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on social housing in the European Union
(2012/2293(INI))

Committee on Employment and Social Affairs

Rapporteur: Karima Delli

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MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

on social housing in the European Union (2012/2293(INI))

The European Parliament,

- having regard to the Treaty on European Union, in particular Article 3(3) thereof, and the Treaty on the Functioning of the European Union, in particular Articles 9, 148, 151, 153 and 160 thereof,
- having regard to the Charter of Fundamental Rights of the European Union, in particular Article 34 thereof,
- having regard to the revised European Social Charter, in particular its Articles 30 (on the right to protection against poverty and social exclusion), 31 (on the right to housing) and 16 (on the right of the family to social, legal and economic protection),
- having regard to the Commission communication of 3 March 2010 entitled ‘Europe 2020: a strategy for smart, sustainable and inclusive growth’ (COM(2010)2020),
- having regard to Regulation (EU) No 1173/2011 of the European Parliament and of the Council of 16 November 2011 on the effective enforcement of budgetary surveillance in the euro area¹,
- having regard to Regulation (EU) No 1175/2011 of the European Parliament and of the Council of 16 November 2011 amending Council Regulation (EC) No 1466/97 on the strengthening of the surveillance of budgetary positions and the surveillance and coordination of economic policies²,
- having regard to Council Regulation (EU) No 1177/2011 of 8 November 2011 amending Regulation (EC) No 1467/97 on speeding up and clarifying the implementation of the excessive deficit procedure³,
- having regard to Regulation (EU) No 1174/2011 of the European Parliament and of the Council of 16 November 2011 on enforcement measures to correct excessive macroeconomic imbalances in the euro area⁴,
- having regard to Regulation (EU) No 1176/2011 of the European Parliament and of the Council of 16 November 2011 on the prevention and correction of macroeconomic imbalances,
- having regard to Council Directive 2011/85/EU of 8 November 2011 on requirements for budgetary frameworks of the Member States¹,

¹ OJ L 306, 23.11.2011.

² OJ L 306, 23.11.2011.

³ OJ L 306, 23.11.2011.

⁴ OJ L 306, 23.11.2011.

- having regard to the Commission communication of 18 April 2012 entitled ‘Towards a job-rich recovery’ (COM(2012)0173),
- having regard to the Commission communication entitled ‘The European Platform against Poverty and Social Exclusion: A European framework for social and territorial cohesion’ (COM(2010)0758) and to the opinions of the European Economic and Social Committee and the Committee of the Regions as well as Parliament’s resolution of 15 November 2011² on the subject,
- having regard to Regulation (EC) No 1081/2006 of the European Parliament and of the Council of 5 July 2006 on the European Social Fund and repealing Regulation (EC) No 1784/1999³,
- having regard to Council Regulation (EC) No 1083/2006 of 11 July 2006 laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and repealing Regulation (EC) No 1260/1999⁴,
- having regard to Regulation (EC) No 1080/2006 of the European Parliament and of the Council of 5 July 2006 on the European Regional Development Fund and repealing Regulation (EC) No 1783/1999⁵,
- having regard to the proposal for a regulation of the European Parliament and of the Council laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund covered by the Common Strategic Framework and laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and repealing Regulation (EC) No 1083/2006 (COM(2011)0615),
- having regard to the proposal for a regulation of the European Parliament and of the Council on specific provisions concerning the European Regional Development Fund and the Investment for growth and jobs goal and repealing Regulation (EC) No 1080/2006 (COM(2011)0614 final),
- having regard to the Commission communication of 26 November 2008 entitled ‘A European Economic Recovery Plan’ (COM(2008)0800),
- having regard to Directive 2012/27/EU of the European Parliament and of the Council of 25 October 2012 on energy efficiency, amending Directives 2009/125/EC and 2010/30/EU and repealing Directives 2004/8/EC and 2006/32/EC⁶, and to its resolution of 15 December 2010 on revision of the Energy Efficiency Action Plan⁷,

¹ OJ L 306, 23.11.2011.

² Texts adopted, P7_TA(2011)0495.

³ OJ L 210, 31.07.06.

⁴ OJ L 210, 31.07.06.

⁵ OJ L 201, 31.07.06.

⁶ OJ L 315, 14.11.12.

⁷ Texts adopted, P7_TA(2010)0485.

- having regard to Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax¹,
- having regard to the Commission communication of 23 March 2011 entitled ‘Reform of the EU State Aid Rules on Services of General Economic Interest’ (COM(2011)0146) and to its resolution of 15 November 2011 on the subject²,
- having regard to the Commission communication entitled ‘Strategy for the effective implementation of the Charter of Fundamental Rights by the European Union’ (COM(2010)0573),
- having regard to the Commission communication entitled ‘An EU Framework for National Roma Integration Strategies up to 2020’ (COM(2011)0173),
- having regard to the EU-SILC survey European statistics on income and living conditions and to Eurostat’s news release of 8 February 2012³,
- having regard to Decision No 1098/2008/EC of the European Parliament and of the Council of 22 October 2008 on the European Year for Combating Poverty and Social Exclusion (2010)⁴,
- having regard to the Council Declaration of 6 December 2010 entitled ‘The European Year for Combating Poverty and Social Exclusion: working together to fight poverty in 2010 and beyond’⁵,
- having regard to the Social Protection Committee (SPC) report of 18 February 2011 entitled ‘Assessment of the social dimension of the Europe 2020 Strategy’⁶,
- having regard to the Commission staff working document of 5 February 2010 entitled ‘Joint Report on Social Protection and Social Inclusion’ (SEC(2010)0098),
- having regard to the SPC report of 15 February 2010 entitled ‘Joint Report on Social Protection and Social Inclusion 2010’⁷,
- having regard to the European Economic and Social Committee opinion entitled ‘Issues with defining social housing as a service of general economic interest’⁸,

¹ OJ L 347, 11.12.06.

² Texts adopted, P7_TA(2011)0494.

³ http://epp.eurostat.ec.europa.eu/cache/ITY_PUBLIC/3-08022012-BP/EN/3-08022012-BP-EN.PDF.

⁴ OJ L 298, 7.11.2008, p. 20.

⁵ Council of the EU, 3053rd Employment, Social Policy, Health and Consumer Affairs Council meeting, Brussels, 6 December 2010.

⁶ Report of the Social Protection Committee to the Council, Council of the EU, 6624/11 ADD 1 SOC 135 ECOFIN 76 SAN 30, 18 February 2011.

⁷ Report of the Social Protection Committee to the Council, Council of the EU, 6500/10 SOC 115 ECOFIN 101, FSTR 8 EDUC 31 SAN 31, 15 February 2010.

⁸ EESC, 597/2012-TEN/484, 13 December 2012.

- having regard to the Committee of the Regions opinion entitled ‘Towards a European Agenda for Social Housing’¹,
- having regard to its resolution of 20 November 2012 on the Social Investment Pact as a response to the crisis²,
- having regard to its resolution of 16 June 2010 on EU 2020³,
- having regard to its resolution of 20 May 2010 on the contribution of the cohesion policy to the achievement of Lisbon and the EU 2020 objectives⁴,
- having regard to its legislative resolution of 8 September 2010 on the proposal for a Council decision on guidelines for the employment policies of the Member States: Part II of the Europe 2020 Integrated Guidelines⁵,
- having regard to its resolution of 20 October 2010 on the financial, economic and social crisis: recommendations concerning the measures and initiatives to be taken⁶,
- having regard to its resolution of 5 July 2011 on the future of Social Services of General Interest⁷,
- having regard to its resolution of 10 May 2007 on housing and regional policy⁸,
- having regard to its resolution of 14 September 2011 on an EU Homelessness Strategy⁹,
- having regard to its written declarations of 22 April 2008 on ending street homelessness¹⁰ and of 16 December 2010 on an EU homelessness strategy¹¹,
- having regard to the final recommendations of the European Consensus Conference on Homelessness of 9 and 10 December 2010,
- having regard to Rule 48 of its Rules of Procedure,
- having regard to the report of the Committee on Employment and Social Affairs and the opinions of the Committee on Regional Development and the Committee on Women’s Rights and Gender Equality (A7-0000/2013),

A. whereas access to housing is a fundamental right that affects access to other fundamental

¹ CoR 71/2011 final, ECOS-V/014 <https://toad.cor.europa.eu/CORWorkInProgress.aspx>.

² Texts adopted, P7_TA(2012)0419.

³ OJ C 236 E, 12.8.2011, p. 57.

⁴ OJ C 161 E, 31.05.11, p. 120.

⁵ OJ C 308 E, 20.10.2011, p. 116.

⁶ Texts adopted, P7_TA(2010)0376.

⁷ Texts adopted, P7_TA(2011)0319.

⁸ Texts adopted, P6_TA(2007)0183.

⁹ Texts adopted, P7_TA(2011)0383.

¹⁰ OJ C 259 E, 29.10.09, p. 19.

¹¹ Texts adopted, P7_TA(2010)0499.

rights and to a life in conditions of human dignity; and whereas guaranteeing access to decent housing is an international obligation incumbent on the Member States, to which the Union must have regard;

- B. whereas the Member States determine and organise the provision of social housing in parallel and in addition to the unplanned, market-based housing supply;
- C. whereas social housing plays a key part in the implementation of the Europe 2020 strategy;

Promoting the role of social housing as a social and macro-economic shock absorber

1. Notes that, as a result of the current economic and social crisis, the need for affordable homes is increasingly unmet by the private housing market alone, and that rising house prices and energy prices are aggravating the risks of poverty and social exclusion; is concerned about the impact of austerity measures such as cuts in housing benefit;
2. Points out that, under Protocol No 26 to the Treaty on the Functioning of the European Union, public authorities are free to determine how the social housing sector is organised and funded and what its target group is, with a view to meeting local needs; sees the intervention of public authorities here as a response to the shortcomings of the market, with the aim of ensuring universal access to decent, affordable housing;
3. Reminds the Member States and the Commission that spending on social housing enables urgent social need to be met and, as strategic social investment, helps in a sustainable way to provide local jobs that cannot be ‘off-shored’, to stabilise the economy by preventing property bubbles, to counter climate change and to combat energy poverty; calls on Member States and the Commission to bring social housing investment within the scheme of the European Semester by including in it an evaluation of targets for combating and preventing property bubbles;
4. Emphasises the need for tighter monitoring of social investment as part of a social investment pact designed to strengthen the Union’s economic and budgetary governance and including investment in social housing;
5. Proposes the establishment of the European Housing Observatory to develop knowledge about the housing situation in the various countries, especially social housing, on the basis of reliable statistical indicators;

Encouraging investment to boost local employment and the green economy

6. Emphasises how the social housing sector plays a contracyclical role, promoting economic recovery through support for the construction and renovation industries and thereby for sustainable local employment that cannot be ‘off-shored’, thanks notably to the labour-intensive nature of the sector, the development of green business as part of the local economy and the knock-on effects on the rest of the economy;
7. Highlights the added value in terms of local employment and the considerable leverage effect on investment resulting from the direct impact of the Structural Funds in the social housing sector in the period 2007-2013;

8. Advocates making priority investment in heat efficiency and in the use of renewables in social housing, as well as integrated projects for sustainable urban development, access to housing for marginalised communities and the promotion of social enterprises, eligible for Structural Fund support in the 2014-2020 budgetary period;
9. Encourages Member States and all stakeholders to give social housing investment a prominent place in national reform programmes and in the shaping of strategic priorities under partnership agreements for the period 2014-2020;
10. Urges Member States to retain an ambitious budget for the 2014-2020 multiannual financial framework, identifying cohesion policy as a driver of recovery; calls on Member States to facilitate and speed up the reallocation of unused monies from the Structural Funds to energy efficiency and renewable energy projects in the social housing sector during the 2007-2013 programme planning period, having regard to the conclusions of the European Compact for Growth and Jobs;
11. Calls on Member States to encourage recourse to Horizon 2020 grants and the use of financial instruments and project-development assistance programmes offered by the Structural Funds, the EIB, the EBRD and the Foundation for Environmental Education in Europe (FEEE) to stimulate the construction and renovation of social housing to a high standard;
12. Asks the Commission to make other potential sources of financing available to Member States for the development and renovation of social housing stock as forms of social investment, and to retain the reduced rates of VAT that apply to such investment, given the labour-intensive nature of the sector and its very limited impact on cross-border trade within the EU;
13. Calls on the relevant public authorities swiftly to adapt their education and vocational training systems so as to give more young people access to the green industries and new green jobs;

Combating poverty and promoting inclusion and social cohesion

14. Points out that implementing the right to housing affects the implementation of other fundamental rights, including political and social rights;
15. Calls on the Agency for Fundamental Rights to conduct a study assessing how effectively and under what conditions the right to housing is implemented in the Member States;
16. Recommends that Member States draw up integrated policies for guaranteeing universal access to decent affordable housing, with aims including:
 - specific support for good-quality social and ‘very social’ housing,
 - linkage between social housing expansion programmes and policies for access to other essential public services,
 - steps to address the difficulties commonly encountered by highly vulnerable sections of the population, such as migrants and young people, in seeking access to decent housing,

- implementation of effective policies to stop tenants being evicted, on the basis that covering rent payments and arrears of rent is a less costly option for the relevant authorities,
 - preparation of specific programmes for the homeless, linked to social support measures;
17. Recommends that Member States and the relevant authorities simplify the process of applying for housing and make the allocation of homes more transparent and impartial, with a view to eliminating discrimination and preventing any tendency on the part of particularly vulnerable groups to avoid applying for housing – a phenomenon which has the effect of aggravating residential segregation;

Combating energy poverty

18. Is concerned at the growing incidence of energy poverty, which affects 50-125 million Europeans;
19. Calls on Member States to introduce a definition of energy poverty; points out that energy poverty cannot be considered simply in terms of expenditure on energy and energy prices, but that it also has a qualitative dimension in that it affects people's behaviour and patterns of consumption;
20. Urges Member States to adopt integrated measures, based on local energy audits, for combating energy poverty: reducing energy costs for the most vulnerable households (by means of social tariffs, support on a one-off basis or as part of other social assistance, action to prevent non-payment of bills and protection against the cutting-off of supplies) and supporting measures to help residents develop a more economical lifestyle, while at the same time using effective long-term financial leverage to make residential buildings more energy efficient;
21. Asks Member States to develop national energy poverty databases to be forwarded to the European Housing Observatory;
22. Instructs its President to forward this resolution to the Council and the Commission, and to the national parliaments and Governments of the Member States.

EXPLANATORY STATEMENT

The value of this report lies in showing the extent to which the social housing sector offers leverage to help the European Union out of the economic, social and environmental crisis. An estimated 25 million European citizens live in social housing. All the Member States except Greece have social housing stock, the volume of which varies considerably from one country to another and particularly between the western Member States and the eastern ones which most recently joined the Union. Social housing needs also vary within Member States between urban and rural areas and, within conurbations, between city centres and outlying areas.

The provision of social housing is one of the ways in which public authorities respond to the shortcomings of the market, with the aim of ensuring universal access to decent affordable housing.

The EU Member States determine and organise the provision of social housing – in parallel and in addition to the unplanned, market-based housing supply – offered subject to specific conditions of access and at set rents and provided not only by non-profit operators established specifically for that purpose but also by private investors, individuals or legal entities who have a remit to that effect and are subsidised by national, regional or local authorities.

Despite these arrangements **many EU citizens can no longer afford access to decent housing**. In 2010, 5.7% of Europe's population suffered from housing deprivation¹, whereas it is one of the aims of the Council of Europe's revised Social Charter gradually to eliminate homelessness. Moreover, 17.86% of the population were living in overcrowded or unfit accommodation and 10.10% of households faced excess housing costs, at a level of more than 40% of their available income.

The failure of the market to satisfy all housing needs affects not only those people who are simply excluded from access to housing but also those who are living in unfit, unsuitable or overcrowded homes.

There is an urgent social need for investment in the social housing sector. Europe is experiencing a severe, long-term housing crisis which might well be escalating despite the regular stirrings of public opinion EU-wide during the winter, when it seems that the problems of the homeless cannot be allowed to continue.

Social inequalities are growing, the unemployment rate is soaring, 120 million Europeans are poor or at risk of poverty, and the private housing market is responding ever less effectively to the growing demand from the poorest households everywhere in Europe. At a time when levels of rent and energy prices are rising steeply, housing benefits are coming under pressure as the debt crisis drives governments to sacrifice social expenditure and, indeed, to cut down their social housing stock – at the expense of social and regional cohesion. In these circumstances it becomes increasingly difficult to implement the right to affordable housing,

¹ Source: Europe Information Services S.A.

even though other fundamental rights depend upon it.

Social inclusion necessarily requires a sufficient supply of affordable, good-quality social housing as part of the response to health challenges. Other essential factors are resources combating energy poverty and a set of objective and transparent criteria for the allocation of housing, subject to proper governance in the interests of an integrated approach and a social mix, thus combating various forms of discrimination.

Investment in social housing is also a means of responding to population ageing and dependency among elderly people, to the specific needs of young people and to the need to include marginalised communities and the homeless.

On the economic front, investing in social housing means boosting construction, which has been hard hit by the crisis, as well as renovation, particularly the heat efficiency and renewable energy sectors – high-return industries with the capacity to generate green jobs that are local and cannot be ‘off-shored’.

Next to transport, housing is the sector with the greatest potential for making savings. Social housing can thus contribute to meeting the climate targets in the Europe 2020 strategy, thereby addressing environmental imperatives and at the same time reducing household energy bills as well as energy dependency.

Having a sufficient supply of social housing helps to smooth out the cyclical nature of the property market and to lessen the impact of phenomena such as property bubbles, which destabilise economies. The Union’s macro-economic and budgetary surveillance system needs to take greater account of investment in social housing.

It is important to recognise the added value of Structural Fund monies and European Investment Bank loans in stimulating social housing investment. In particular, these monies facilitate the development of further and vocational training in green industries and the creation of thousands of decent, local jobs that cannot be ‘off-shored’. It must be ensured, in the next multi-annual financial framework, that sufficient funding from these sources is available, that it can be readily accessed and that unspent monies can be more easily reallocated to social housing.