persons aged 65 and over, 3% interest applies over the whole term (the average market rate has been 14% in recent years). On the basis of permanent research into the demand for dwelling improvement the subsidy conditions are tightened or relaxed above a minimum threshold of 40% of own contributions to the costs of the improvements for the owner.

Since 3 May 1974 Austria has had an urban renewal law (Bundesgesetz, betreffend die Assanierung von Wohngebieten: Stadterneuerungsgesetz) and a land-use law (Bodenbeschaffungsgesetz).

The following four instruments of urban renewal policy are (also) distinguished in Austria:
- direct intervention by the municipality (purchase, compulsory or otherwise, followed by improvement or demolition);
- injunctions and prohibitions that strongly guide the actions of those involved (e.g. land-use allocation plans, preservation of monuments);
- financial incentives that condition the actions of those involved more indirectly;
- indirect means such as provision of information, counselling, research etc. that leave the independence of those involved almost intact.

Urban renewal is usually a combination of measures belonging to each of the four categories listed.

The following breakdown of measures is provided by the Austrian respondent:
- instruments of local physical planning:
  . urban development plan ("Stadtentwicklungsplan")
  . land-use allocation plan ("Flächenwidmungsplan")
  . development plan ("Bebauungsplan")
- territorial redevelopment under the Urban Renewal Act:
  . designation of an area as an urban renewal area ("Assanierungsgebiet")
renewal concept (performance of preparatory research)
right of pre-emption, combined with an entitlement to rebate for the local authority
consent to legal transactions ("Genehmigung von Rechtsgeschäften") in redevelopment areas
compulsory purchase of land and proprietary rights to real estate in redevelopment areas
setting up renewal communities ("Erneuerungsgemeinschaften")
terminating existing real estate rights ("Untergang von Bestandsrechten")
redevelopment of buildings
demands (Forderungen) under the Urban Renewal Act and the Urban Renewal Ordinance 1987
demands under the Startwohnungsgesetz
application of building regulations in the maintenance of buildings
countering decay with the aid of rent legislation etc.
duty of the landlord to improve dwellings and other buildings
compulsory purchase under the Building Ordinance.

In Vienna the "Wiener Bodenbereitstellungs- und Stadterneuerungsfonds (WBSF)" has been created on behalf of urban renewal. With this fund redevelopment projects to the extent of 14 billion Schilling have been subsidized. Per year there is an investment level of 3 billion Schilling.

Conclusion
Urban renewal legislation in the countries investigated cannot be described by means of a generally applicable model. In some countries specific urban renewal legislation is absent (Belgium, France, Sweden). In Great Britain and France urban renewal is spread over a number of differing laws. Norway was the first with an urban renewal law in 1967. West Germany too was very early: in 1971 an urban renewal law was introduced here that has been maintained since then, but has related less and less to policy practice. In other countries the legislation, which initially was tailored to urban redevelopment, was more directed towards improvement of the stock (Denmark, Norway, the Netherlands). In Sweden and Finland urban renewal and improvement of the post-war social housing stock largely coincide. In France the improvement of post-war housing estates in the social rented sector is the only remaining form of directly subsidized dwelling improvement.

A reasonably complete urban renewal law may be found in West Germany, Austria and the Netherlands. In West Germany and Austria the provinces/regions play an important part in the supralocal financing of urban renewal activities. In the Netherlands great importance attaches in this connection to the urban renewal fund: a phenomenon unknown in other countries.
NEED FOR URBAN RENEWAL

In many countries little is known about the need for urban renewal. In the Netherlands the government has spared no expense or effort to specify and quantify this need. In 1981 that was done for the first time in the "Urban and Village Renewal Memorandum" by the Housing Minister. In 1991 this determination of the need was updated in the draft memorandum "Policy for urban renewal in the future" by State Secretary Heerma. According to the latter report a further 132 billion guilders has to be invested in urban renewal from 1990 onwards. Table 2 lists the gross investments and the breakdown of the cost centres.

In Belgium no insight exists into the need for urban renewal operations.

In West Germany the current urban renewal policy has been thoroughly evaluated. Here there is per city and per Land in general a reasonable picture of the need for urban renewal, in relation to a reasonable insight into the quality of the housing stock. As regards the extent of the need for urban renewal in the former East Germany, only very broad estimates of the very considerable need are in circulation. Through the big changes that may be expected in the German cities in the years to come, the formerly calculated needs are uncertain now. As a result of changing functional requirements the need for restructuring will probably overshadow the technically indicated renewal plans. Certainties about the current need for urban renewal have been rather abruptly shattered since the unification of the two Germanys.

In Great Britain indicators have been used that show the degree of social deprivation and unemployment. With the aid of these indicators 57 urban renewal areas (Urban Programme Areas) have been designated. At the same time the indicators have been used to determine the most suitable location for the urban renewal teams (task forces) and the Urban Development Corporations. However, there is no single set of targets for urban renewal: areas differ widely in terms of their problems and the policy responses by government.
Table 2  Gross investments in Dutch urban renewal 1990 - the end (according to Heerma, 1991, p. 31)

<table>
<thead>
<tr>
<th>INVESTMENT</th>
<th>(x f. billion)</th>
<th>COST CENTRES</th>
<th>(x f. billion)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dwelling improvement</td>
<td>44</td>
<td>Owners/tenants</td>
<td>92</td>
</tr>
<tr>
<td>Substitute new construction</td>
<td>17</td>
<td>Municipalities</td>
<td>5</td>
</tr>
<tr>
<td>Supplementary new construction</td>
<td>42</td>
<td>Government/urban renewal funds</td>
<td>11</td>
</tr>
<tr>
<td>Dwelling surroundings/legal costs</td>
<td>3</td>
<td>Government/rest</td>
<td>23</td>
</tr>
<tr>
<td>Other investment</td>
<td>26</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>132</strong></td>
<td><strong>Total</strong></td>
<td><strong>132</strong></td>
</tr>
</tbody>
</table>

In France it has been laid down politically that 1 million social rental dwellings must be improved in the coming five years (200,000 per year), so that thereafter the whole stock of social housing (= 3 million dwellings, i.e. 15% of the total housing stock) meets the present standards of housing comfort. Furthermore, 1.8 million commercial rental dwellings need improvement. Of the total French housing stock of 21 million dwellings, 8.2 million dwellings are pre-war. The stock of very uncomfortable and very outdated dwellings in France is known. That does not apply to the unhealthy dwellings. The policy for combating unhealthy housing conditions is only incidental and not planned. A second line of policy with regard to these districts relates to a coordinated approach to urban renewal ("reconquête urbaine") in 400 districts to improve the social conditions and the climate of life. Finally, the national schools organization (l'Education Nationale) has charted the most severe school problems. On this basis territorial elimination of school arrears (Zones d'Education Prioritaires, ZEP) is being tackled. In each of the districts of the Programme for the Social Development of the Districts (DSQ) a ZEP has been instituted.

In Denmark 270,000 dwellings do not meet requirements of fitness for occupation. The estimated repair costs of the worst premises in outdated inner-city areas have risen from 9 billion guilders in 1980 to 30 billion guilders in 1988. This is stated in the report on urban renewal accompanying the 1991 budget (Blue Note). The quality of the post-war housing stock is mainly good. Specific structural problems in blocks of flats constructed by system building in the period 1965-1975 are interpreted not as an urban renewal problem, but as a case of "building damage". To counter concrete rot and formation of mould the Minister of Housing and Building provided a subsidy of 300 million guilders in the second half of the seventies. A "Building Damage Fund" was then founded into which the (social) landlords have since been obliged to pay 1% of the total building costs for repair of this kind of problem.

In Sweden no information is available on the need for urban renewal. The very
small pre-war housing stock (only 300,000 dwellings date from before 1930) has meanwhile been tackled. Much of the post-war stock has meanwhile also been dealt with. There is little or no question of severe structural qualitative defects in the housing stock as a result of ageing and decay.

In Norway the Ministry is engaged in determining the size of the urban renewal problem. It is assumed that some 45,000 pre-war dwellings have to be improved. It is the intention to achieve this task in 10 years (before the year 2000). However, the number of subsidized dwelling improvements has fallen from some 2500 dwellings per year at the beginning of the eighties to 1000 dwellings at the end of the eighties.

In Finland the need for urban renewal is not determined, though the need for dwellings is established by the Ministry of Physical Planning and Environment.

In Austria (Vienna) the need for urban renewal up to the year 2000 is the following per year:
- 13,000 dwellings to be improved
- 3,000 combinations of dwellings
- 1,000 dwellings to be completely renewed.

In a study by Feilmayer et al. ("Verfall und Erneuerung Städtischer Wohnquartiere", 1983) the urban renewal costs were estimated for Vienna at a minimum of 83 billion Schilling and a maximum of 134 billion Schilling.

Conclusion
In the replies to the questionnaire and in the available literature little information can be found on the need for urban renewal operations. In general - as far as can be investigated - there is an absence of determinations of the need that can be used by policy-makers as guidelines. Insofar as figures on the need are available, they relate to the quality of the housing stock and to the improvement and replacement plans based on this. The rather spectacular attempt in the Netherlands to determine the need for urban renewal more or less as a whole seems unique in Europe.
In summary, the need for urban renewal is well recognized. The existing housing stock must be improved in the coming years (200,000 per year) to meet the needs of the growing population and to ensure adequate living conditions. This is particularly important in areas where the population density is high.

The government has set a goal of improving 200,000 dwellings per year. However, the actual number of dwellings to be improved is estimated to be around 750,000, which is far from the target. The government is exploring various options to accelerate the process of urban renewal.

In Sweden, no information is available on the use of urban renewal. The very
EXTENT OF THE FINANCIAL AID TO URBAN RENEWAL FROM THE CENTRAL GOVERNMENT

It is not easy to obtain insight into the extent of the financial aid to urban renewal from the central government, inter alia because of demarcation problems. Nevertheless, in what follows an attempt will be made to gain a picture by means of the respondents’ replies.

In the Netherlands the central government will from 1990 on put a further 34 billion guilders into urban renewal, i.e. 26% of the total investments (see Chapter 5). In the eighties the central government in the Netherlands contributed an additional 36% to the total urban renewal investments. A survey of urban renewal investments and subsidies is given in Table 3 (see the next page), taken from the RIGO report “Stadsvernieuwing in cijfers, het Voortgangsrapport Belstato” (Urban renewal in figures, the Belstato Progress Report) (Amsterdam, 1990, p. 80).

From Belgium no return was received on the size of the central government’s financial aid to urban renewal. The expenditure is regionalized: in Flanders, Wallonia and Brussels marginal contributions are involved in all cases.

In the twenty years since the Urban Renewal Act entered into effect, urban renewal in West Germany up to 1991 has been subsidized for a total amount of only DM 5.34 billion by the central government. Up to 1983 the national urban renewal budget fluctuated around a sum of DM 200 million per year. In 1983 the subsidy was increased by 50% from DM 220 million to DM 330 million per year for 1983, 1984 and 1985. In 1986 the budget jumped to DM 1 billion for 1986 and 1987. In 1988, 1989 and 1990 an annual subsidy budget of DM 660 million per year applied. During the nineties a level of DM 1 billion is again aimed at. There is thus a structurally rising trend, whereby - corrected for the differences in size of the pre-war building stock - the level of Dutch aid from the central government is not attained. For the nineties a contribution of DM 1 billion per year is also expected from the Länder. The municipalities will jointly contribute an identical amount. Through the unforeseen redevelopment problems in East Germany after German reunification in 1990 the feasibility of the national subsidy objective for the nineties has become extremely uncertain.
Table 3 Investments and subsidies in Dutch urban renewal in the eighties, in millions of guilders (1980 price level)

<table>
<thead>
<tr>
<th>Investments and subsidies</th>
<th>'80-'89</th>
<th>'81-'89</th>
<th>'80-'89</th>
<th>'81-'89</th>
<th>in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Repair and improvement subsidized</td>
<td>19,400</td>
<td>10,500</td>
<td>54 (1)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Repair and improvement unsubsidized</td>
<td>22,300</td>
<td></td>
<td>0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Compensatory new construction</td>
<td>17,954</td>
<td>6,810</td>
<td>38 (2)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Improvement of dwelling surroundings</td>
<td>783</td>
<td>783</td>
<td>100</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Legal costs</td>
<td>870</td>
<td>870</td>
<td>100</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Supplementary new construction</td>
<td>28,643</td>
<td>9,767</td>
<td>34 (2)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>KSBS-type aid</td>
<td>187</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Modernization of shop concentrations</td>
<td>34</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Clearance of environmentally objectionable businesses</td>
<td>131</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sewerage</td>
<td>659</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Infrastructure of public transport</td>
<td>3,280</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Motor traffic facilities</td>
<td>97</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cycle traffic facilities</td>
<td>18</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Built parking facilities for non-residential functions</td>
<td>146</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restoration of (dwelling house) monuments</td>
<td>914</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Welfare facilities and other welfare activities</td>
<td>110</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Regional and stimulating policy</td>
<td>30</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Soil decontamination</td>
<td>1,159</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Noise pollution control</td>
<td>187</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Road safety</td>
<td>28</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(1) excluding housing allowances</td>
<td>805</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(2) including housing allowances</td>
<td>6,175</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: RIGO, 1990, p.80

In Great Britain nearly 14 billion guilders was spent on direct urban renewal in 1991 by the central government. In Scotland and Wales 1320 million guilders was involved, in Northern Ireland the exact amount is unknown (it is estimated at several hundred million guilders) and in England 12,065 million guilders was contributed. As part of Action for Cities, i.e. the policy coordinated by the Department of the Environment, the sum of 12,065 million guilders for England can be specified as follows:
Table 4  Urban renewal budget for 1991 in England (Action for Cities)

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount (in millions of guilders)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Improvement of post-war housing estates in the social rented sector:</td>
<td></td>
</tr>
<tr>
<td>1. Funding for housing providers in the social rented sector</td>
<td>2.046</td>
</tr>
<tr>
<td>2. Improvement of the management and condition of large estates (Estate Action)</td>
<td>627</td>
</tr>
<tr>
<td>3. Renovation of large estates (Housing Action Trusts)</td>
<td>139</td>
</tr>
<tr>
<td>4. Additional funding for improvement of housing in inner city local authority areas (Housing Investment Programme; special allocation for inner cities)</td>
<td>330</td>
</tr>
<tr>
<td>Property subsidies for physical improvements to land and buildings</td>
<td></td>
</tr>
<tr>
<td>1. Urban Development Corporations</td>
<td>1.782</td>
</tr>
<tr>
<td>2. Direct subsidy to large investors (City Grants)</td>
<td>162</td>
</tr>
<tr>
<td>3. Redevelopment of derelict land (derelict land grants)</td>
<td>69</td>
</tr>
<tr>
<td>Economic, environmental and social renewal schemes in inner city districts</td>
<td></td>
</tr>
<tr>
<td>(Urban Programme)</td>
<td>861</td>
</tr>
<tr>
<td>Aid to the homeless</td>
<td>485</td>
</tr>
<tr>
<td>Administrative co-ordination of renewal activities (City Action Teams)</td>
<td>27</td>
</tr>
<tr>
<td>Subtotal Department of the Environment</td>
<td>6.528</td>
</tr>
<tr>
<td>Additional contributions for other ministries:</td>
<td></td>
</tr>
<tr>
<td>Vocational training of unemployed and support for business investment</td>
<td>4.142</td>
</tr>
<tr>
<td>Road improvements in inner city districts</td>
<td>990</td>
</tr>
<tr>
<td>Additional posts in local authorities to meet the special needs of ethnic minorities</td>
<td>241</td>
</tr>
<tr>
<td>Inner-city colleges of technology</td>
<td>149</td>
</tr>
<tr>
<td>Combating crime in inner cities</td>
<td>21</td>
</tr>
<tr>
<td>Grand total in millions of guilders</td>
<td>12.071</td>
</tr>
</tbody>
</table>
In France the following amounts are mentioned on an annual basis:

- 104 million guilders: priority Programme for the Social Development of the Districts
- 200 million guilders: improvement of social housing
- 297 million guilders: total budget, coordinated by the interdepartmental Plenipotentiary Committee for Cities (including 135 million guilders for the community structure in the cities: the Social Fund for the Cities (Fonds Social Urbain) and 44 million guilders for the clearance of unhealthy dwellings.
- 37 million guilders: crime prevention
- 733 million guilders: subsidies for the improvement of social rental dwellings
- 300 million guilders: subsidies for private dwelling improvement.

(1) Of this, 23 million guilders also forms part of the above-mentioned amount of 104 million guilders.

Outside their contributions to the priority Programme for the Social Development of the Districts (DSQ) it is not possible for the other ministries to calculate their contribution to urban renewal.

In Denmark (2.2 million dwellings) the urban renewal budget amounted to 600 million guilders in 1990 and 675 million guilders in 1991. This amount is divided among some 200 of the in all 275 municipalities. The share of each municipality depends on a number of objective criteria, such as the number of outdated dwellings: the initiative for an urban renewal formula. The actual payments made in 1991 amounted to approximately 150 million guilders. Further, 12 million guilders was available for the restoration of buildings in 1991, while the exemption from land tax for owners of protected buildings comprised 15 million.

In the nineties government subsidies for urban renewal and dwelling improvement will increase from 675 million guilders in 1991 to 750 million guilders in the year 2000.

In the period 1983-1990 government expenditure on behalf of urban redevelopment fluctuated around a level of over 200 million guilders. Cautious urban renewal started in 1984 and led in 1990 to a level of expenditure of over 300 million guilders. Further, there is a category of "extraordinary" expenditure for accommodation for young people and provisions for the elderly and handicapped. This separate item was dropped in 1990.
Table 5  Urban renewal expenditure by the Danish central government 1983-1990
(x million guilders)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>urban redevelopment</td>
<td>229.2</td>
<td>221.4</td>
<td>216.0</td>
<td>183.0</td>
<td>191.7</td>
<td>226.5</td>
<td>234.6</td>
<td>291.0</td>
</tr>
<tr>
<td>urban renewal</td>
<td>6.6</td>
<td>6.6</td>
<td>61.5</td>
<td>107.4</td>
<td>103.5</td>
<td>155.4</td>
<td>309.0</td>
<td></td>
</tr>
<tr>
<td>extraordinary</td>
<td>30.0</td>
<td>30.0</td>
<td>30.0</td>
<td>31.5</td>
<td>60.0</td>
<td>120.0</td>
<td>90.0</td>
<td>-</td>
</tr>
<tr>
<td>total</td>
<td>259.2</td>
<td>258.0</td>
<td>252.6</td>
<td>276.0</td>
<td>359.1</td>
<td>450.0</td>
<td>480.0</td>
<td>600.0</td>
</tr>
</tbody>
</table>

In **Sweden** the modernization of above all post-war dwellings was subsidized by 3 billion guilders in 1990: 1.86 billion guilders in dwelling improvement subsidies and 1.14 billion guilders in other property-linked expenditure, such as the installation of lifts in apartment blocks, special dwelling adaptation for the handicapped and elderly, extra measures for energy-saving in the home, and further a small individual-linked contribution for habituation to the higher rent after improvement of the dwelling.

In **Norway** the following financial resources of the central government are employed on an annual basis:
- 5.8 million guilders given as grants for improvement of the environment (1991) in urban renewal areas (Oslo, Bergen, Trondheim);
- 58 million guilders in room for credit for subsidized loans for dwelling improvement (1991) in urban renewal areas (Oslo, Bergen, Trondheim);
- 15.6 million guilders in grants and 86.7 million guilders in subsidized loans for modernization of older dwellings for elderly and disabled people;
- 58 million guilders in loans and 0.6 million guilders in grants for the modernization of post-war dwellings.
These are paid either via the State Bank for Housing or by the municipal authorities.

About two thirds of the direct subsidy for urban renewal is spent in Oslo: Oslo 65%, Bergen 21%, Trondheim 12%.

In **Finland** in the period 1987-1990 major maintenance was performed with subsidy on 5100 to 6500 dwellings per year, i.e. 0.3% per year. In the period 1985-1989 8000 to 14,000 dwellings were improved per year with subsidized loans, i.e. 0.4% to 0.7% of the total housing stock per year.

In 1989 the direct subsidy for major maintenance ("repair aid") of pre-war dwellings amounted to FM 45 million (21.6 million guilders). The room for credit for taking up subsidized loans was FM 377 million (181 million guilders) in 1990.

The central government in **Austria** has expended the following amounts on urban renewal subsidy.
Table 6  Federal funds for housing in Austria, 1986-1990

<table>
<thead>
<tr>
<th>Year</th>
<th>Austrian Schillings (x million)</th>
<th>Number of dwellings</th>
<th>Austrian Schillings (x million)</th>
<th>Number of dwellings</th>
</tr>
</thead>
<tbody>
<tr>
<td>1986</td>
<td>16,675</td>
<td>28,628</td>
<td>150</td>
<td>69,503</td>
</tr>
<tr>
<td>1987</td>
<td>17,095</td>
<td>25,596</td>
<td>160</td>
<td>85,986</td>
</tr>
<tr>
<td>1988</td>
<td>15,743</td>
<td>25,431</td>
<td>160</td>
<td>64,547</td>
</tr>
<tr>
<td>1989</td>
<td>15,983</td>
<td>28,714</td>
<td>158</td>
<td>103,006</td>
</tr>
<tr>
<td>1990</td>
<td>17,441</td>
<td></td>
<td>159</td>
<td></td>
</tr>
</tbody>
</table>

Conclusion

Data on the size of financial aid by the central government to urban renewal are fragmentary. The comparability of the data leaves something to be desired. In most countries the municipalities make a larger contribution to urban renewal than in the Netherlands. They also have more funds of their own for this. Nothing is known about the ratio between public and private funds in the financing of urban renewal. In a number of countries (Belgium, Norway, Finland) very modest amounts are involved. The expenditure of the French, German, Austrian and Danish governments also lags behind the government expenditure devoted to urban renewal in the Netherlands. Relatively (and absolutely) higher government expenditure than in the Netherlands is encountered only in Sweden and Great Britain. In addition the Dutch effort is surpassed by the urban renewal policy of the German Land of North Rhine-Westphalia.
Urban renewal policy is not a constant quantity. In this chapter comments are made on the dynamics of the policy and, as far as known, the prospects.

In the Netherlands the lines for urban renewal policy in the years to come are set out in the previously mentioned draft memorandum "Policy for urban renewal in the future" (Heerma, 1991). In this memorandum the prospect of a structurally declining size of the urban renewal fund is held out. By the year 2005 the urban renewal task as known at present will have been completed. In the remaining years the financial share of the private sector will have to increase structurally; the share of the central government falls structurally from 36 to 26%. The "remaining" urban renewal is more strongly concentrated in the large cities. It looks as if village renewal will already be completed in the short term.

In Belgium it has not emerged that any view exists on the future of urban renewal.

In West Germany a major intensification of urban renewal policy is expected. Through the migration flow of former East Germans to the cities in the former West Germany the pressure on the cities is growing. This will lead first of all to an increase in new construction programmes, but also to a further restructuring of the urban stock of buildings. Unfavourable factors in this are the low income of the migrants, their difficult labour market position and the high interest on the capital market.

In the former East Germany a still completely open urban renewal task of unprecedented size is manifesting itself: the repair, renovation, restructuring and perhaps partial demolition of the badly maintained high-rise concentrations in which until recently socialist housing policy acquired substance. The pre-war premises on which very little maintenance work has been done are also in a bad condition here.

In Great Britain the recently launched City Challenge initiative follows a review of urban renewal policy. The initiative signals an emphasis on more competition between local authorities for urban renewal resources. Nevertheless City Challenge cannot be regarded as a fundamental revision of urban renewal policy. Urban
renewal policy continues to have a high political priority after the 1992 general
election.

In France urban renewal policy has recently been adjusted and directed more
towards the reintegration into the city of the peripheral outskirts in the social rental
sector. Reflection on the problems in the cities is to be continued in the years to
come. It is increasingly coming to be realized that the question of the "problem
districts" is less a matter of the quality of the dwellings than of the accessibility to
education, the accessibility to vocational training and the labour market, and
recognition of the interests of the residents of these districts (French and foreign).
Under the new "Act for orientation towards the cities" urban qualities are being
given a more central position in the policy.

In Denmark it is expected that urban renewal activities will further increase in the
years to come. In the Danish parliament there is great political unanimity on the
subject of urban renewal.

In Sweden it was decided in 1989 to evaluate the policy thoroughly. The dwelling
improvement subsidies are certain to be reduced drastically. The discussion on the
new policy is still going on. The financial and economic conditions for new policy
deteriorated seriously in 1991. Through the very high mortgage interest (now about
20%) a very severe crisis threatens in the owner-occupied sector in 1992.

In Norway urban renewal policy is now being evaluated. The prospects for the
nineties are uncertain. The government will give a higher priority to urban renewal
to cope with the difficult situation in the housing market in general.

In Finland urban renewal is now being more profiled in addition to village renewal.
In 1990 twenty "urban renewal areas" were designated by the government. The
profile of the cities would have to be strengthened by new construction projects.
From Helsinki in particular the government demands "striking urban development
plans". In a 1990 law large municipalities are instructed to make an inventory of the
need for dwellings, including dwelling improvement, in the next five years.
Ambitions must be restricted in 1992 as a result of the collapse of Finnish trade
with the (former) Soviet Union. As a result of this, industrial production fell by
15% in 1991.

In 1991 a parliamentary enquiry was directed towards the preparation of a
summarizing "Bundeswohngesetz" in Austria. The goal is a legal improvement and
harmonization of housing regulations. In addition new rent legislation is being
prepared. With effect from 1 March 1991 a second Wohnrechtsänderungsgesetz
entered into effect, with the aim to make more dwellings available to low-income
households.
Conclusion
In various countries urban renewal policy is being evaluated. There is little clarity about the course to be expected in the nineties. Intensification of the policy is expected in a number of countries: West Germany, France and Denmark. A certain continuity may be expected in Great Britain, Austria, Norway and - at a very modest level - Belgium. Cuts are awaited in Sweden and Finland. Future termination of the policy, concentrated on making up the arrears now existing, as is the intention in the Netherlands, has not been announced in any other European country. The differences in definition (the Netherlands keeps urban renewal in the broad sense and urban management outside the definition of urban renewal that is used for the years to come) play a part in this.
renewal policy continues to have a high political priority after the 1990 crisis. In Norway the urban renewal policy was developed in the 1960s and 1970s with the aim of reducing unemployment. In the 1980s the policy was revised to focus on the rehabilitation of existing buildings. In Sweden the urban renewal policy was developed in the 1960s and 1970s with the aim of reducing urban decay. In the 1980s the policy was revised to focus on the rehabilitation of existing buildings. Under the new "Act for orientation in urban renewal" (1990), urban renewal has been given a more central position in the policy.

In Denmark it is expected that urban renewal activities will continue into the years to come. In the Danish parliament there is a great political consensus on the subject of urban renewal.

In Sweden it was decided in 1990 to evaluate the policy thoroughly. The dwelling improvement subsidies are certain to be reduced drastically. The discussion on the new policy is still going on. The financial and economic conditions for new policy deteriorated seriously in 1990. Through the very high mortgage interest (now about 20%) it is very severe crisis threatened in the urban renewal sector in 1992.

In Norway urban renewal policy is now being undertaken. The prospects for the future are uncertain. The government will give a higher priority to urban renewal to cope with the difficult situation in the housing market in general.

In Finland urban renewal is now being more facilitated by subsidies to village renewal. In 1990 twenty "urban renewal areas" were designated by the government. The profile of the cities would have to be strengthened by new reconstruction projects. From Helsinki in particular the large-scale demand for high density development plans. In a 1990 law large municipal areas are required to take an inventory of the need for dwellings, including dwelling requirements in the next ten years. Ambitions must be revised in 1992 as a result of the collapse of Austrian trade with the former Soviet Union. A result is that domestic production fell by 15% in 1991.

In 1991 a parliamentary inquiry was directed towards the preparation of a harmonizing "Landesweiseverordnung" in Austria. The goal is a legal improvement of harmonization of housing regulations. In addition new rent legislation is being prepared. With affect from 1 March 1991 a second Wohnrechtsetzungsverordnung entered into effect. The aim is to make more dwellings available to low-income households.
SUMMARY AND CONCLUSIONS

In this report an account is given of an international comparison of urban renewal policy. Three sources form the basis of the study:
- an inquiry among the housing ministries in Belgium, (West) Germany, Great Britain, France, Denmark, Sweden, Norway, Finland, Switzerland and Austria;
- literature search and document analysis;
- talks with experts.

Switzerland did not return a completed questionnaire. With respect to Belgium separate questionnaires were sent to Flanders, Wallonia and Brussels (Brussels: no response).

In general, in the countries studied a department comparable to the Dutch Housing Ministry is responsible for urban renewal. The exception is Norway, where the Ministry of Local Government is responsible. In a number of countries the role of regions or provinces is of great importance, notably in Belgium, Great Britain, Germany, Austria and France. In Great Britain the Department of the Environment is the equivalent of a local government and housing ministry. In the Scandinavian countries urban renewal is a matter for local government, with the sectoral ministry confining itself mainly to the housing aspects of the policy.

In many countries urban renewal started as a policy of clearance and demolition. Later, particularly after the 1973 oil crisis, attention to preservation and repair grew. The Dutch "building for the neighbourhood" is not to be found in the other European countries. In many countries, such as France, West Germany, Sweden and Norway, the original occupants have been displaced by urban renewal. In Great Britain, France and West Germany the importance of urban renewal to the creation of urban investments is emphasized. The tackling of post-war housing districts receives considerable emphasis in Sweden, Finland, Great Britain and France. In countries such as France and Austria health motives also play a part.

An integrated approach to urban renewal must often come from the cities themselves. At national level an integrated approach of this kind is generally absent. The integrated policy pretensions of the Dutch central government are hardly to be found anywhere else in Europe.

With the exception of the Netherlands, urban renewal does not include village
renewal in any of the countries studied. In the definition of the concept of urban renewal we see in a number of countries a switch from clearance to a more cautious rehabilitation. Clear, operational definitions of urban renewal are thin on the ground.

In the countries studied there is no universally applied model of urban renewal legislation. In most countries there is no specific urban planning law: Belgium, France, Sweden and to a certain extent Great Britain. A reasonably complete urban renewal law is encountered in West Germany (from as early as 1971), Austria and the Netherlands. The Dutch urban renewal fund is an unknown phenomenon in other countries.

In general, insight into the total need for urban renewal is absent. Insofar as figures on need are present, they relate to the quality of the housing stock and the related need for improvement and replacement. The Dutch attempt to determine the entire need for urban renewal seems unique in Europe.

Data on the size of the financial aid from the central government to urban renewal are fragmentary and incomplete. Relatively high expenditure is encountered in Great Britain, Sweden and the Netherlands. In most countries aid from the central government lags far behind what we have been used to in the Netherlands up to now.

Elsewhere in Europe the municipalities generally have more funds of their own to make a financial contribution to the urban renewal process than Dutch municipalities.

In various countries the urban renewal policy is being evaluated. In a number of countries (Germany, France, Denmark, Norway) an intensification of urban renewal policy is expected. Reduced use of national resources is anticipated in Sweden, Finland and the Netherlands. Termination of the policy, as recently announced in the Netherlands, occurs in no other European country. In other countries the arrears with respect to urban renewal have not been so extensively charted as in the Netherlands and have had a less elaborated planning based on this than in the Netherlands, and partly as a result of this other countries than the Netherlands do not indicate as specifically as the Netherlands in which year the government's financial concern with urban renewal is "finished".

Not in a comprehensive law, but in important policy documents of the central governments an integrated policy for urban renewal has been explained in recent years in the three large European countries: France ("reconquête urbaine"), Great Britain ("Action for cities") and Germany ("Städtebauförderung"). In France in particular inter-departmental programmes have recently entered into effect that are coordinated by the Prime Minister. In Great Britain the programmes are coordinated by the Secretary of State for the Environment. In the large European countries there is a distinct trend of development and emancipation of urban renewal policy in respect of housing policy. The announced completion of integrated urban renewal policy in the Netherlands is at variance with this development.

The international comparison of urban renewal policy in ten European countries leads to the following general conclusions:

a. Dutch urban renewal may be regarded as successful on the point of the intimate
relation between housing and urban renewal. In other West European countries urban renewal is not infrequently on a strained footing with the social housing function. This has aggravated the social problems in a number of large(r) cities.
b. In other countries urban renewal is regarded more as a means of strengthening the (international) competitive position of the city. The emphasis then lies on promoting urban activity, employment and private (expensive) housing. More experience has thus been gained with this than in the Netherlands.
c. Only in the Netherlands is now the discussion being conducted on the question whether urban renewal as a government task is "finished" or "finite". This discussion is in a certain sense a result of the fact that the Netherlands (since 1980) has been the only country to have a clear national task for the longer term in combination with permanently guaranteed contributions by the central government to municipalities.
d. Financial aid by the central government to urban renewal has until recently been practically self-evident in the Netherlands. In other countries, through more frequent changes in policy attention, we may perhaps speak of successive "finitudes". In many cases we see here political battles about the setting of national priorities and allocation of funds.
e. In other countries municipalities have in general more local tax income than in the Netherlands. This strengthens their independent position and the competition between municipalities for wealthy businesses and residents. The Dutch urban renewal fund, viewed internationally, may be regarded as compensation for this. The advantage of this approach is that a workable balance can be achieved between national sectoral policy on the one hand and municipal autonomy on the other.
f. The British government (excluding Scotland, Wales and Northern Ireland) spends on an annual basis more than 12 billion guilders on urban renewal (of which over 4 billion as aid to business): more than any other European country. Sweden also scores highly.
In France the central government spends about one-tenth of the Dutch urban renewal fund for comparable purposes. The population of France is about four times that of the Netherlands. In Denmark about the same amount of money is spent as in France, but the population is a third of the Dutch population. The expenditure by the central governments in Belgium, Norway and Finland is very low.
In 1988 it was agreed between the Federal government and the Länder in West Germany to restore the subsidy for the nineties and to maintain it annually at the level of DM 1 billion from the Federal government, 1 billion from the Länder and 1 billion from the municipalities, in accordance with the formula applicable since 1971. On account of the unforeseen redevelopment problem in the former East Germany the feasibility of the national subsidy objective has become uncertain. Probably the municipalities will have to make do with what they have.
In 1988 the German Federal government stated that no field of government investment yielded such a return for the economy as urban renewal.
g. All governments are wrestling with budgetary problems. And yet, above all in the countries that allowed arrears to develop in social housing policy in the eighties, notably France and Great Britain, the government is moved by a pugnacious spirit in favour of a more strongly profiled national approach to urban renewal in the nineties. In Denmark too urban renewal policy is being intensified. A reduced priority for urban renewal policy is encountered in Sweden and Norway.

h. In (West) Germany (1987) and Great Britain and France (1988) the responsible ministers have been equipped with new executive powers within the government to intensify the urban renewal process.

i. In various European countries three arguments are brought to the fore for strengthening urban renewal policy in the nineties: environmental protection, changes in the infrastructure for traffic and transport and the promotion of urban business activity and employment. In some countries the stress falls above all on the (economical) revitalization of cities and work is devoted above all to what is called "urban renewal in the broad sense" in the Netherlands. Other countries put more emphasis on the social side of the problem, and for instance promote improvement of parts of the post-war stock. Sometimes there is activity on both fronts, then again the stress falls on one of the two sides.

A division between classic urban renewal and urban renewal in the broad sense, as is now being emphasized in the Netherlands, is not encountered in policy documents of these countries.
APPENDIX 1

QUESTIONNAIRE FOR COMPARATIVE RESEARCH ON URBAN RENEWAL POLICY OF CENTRAL GOVERNMENT IN A NUMBER OF EUROPEAN COUNTRIES

1. Is there a more or less co-ordinated policy of urban renewal on the level of national government in your country? Which ministry/department (or other institution) is most competent in this field?

2. Which other sectoral departments fulfil important tasks in urban renewal policy?

3. How do the sectoral departments co-ordinate their policies of urban renewal?

4. Since when does your country have a national policy for urban renewal?

5. Could you describe the contents of the policy of urban renewal of your government? (Please also send us any major, recent policy documents).

6. What are the objectives, motives and backgrounds of the policy of urban renewal?

7. Does your national government consider urban renewal as an effort of temporary planning or as an ever continuing operation?

8. How has the national policy of urban renewal been defined in the law(s) of your country? Do you have a clear-cut definition of "urban renewal" in comparison with other fields of government policy? (see nota 1)?

9. To what extent does the concept of "urban renewal" of your government presently contain national policies in the field of:
   - the construction (including reconstruction and modernization) of dwellings in the private rental sector and owner-occupied dwellings;
- the (re-)construction of dwellings in the social rental sector;
- the renewal of the so-called "pre-(Second World) war" areas only;
- improvement of employment;
- improvement of traffic, public transport and parking facilities;
- preservation of historical sights, restoration of monuments;
- social services, education, art and culture;
- recreation and tourism (hotels, restaurants, green sites);
- decontamination of soil underneath, for instance, former garbage disposal areas and industrial sites;
- cleaning up of open water and modernization of sewage systems;
- renewal of rural villages;
- special policies against degradation of housing and the environment in certain areas due to crime, drugs dealing or prostitution;
- special policies of management, control or protection of certain public areas or certain buildings, including buildings for housing.

10. Has your government figures out some indicators or numbers of the future needs for urban renewal? Which are the most urgent tasks in the next few years? How do publicly known results of analyses of the needs for urban renewal (a.o. the condition of the housing stock and infrastructure) in your country relate to present day political statements of your government? Has the government, for example, accepted some minimal requirements for the remaining not yet renewed pre-war dwellings, in order to avoid arrears in the nineties, which may be unrepairable after the year 2000? (Please send any relevant research and policy reports).

11. Which are the financial, legal or other instruments, which your government applies in the execution of its national policy on urban renewal? How do these instruments relate to the autonomous competences of the lower administrative levels in your country? Is there a tendency of centralization or decentralization in your government's policy initiatives on urban renewal? Has the efficacy of national policy of urban renewal been evaluated recently? (If so, please enclose an evaluation report).

12. Has your government made any major reassessment of its policy on urban renewal during the 1980's? For what reason?

13. Is any reassessment to be expected during the 1990's? Again, for what reason? (Please provide us with the latest information. It is no problem if this is written in your own language).

14. How large are the financial burdens of your central government for urban renewal each year? (Please relate these figures to the financial instruments and the sectoral departments, which you have, possibly, already mentioned under question nrs. 2 and 10).
15. How much money is spent on urban renewal by the administration of the lower administrative levels each year? How does the total sum of public spending relate to the private investment in the municipalities? (Estimate).

16. Has there been any absolute or relative shift in public spending between the levels of your administration as well as between the public sector as a whole and the private sector during the 1980’s?

17. Do you expect further shifts in spending during the 1990’s?

Note 1:

In Art. 1, paragraph 1 of the Netherlands "Urban and Village Renewal Act, 1985", the following definition of "urban renewal" is given: "The systematic effort in the field of planning and building as well as of the social, economic, cultural and environmental standards of living in order to preserve, repair, improve, restructure or clear built-up areas within municipalities".
the (re-)construction of dwellings in the social rental sector;

- the (re-)construction of dwellings in the social rental sector;
- the (re-)construction of dwellings in the social rental sector;
- the (re-)construction of dwellings in the social rental sector;
- the (re-)construction of dwellings in the social rental sector;
- the (re-)construction of dwellings in the social rental sector;
- the (re-)construction of dwellings in the social rental sector;
- the (re-)construction of dwellings in the social rental sector;
- the (re-)construction of dwellings in the social rental sector;
- the (re-)construction of dwellings in the social rental sector;
- the (re-)construction of dwellings in the social rental sector;

preservation of historical sites, restoration of monuments;

- preservation of historical sites, restoration of monuments;
- preservation of historical sites, restoration of monuments;
- preservation of historical sites, restoration of monuments;
- preservation of historical sites, restoration of monuments;
- preservation of historical sites, restoration of monuments;
- preservation of historical sites, restoration of monuments;
- preservation of historical sites, restoration of monuments;
- preservation of historical sites, restoration of monuments;
- preservation of historical sites, restoration of monuments;
- preservation of historical sites, restoration of monuments;

- decontamination of soil around industrial areas and industrial sites;
- decontamination of soil around industrial areas and industrial sites;
- decontamination of soil around industrial areas and industrial sites;
- decontamination of soil around industrial areas and industrial sites;
- decontamination of soil around industrial areas and industrial sites;
- decontamination of soil around industrial areas and industrial sites;
- decontamination of soil around industrial areas and industrial sites;
- decontamination of soil around industrial areas and industrial sites;
- decontamination of soil around industrial areas and industrial sites;
- decontamination of soil around industrial areas and industrial sites;

- renewal of rural villages;
- renewal of rural villages;
- renewal of rural villages;
- renewal of rural villages;
- renewal of rural villages;
- renewal of rural villages;
- renewal of rural villages;
- renewal of rural villages;
- renewal of rural villages;
- renewal of rural villages;

- special policies against degradation of housing and the environment in certain areas due to crime, drugs dealing or prostitution.
- special policies against degradation of housing and the environment in certain areas due to crime, drugs dealing or prostitution.
- special policies against degradation of housing and the environment in certain areas due to crime, drugs dealing or prostitution.
- special policies against degradation of housing and the environment in certain areas due to crime, drugs dealing or prostitution.
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- special policies against degradation of housing and the environment in certain areas due to crime, drugs dealing or prostitution.
- special policies against degradation of housing and the environment in certain areas due to crime, drugs dealing or prostitution.

11. Which are the financial, legal or other instruments, which your government applies in the execution of its national policy on urban renewal? How do these instruments relate to the administrative competences of the lower administrative levels in your country? Is there a tendency of centralization or decentralization in your government’s policy initiatives on urban renewal? Has the efficiency of national policy of urban renewal been evaluated recently? (If so, please send an evaluation report).

12. Has your government made any major reassessment of its policy on urban renewal during the 1980’s? For what reason?

13. Is any reassessment to be expected during the 1990’s? Again, for what reason? (Please provide us with the same information, if it is not written in your own language).

14. How large are the financial budgets of your central government for urban renewal each year? (Please relate these figures to the financial instruments and the sectoral departments, which you have, possibly, already mentioned under question nos. 2 and 10).
**APPENDIX 2**  
**DEPARTMENTS AND RESPONDENTS INVOLVED IN THE INTERNATIONAL COMPARISON OF URBAN RENEWAL POLICY**

<table>
<thead>
<tr>
<th>Department/Ministry</th>
<th>Respondent Name</th>
<th>Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>Directeur van de Administratie van Huisvesting</td>
<td>Mr. L. Kieffer</td>
<td>Kunstlaan 43, 1040 Brussels, Belgium</td>
</tr>
<tr>
<td>Cabinet du Ministre Lutgen</td>
<td>Mr. Dominique Lemaire</td>
<td>35, Square de Meeus, 1040 Brussels, Belgium</td>
</tr>
<tr>
<td>Conseiller du Ministre G. Désiré</td>
<td>Mr. P. Zimmer</td>
<td>Avenue Louise 54/Boite 10, 1050 Brussels, Belgium</td>
</tr>
<tr>
<td>Bundesministerium für Raumordnung, Wohnungsbau und Städtewesen</td>
<td>Herrn Dr. E. Dick</td>
<td>Deichmannsaue, 5300 Bonn 2, Federal Republic of Germany</td>
</tr>
<tr>
<td>Department of the Environment</td>
<td>Mr. Stephen Batey</td>
<td>2, Marsham Street, London SW1P 3EB, Great Britain</td>
</tr>
<tr>
<td>Ministère de l’Equipement, du Logement, des Transport et de l’Espace</td>
<td>Mrs. N. Batsere/ Arche de la Défense, Paris Sud</td>
<td>92055 Paris La Défense, CEDEX 04, France</td>
</tr>
<tr>
<td>Ministry of Housing and Building</td>
<td>Mr. Hans Erik Svarre</td>
<td>Slotholmsgade 12, DK-1216 Copenhagen K, Denmark</td>
</tr>
<tr>
<td>Bostadsdepartementet</td>
<td>Mr. Per-Olof Angman</td>
<td>Jakobsgatan 26, Stockholm, Sweden</td>
</tr>
</tbody>
</table>
APPENDIX 3
SOME INDICES OF THE COUNTRIES INVOLVED IN THE STUDY

Number of inhabitants
Of the countries studied, three are by far the largest as regards number of inhabitants: West Germany, Great Britain and France, each with a population of from 57 to 62 million. The other countries are all smaller than the Netherlands. The smallest are Norway, Finland and Denmark, with 4 to 5 million inhabitants.

Table a3.1 Number of inhabitants of some European countries, 1990

<table>
<thead>
<tr>
<th>Country</th>
<th>Inhabitants (x 1000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Belgium</td>
<td>9,947</td>
</tr>
<tr>
<td>FRG</td>
<td>62,063 1)</td>
</tr>
<tr>
<td>Great Britain</td>
<td>57,300</td>
</tr>
<tr>
<td>France</td>
<td>56,614</td>
</tr>
<tr>
<td>Denmark</td>
<td>5,135 2)</td>
</tr>
<tr>
<td>Norway</td>
<td>4,200 3)</td>
</tr>
<tr>
<td>Finland</td>
<td>4,998 4)</td>
</tr>
<tr>
<td>Sweden</td>
<td>8,527 2) 6)</td>
</tr>
<tr>
<td>Austria</td>
<td>7,812 5)</td>
</tr>
<tr>
<td>Netherlands</td>
<td>14,891</td>
</tr>
</tbody>
</table>

Reference date: 30 June 1990

1) Reference date: 30 June 1989, i.e. the FRG before reunification
2) Reference date: 1 January 1990
4) "Population and Housing Censuses and Central Register of Population", year 1990
5) Population Census, 1991
6) Monthly Digest & Swedish Statistics"
Size of housing stock

The differences in size of population were reflected in the differences in size of the housing stock. West Germany and France number over 26 million dwellings; Great Britain has nearly 23 million. The small countries Norway, Finland and Denmark have approximately 2 million dwellings.

Table a3.2 Size of housing stock in some European countries, end of the eighties

<table>
<thead>
<tr>
<th>Country</th>
<th>Size of stock (x 1000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Belgium</td>
<td>3,997.1 (1985)</td>
</tr>
<tr>
<td>Germany</td>
<td>26,598.3 (1990)</td>
</tr>
<tr>
<td>Great Britain</td>
<td>22,829.0 (1987)</td>
</tr>
<tr>
<td>France</td>
<td>26,237.0 (1990)</td>
</tr>
<tr>
<td>Denmark</td>
<td>2,353.2 (1989)</td>
</tr>
<tr>
<td>Norway</td>
<td>1,748.0 (1989)</td>
</tr>
<tr>
<td>Finland</td>
<td>2,152.9 (1990)</td>
</tr>
<tr>
<td>Sweden</td>
<td>3,863.4 (1984)</td>
</tr>
<tr>
<td>Austria</td>
<td>3,380.9 (1990)</td>
</tr>
<tr>
<td>Netherlands</td>
<td>5,589.2 (1991)</td>
</tr>
</tbody>
</table>

Reference date: 31 December of the year


2) --., "Population and Housing Censuses and Central Register of Population", 1989
3) Statistiska Centralbyran (SCB), "Statistisk årsbok 1990"
4) Population and Housing Census, 1991

Building period

The proportion of very old dwellings (built before 1919) is high above all in Belgium, Great Britain and France. Sweden and the Netherlands have the lowest proportion on this point (13%). These two countries also have the highest proportion of post-war housing (73-74%). A low proportion of post-war housing (50-52%) is encountered in Belgium and Great Britain. The Netherlands, which aims urban renewal to a considerable extent at the building stock constructed before 1940, thus directs the policy towards a relatively small part of the stock. This is connected not least with the fact that for post-war social rental dwellings it was possible to build up an operating reserve that was absent in the pre-war housing stock.
Table a3.3 Building period of the housing stock in some European countries, end of the eighties

<table>
<thead>
<tr>
<th>Building period of housing stock</th>
<th>Belgium</th>
<th>Germany</th>
<th>Great Britain</th>
<th>France</th>
<th>Denmark</th>
<th>Norway</th>
<th>Finland</th>
<th>Sweden</th>
<th>Austria</th>
<th>Netherlands</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;1919</td>
<td>27</td>
<td>18</td>
<td>28</td>
<td>26</td>
<td>23</td>
<td>-</td>
<td>4.8</td>
<td>13</td>
<td>23.3</td>
<td>13</td>
</tr>
<tr>
<td>1919-1945</td>
<td>23</td>
<td>12</td>
<td>20</td>
<td>13</td>
<td>23</td>
<td>-</td>
<td>6.4</td>
<td>9</td>
<td>9.8</td>
<td>14</td>
</tr>
<tr>
<td>1945-1970</td>
<td>33</td>
<td>39</td>
<td>32</td>
<td>39</td>
<td>26</td>
<td>-</td>
<td>10</td>
<td>13</td>
<td>32.0</td>
<td>35</td>
</tr>
<tr>
<td>1970 et seq.</td>
<td>17</td>
<td>31</td>
<td>20</td>
<td>22</td>
<td>28</td>
<td>54.3</td>
<td>39.5</td>
<td>10</td>
<td>32.5</td>
<td>38</td>
</tr>
</tbody>
</table>


1) to 1918
2) 1919-1948
3) 1948-1968
4) 1969 et seq.
5) to 1915
6) 1915-1948
7) 1948-1974
8) 1974 et seq.
9) before 1921
10) 1921-1940
11) 1940 et seq.
12) 1940-1969

*) SCB, "Statistisk Årsbok 1990".

A high proportion of owner-occupiers are encountered in Belgium and Great Britain (65%). West Germany has the lowest proportion (38%). Further we see the Netherlands (45%) and Sweden (43%) with a proportion below 50%. A high proportion of social rental dwellings are found in the Netherlands (42%) and Sweden (36%). The proportion is very low in Belgium (5%). In West Germany the commercial rental sector is relatively large (43%). Great Britain (8%) and the Netherlands (13%) bring up the rear in this category.

Consumer expenditure per head
It may be assumed that a high level of prosperity facilitates following an urban renewal policy: the more prosperous a country, the more the central government can spend on urban renewal.
Table a3.4  Housing stock by tenure in some European countries, 1991

<table>
<thead>
<tr>
<th>Country</th>
<th>Soc. rent</th>
<th>Comm. rent</th>
<th>Owner-occ.</th>
<th>Others + unknown</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>%</td>
<td>%</td>
<td>%</td>
<td></td>
</tr>
<tr>
<td>Belgium 1)</td>
<td>4.6</td>
<td>30.4</td>
<td>65</td>
<td>0.0</td>
</tr>
<tr>
<td>Germany 3)</td>
<td>15.1</td>
<td>42.9</td>
<td>38</td>
<td>4.0</td>
</tr>
<tr>
<td>Great Britain 1)</td>
<td>26.9</td>
<td>8.1</td>
<td>65</td>
<td>0.0</td>
</tr>
<tr>
<td>France 4)</td>
<td>17.0</td>
<td>20.0</td>
<td>54</td>
<td>9.0</td>
</tr>
<tr>
<td>Denmark</td>
<td>18.5</td>
<td>18.1</td>
<td>51</td>
<td>7.0*</td>
</tr>
<tr>
<td>Austria (6)</td>
<td>35.9</td>
<td>21.1</td>
<td>43</td>
<td>0.0</td>
</tr>
<tr>
<td>Netherlands</td>
<td>42.4</td>
<td>12.6</td>
<td>54.3</td>
<td>5.0</td>
</tr>
</tbody>
</table>

Source: Ministry of Housing, Physical Planning and Environment, "Statistics on housing in the European Community". Year 1991

*) +5.4% others
1) Assumption: total stock minus owner-occupied stock = stock of rental dwellings (unknown = whether in fact there is still an "others" category)
2) Ref. year 1980
3) Ref. year 1987
4) Ref. year 1988
5) EIT, 1985; NEI 1989; Ministry of Housing, Physical Planning, ref. year 1985

If we may regard the consumer expenditure per head as a criterion of prosperity, then Table 5 shows that the Netherlands is the least prosperous. Austria and Belgium also have a low score. The wealthiest are Norway, Sweden and Finland.

Table a3.5  Consumer expenditure per head in some European countries, 1988

<table>
<thead>
<tr>
<th>Country</th>
<th>Expenditure, (US dollars, current prices, 1985 exchange rate)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Belgium</td>
<td>5,933</td>
</tr>
<tr>
<td>FRG</td>
<td>6,402</td>
</tr>
<tr>
<td>GB</td>
<td>6,561</td>
</tr>
<tr>
<td>France</td>
<td>6,806</td>
</tr>
<tr>
<td>Denmark</td>
<td>7,136</td>
</tr>
<tr>
<td>Norway</td>
<td>8,528</td>
</tr>
<tr>
<td>Finland</td>
<td>7,674</td>
</tr>
<tr>
<td>Sweden</td>
<td>8,140</td>
</tr>
<tr>
<td>Austria</td>
<td>5,567</td>
</tr>
<tr>
<td>Netherlands</td>
<td>5,471</td>
</tr>
</tbody>
</table>

Year: 1988
Source: OECD, Department of Economics and Statistics; "National Accounts 1960-1988"
### Table a3.6  Gross Domestic Product per head, current prices in purchasing-power parities (US dollars), in some European countries, 1988

<table>
<thead>
<tr>
<th>Country</th>
<th>GDP/head 1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Belgium</td>
<td>12,623</td>
</tr>
<tr>
<td>FRG</td>
<td>14,161</td>
</tr>
<tr>
<td>GB</td>
<td>13,428</td>
</tr>
<tr>
<td>France</td>
<td>13,603</td>
</tr>
<tr>
<td>Denmark</td>
<td>13,555</td>
</tr>
<tr>
<td>Norway</td>
<td>16,322</td>
</tr>
<tr>
<td>Finland</td>
<td>13,792</td>
</tr>
<tr>
<td>Sweden</td>
<td>14,772</td>
</tr>
<tr>
<td>Austria</td>
<td>12,506</td>
</tr>
<tr>
<td>Netherlands</td>
<td>12,832</td>
</tr>
</tbody>
</table>


### Gross Domestic Product per head

The Gross Domestic Product per head is the highest in Norway, Sweden and Finland. Here too the rear is brought up by the Netherlands, after Belgium and Austria.

The greatest prosperity is encountered in Norway, Sweden and West Germany. Finland, France, Denmark and Great Britain also rank higher than the Netherlands. Belgium and Austria lag slightly behind the Netherlands. As regards prosperity (determined on the basis of the gross domestic product per head, in purchasing-power parities) most of the countries examined in this study thus surpass the Netherlands.

### Population development

Table 7 and Fig. 1 illustrate the population development during the period 1980-1988 in the countries examined. Before 1980 the population in the Netherlands, compared with the other European countries, grew extremely quickly. After 1980 too the Netherlands heads the list, followed by France, Finland and Norway. Sweden and Great Britain are in the middle bracket. The slowest population development in the period in question is found in Austria, Belgium, Denmark and above all West Germany, whose population fell slightly between 1980 and 1988.
Table a3.7  Population development in some European countries, 1980-1988

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Belgium</td>
<td>100.00</td>
<td>100.06</td>
<td>100.09</td>
<td>100.08</td>
<td>100.08</td>
<td>100.11</td>
<td>100.15</td>
<td>100.21</td>
<td>100.38</td>
</tr>
<tr>
<td>FRG</td>
<td>100.00</td>
<td>100.19</td>
<td>100.12</td>
<td>99.77</td>
<td>99.36</td>
<td>99.12</td>
<td>99.19</td>
<td>99.23</td>
<td>99.69</td>
</tr>
<tr>
<td>Great Britain</td>
<td>100.00</td>
<td>100.12</td>
<td>100.04</td>
<td>100.11</td>
<td>100.31</td>
<td>100.54</td>
<td>100.80</td>
<td>101.09</td>
<td>101.37</td>
</tr>
<tr>
<td>France</td>
<td>100.00</td>
<td>100.56</td>
<td>101.11</td>
<td>101.58</td>
<td>101.98</td>
<td>102.39</td>
<td>102.81</td>
<td>103.25</td>
<td>103.70</td>
</tr>
<tr>
<td>Denmark</td>
<td>100.00</td>
<td>99.94</td>
<td>99.88</td>
<td>99.79</td>
<td>99.75</td>
<td>99.79</td>
<td>99.92</td>
<td>100.10</td>
<td>100.29</td>
</tr>
<tr>
<td>Norway</td>
<td>100.00</td>
<td>100.32</td>
<td>100.71</td>
<td>101.00</td>
<td>101.32</td>
<td>101.61</td>
<td>102.01</td>
<td>102.37</td>
<td>103.30</td>
</tr>
<tr>
<td>Finland</td>
<td>100.00</td>
<td>100.42</td>
<td>100.98</td>
<td>101.59</td>
<td>102.13</td>
<td>102.55</td>
<td>102.89</td>
<td>103.18</td>
<td>103.47</td>
</tr>
<tr>
<td>Sweden</td>
<td>100.00</td>
<td>100.16</td>
<td>100.19</td>
<td>100.22</td>
<td>100.31</td>
<td>100.47</td>
<td>100.71</td>
<td>101.06</td>
<td>101.53</td>
</tr>
<tr>
<td>Austria</td>
<td>100.00</td>
<td>100.21</td>
<td>100.29</td>
<td>100.04</td>
<td>100.05</td>
<td>100.12</td>
<td>100.21</td>
<td>100.34</td>
<td>100.61</td>
</tr>
<tr>
<td>Netherlands</td>
<td>100.00</td>
<td>100.69</td>
<td>101.15</td>
<td>101.53</td>
<td>101.94</td>
<td>102.41</td>
<td>102.98</td>
<td>103.68</td>
<td>104.35</td>
</tr>
</tbody>
</table>

Source: OECD
Fig. a3.1  Population development in some European countries, 1980-1988 (1980 = 100)

Source: OECD
Number of cities with more than 100,000 inhabitants

By far the majority of cities with more than 100,000 inhabitants are encountered in West Germany (62), followed at a distance by France (25) and Great Britain (22). These are soon followed by the Netherlands with 15 large cities. Apart from Sweden (11 large cities) the other countries have very few cities of this size (3 to 6 per country).

Division into provinces, regions and municipalities

Table 9 shows how greatly the division into provinces, regions and municipalities in the various countries differs. The content of the concepts of province, region and municipality also varies considerably. Compare for instance the fact that Great Britain has 365 local authorities and the almost equally large France 36,577 communes.

Mortgage interest

West Germany and the Netherlands are distinguished by a fairly low mortgage interest (approx. 8%). The mortgage interest is the highest in Great Britain (14%), followed by Norway (12.6%). The other countries occupy an intermediate position, with mortgage interest of 10 to 11%.
### Table a3.9  Division into provinces, regions and municipalities in some European countries

<table>
<thead>
<tr>
<th>Country</th>
<th>Provinces</th>
<th>Regions</th>
<th>Municipalities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Belgium</td>
<td>9</td>
<td>43</td>
<td>1) 589</td>
</tr>
<tr>
<td>FRG 2)</td>
<td>11</td>
<td>328</td>
<td>8,505</td>
</tr>
<tr>
<td>Great Britain</td>
<td>4</td>
<td>45</td>
<td>365</td>
</tr>
<tr>
<td>France 3)</td>
<td>22</td>
<td>96</td>
<td>36,577</td>
</tr>
<tr>
<td>Denmark</td>
<td>14</td>
<td>4)</td>
<td>-</td>
</tr>
<tr>
<td>Norway</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Finland</td>
<td>12</td>
<td>none</td>
<td>460</td>
</tr>
<tr>
<td>Austria</td>
<td>9</td>
<td>-</td>
<td>2,300 7)</td>
</tr>
<tr>
<td>Sweden 5)</td>
<td>24</td>
<td>6)</td>
<td>none 284</td>
</tr>
<tr>
<td>Netherlands</td>
<td>12</td>
<td>none</td>
<td>672</td>
</tr>
</tbody>
</table>

1) Arrondissements  
2) Länder, Kreise, Gemeinden  
3) Regions, Departments  
4) Amter  
6) Läns  

### Table a3.10  Mortgage interest in some European countries, end of 1987

<table>
<thead>
<tr>
<th>Country</th>
<th>Interest</th>
</tr>
</thead>
<tbody>
<tr>
<td>Belgium</td>
<td>11.00%</td>
</tr>
<tr>
<td>FRG</td>
<td>7.5%</td>
</tr>
<tr>
<td>Great Britain</td>
<td>14.4%</td>
</tr>
<tr>
<td>France</td>
<td>10.0%</td>
</tr>
<tr>
<td>Denmark</td>
<td>9.82%</td>
</tr>
<tr>
<td>Norway</td>
<td>12.60%</td>
</tr>
<tr>
<td>Finland</td>
<td>11.07%</td>
</tr>
<tr>
<td>Sweden</td>
<td>11.05%</td>
</tr>
<tr>
<td>Austria</td>
<td>-</td>
</tr>
<tr>
<td>Netherlands</td>
<td>8.2%</td>
</tr>
</tbody>
</table>

Source: Berichte der Mitglieder des Hypothekenverbandes  
Reference date 31.12.1987  
Term 10 years.

1) Belgische vereniging voor het onroerend krediet, reference date March 1991  
2) Year: 1990  
### Table 1.1

**Number of cities with more than 100,000 inhabitants**

<table>
<thead>
<tr>
<th>Country</th>
<th>Population</th>
<th>Region</th>
<th>Province</th>
<th>Number of Cities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Belgium</td>
<td>92</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FRG</td>
<td>200</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GB</td>
<td>112</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>France</td>
<td>152,851</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Denmark</td>
<td>87</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Norway</td>
<td>52</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Finland</td>
<td>609</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sweden</td>
<td>200,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Austria</td>
<td>120</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Netherlands</td>
<td>113</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>


A few cities in some European countries have very low cities of this size (3 to 6 per thousand). (1)

### Division into provinces, regions and municipalities

Table 1.1 has already shown the division into provinces, regions and municipalities.

The various countries differ. The system of the concept of provinces, regions and municipalities also varies considerably. Compare for instance the fact that West Germany has 355 counties and the almost equally large France has 85 départements.

Mortgage interest rates in the Netherlands are distinguished by a fairly low mortgage interest (approx. 5%). The mortgage interest is the highest in Great Britain (11%).

**Table 1.1**

<table>
<thead>
<tr>
<th>Country</th>
<th>Mortgage Interest Rate (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>West Germany</td>
<td>3%</td>
</tr>
<tr>
<td>Britain</td>
<td>11%</td>
</tr>
</tbody>
</table>

**Note:**

(1) Reference rate: 100
(2) Reference rate: 110
(3) Reference rate: 120
(4) Reference rate: 130
(5) Reference rate: 140

Table 1.0 (continued)
APPENDIX 4

URBAN RENEWAL POLICY IN THE NETHERLANDS

Introduction

In the Netherlands there has been a co-ordinated policy of urban renewal at the level of the national government since 1981. In that year the Dutch government presented to the parliament the "Report on the Renewal of Towns and Villages". This report indicated standards and tasks for urban renewal during the 1980s as a special responsibility of the national government.

Urban renewal policy is co-ordinated by the Minister of Housing, Physical Planning and Environment. Other departments that play an important role in urban renewal policy are the Ministry of Economic Affairs, the Ministry of Transport and the Ministry of Welfare, Health and Culture.

Urban renewal policy in the Netherlands has a broad scope. It is defined as the systematic effort in the field of planning and building as well as of the social, economic, cultural and environmental standards of living in order to preserve, repair, improve, rearrange or remove built-up sites on the territory of the municipalities. It deals with:

- repair and improvement of dwellings (social rented, private rented and owner-occupied);
- building new dwellings in old areas;
- renovation of monuments;
- improvement of the urban environment;
- stimulating participation of the people involved;
- stimulating industries, offices, shops and other economic activities;
- improvement of the environmental quality (soil, water, air, noise) in the city;
- improvement of infrastructure for public transport, cars and cycles;
- creating parking facilities, social services, green areas.

The objective of the central government is to promote the quality of older urban areas (before 1971, mostly before 1945) and to prevent processes of decay. The national government regards urban renewal as a strategic task with a wide range, but not everlasting. It is expected that after the greatest arrears have been made up the national responsibility for urban renewal will end in the year 2005.
A short history of urban renewal policy

Although immediately after 1945 there was talk of urban renewal, and back in 1953 Minister In't Veld drew a picture of the urban renewal task then to be expected, the start of Dutch urban renewal nevertheless dates from the sixties. Then contemplation of the inner city problems began, above all in the medium-sized and a number of small cities. Here and there slum clearance commenced, sometimes in relation to views about a wider opening-up of the inner city for motor traffic, sometimes without there being a clear picture of the use to which the areas freed were to be put. Thus the "total demolition" phase set in, encouraged by government subsidies from 1963 on. In that year the first urban redevelopment scheme was established (Section 72 of the Housing Act), under which the demolition of poor-quality dwellings was subsidized. In 1969 the Subsidy Scheme for Redevelopment and Reconstruction Plans (the so-called 80% scheme) entered into effect, based on both the Housing Act and the Physical Planning Act (Section 32). In that same year a subsidy scheme for urban traffic and transport facilities was started by the Ministry of Transport.

In the seventies ideas were put forward for a "balance scheme" (Schouten Commission) in which the whole deficit of redevelopment and reconstruction activities is borne by the State. In 1977 this idea was put into practice on an experimental basis: in that year the Interim Balance Scheme (ISR) became operative. Under the ISR 6, later 8 and finally 14 local authorities received preferential treatment. On the one hand such a formula lead to a highly centralistic approach and to a reservoir of ambitious plans (after all, the State pays ...), on the other hand more stringent standards were introduced according as the claims became greater. As a result of this, parts of the planning deficits were nevertheless charged to the local authority.

Meanwhile a political answer had also been given to the reproach that the 80% scheme fostered demolition. At the beginning of the seventies the Financial Aid to Rehabilitation Order entered into effect, to encourage dwelling and district improvement.

In conformity with the wishes of the Duinker-Lauxtermann parliamentary motion, in 1981 Minister Beelaerts van Blokland presented the Report on the Renewal of Towns and Villages, in which the need for urban renewal was estimated. First it was estimated how much it would cost to perform the urban renewal in one year: the "static" estimate. This estimate was then "dynamized": the continuing ageing and the policy to be followed were also taken into account in the study. It was calculated that if the efforts were doubled the urban renewal operation would be "finished" in the year 2000 ("dynamic model 2"). With an unchanged policy this would take more than 50 years ("dynamic model 1"). The new Cabinet did not double the funds, but did considerably intensify them. The first Urban Renewal Long-Range Plan 1983-1987 presented the new policy. It was noted that this policy lay closer to model 2 than to model 1. "The arrears can be made up around 2010 if the efforts stay at the same level".
Urban and Village Renewal Act
Those involved began increasingly to rue the centralistic nature of the ISR. In the first half of the eighties there was a complete change of course.
On 1 January 1985 the Urban and Village Renewal Act was introduced. This created a great freedom of policy for lower authorities to give substance themselves to urban renewal policy. Some 20 subsidy schemes, mainly from the Ministry of Housing, Physical Planning and Environment, supplemented by a number of schemes from the Ministry of Economic Affairs and the Ministry of Welfare, Health and Culture, were abolished and absorbed into a national Urban Renewal Fund with a volume of approx. 1 billion guilders per year. This amount is distributed among the local authorities and provinces of the Netherlands via the "urban renewal formula" (1).

\[
\frac{s.a. + b + h}{C^2} = \frac{s.a. + b + (1/2p + 2m)}{C^2}
\]

where:

\(s\) = urbanization factor (source: Hiërarchie van Kernen 1979 (Hierarchy of Centres 1979) (RPD, Zwolle, 1980))

\(a\) = number of dwellings built before 1945, still existing in 1971 (source: CBS Housing Census 1971)

\(b\) = number of private blocks of flats for rent built before 1931 (based on CBS Housing Census 1971)

\(h = 1/2p + 2m\) = historical factor (source: RDMz 1984);

\(p\) = number of premises in a specified or still to be designated protected parts of towns or villages;

\(m\) = number of monuments in the whole local authority;

\(C\) = ratio between the average income in the municipality and in the Netherlands as a whole in 1978 (source: CBS 1978).
Urban renewal formula
As of 1 January 1990 this apportionment formula has been adapted, with the addition of a businesses factor (1). On balance the share of the large and medium-sized municipalities increased by this adjustment, whereas that of the smaller local authorities fell.

(1) The new urban renewal formula since 1 January 1990:

\[
s \frac{(a + i) + b + h}{C^2} = s \frac{(a + B10 \text{ fw}) + b + (1/2p + 2m)}{C^2}
\]

where:

- \( s \) = urbanization factor (source: Hiërarchie van Kernen 1979 (RPD, Zwolle, 1980));
- \( a \) = number of dwellings built before 1945 present on 1 January 1988 (DGVH 1988);
- \( i \) = businesses factor (Company Registers, Chamber of Commerce, as on 1 January 1988; investigation by CEBEON/IOO, 1987; DGVH 1988);
- \( B10 \) = number of businesses in industry with more than 10 employees;
- \( f \) = factor of 2 for the 4 largest municipalities; factor of 1 for the other local authorities;
- \( w \) = ratio between the number of dwellings from before 1945 and the total number of dwellings.
- \( b \) = number of dwellings in blocks of flats built before 1931 present on 1 January 1988 (DGVH, 1988);
- \( h \) = \( 1/2p + 2m \) = historical factor (source: RDMz 1988 and 1984);
- \( p \) = number of premises in a specified or still to be designated part of the town or village;
- \( m \) = number of monuments in the whole local authority;
- \( C \) = ratio between the average income in the municipality and in the Netherlands as a whole in 1984 (source: CBS 1988).

Through the introduction of the 1990 formula the share of the four large municipalities in the total urban renewal budget rose fromm 45.0% to 46.4%. The share of the other municipalities with more than 100,000 inhabitants increased from 17.3% to 17.6%. The municipalities with 50,000 - 100,000 inhabitants also gained slightly; from 12.2% to 12.3%. The losers were the municipalities with fewer than 50,000 inhabitants, which saw their share contract from 25.5% to 23.7%.
Municipalities that under the urban renewal formula ought to be able to draw more than 1 per mille from the urban renewal fund, receive this amount direct. There are now 83 of these direct municipalities. The remaining 600-plus municipalities must submit applications for financial aid to the relevant province, which acts as budget-keeper for the non-direct municipalities.

The fund supports the systematic and concentrated implementation of the existing national policies and instruments such as object-related and subject-related housing subsidies, but does not produce any new regulation on subsidies. In addition, the Urban and Village Renewal Act gives two new policy instruments for operational areal planning: the Urban Renewal Plan, which describes not only the functions within a certain area but also the actions of renewal, and the Environmental Ordinance.

From the fund urban renewal expenditure in the widest sense of the term can be financed, provided that this expenditure relates to the built-up area from before 1971. Interest payments and debt repayments cannot be made from the urban renewal fund. Subsidies for the improvement of rented dwellings and subsidies for new construction in urban renewal areas remain centralized on the budget of the Ministry of Housing, as do the individual housing allowances, which play an important role inter alia in urban renewal areas.

In VROM (1990, p. 10) the Dutch approach to urban renewal is characterized as "that mosaic of local procedures on a basis of vigorous State financing". This approach is said to have attracted international attention.

Decentralization
Initially the introduction of the Urban and Village Renewal Act in 1985 did not cause a trend break in urban renewal. In general the policy then current was continued by the municipalities. At the end of the eighties the variety in urban renewal increased.

The intended decentralization of urban renewal policy now proves to be in full operation. Recent evaluation research shows that a great diversity occurs between municipalities (see SCP, 1990, pp. 162-165). RIGO (1989) investigated urban renewal policy in the direct municipalities and on the basis of information on the urban renewal policy performed arrived at the following characterization:

1. The catchers-up (such as Amsterdam, Rotterdam, The Hague, Utrecht, Zaanstad), which still have many neighbourhoods where demolition and substitute new construction or improvement will take place.
2. The urban developers (such as Groningen and Tilburg): municipalities that are far advanced with improvement of the original urban renewal neighbourhoods. Urban renewal here is being succeeded by a municipal policy directed towards consolidation and prevention of decay.
3. The all-rounders (such as Delft and Leiden): municipalities where much has been done in old districts, but where urban renewal can be extended to other districts.
4. The centre renewers (such as Alkmaar and Terneuzen): municipalities that put the emphasis on renewal of the centre. This renewal includes house-
building and dwelling improvement in this area.

5. The performers (often smaller "direct" municipalities, such as Hoogeveen and Dongeradeel): municipalities that per year develop and perform a number of smaller plans.

According to a study by Werkgroep 2000 (1989) urban and village renewal in the non-direct municipalities often means the implementation of infrastructural works (see also: Slootweg, 1989).

Urban renewal and housing

Dutch urban renewal proves in general to be strongly bound up with housing. With regard to this relation the following may be concluded (SCP, 1990, p. 163):

- urban renewal as a form of housing is above all an affair of the four largest municipalities. For the future too extensive demolition/new construction plans are still to come there (Gemeenten, 1989);
- in a number of medium-sized cities there seems to be an initial impetus from housing to tackling early post-war residential areas;
- in the smaller cities and villages the housing aspect in urban renewal is confined to the improvement of dwellings of owner-occupiers.

The financial contribution by the State to urban renewal extends much further than the sum of approx. 1 billion guilders that is disbursed via the urban renewal fund. Annually a Long-Range Urban Renewal Plan is drawn up that gives insight into total State expenditure on this. Under the 1990-1994 Long-Range Plan the State spent over 5.5 billion guilders on urban renewal in 1988. Of this, 3.6 billion guilders was supplied for demolition/new construction and improvement of dwellings for rent.

Urban renewal achievements

In a summarizing evaluation report (RIGO, 1990, p. 6) a total survey is given of the urban renewal achievements during the period 1980-1989 (cluster dwellings) and 1981-1989 (other policy sectors). The amounts are in millions of guilders, 1980 price level.
OVER F.100 BILLION INVESTMENTS

- Dwelling Improvement
  - Subsidized
  - Unsubsidized
- Substitute New Construction
- Supplementary New Construction
  - Residential Environmenal
  - Legal Costs
- Soil Decontamination
- Monuments
- Public Transport
- Sewage
- Traffic
- Welfare
- Businesses
- Others

URBAN RENEWAL ACTIVITIES, 80s

OF WHICH FOR

- Owners, Tenants
- Municipalities
- State

OF WHICH BY

- Subsidized
- Unsubsidized

OVER F.100 BILLION INVESTMENTS

- 64 bill.
- 38 bill.
- 3 bill.
- 105 bill.

URBAN RENEWAL COST CONTRES, 80s
Table a4.1  
Total survey of urban renewal achievements in the Netherlands;  
period 1980-1989: housing  
period 1981-1989: other policy sectors  
in millions of guilders, 1980 price level  

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1. improvement and repair of social rented dwellings</td>
<td>16,700</td>
<td>-</td>
</tr>
<tr>
<td>2. improvement and repair of private rented dwellings</td>
<td>7,700</td>
<td>-</td>
</tr>
<tr>
<td>3. improvement and repair of own dwellings</td>
<td>17,300</td>
<td>-</td>
</tr>
<tr>
<td>4. compensatory new construction</td>
<td>17,954</td>
<td>-</td>
</tr>
<tr>
<td>5. dividing dwellings into flats/converting non-residential buildings</td>
<td>2,260 (1)</td>
<td>-</td>
</tr>
<tr>
<td>6. additional costs of dwelling monuments</td>
<td>1,980 (1)</td>
<td>-</td>
</tr>
<tr>
<td>7. improvement of residential environment</td>
<td>783</td>
<td>-</td>
</tr>
<tr>
<td>8. legal costs</td>
<td>870</td>
<td>-</td>
</tr>
<tr>
<td>9. KSBS-type aid (2)</td>
<td>-</td>
<td>187</td>
</tr>
<tr>
<td>10. modernization of shopping centres</td>
<td>-</td>
<td>34</td>
</tr>
<tr>
<td>11. rehabilitation of environmentally hazardous businesses</td>
<td>-</td>
<td>131</td>
</tr>
<tr>
<td>12. sewerage</td>
<td>-</td>
<td>659</td>
</tr>
<tr>
<td>13. public transport infrastructure</td>
<td>-</td>
<td>3,280</td>
</tr>
<tr>
<td>14. motor traffic facilities</td>
<td>-</td>
<td>268</td>
</tr>
<tr>
<td>15. cycle traffic facilities</td>
<td>-</td>
<td>18</td>
</tr>
<tr>
<td>16. built parking facilities</td>
<td>-</td>
<td>146</td>
</tr>
<tr>
<td>17. restoration of (dwelling house) monuments</td>
<td>-</td>
<td>914</td>
</tr>
<tr>
<td>18. welfare facilities and other activities</td>
<td>-</td>
<td>30</td>
</tr>
<tr>
<td>19. regional and economic policy</td>
<td>-</td>
<td>110</td>
</tr>
<tr>
<td>20. soil decontamination</td>
<td>-</td>
<td>1,159</td>
</tr>
<tr>
<td>21. noise pollution control</td>
<td>-</td>
<td>187</td>
</tr>
<tr>
<td>22. road safety</td>
<td>-</td>
<td>28</td>
</tr>
<tr>
<td>23. supra-district greenery</td>
<td>-</td>
<td>75</td>
</tr>
<tr>
<td>24. policy for areas in arrears</td>
<td>-</td>
<td>30</td>
</tr>
</tbody>
</table>

(1) OTB estimate on the basis of RIGO (1990)  
(2) KSBS: General Scheme for Aid to Businesses under Urban Renewal (subsidy scheme of the Ministry of Economic Affairs, which after 1985 was absorbed into the urban renewal funds).

For the following urban renewal activities no amounts are known:  
- relocation of businesses for mainly economic motives;  
- rearrangement/redesign of public space.

Progress of urban renewal  
In the 1981 Report on the Renewal of Towns and Villages two models were presented for alleviating the then assumed need for urban renewal. According to the less ambitious model urban renewal would have to be continued for another 50 to 60 years. This model took the level of expenditure under the 1980 budget as its point of departure. Ultimately a considerable intensification of policy was opted for, which was put into effect in the first Long-Range Urban Renewal Plan. Under this
plan it would be possible to make up the arrears by the year 2010. The basis for this extrapolation was the meanwhile strongly increased level of expenditure in 1983. With respect to this ambitious model urban renewal is well on schedule according to the first phase of the Belstato project (see below). This conclusion cannot be differentiated for categories of municipalities.

A distinction is made between five groups of urban renewal activities: "beyond expectation", "on schedule", "disappointments", "pieces of luck" and "later". The following list gives a summarizing survey (VROM, 1990, p. 8):

<table>
<thead>
<tr>
<th>Above expectation</th>
<th>Disappointments</th>
</tr>
</thead>
<tbody>
<tr>
<td>- improvement of pre-war social rented dwellings</td>
<td>- traffic aspects</td>
</tr>
<tr>
<td>- supplementary new construction in existing urban</td>
<td>- cycle infrastructure</td>
</tr>
<tr>
<td>- accommodation for primary education</td>
<td>- built parking facilities</td>
</tr>
<tr>
<td>- connection to sewerage</td>
<td>- rehabilitation of environmentally</td>
</tr>
<tr>
<td>- restoration of dwelling house monuments</td>
<td>- burdensome businesses</td>
</tr>
<tr>
<td></td>
<td>- replacement of sewerage</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>On schedule</th>
</tr>
</thead>
<tbody>
<tr>
<td>- improvement of post-war social rented dwellings</td>
</tr>
<tr>
<td>- improvement of private rented dwellings</td>
</tr>
<tr>
<td>- improvement of own dwellings</td>
</tr>
<tr>
<td>- demolition and compensatory new construction</td>
</tr>
<tr>
<td>- improvement of residential environment</td>
</tr>
<tr>
<td>- aid to businesses</td>
</tr>
<tr>
<td>- welfare aspects/educational priority policy</td>
</tr>
<tr>
<td>- modernization of shopping centres</td>
</tr>
<tr>
<td>- public transport</td>
</tr>
<tr>
<td>- urban greenery</td>
</tr>
<tr>
<td>- noise pollution</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Pieces of luck</th>
</tr>
</thead>
<tbody>
<tr>
<td>- aid to businesses in municipalities not covered by</td>
</tr>
<tr>
<td>the Long-Range Plan</td>
</tr>
<tr>
<td>- legal costs</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Later</th>
</tr>
</thead>
<tbody>
<tr>
<td>- new construction in built-up urban area</td>
</tr>
<tr>
<td>in more expensive sector</td>
</tr>
<tr>
<td>- soil decontamination</td>
</tr>
<tr>
<td>- improvement of spatial economic structure</td>
</tr>
<tr>
<td>- management</td>
</tr>
</tbody>
</table>

Urban renewal in the Netherlands already started in the second half of the sixties, but full production was not achieved until the eighties. According to the first phase of the Belstato project the gross sum of over f.100 billion (1980 price level) was invested in urban renewal in the eighties. This figure does not include the investments in the city in business premises (shops, offices) by the free market. Unsubsidized dwelling improvement is, however, included.

In this sum f.29 billion is included for supplementary new construction of over 200,000 dwellings in existing urban areas from before 1971. These numbers are much higher than was ever thought. The physical planning policy aimed at the cities ("compact city policy") has been successful on this point.

Of the total amount of urban renewal investments in the eighties some 60% was financed by the private sector. The Exchequer supplied about 38 billion guilders, i.e. nearly 40% of the total. Municipalities and provinces ultimately contributed over 3 billion guilders according to the Belstato analysis, but this is probably a very conservative estimate, based on a narrow interpretation of the concept "urban renewal".
Evaluation of urban renewal policy and policy plans

In 1989 the Ministry of Housing, Physical Planning and Environment started an evaluation of the results of the national policy of urban renewal in the 1980s. The project is called Belstato, after the Dutch initials for Policy for Urban Renewal in the Future. The Ministry is now making a projection of the further national needs for urban renewal in the 1990s.

On the basis of this evaluation the government has recently formulated new policy guidelines for urban renewal.

In the Housing Memorandum it is remarked that the size of the urban renewal fund has remained unimpaired in the estimates up to 2000. This memorandum announces the Belstato project (p. 119): "By the beginning of 1992 an evaluation of the use of the urban renewal fund should have been completed so as to allow of a decision for budgetary 1993 on the size of the urban renewal fund in the nineties".

In 1990 the first phase of the Belstato project was rounded off with the Urban Renewal Eighties Evaluation Memorandum (VROM, 1990).

In the evaluation a distinction has been made between the more structural part of the necessary urban facilities and making up the special arrears. Consideration has been given to the extent to which in the course of time the more structural need for renewal can be transferred to the Municipal Fund, and to what extent the degree of making up the arrears allows of possible deferment (VROM, 1990, p. 12).

It has been proposed that a further 11 billion guilders' worth of urban renewal activities be subsidized by the State. Around the year 2005 urban renewal will be "finished" in the Netherlands. Then State subsidization of urban renewal will be terminated (Heerma, 1991).
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