11. Urban regeneration in European social housing areas

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Introduction

Many European countries have policies to renew cities and neighbourhoods. This paper examines the policies of France, the Netherlands and Germany. In these, as in most Western European countries, the social housing sector forms an important part of regeneration schemes. Social housing is both actor and subject to urban renewal. Housing associations are key actors because they own much of the housing stock, and social rented housing neighbourhoods are the target of the renewal process. Since World War II, urban regeneration processes in Europe can be divided into three major periods. Each period contained policy turning points, which differed according to country and political context. At these turning points policy swung from more physically oriented strategies towards more socially oriented ones or vice versa. This chapter sets out to describe these periods and to demonstrate the strong relationship between urban regeneration and social housing. It describes the challenges posed by the various policy swings for the future supply of affordable housing for the less well-off, differentiation and segregation, quality of life and social cohesion in the social housing stock, and sustainable neighbourhoods.

The aims of this chapter are to reveal the differences and similarities among current urban regeneration approaches as they affect the social housing stock of the three countries, to set out trends and future challenges, and to identify questions for future research in this field.
Social housing and urban regeneration in comparative perspective

Whereas other chapters of this book deal with the history and transformation of the social housing stock, this chapter focuses on the strong relationship between social housing and urban regeneration in France, the Netherlands and Germany. Despite the fact that social housing and regeneration are to some extent specific to each national and local context (Couch, Fraser, Percy, 2003), some European trends in social housing regeneration policies can be identified.

Social housing in the three countries

Social housing in France is managed by housing companies and regulated by the State, and is generally located on large housing estates, most of them in the suburbs. In the Netherlands, social housing is both more widely available and more often located within cities. Most social housing is not on large housing estates: only 11% is high-rise housing, and about half of the units are ordinary single-family houses with gardens. The well-known Bijlmermeer high-rise area is an exception in the Netherlands, but there are plenty of areas like it in France. Because of the large proportion of households living in social housing and the mixed housing stock, social-housing dwellers in the Netherlands are not stigmatised as they are in France.

In Germany, social housing in the western part of the country is owned by municipal housing companies, private owners and housing cooperatives, and is located both in large housing areas and inner-city urban regeneration target areas. It differs from other European countries in that apart from a small share owned by the German railways (which was recently sold), social housing in Germany is not and was never state owned, but is based on a partly state-subsidised market model. Non-profit (municipal, cooperative) or other developers are provided with government subsidies to build housing. In return this housing must be used as social housing with controlled rents for a certain period: the length of this period depends mainly on the level of subsidy. Many of the subsidised developers are municipally-owned but legally independent housing companies, which often also have private shareholders or administer private housing stock. Until recently, they generally continued to operate their units as “quasi-social housing” even after the lock-in period. In the new, previously east German Länder, former GDR state-owned stock on large housing estates was transferred from government ownership to that of municipal housing companies. After rehabilitation it also became, due to the non-profit status of the municipal housing companies, quasi-social housing. Because of the good quality of the majority of the stock living in social housing generally carries no stigma, except in areas of the large housing estates with social problems.

Social housing in France and the Netherlands emerged from similar political and historical backgrounds. Both countries are characterised by a comparatively large stock of post-war social housing built, and an integrated policy approach from the 1980s onwards. Contemporary urban renewal focuses mainly on post-war social housing. In France, there are 4.2 million dwellings in the social housing sector, which represents 17 per cent of the total housing stock. In the Netherlands there are 2.4 million, 35 per cent of the housing stock. In Germany on the other hand the social housing stock is small and decreasing, mainly because of the particular characteristics of its funding system and increasing privatisation. The sector, which never served the real poor, now has fewer than 1.5 million dwellings (less than 5 per cent of the housing stock). The country suffers from increasing regional differences, with population decline and an oversupply of housing in the East. The legacy of history means that issues and policies differ between the eastern and the western parts of the country.

The various meanings of ‘urban regeneration’

Both ‘social housing’ and ‘urban regeneration’ have historically had various meanings, and have meant different things in different countries. They may have different objectives in different places, and regeneration projects that address the same objectives can employ different local approaches. And a particular approach may go under different names in different places. These contextual differences make generalisations difficult, if not impossible (Van Kempen et al, 2005, p. 11). Nevertheless, we will try to make some generalisations about urban regeneration in social housing areas.

Use of the term ‘urban regeneration’ in comparative research requires precision. Just as the English term has evolved over time with variants such as ‘urban reconstruction’ and ‘urban renewal’, so have the equivalent terms in Dutch, French and German. Moreover, policy changes over the years have led to changes in the local terminology. Usually, these changes emphasize a new political strategy. In France, renovation urbaine was used during the 1960s and 1970s, rehabilitation in the 1980s, renouvellement urbain at the end of the 1990s and most recently renovation urbaine since 2003. In the Netherlands, the stadsvernieuwing of the 1970s and 80s, which involved the physical improvement of old housing for low-income people has a slightly different meaning from the stedelijke vernieuwing of the mid-1990s and 2000s; the latter refers to integrated renewal of mainly post-war areas for mixed incomes. In Germany, Stadtsanierung was followed by behutsame Stadtnerneuerung ‘refurbishment of old
In the 1980s, then by *integrierte Stadtentwicklung*, a term which implied the inclusion of social and economic issues in the 1990s and finally by *Soziale Stadt* and *Stadtumbau* ‘Socially Integrative City’ and ‘Urban Regeneration East and West’ - terms used for both the present approach to urban regeneration and the relevant funding programme from 1999/2000 onwards.

In this chapter we will not dwell on these terminological differences but will use the English term ‘urban renewal’ in a broad sense, defining it as ‘all activities, physical and otherwise, intended in the local context to renew existing urban spaces.’

In terms of methodology, comparative research can focus either on differences or on similarities. International comparative research into urban developments might find differences in local circumstances, national policies, political and cultural contexts and historical paths. A focus on differences tries to explain *peculiarities*. Research may also focus on *similarities*: these could be the result of global trends, parallel reactions to economic or political forces or historic developments. This type of research tries to explain similarities. Both approaches have their advantages: see Malpass’ chapter for further elaboration. In this chapter we try to do both.

**Five categories of urban regeneration area**

Urban regeneration focuses on various types of area, with different policies, interests and actors involved in each. The EUKN report (Wassenberg et al., 2007, p. 22) distinguishes five categories:

- Central urban areas and city centres
- Old deprived urban areas around the city centre
- Post-World War II areas
- Large high-rise estates
- Old industrial, harbour, military or railway areas

Urban regeneration of social housing is not an issue in all of these areas. In the three countries investigated here, the areas with most social housing are the post-war housing areas (Category 3) and large (often high-rise) housing estates (Category 4), especially in France and the Netherlands. Urban regeneration is also an issue in pre-war housing stock (Category 2), particularly in Germany and to a lesser degree in the Netherlands. This chapter therefore focuses mainly on these three categories of regeneration.

In Category 5 regeneration areas (urban brownfield land and former industrial zones), the aim often is to support private investment. The goal of government involvement is to encourage re-use of land, to increase its value and improve its image. The same goals apply in city centres (Category 1), with an additional aim of upgrading the city’s image in the global urban competition. If social housing is involved, the question is often how to provide affordable housing for poor people in those areas after property values rise. In Germany relatively more social housing stock is located in city centres because of the amount of war damage; there is also much social housing located near the commercial centres of smaller cities of the former GDR. Private investment, property-price rises and gentrification have led to price-related displacement of social housing tenants in both east and west.

**Social versus physical regeneration**

Broadly speaking, there are two types of regeneration policy applied to urban regeneration areas with significant amounts of social housing.

- **Socially oriented, area-based programmes for disadvantaged neighbourhoods** - *Politique de la Ville* in France, *Soziale Stadt* in Germany, *Grote Steden Beleid* and more recently *wijk aanpak* in the Netherlands. These programmes often cover areas that include large housing estates, so the cooperation of housing associations is required. Goals include increasing residents’ satisfaction with their housing situation as well as increasingly supporting them socially by helping with schooling and jobs, for example and reducing the negative effects of spatial concentration or segregation. The criteria for selection of target areas in each of the countries include having a high concentration of poor, immigrant or unemployed people as well as other social problems — rather than deficits in the quality of housing itself. In general the main problem with the housing stock in these areas is that it is mono-functional and architecturally monotonous.

- **National programmes of physical regeneration**, which often focus on social housing areas. They support the demolition of buildings and the rebuilding and reshaping of the local environment. The main aim is to improve and upgrade dilapidated buildings and local environments. Such programmes are generally found in areas where the original construction quality was low - social housing in the former western part of Germany was generally of better original quality than that in the east.
or in France or the Netherlands. Often the main problem is not the physical quality of the buildings but their outdated floor plans and the small size of the dwellings. Another goal of physical programmes can be the reduction of the social housing stock to deal with oversupply caused by de-industrialisation, emigration, or population decline, for example the north of France and eastern Germany. These programmes may also aim to increase housing diversity and social mix (France).

The three main periods of urban regeneration in social housing

We can identify three major periods of post-war urban regeneration across most of Europe, including in France, the Netherlands and Germany. The first two periods ended with rather clear changes of policy. The length of the periods, and the timing of the shift from one to the next, differed by country, as did the transition between the phases.

**Period 1: Area clearance (1950 - early 1970s)**

In all three countries, the years immediately after the Second World War were devoted to overcoming war damage. During the decades following those few years, the central parts of the existing cities were completely rebuilt and remodelled for future use. In France and the Netherlands, social housing was provided in newly built neighbourhoods - the then-suburbs - in order to provide housing for displaced inhabitants of the old derelict slums near the city centres. In Germany, social housing was built both in the destroyed city centres and on their periphery, as in the other two countries. It was an important symbol of success in the competition between the two German states. The record housing production achieved at the end of the radical scrap-and-build phase gave this period its French nickname, *les trentes glorieuses* - ‘the glorious years’ for social housing. In each of the countries social housing was a major element of the new welfare state, helping to solve the social question by providing housing for the working classes (see the chapter by Levy-Vroelant et al).

**Main actors: national governments and housing cooperatives**

National governments played the predominant role during this first period, providing the political framework and major subsidies for implementation at the local level. The main exception during this period was Germany, where housing cooperatives played an important role in social housing provision though this decreased in the 1980s as municipal housing associations invested more. In this chapter, we focus on the turning points that are relevant for understanding the following periods.

**Period 2: Housing renewal (mid-1970s – mid-1990s)**

The remodelling of city centres stopped rather suddenly in the early 1970s. Large-scale top-down plans were replaced by smaller-scale renewal of urban neighbourhoods, based - to a greater or lesser extent in the three countries - on bottom-up processes. Urban regeneration had been led by urban planning, but now it was led by social housing. The focus was on renovation of old houses in old neighbourhoods, or, where this was not possible, on demolition and new construction on the same spot. The large-scale squatting of vacant property, which started in the late 1970s, supported housing as a bottom-up process to fulfil demand for low-priced housing. In those years, socially engaged squatters were involved in small-scale urban renewal processes. For example, in Berlin, some of the early 1980s International Building Exhibition (IBA) projects in Kreuzberg were former squats that were then legalised and partly rehabilitated by the residents. The squatters were some of the drivers of resident and owner participation linked to the IBA planning processes, and helped promote the inclusion of community-use spaces and ecologically oriented projects.

In the early 1970s Rotterdam was one of the first cities in the Netherlands (and Europe) to implement these new ideas in an urban renewal policy (*stadsvernieuwing*). The target groups were existing local residents and the strategy was called *bouwen voor de buurt* (‘building for the neighbourhood’ and its people). The participation of inhabitants was considered essential, while the role of social housing associations was limited. Germany and France followed the same path somewhat later during the 1970s, with similar programmes aimed at housing renewal.

**The turning point: popular demand and the criticism of high-rise buildings**

In the late 1960s, all across the world, there was a reaction against the establishment, with slogans like ‘flower power’, ‘power to the people’ and ‘small is beautiful’, and movements including the student revolts and demonstrations against the Vietnam War. In the field of urban policy, urban regeneration as just the remaking of the existing city thus came under pressure in the early 1970s. In each of the three countries, prestigious large-scale road development and new city-centre plans more or less suddenly stopped. The construction of high-rise housing estates almost stopped as well, just as abruptly as it started ten years before (Turkington et al. 2004). The wave of anti-establishment thinking led to a new focus on popular demand and social needs: urban regeneration became more demand-oriented and focused on provision of social infrastructure, including social housing. This change in priorities marked the end of the first period of urban regeneration.
During the 1980s, the theme of urban regeneration broadened from housing alone to the overall residential environment, in order to address problems of pollution, vandalism and safety. As the residential environment proved to be worst on recently built high-rise estates, the schemes also targeted these areas. Both the dwelling strategies and the environmental strategies were mainly physically oriented. Even so, while France spent a lot of money on improvement of buildings, there were also experiments in combined social and physical policies developed in association with residents.

**Actors: from national to local governments**

During this second period, responsibility for urban renewal moved gradually, and only partially, away from national government toward sub-national governments. Early in the period, national governments sponsored urban renewal with major schemes and matching subsidies for physical improvements. The size and number of municipalities is important, since the political power and resources of a local government are partly a function of its size.

In West Germany the influence of the federal government gradually declined and municipal steering functions increased, but in the East the centralised national government kept overall power. After unification in 1989, the East followed the western pattern and the municipalities, which total more than 13,000 in all of Germany, assumed leadership of urban regeneration. France has even more municipalities, with 36,000 communes. Here too urban regeneration was decentralised in the early 1980s, but power generally passed to the regions and départements (districts), rather than right down to the municipalities themselves. In France, the political power and resources of a local government are partly a function of its size.

In all three countries in these years, urban regeneration was still a top-down issue, with the national governments formulating the goals, the policies and providing the money. Increasingly, however, lower governments, particularly the German Länder, were allowed to make their own decisions about implementation. In countries with more municipal power, local governments also gained in importance, while in decentralised models, like France, intermediate levels of government were more powerful (Wassenberg et al, 2006).

### Key urban regeneration initiatives mid-1970s to mid-1990s

<table>
<thead>
<tr>
<th>France</th>
<th>1977 onwards</th>
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<tr>
<td><strong>Programme Habitat et Vie Sociale</strong> ('Home and social life programme')</td>
<td>An experimental programme combining social and housing policies.</td>
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<tr>
<th>1981-89</th>
<th><strong>Développement Social des Quartiers</strong> DSQ ('Neighbourhood social development')</th>
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<tr>
<td>148 areas selected in 1984. Focus on physical rehabilitation in disadvantaged zones. The programme included socio-economic development and help for residents to attain qualifications.</td>
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<th>1989-91</th>
<th><strong>Programme Développement Social Urbain</strong> (DSU) and <strong>politique de la ville</strong> ('Urban social development programme and urban policy')</th>
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<tr>
<td>Formalised and enlarged the DSQ programme with 500 neighbourhoods. Experimental contracts with 15 cities.</td>
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| **Loi d’orientation sur la ville** (LOV) ('City orientation law') |
| July 1991: This first national law attempted to force municipalities with less than 20% social housing to build new social housing. The aim was to combat segregation and avoid new ‘ghettos’. |
Period 3: Integrated policy (mid-1990s – present)

In the three countries there was an increasing mismatch between the labour market and the urban structure: the working (middle) class commuted each day from the suburbs to the cities, while the people who lived in the city had no jobs, as low-wage jobs had moved towards the outskirts. The emphasis thus shifted on renewing the entire city [Richard Florida's ideas [2003] were welcomed] and expanding job opportunities. Urban regeneration became (in most European countries) gradually an integrated policy, focusing at the same time on physical, social and economic goals and strategies: the Politique de la Ville in France, Grote Steden Beleid in the Netherlands and the Sozialentwicklungen in Germany. These territorial and integrative programmes increasingly tried to keep the residents in the urban regeneration areas and the dominant model was sustainable development.

The three countries had different approaches to implementing integrated policies, but the main feature was an attempt to combine physical, economic and social strategies.

In France, ‘city policy’, which was introduced in the early 1980s and formalised at the end of the decade, was updated and extended in the 1990s. It focused on physical, social and economic action. In the early 2000s, in the context of increasing segregation in ‘sensitive urban zones’ (deprived areas), policy developed in a new way: towards the goal of social mix. There were two main approaches: the first was to increase the percentage of social housing in areas without much of it, and the second was to reduce the proportion of people in low-income areas and encourage social diversity by creating housing diversity. The 750 target areas, known as Zones Urbaines Sensibles (‘sensitive urban zones’), house 8 per cent of the French population (4.7 million people). In them

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<th>Netherlands</th>
<th>Social Housing in Europe II</th>
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<tr>
<td><strong>Early 1970s</strong></td>
<td>Stadsvernieuwing (‘Urban renewal’)</td>
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<tr>
<td>Focus on refurbishment or replacement of old dwellings by social rented housing for the benefit of local tenants.</td>
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<td><strong>1985-1995</strong></td>
<td>Stadsvernieuwingfonds (‘Urban renewal fund’)</td>
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<tr>
<td>Decentralised urban renewal fund combining 19 subsidies, to be spent by local authority. Definition of urban renewal broadened from physical housing to include the local environment and liveability issues.</td>
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<td><strong>Late 1980s</strong></td>
<td>Probleem Cumulatie Gebieden Beleid (‘Social oriented policy for areas with a accumulation of problems’)</td>
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<td>Social policy aimed at mitigating social segregation. An addition to Stadsvernieuwing.</td>
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<td><strong>ca. 1990</strong></td>
<td>Sociale Vernieuwing (‘Social renewal’)</td>
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<tr>
<td>Intensification of the social policy; another addition to Stadsvernieuwing.</td>
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<th>Germany</th>
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<tr>
<td><strong>1980s</strong></td>
<td>Rehabilitation of large housing estates, physical action.</td>
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<td><strong>1984-87</strong></td>
<td>Internationale Bauausstellung Berlin, IBA (Berlin International Building Exhibition)</td>
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<td><strong>1989 onwards</strong></td>
<td>Plattenbausanierungprogramm (‘Prefab panel building rehabilitation programme’)</td>
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<td>Resident participation gained importance at the level of information and consultation: ‘Planning for Real’ and ‘Community Planning’ approaches Wohnumfeldverbesserungsprogramm (WUM) (‘Improvement of housing environment/public space’)</td>
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<tr>
<td><strong>1992</strong></td>
<td>Hamburger Armutsbekämpfungsprogramm (‘Poverty prevention programme’)</td>
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<td>Urban regeneration including projects to combat poverty in deprived areas</td>
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Period 3: Integrated policy (mid-1990s – present)

In the three countries there was an increasing mismatch between the labour market and the urban structure: the working (middle) class commuted each day from the suburbs to the cities, while the people who lived in the city had no jobs, as low-wage jobs had moved towards the outskirts. The emphasis thus shifted on renewing the entire city (Richard Florida’s ideas [2003] were welcomed) and expanding job opportunities. Urban regeneration became (in most European countries) gradually an integrated policy, focusing at the same time on physical, social and economic goals and strategies: the Politique de la Ville in France, Grote Steden Beleid in the Netherlands and the Sozialentwicklungen in Germany. These territorial and integrative programmes increasingly tried to keep the residents in the urban regeneration areas and the dominant model was sustainable development.

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In 2000 the solidarity and urban renewal law was passed; its goal of distributing social housing over the urban space was the same as that of the 1991 ‘City orientation law’. As in 2001, municipalities where social housing made up less than 20 per cent of the housing stock - the average in France is 17 per cent - were required to build more until it reached 20 per cent, there were more constraints and financial disadvantages for municipalities that did not favour the construction of social housing. The hope was that diversifying the housing stock at the lower end would force the population of rich urban areas to mix with low-income people. The application of this national law in a decentralised political framework has met municipal resistance, despite the high financial penalties the municipalities must pay if they do not build enough social housing.

In 2003 the urban renovation law was passed, aimed at reducing the amount of social housing in disadvantaged areas and encouraging social diversity by creating housing diversity. The 750 target areas, known as Zones Urbaines Sensibles (‘sensitive urban zones’), house 8 per cent of the French population (4.7 million people). In them
250,000 social housing units will be demolished and rebuilt, and another 400,000 improved. The two laws have the same objective: to achieve a better social mix in cities by balancing the location of social housing and creating a more diversified and attractive housing stock.

In the Netherlands, the Grote Steden Beleid (GSB) (‘big city policy’) was developed in the mid 1990s. This policy aimed to integrate three pillars: physical renewal - stedelijke vernieuwing was the successor to Stadsvernieuwing — both can be translated as urban renewal, social renewal - a continuation of the 1990 initiative, aimed at improving schooling, safety, liveability and social care and economic renewal - an increased focus on work and the economy in cities. The GSB has been updated and adapted three times so far; the last tranche runs until the end of 2009. Gradually the physical pillar, based on the Stadsvernieuwingfonds urban renewal fund, founded in 1985 and later evolved into ISV, Investeringsbudget Stedelijke Vernieuwing, has been integrated into the GSB. The programme is targeted at the 30 largest cities, which spend the money as part of overall city programmes. In the Netherlands, physical and social policies seem to be more integrated than in both other countries, although differences between the sectors keep the debate alive.

In 2003 the ministry felt that the policy needed greater focus, and 56 neighbourhoods were chosen in consultation with the 30 GSB cities; the areas chosen were those where the best results were expected. These were problematic areas with prospects for improvement, not necessarily the worst areas. In 2007 a new minister selected yet more target areas, this time the 40 worst neighbourhoods in the country based on ‘objective’ criteria. These 40 overlapped the existing 56 only partially. In both sets of areas social housing is dominant, as in almost all urban renewal areas in the country. In these 40 selected neighbourhoods a new policy known as wijkaanpak (‘neighbourhood approach’) is being developed at the moment.

In the early to mid 1990s, the first phase of physical urban renewal in West Germany was more or less finished; it consisted of improvements to 1960s social housing. The current urban regeneration programmes are Soziale Stadt (‘Socially integrative city’), with a socio-spatial programme with very little investment in the built environment; Stadtumbau-Ost (‘Urban regeneration east’), a mainly physical programme; and Stadtumbau-West (‘Urban regeneration west’), which targets both the physical environment and urban/economic integration. Despite the fact that their local target areas and policy goals partly overlap, these programmes function more separately than those in the two other countries.

The Stadtumbau programmes in eastern Germany principally target social housing. Depopulation there has resulted in huge vacancies, leaving the authorities little choice but to employ physical measures to reduce the housing stock and upgrade what remains. In addition, most of the former east German housing stock is Plattenbau, or concrete prefab housing. This has lost much of its appeal, even to the east German population, and is general only attractive if renovated to a high standard.

In west Germany, in contrast, Stadtumbau interventions combine both physical and socio-economic measures. This is the first time since the 1960s that the physical aspects of social housing in western Germany have been the focus of attention. It is not clear what proportion of the housing stock in Soziale Stadt target areas is social housing, but there are two types of target area where social housing is important. One group consists of those areas with large social housing estates in both east and west. Another consists of older inner-city areas; here it is difficult to determine the share of social housing because of the wide variety of owners, and the fact that units cease to be social housing when the subsidy period expires.

The overall number of Soziale Stadt target areas has increased from 161 target areas in 124 towns in 1999 to 498 target areas in 318 towns in 2007 (Difu 2007). It is expected to increase still further, even though the first set of target areas has already come out of the programme. The number of municipalities with Stadtumbau Ost projects areas increased from 197 in 2002 to 360 in 2006 (BMVBS 2006, p.20). A further increase is expected from 2009, based on new subsidy regulations and a currently ongoing evaluation of the previous funding period. Stadtumbau West started in 2002 in 11 pilot municipalities, which increased to 16 until 2006. Overall, from 2004 to 2007, 280 municipalities realised Stadtumbau West projects (Forschungsagentur Stadtumbau West, 2007). Also here, the increase is expected to continue. However, the methodology of the projects, particularly as concerns resident participation, is currently being critically discussed.

Actors: National, regional and local governments share responsibility

In Germany and the Netherlands, national governments lost their leading role in social housing issues. The municipalities grew in importance, while in Germany the political responsibility for social housing passed entirely to the Länder in 2006. However, responsibility for urban regeneration programmes in terms of budget and policy development is still shared by national government, Länder and municipalities. German housing associations are currently re-defining their social role, a role which goes beyond physical measures.
There is a similar debate in the Netherlands, where housing associations are among the most powerful actors in urban renewal, not least because of their large housing portfolios and strong financial position. The debate is not about whether housing associations should implement (and pay for) social policies, but to what extent they should do so (see Wassenberg’s chapter in this book).

In France, the role of housing associations has grown, as has that of private partnerships, but the role of the Agence Nationale pour la Rénovation Urbaine (ANRU) is particularly remarkable. ANRU is a national government-funded agency that works on local physical development; it marks a shift in France from socio-economic development back to more physical investments designed to create social diversity. Formal partnerships between municipalities in which they share strategies and funds (known as intercommunalité) have also increased during this period, due to a specific law implemented in 2000. This law was not really directed at urban renewal but to rather at urban policy generally, and tried to address the specific French situation of having more than 36,000 municipalities. The law offered financial incentives to those municipalities that formed partnerships for urban management and projects.

The turning point: how to deal with increasing segregation?

In this period to date, the ‘turning point’ has been a continuous process rather than a single point in time. After the ambitious attempts to develop integrative policies in the early 1990s, it gradually became clear at different speeds in the three countries that urban problems could not be solved by physical improvement alone, nor was the addition of social and economic measures enough. It was recognised that socio-spatial segregation, or the spatial concentration of deprived households in small areas, was a problem. Neither hostile housing design, nor bad housing quality, nor management deficits were sufficient to explain social problems in large housing estates (see for example van Kempen, 2002). Further policy development was influenced by EU comparative studies of deprived housing areas (e.g. URBEX: Musterd/Murie 2002; NEHOM: Droste/Knorr-Siedow 2002, RESTATE: Van Kempen et al, 2005; Wassenberg et al, 2007; De Decker et al, 2003).

The 1990s experience also led to the insight that even if both physical and social approaches were successful on the neighbourhood level, the city as a whole would still end up segregated: lower-class people would live in social housing in sober and inexpensive neighbourhoods, while the middle classes, including families with children, would have moved to suburbs with detached family houses or to neighbouring towns. The least popular areas proved to be not the old pre-war neighbourhoods with their central location and improved housing stock, but the post-war areas dominated by standardised mass housing. Urban sociologists labelled this the doughnut city (Schoon, 2001): an expensive core in the city centre surrounded by poor neighbourhoods, with wealthy areas surrounding the city.

All over Europe, socio-spatial segregation is increasing not only in large cities but in all cities. This is most evident in areas with much social housing. In places with low-density housing and an oversupply of dwellings, like eastern Germany, the poorest concentrate in certain parts of the social stock. With social differences increasing between regions, cities in high-pressure areas face conflicting demands: they must provide attractive housing for key workers, which has to be subsidised affordable housing, and at the same time they must house immigrants, who tend to settle in the least attractive parts of the housing market, including social sector housing in postwar areas, large housing estates and old inner-city neighbourhoods.

While increasing spatial segregation has been a gradual process, in each of the countries the turn of the century saw the beginnings of a re-examination of urban planning and its leadership. There was a period of reflection after nearly two decades of public intervention to improve the built environment, the image of poor and degraded parts of cities, and the daily life of their inhabitants. That segregation continued to increase despite these local policies and brought into question the effectiveness of public action, at least in its hitherto practiced forms. In France, the political view is that demolition is an efficient way to change the image and the social composition of these areas. In Germany, by contrast, demolition undertaken through the Stadtumbau programmes is an instrument to solve market problems in regions where demand is shrinking. In the Netherlands demolition is used both to solve market shortcomings and to diversify the housing stock.
Key urban regeneration initiatives mid-1990s onwards

<table>
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<tr>
<th>Netherlands</th>
<th>France</th>
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<tr>
<td><strong>1999-2004 (II)</strong></td>
<td><strong>Contracts de ville (215) and Grands Projets Urbains (GPU, 15)</strong> (‘city contracts’ and ‘large urban projects’)</td>
</tr>
<tr>
<td><strong>2005-2009 (III)</strong></td>
<td>Larger scale intervention, contractual form, integrated action. Urban projects focus on links to city centres (e.g. public transport).</td>
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Grote Steden Beleid I (GSB-I, GSB-II and GSB-III) (Big City Policy I, II and III) Start of integrated policy in 30 major cities, based on three pillars: physical, social and economic renewal. In GSB-II reinforcement of urban policy. Coordinating city-wide programmes are subsidised rather than separate projects. GSB-III more or less continues the integrated policy.

Contrats de ville (215) and Grands Projets Urbains (GPU, 15) (‘city contracts’ and ‘large urban projects’) Larger scale intervention, contractual form, integrated action. Urban projects focus on links to city centres (e.g. public transport).

**2000-2004 (I)**

Investeringsbudget Stedelijke Vervnieuwing (ISV-I and ISV-II) (‘investment budget for urban renewal’) ISV gradually develops into physical pillar of GSB, the Big City Policy.

Loi sur le pacte de relance

Created 750 Sensitive Urban Zones (ZUS) et 44 Tax-exempt Areas (ZFU). Measures to(166,5),(993,456) create social mix and employment.

**2005-2009 (II)**

56 wijken aanpak (‘56 districts approach’) 56 areas within the 30 GSB cities are designated for more focus.

Programme de renouvellement urbain: contrats de ville, Grands Projets de Ville (GPV), and Opérations de Renouvellement Urbain (ORU) (‘Urban renewal programme’: ‘City contracts’, ‘big city projects’ and ‘urban renewal operations’) There are 250 city contracts, 50 GPV and 70 ORU. Measures included demolition and construction of new houses and urban spaces, but the programmes also followed an integrative approach with social measures and resident participation.

500 contracts are agreed in Sensitive Urban Zones. They target improvements in socio-economic variables (school results, access to jobs, health, anti-discrimination measures).

**2003**

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**2007**

40 Krachtwijken (40 ‘strong districts’) Policy for 40 areas chosen using a combination of social, physical and livability indicators.

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**Germany**

Integriertes Handlungskonzept für Stadtteile mit besonderem Entwicklungsbedarf (Northrine-Westfalia, ‘planning integrated action in neighbourhoods needing specific development’) Addressed the urban quality of life by targeting housing and public space, poverty, educational qualifications and social integration.

**1996 onwards**

1999

IBA Emscher Park (International Building Exhibition Emscher Park) New housing models, including projects aimed at enhancing social inclusion and educational qualifications.

Integriertes Handlungskonzept für Stadtteile mit besonderem Entwicklungsbedarf (Northrine-Westfalia, ‘planning integrated action in neighbourhoods needing specific development’) Addressed the urban quality of life by targeting housing and public space, poverty, educational qualifications and social integration.

**1999 onwards**

Soziale Stadt (‘socially integrative city’) Area-targeted programme

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Stadtumbau Ost/West (‘Urban regeneration East/West’) Area-targeted programmes.

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**2006-2012**

Contrats Urbains de Cohesion Sociale (CUCS) (‘urban and social cohesion contracts’) 500 contracts are agreed in Sensitive Urban Zones. They target improvements in socio-economic variables (school results, access to jobs, health, anti-discrimination measures).

**2000**

Loi “solidarité et renouvellement urbain” (‘solidarity and urban renewal law’) Article 55 obliges municipalities in which social housing makes up less than 20 per cent of the stock to build new social housing until the 20 per cent level is reached. Penalties for those who do not are strengthened.

Nationale Stadtentwicklungspolitik (‘national policy for urban development / local action level’) Marks a new orientation for urban development, with development and collection of good practice and models for integrated urban and neighbourhood development.

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Current trends and debates in urban regeneration policies

Experts in all three countries agree that increasing segregation and social exclusion are a ‘public issue’ (Musterd & De Winter, 1998, Droste & Knorr-Siedow 2006). The historic overview shows that urban regeneration has over time, and most recently around the turn of the century, changed from a technical discipline to a complex...
process, integrating more aspects and involving more actors. More activities are carried out on different scales, and more strategies and methods are used. Several authors identify different features of the resulting changes in governance, contents and organisation of policies (Droste/Knorr-Siedow 2008; Murie et al. 2003, Musterd et al. 2006, Van Kempen et al. 2005, Wassenberg et al. 2007). There are many commonalities across the three countries in their diagnosis of urban problems, in policy goals and often in methodology. The following three dimensions are particularly relevant:

- The territorial (area-based) approach, targeting disadvantaged areas is based on the idea of negative neighbourhood effects, and aims to ‘reach large groups of people who are unemployed, or have other socio-economic problems, through the designation of target areas for concentrated allocation of resource’ (Musterd & De Winter, 1998).

- The global or integrated approach, combines physical with social, cultural and economic targets, and requires a shift from sectoral to cross-departmental work. In each of the countries there has been one or more swings in the focus of urban regeneration among three objectives: socio-economic, socio-cultural or physical-economic (Verhage 2005). These have occurred at different times depending on local political priorities.

- The shift from government to governance. The increasing trend towards public-private and other partnerships, cooperation of different actors, local contracts and the inclusion of citizens in decision-making processes means that participants must be given the opportunity to learn through governance and capacity-building exercises. Strong elements of governance are found when power is devolved to the level where problems actually occur, when new forms of service-oriented local or on-site agencies replace old bureaucracies, and when outdated laws are replaced by action-oriented ones or more process-oriented legal frameworks for action (cf. Droste/Knorr-Siedow 2005).

Despite the many similarities across the three countries, each has adopted its own approach to solving local problems. These are described below.

France
Territorial issues: how to deal with residential mobility?

Successive evaluations of urban policy have identified two main questions. The first is the issue of territorial scale. Even if social, urban and economic problems are concentrated in specific zones, the processes that create them occur at a larger level. At the end of the eighties, it was seen that local and neighbourhood action was needed to improve local management and life conditions, and that this was the right level for citizen participation. However, such neighbourhood policies failed to reduce segregation or provide jobs for people. Even worse, taking action in particular neighbourhoods could lead to new concentrations of poor and unemployed people and problems elsewhere—for example, in the case of residentialization (where drug traffic was displaced after enclosure), or possibly when residents were relocated following demolitions. This insight led, at the end of the 1980s, to larger geographical contracts and the adoption of policies at the level of cities or groups of cities, as well as to national laws to try to counteract segregation processes: the 1991 city orientation law and the solidarity and urban renewal law of 2000, which tried to ensure that social housing made up at least 20% of the housing stock in all municipalities.

The second issue is whether the identification of ZUS (neighbourhoods selected for urban renewal) led, perversely, to stigmatisation of these areas and the people who lived in them (Tissot, 2007). At the end of the 1990s, the zonal policies of 1996 were criticised. It was proposed that policies singling out particular areas should be stopped, and that regional and sectoral policies on transportation, housing and economic development be better linked to urban regeneration policy.

The government chose a middle path. A small number of zones was selected, and a balance was struck between intermediate-level development strategies (with participation of both municipalities and regions) and self-contained neighbourhood-level interventions for the residents. But although the number of zones has fallen, they have been kept as an element of the renewal programme and of the social cohesion contracts. This has allowed the national government to continue to support certain programmes (which tend to be small and inexpensive) and allows municipalities to get some subsidies from the State to manage these neighbourhoods.

So the debate about whether territorial policy should be employed to combat neighbourhood effects is still alive. Should we treat the space or the people? Would it be more efficient to promote social mobility (Donzelot, 2006; Maurin, 2004)? In any case, area-based policy must recognise residential mobility. It is commonly believed that residents in these areas are stable, but in the period between 1990 and 1999, 60% of residents had moved, and about 40% had moved out of the ZUS. Territorial indicators of segregation are therefore insufficient to evaluate the impact of these policies in terms of improving people’s life conditions and trajectories (Lelévrier, 2006).
The end of the integrated approach?

France implemented the integrated approach at the beginning of the 1980s, announcing that global action would be a new and basic principle underlying urban regeneration policy. But recently this focus has weakened. There have been significant changes in urban policy at national and local levels (described above), and physical urban renewal has again become a focus not only for social housing, but also for the future of cities. There are high hopes both for its effects and for value for money. The biggest change is that social and physical action have recently been separated at both national and local level. After twenty years of integrated policy, responsibility for socio-economic and physical intervention was split in 2006. The two types of intervention are now managed by two different national agencies (the renovation agency and the social cohesion agency), using two different contracts. Even though physical interventions may be motivated by socio-economic problems (Verhage, 2005), the shift from socio-economic to physical renewal is now much stronger and is evident in the organisation of the work and networks around it.

The new physical programme is still in its infancy, so it is too early to consider its social and urban effects. But looking at the first results (that is, demolitions) does raise some questions. The new orientation follows 25 years of urban and social development policies, which are now seen to have largely failed to improve the situation. The aim of these policies was increasingly to reduce social differences between the sensitive urban zones and surrounding areas. But despite years of intervention, the concentration of poor people and social problems increased in these zones. Does that demonstrate that socially orientated urban regeneration failed? That is questionable and needs to take into account at least residential mobility and the wider socio-economic context. These area-based programmes have their limits.

The focus on physical change is also related to goal of social mix. Rather than attracting the middle class, which was the goal in the 1980s, urban renewal policies are now expected to keep workers in the area by offering them better-quality housing.

The main issue for the future will be the social changes in these social-housing neighbourhoods. The first results of relocations after demolition show that families want to stay in their neighbourhoods and that those who do leave are the most ‘socially advantaged’—a paradox of renewal (Lelévrier, 2007). But the long-terms effects will depend on local market dynamics and the regional position of the large housing estates concerned. The result could be gentrification, an increase in poverty and social polarisation, as well as a sort of residential and social fragmentation of the large housing estates into different residential areas created by the process of rehabilitation, residentialisation and demolition/rebuilding. This creates a type of social mix at city level, but with micro-segregation inside neighbourhoods. The question of social mix is then no longer a residential issue, but one of public spaces. If urban renewal leads to the creation of dwellings where households of different social types live, then the challenge is to create spaces where these inhabitants could meet together.

From contractual management to a more centralised and “distant governance”

City contracts, with their emphasis on partnership and participation, can be seen to represent a new model of policy governance. Until 2003, the pattern was that the national government set general guidelines, central or regional governments agreed contracts with municipalities giving them a local framework for action, and projects were implemented by local management teams under the direction of the mayor. By 1996 this way of working had evolved so that rather than enter into contracts, central government defined the actions it desired and imposed them on subordinate levels.

But in 2003, the renovation programme introduced a bigger change in methods of public action and the relationship between central and local governments. The urban renovation programme is now managed by a national agency, the Urban Renovation National Agency (Agence Nationale de Rénovation Urbaine, ANRU), at the central level. Mayors present projects, but the agency decides whether they fit with the national rules and framework. Even if the ANRU uses the mayor as ‘project manager’, this model is more a form of ‘distant governance’, far from local areas (Epstein, 2006) than a ‘renewal of urban renewal’ (Verhage, 2005). Now social housing associations must integrate demolition and rebuilding into municipal projects, rather than asking for ANRU subsidies on their own (as was the case under the old rehabilitation programmes). Nevertheless, the expensive rebuilding programme gives social housing associations more involvement in urban renewal, as financial and technical partners. They also use urban renewal as a way to advance their own ‘patrimonial strategies’: to improve their buildings, get rid of parts of their stock, build more attractive dwellings, and change the image of their housing stock. The other change is that the participation of the private sector is much greater than in the older programmes: private housing companies known as La Foncière logement are a tool used to build private rental housing for workers.

So, in France, urban renewal has increasingly become reduced to physical interventions in the service of social mix. The aim of social mix accords with the idea of a social housing sector open to all workers and not only the poorest. But the renovation
process responds to the current main challenges: to keep part of the stock affordable for low-income people and adaptable to large families’ needs, and to avoid segmentation processes in social housing itself. There is a lack of strategic housing policy and management at the regional level.

The Netherlands

Territorial issues: the neighbourhood as target, the city as the strategic level

In the Netherlands, as in most European countries, there has been a long history of area-based policies, as described above. A recent aim of such policies is to increase the possibilities for residents to improve their lives in a range of areas, from housing situation to facilities and jobs. The various policies have somewhat different aims, but some similarities can be distinguished.

The most recent territorial approach is based on the 40 problematic areas (wijken) selected by Ella Vogelaar, the Minister for Housing, Communities and Integration. These are located in 18 cities, mostly the biggest, with Rotterdam top of the list. The official name for these areas is *Krachtwijken* (‘strong districts’), which is felt to be a non-stigmatising term, but unofficially they are known as *Vogelaarwijken*. The 40 areas were selected objectively on the basis of 18 neighbourhood-level criteria; the process was based on the methodology for the indices of deprivation used in England. There have been debates from the start: why employ these particular criteria? why use the administratively-based but rather rough zip codes? why choose 40? why select another set of areas? what about other cities and other areas?

More recently there has been a debate about the position of these neighbourhoods in a wider spatial context. Any neighbourhood-level intervention may have consequences for nearby areas as well as for the city, or even the region, as a whole. Demolition of low-cost housing on a large scale causes migration to other neighbourhoods, creating instability in those formerly stable areas. Anti-drugs programmes in one neighbourhood lead to junkies and trouble in another. Any successful area approach will lead to these so-called ‘waterbed effects’; the challenge is to solve as many problems on the spot as possible. The conclusions of a recent survey looking at negative waterbed effects (Slob et al, 2008) are illustrative. After looking at six areas, the researchers concluded that the target areas themselves had improved, as had the housing situations of those rehoused. However, the receiving areas, which were often adjacent to the renewal areas, experienced the arrival of the newly removed households as a signal that their area was deteriorating. The researchers suggested that more attention be paid to those areas adjacent to renewal areas and the effects they experienced.

The solutions to some problems can only be found at city or even regional level. Neighbourhood unemployment problems cannot be solved by creating jobs within the area’s boundaries, because most people do not work locally but travel to work outside their neighbourhood. Marlet & Van Woerkom (2008) calculated that only 1% of all jobs created in an area go to local unemployed people. Stimulating the economy and creating jobs will reduce unemployment in general, but will not help all those who are unemployed. Some need to be led into employment, literally brought into a job, with all the effort that entails. Provision of social housing is also a regional question. All major urban renewal schemes have focused on areas where most of the housing is social housing. Most schemes will result in areas with better but more expensive housing, often owner-occupied housing that is unaffordable for those on the lowest incomes. One solution is to provide affordable housing in suburbs or surrounding municipalities, creating a social mix there as well, and to make it easy for residents to move. This sort of accessibility differs by region in the Netherlands.

An integrated approach with three permanent pillars

The historical overview shows that there has been a gradual increase in the number of issues that urban renewal deals with. At the moment the emphasis is more on socio-economic than physical issues, although the latter are not ignored entirely. In the 40 ‘strong districts’ mentioned above, there are five themes in the urban renewal programmes:

- Living (housing and the local environment)
- Working (in a regular job or training)
- Learning (schooling, minimum job qualifications, language programmes)
- Integration (social mix of people from different ethnic groups, ages and incomes)
- Safety (crime, drugs, nuisances, safe spots).

These issues are specific manifestations of the three general pillars of urban policy: physical, social and economic. The overall policy framework is the ‘Large City Policy’ (Grote Steden Beleid), which was introduced in 1994. The current programmes are part of the policy’s third tranche, lasting from 2005-2009. There is a debate about
whether and how to continue this urban policy from 2010 onwards: urban profession-
als are committed to its continuation (with some amendments), but will have to secure
funding from parliament.

The issue of social mix deserves discussion. There is more or less general agreement
that large concentrations of problems of deprivation are unacceptable. Moreover,
there has been a general tendency for increasing polarisation within society, including
between and within cities. Taking into account the waterbed effects, it is preferable to
solve problems on the spot. Urban restructuring programmes involve changing and
diversifying the housing stock in order to upgrade the neighbourhood, to promote
social mix and to attract middle-class incomes to an area. It is remarkable that some
ten years ago, local policy documents talked about ‘attracting middle classes’, while
more recently the focus is on ‘keeping the people within the area who want to move up
the ladder’—the ‘social climbers’.

In some areas hardly any dwellings are demolished or refurbished to such an extent
that residents must move, while in other areas whole blocks or streets are. Such rad-
ical plans are made in consultation with residents, who sometimes support the plans
and sometimes do not. Any restructuring of this kind includes a social plan: residents’
removal costs are paid, and they have first choice of other housing in the area or in
the region. They are often guaranteed the right to return after the neighborhood is fin-
ished, but in practice most stay in their new situation. Of course, compared to most
other countries the Netherlands has a large amount of social housing—35% of all
dwellings are owned by housing associations—and therefore even in tight housing
markets, other affordable dwellings will come on the market.

The debate about the role for housing associations

Dutch national urban policy is implemented through contracts between central gov-
ernment and municipalities. These contracts contain targets for measurable improve-
ments. This is the case for both the overall Large City Policy as well as locally for the
40 districts. However, implementation of urban renewal takes place at local level, and
here the most important actors are the municipalities, the housing associations and
residents.

For the last decade, local government and housing associations have debated the
question of who should initiate and control urban renewal programmes. In fact, hous-
ing associations, as the largest property owners, increasingly dominate the process.
The question is not whether the government should pay for better housing schemes,
but whether housing associations should pay (more) for urban renewal, and pay for live-
ability and social issues as well. The questions also concern whether housing
associations should play a lead role in urban renewal projects, invest and take risks,
and pay for public sector investments. If housing association money is to be used,
should they pay it themselves (with financially strong housing associations supporting
their weaker colleagues) or should the State cream the top off their financial reserves?
Tax measures have made the latter option possible; after a long public debate, in early
2008 the central government decided to tax the profits of housing associations -
although formally they are not even allowed to make profits. Despite the controversies
about finances it is clear that the role of housing associations in urban renewal is
increasing, and that they are involved not only in physical improvements but also in
dealing with neighbourhood social issues.

Germany

In the context of a shrinking social housing stock, public and research debate centre
on the impacts of the privatisation (and thus internationalisation) of large parts of this
stock and its effects on the future supply of affordable housing, long-term housing poli-
cies and urban and neighbourhood development. The trend is to keep a considerable
part of the stock in municipal ownership, both to protect social supply and as a way of
advancing urban and housing policy (cf. Knorr-Siedow in this book). In some of the
Länder there is discussion of implementing a legal right to decent housing.

Territorial issues in the context of federal states and a shrinking social housing sector

The short verdict on the territorial approach might be ‘a successful model in need of
further development’. As described above, the number of target areas for the integra-
tive Soziale Stadt programme is constantly increasing. Berlin in particular has devel-
oped a more differentiated system for designating target areas and related local part-
erships, and is currently developing a strategic framework to enhance the process
quality (Rahmenstrategie Soziale Stadt, implemented through new cross-sectional
pilot projects amongst others). The projects of both Stadtumbau programmes are also
area-based. Due to demographic and market developments in regions that are losing
population, the Federal Ministry for Transport, Building and Urban Affairs just
announced their continuation from 2009. Regardless of the criticisms of the methodolo-
gy and efficiency of the so-called learning programmes, the territorial approach has
proved successful at the local level. However, segregation processes have continued
despite these integrated approaches, and there is increasing discussion of the need to
develop parallel strategies, addressing internal neighbourhood development on the one
Prominent examples of Munich’s housing policy include the Munich-Riem housing project on the former airport area, whose units are differentiated in terms of quality, lifestyles and affordability; the ‘New West End’ area in the inner city; and a large housing development built by a railway-related developer in the vicinity of the main train station.

Integrated action and the ageing society

The privatisation of social housing inevitably influences the aims of urban regeneration in Germany, which are the avoidance (or at least reduction) of gentrification and its poverty-migration effects, support for socially mixed urban neighbourhoods, and improvement of the (increasingly inner-city) urban quality of life for a multicultural, segregated and ageing society. Especially in areas where the density of social housing is high because of the housing typology, but also in areas with predominantly older buildings, the integrated approach of the Soziale Stadt is clearly necessary. The key issues to be integrated in local policies are education, the inclusion of the poor/unemployed in the primary and secondary labour markets, the provision of decent affordable housing, and increasingly ethnic integration, health care and the effects of demographic change. In this context, the roles of the various actors and the methods used are now being re-examined – not least within the housing sector itself. The key issues are participation and residential mix in public housing areas, and the so-called ‘social yield’ (Sozialrendite) of public housing associations (which is required by the municipalities, considered by the housing associations to be an asset and resource). Public housing associations, because of the size of their stock and the social problems concentrated there, received (and in some regions continue to receive) more in urban renewal subsidies than smaller private owners; they were also more active in organising social activities and measures to improve the socio-spatial environment. The ‘social yield’ of these activities has gained considerable importance during the last years. There is a turn towards more family-oriented and generation-spanning housing quality and services, focusing especially on the socio-spatial and housing requirements for the reconciliation of family life and professional work. The actual demand for housing adapted for elderly people’s needs cannot yet be determined, but this is the subject of ministerial research starting in late 2008; we can assume that social housing will play an important role.

hand but embedded in city-wide strategies on the other. This is a concern in both Soziale Stadt and Stadtumbau areas. In the latter in particular there is a need for better integration of physical intervention and activities aimed at enhancing social cohesion.

Another important aspect of the territorial perspective is that Berlin and other Länder with an oversupply of housing are no longer receiving subsidies for construction of social housing. Social housing providers are thus losing importance as actors in urban regeneration. However in practice the municipal housing associations as well as private owners with current (not former) social housing in their portfolios are increasingly active in renewing and re-organising their stock and in engaging with social problems.

Other Länder such as North-Rhine Westphalia, Hamburg and Bavaria do still have active policies for building social housing. These are based on different instruments. NRW and Hamburg employ direct subsidies (and Hamburg practices a specific allocation strategy aimed at increasing social mix). Bavaria has the Socially Equal Land-use Programme (Sozial gerechte Bodennutzung), which aims to reduce the shortage of social housing in Bavaria, targeting both home-ownership and the building of rental housing and cooperative housing. The key element is that building permits (or the extension of existing permissions) are conditional on the use of up to two-thirds of the increase in land value for provision of infrastructure and enhancing sustainability. In the Länder which are still building social housing, the relation between such housing and urban regeneration may in future be stronger than in those who are using the Soziale Stadt and Stadtumbau East and West programmes to address this stock.

The city of Munich has implemented the four-pillar Munich Model (München Modell), which aims to achieve a mix of subsidised and privately financed house building for middle- and low-income groups in all locations of the city and even within single development projects. The four pillars are

- the principle of socially equal land use;
- the München-Modell Miete (‘Munich model for rental housing’) enabling young families in particular to live in affordable and attractive tenement flats, through the provision of reduced-price (public) plots and loans to private and public investors;
- the München-Modell Eigentum (‘Munich model for ownership’), attracting middle-income families especially to buy good-value properties in the inner city;
- the reduction of real-estate prices — the municipality sells plots for a fixed price (far below the market level) that depends not on location but on buyer’s income.

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Governance: partnership in action and knowledge

German housing, urban and social policies have during the last decade been evolving slowly towards a governance model, with a public debate between state actors, the urban and social professions and housing providers—and researchers as consultants. The urban and housing experiments initiated by the ExWoSt programmes are still playing an important role; the lessons learned are now reaching the wider community. The ‘National Urban Development’ programme (Nationale Stadtentwicklung), implemented in 2007 and based on the Leipzig Charter on Sustainable European Cities, tries to foster governance-oriented, cross-departmental partnerships in order to achieve socially coherent development at the urban and the neighbourhood level. The goal with such structures is to promote joint learning and knowledge management of both successful and failed practice (awareness of the need for this is slowly developing). Funds were available to finance this process, which sustained it for a long time. But now that the federal state governments have entrusted the Länder with responsibility for housing policy and and the municipalities face financial difficulties in co-financing urban regeneration programmes, money and other resources (personnel, social capital) are becoming scarce, especially at local level. Persuasion based on shared knowledge, rather than top-down regulation, seems to motivate changes in local practice in Germany. Compared to more centralised states such as France and the Netherlands, however, Germany has sometimes been astonishingly slow in disseminating good practice. Meaningful, sustainable change only happens when all three levels of government/governance agree on what sort of change should happen and build it into institutional arrangements, which then must be accepted by public and private housing markets and other relevant actors.

As German public and (to a certain extent) private housing associations become increasingly aware of their changing role and the benefit of the so-called ‘social yield’, they may in future be more open to attitudes towards partnership in local urban governance processes. The privatisation of social housing may have a detrimental effect on governance structures and integrated approaches to urban regeneration, alongside its other negative effects (c.f. Knorr-Siedow in this book). Neighbourhood managers have complained increasingly about the often-difficult negotiations with foreign investors; long negotiations, particularly with owners of a small amount of housing stock, can affect schedules (and budgets) of Stadtumbau measures considerably (Holstein, 2007). On the other hand, a recent study of the transformation of housing markets where there was sufficient supply or oversupply found that new investors would be just as dependent on efficient allocation/social management strategies, local market and rent-price development and quality management as former public owners (Hallenberg, 2008). In order to achieve the highest returns possible, they tend to house more ‘difficult’ households than other owners, regardless of the social problems this might occasion. Thus even this market segment will sooner or later need access to integrated local strategies.

Conclusion and outlook for the future

Urban renewal policy aims to create better neighborhoods in strong and vital cities, and can be regarded as part of the broader policy for cities and housing (in France and the Netherlands particularly ‘social housing’. But in fact it is the absence of overall housing debate that determines current urban renewal policy. Other chapters elaborate more on this, but the lack of such a debate – there is a kind of political moratorium on discussions of both rental allowances and mortgage-interest deductions – has major consequences for urban renewal at present. There is increasing imbalance and tension in the housing market; prices are high in the commercial sector (owner-occupied and private rented housing), while social rented housing is inexpensive. This makes it very difficult to enter the market: waiting lists for social housing are long and property prices are high. As a result, there is little movement in the housing market. Urban renewal that involves refurbishment schemes or demolitions has slowed down, despite the intensive social plans for inhabitants. Rehousing schemes are delayed by the lack of available housing. These delays bring urban renewal itself into disrepute and raise questions about whether it is better to continue with intensive neighborhood-upgrading schemes or leave the neighbourhoods as they are.

In the three countries discussed in this chapter there is a consensus that problems are concentrated in certain ‘hot spots’. There is less agreement about whether urban renewal policies should be area-based or focus on supporting residents, and recently priorities have been changing. German policies in the eastern part of the country differ from those in the west. Due to the differing urban and social contexts and the differing tensions in the housing markets, the eastern Länder carry out far more physical measures than the western Länder. In France a more physical approach is becoming increasingly popular, while in the Netherlands the movement is away from the physical and towards more social and economic measures (see Wassenberg & Verhage, 2006). The countries also differ in the compositions of partnerships (even though public actors retain their central and crucial role in urban renewal [Verhage, 2005]), in the relations between central and local governments, in the form of citizen participation and in the aims of urban renewal. In Germany the focus is on integra-
tion of the individual, in France on improving social mix as a condition for social coherence, and in the Netherlands the goal falls somewhere between these two.

Finally, we focus on the key issues in the debate: the relevance of the territorial and integrative approaches and the role of governance in steering these processes – in particular the process of relocation.

The territorial approach

The spatial scale of public action is an issue in all three countries. The area approach is a way to focus several activities and connects policymaking more directly with implementation. The neighbourhood seems the natural, logical scale at which to assemble the actors in the urban renewal process, both those within the area (residents and other users) and those with wider responsibilities (municipality, police, social care, housing associations, etc.). Area-based approaches can be successful when judged on results within the area itself: many problems are solved, the environment looks better, property prices increase and residents are happier in their improved houses and improved environment – at least immediately after the interventions (Wassenberg et al., 2007). These effects depend, of course, on local market dynamics and the intensity of social problems. However, evaluations have shown that area-based approaches often produce negative side effects: not all problems can or will be solved on the spot. Problems are often transferred to adjacent areas. These may originally have enjoyed somewhat more favourable conditions than the target neighbourhood but then get pushed into a downwards spiral of socio-structural development. Any area-based approach thus should take account of side effects on nearby areas. It may be useful to incorporate plans for ‘fringe areas’, or at least communicate actively with adjacent areas and their planning and housing actors. The smaller the renewal area and the more intensive the renewal activities, the larger these so-called ‘waterbed effects’: pushing down problems in one spot increases them elsewhere. Where side effects are large, comprehensive spatially extended policies are needed. These should explicitly include social housing actors.

Integrated approaches

In summary, then, integrated urban regeneration policies differ in France, the Netherlands and Germany. In Germany, social renewal and urban renewal tended in practice to be more separate than in the Netherlands and France, although lately they are increasingly separate in the latter. In the Netherlands, the goal falls somewhere between these two. Integrated approaches raise different debates in the three countries and are linked to different extents to territorial approaches and/or physical action. They have developed a strong dynamic and, to various degrees and at different speeds, are starting to change the thinking and acting of administrators, policymakers and housing actors. Social housing providers in particular are becoming more concerned about their role in this process and thinking about how they can best act and carry out their responsibilities. These integrated practices have led to new ways of territorial management in social housing associations. Housing associations increasingly split work between back offices and fairly independent local front offices, which handle all kinds of neighbourhood issues. In France, social housing associations share the territorial management with the municipalities and the inhabitants to try to clarify the responsibility of each party and attain a higher level of property maintenance.

Governance

The role of the actors in urban regeneration has changed considerably in the three countries over the last decades. National governments have lost influence, but this has not necessarily led to a governance model, even though the results of European comparative urban research indicate that this is crucial to successful implementation of integrative policies. Given the limited success of even integrated policies in combating segregation in urban areas in general and in social housing in particular, the effectiveness and management of integrated approaches are still a matter for research and political debate.

Furthermore, there are a number of open questions about urban regeneration processes. France and the Netherlands face the problem of rehousing residents during publicly funded demolition and rebuilding programmes. Rehousing can be difficult in areas with tight housing markets, and may lead to delays in urban regeneration schemes. In Germany, rehousing is a problem only in those areas that are shrinking severely. In such areas people are often forced to move several times, which requires them to re-form their social networks and links to social infrastructure. In each of the countries deprived populations often re-concentrate because of gentrification, or sometimes even because of successful integrated projects in neighbouring areas.

The debate about the ageing population is most lively in Germany. What do the elderly require, physically and socially, at the level of the city, the neighbourhood, the dwelling? In the Netherlands as in France, the main issue is the relation between the social and the physical approaches. Physical renewal upgrades the area, but offers no guarantee that residents’ daily life will improve. The second issue is the paradoxical relationship between territorial action and residential mobility. Socio-economic
measures improve residents’ personal situations, but if these people move out of the area it stays deprived. The challenge is to use the governance model to find the right balance between the two approaches, given the particular context of each area.

Will evaluation results be shared across Europe?

The issues of social housing, urban regeneration and segregation are linked, particularly in France and the Netherlands; they also reflect ongoing worldwide processes. The hope that urban segregation could be solved by urban regeneration policies belongs to the 20th century. Now the question is how to limit this process at the levels of the city, the neighbourhood and the social-housing stock. It is more or less generally agreed that concentrations of deprived people have a negative effect on quality of life. But analysis of the policies described here shows that there is significant resistance to the development of social mix in currently deprived neighbourhoods. We can discuss the limits of existing urban regeneration policies, but we should also think about future developments. What is the right balance between physically and socially oriented approaches, how can this be linked to a city-wide strategy to limit segregation, and which actors should be involved?

Despite different points of departure and political frameworks, developments in the three countries show similar trends over the past decade. Problems are addressed by neighbourhood or area; physical and social measures are increasingly combined, and top-down government steering is being replaced by cooperation of several partners. It is important that experiences and results from these and other countries are shared and that national policies and situations are analysed and compared. Often such comparisons take the form of field trips or conference presentations—but they need to go further. Experiences and results need to be analysed more thoroughly so that general trends can be identified among the local particularities. This makes it easier to learn from each other. It remains to be seen how the three countries (and other European nations) will share the evaluations of their recent and upcoming territorial urban regeneration policies, particularly in the context of EU funds for urban regeneration.

Endnotes

1 Unless otherwise stated, the sources for all statistics are the most recent releases from national statistical offices.
2 In France, résidentialisation is the process of changing social housing into more private and secure residences. The social housing estates are split into little housing units, which are enclosed so that the limits between private and public space are clearer. The goal is to create better conditions for management and to improve the image of the areas.

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12. Key players in urban renewal in the Netherlands

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The social housing sector in the Netherlands is the largest in Europe. Social housing dominates in many urban neighbourhoods, and contemporary urban renewal in the Netherlands focuses on areas where housing associations own the majority of the stock. At the same time, urban renewal means more than just renewal of housing; rather, it is characterised by an integrated approach. Unlike in other European countries, or in previous years, housing associations have an important, even leading, role in urban renewal and this role is expected to grow. This chapter describes the tasks of the major players in urban renewal in the Netherlands, particularly housing associations.

**Social housing as the basis of urban policy**

Nowhere else in Europe does social housing dominate the housing market as it does in the Netherlands. Over one-third of all households rent a social-sector dwelling. There are 2.4 million social rented dwellings, that has been stable over the last decade. The social rented housing stock in the Netherlands is one of the largest in Europe, exceeded only by those of France and the UK. Almost all social housing is owned by housing associations. As owners of 35 per cent of all dwellings, and 75 per cent of all rented housing, they are important players in the local housing arena, including urban renewal. Moreover, housing associations are more independent in the Netherlands than in most other European countries. (For the position of Dutch social housing see Elsinga & Wassenberg, 2007.) Social housing has been and still is more of a driver of urban renewal and other urban issues in the Netherlands than elsewhere. Before turning to the roles of individual players in urban renewal, we consider Dutch housing policy as the basis of urban policy in general.

**General characteristics of Dutch urban policy**

What makes Dutch housing and urban planning special? There are three factors. Firstly, unsurprisingly, is the country’s high population density, which, at 456 inhabitants per sq km, is the highest in Europe. Population growth has been strong -15 per