Use of financial instruments in the frame of ESIF to build social housing

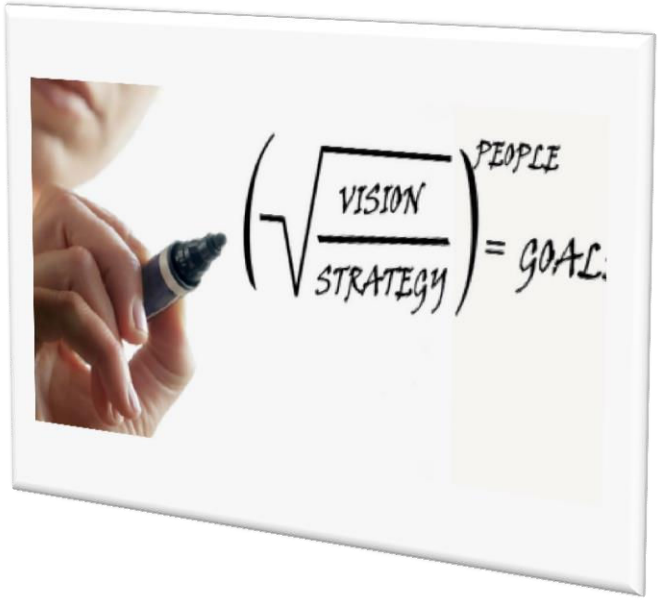


HOUSING EUROPE

Edit Lakatos, Policy Officer

Our Vision, our guide

- We, not-for-profit, public and co-operatives housing providers, have a vision of a Europe which provides access to **decent and affordable housing for All** in communities which are socially, economically and environmentally sustainable and where all are enabled to reach their full potential.



- We provide housing **for socially sustainable neighborhoods**.

OUR MEMBERS

ASSOCIATE MEMBERS

ARMENIA
ASBA
www.asba.am

SWITZERLAND
SVW
www.svw.ch

NORWAY
NBBL
www.nbbl.no

NHF
www.housing.org.uk
SFHA
www.sfha.co.uk
NIHE
www.nihe.gov.uk
NIFHA
www.nifha.org
BSHF
www.bshf.org
CHCYMRU
www.chcymru.org.uk

FESOCOLAB
FLW
www.flw.be
SLRB
www.slrb.irisnet.be
SWL
www.swl.be
VMSW
www.vmsw.be

BL
www.bl.dk

AEDES
www.aedesnet.nl

ICSH
www.icsh.ie
NABCO Sector(s) represented: Co-operative
www.nabco.ie

FLCM
www.fondsdulogement.lu
SNHBM
www.snhbm.lu

USH
www.union-habitat.org
ESH
www.esh-fr.org
Les Offices de l'Habitat
www.offices-habitat.org
FNARHLM
www.offices-habitat.org/fnar
PROCIVIS
www.procivis.fr
FNCOOPHLM
www.union-habitat.org/coop

CECODHASPORTUGAL
www.cecodhasp.org

AVS
www.promotorespublicos.org
CONCOVI
www.concovi.es

Federcasa
www.federcasa.it
FEDERABITAZIONE
www.federabitazione.confcooperative.it
Legacoop Abitanti
www.legacoopabitanti.coop
AGCI-ABITAZIONE
www.agci.it

EKB
www.ekb.gov.al

GdW
www.gdw.de

Kunta-Asunnot Oy
www.kunta-asunnot.fi

EKÜL
www.ekyl.ee

SABO
www.sabo.se
HSB
www.hsb.se
RIKSBYGGEN
www.riksbyggen.se

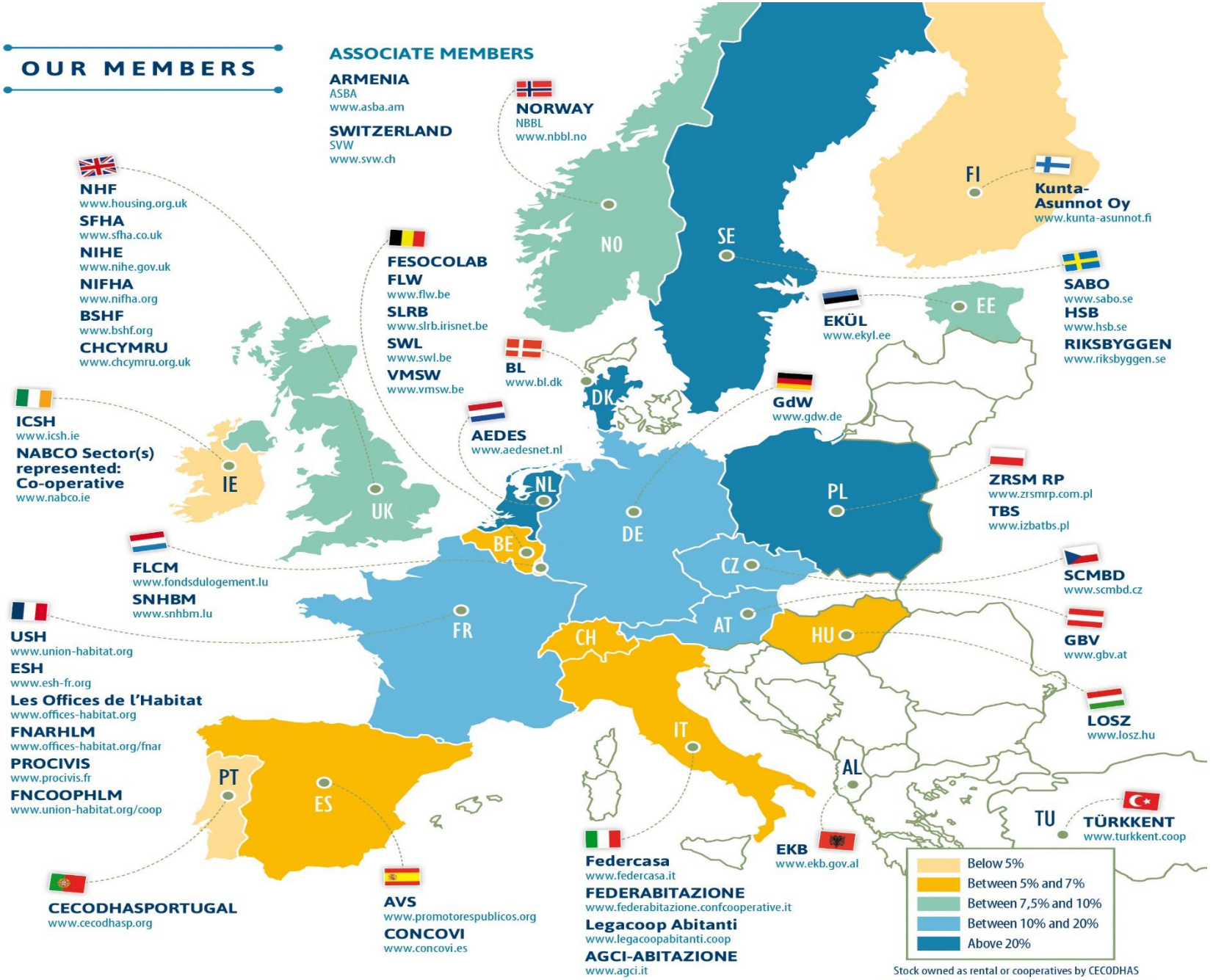
ZRSM RP
www.zrsmrp.com.pl
TBS
www.izbatbs.pl

SCMBD
www.scmbd.cz

GBV
www.gbv.at

LOSZ
www.losz.hu

TÜRKKENT
www.turkkent.coop

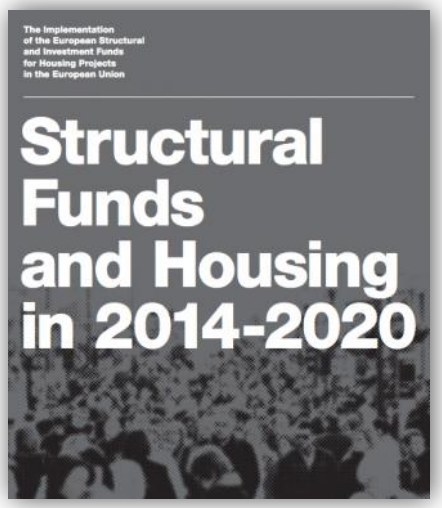


Stock owned as rental or cooperatives by CECODHAS members as % of the total housing stock in each country.

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Funding opportunities

- **Continuous monitoring** of the implementation of ESIF in our Member countries with **concrete outcomes:**
  a. the **Guide** published in October and sent to DG
  b. our **Web Portal** (for members only) is up-to-date
- Identifing **bank loan opportunites** (EIB, National promotional banks, CEB, EBRD)





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Which financial instruments?

- Investments are financed by housing organisations' **own equity, grants** and **bank loans**.
- The social housing sector = closed system in which revenues must be reinvested (as a revolving fund)

The collective assets of all social housing organisations are used as collateral for financers through a sectoral guarantee fund which also watches over risk management.



Bank loans should be backed up by someone which act as potential guarantors of last resort.

…In order to get more favourable financing terms and counter-cyclical investments.

Ensuring sufficient investments in housing on a long-term and sustainable basis

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New financial instrument for social services

Urban development Fund for sustainable urban projects



- Projects must
  - Be financially viable
  - Be part of an Integrated Sustainable Urban Development strategy (set by Regional authorities)
- Total project budget: max €20 million (combining public & private sources)

It is a Loan support! Set up and managed by a financial intermediary, with ESIF resources and a contribution of at least 30% from private capital.

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Implemented projects

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Liverpool- *testing green retrofitting*

A pilot project to test green retrofitting in Liverpool City Region housing.
Aim: to cut CO2 emissions, reduce fuel poverty, enhance wellbeing, and provide training and jobs.

Retrofitting with 14 green technologies into 4 000 social housing units.
Promoting behavioural change (residents encouraged to adapt their energy consumption habits, including through outreach to schools and other organisations).



Beneficiary	**Public (City Council)-private cooperation**
Total Budget	€57 million (€19.4m from ERDF, €19.4m from National and Private match funding, and €18.2m additional national and private funds)
Timeframe	2011-2015

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Italy*-sustainable energy investment scheme*

A coordination and support action- Project development assistance

Beneficiary	Two housing associations
Total Budget	€15,29 million (ERDF, National financing, National incentive "Conto termico" and loan)
Timeframe	2015-2018
Operations	Energy refurbishments in more than 622 private and public social housing dwellings



Added value: Combines different financing instruments
Emilia Romagna Region, ACER Reggio Emilia and ACER Parma

The LEMON project will develop an innovative, bankable and aggregated sustainable energy investment scheme.

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***Ireland**-Housing assistance schemes to tackle energy poverty*

- Better Energy Warmer Homes scheme
- …to tackle energy poverty



Operations: a range of energy efficiency measures **free of charge to low income households** vulnerable to energy poverty.

Local Authority Housing Upgrade Scheme: a number of programmes targeted at those homes owned by the state and provided to people with low incomes.

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Netherlands- *EVS at the worldhouse in Amsterdam*

The worldhouse = centre for information, counselling, education and culture for undocumented migrants
Objective:

- **a house where migrants find a welcoming home where they learn new skills, become active and organise themselves**.
- to facilitate and increase the access to basic rights for undocumented migrants.

Project under EVS-volunteers come to help out at the centre.

Project results: Social activities, 'basic rights' trainings and counselling; seminar/debate on migration issues to influence the public debate.



Beneficiary	City of Amsterdam
Total Budget	€18 370 from Erasmus+
Timeframe	2014-2016
Operations	'Basic rights' trainings and counselling by volunteers

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Sweden promotes sustainable housebulding

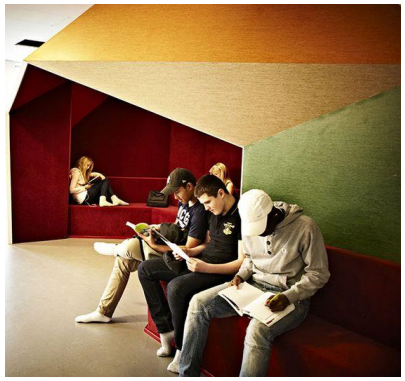
- Aim: to reinforce sustainable housebuilding and to promote innovation and sustainable growth.
- New added value: there is untapped **potential for labour among recently arrived immigrants** and non-native citizens, which the growing construction sector should take advantage of.
- Partnership principle: environmental technology sector, municipalities, district administrations and **property owners**



Beneficiary	**Royal Institute of Technology**
Total Budget	60 million SEK (50 % ERDF)
Timeframe	2016-2020
Operations	Develop test beds for innovation in environmental technology companies involve and strengthen the environmental technology sector, municipalities in the area

HOUSING EUROPE

Promote recruitment of immigrants in the construction sector



Beneficiary	**Swedish Public Employment Service (with help of municipalities, industry associations and trade unions)**
Total Budget	60 million SEK (50 % ESF)
Timeframe	2016-2020
Operations	promote wider recruitment and strengthen the provision and matching of skills in the construction sector by making use of the competences of recently arrived immigrants and novative citizens

- Work on core values, validation of skills, language support and workplace-based learning (and matched with jobs in occupations facing shortages in the construction sector).

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European Core Learning for Integration of Support and Housing

elosh European Core Learning Outcomes for the Integrati of Support and Housing

- Improving cooperation between social services workers and housing staff
- Fight against housing exclusion of groups with support needs
- Aim: **transferring innovative learning outcomes** and specific training material on housing and integrated support **to tailored made training** at local level in 7 EU member states.

Approach:
Co-producing training modules with citizens to make them identify what services they need.



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Biggest EIB loan deal in ***Northern-Ireland***

- 2016-2021
- £280m investment loan for social housing associations
- Apex and Choice (150-130m £)
- First direct engagement with social housing providers in the region



The long-term loans will substantially lower the cost of borrowing for Choice and Apex housing associations

Operations: construction o 4,700 new social homes over the next five years and retro-fit of many existing units.

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*EIB loan to refugee accommodation in **Germany***

- € 120 million loan for the refurbishment/construction of refugee accommodation in different parts of the country until 2018
- For 46,000 refugees
- Around 100schemes implemented (local authorities, social housing companies).

Expected impact:

✓ Foster contact with the local population;

✓ Communities can use the facilities created under the project such as student accommodation, homes for the elderly or educational centres



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Some inspiration

Housing First, then help



- ✓ The Alliantie -social housing organisation
- ✓ Regional mental health care Institute and an Institute for social care

- Social partners help 50 homeless **to learn to live independently**
- More than three quarters of the participants in the project still have a dwelling after 5 years.
- Support given: when applying for social security benefits or in their daily activities.
- The different roles: **dwelling supply, mental health treatment, social supervision of people**

➢ **Big advantage: The care is considerably cheaper than similar care in an institute for supervised accommodation.**

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Social profits from Neighbourhood Investments



2005-2012
42 million €
Eigen Haard, Social housing org.

- **Improving the quality of life** in neighbourhoods in Amsterdam
- Operations: care, nuisance prevention, housing fraud, neighbourhood management, resident participation, physical intervention for the quality of life
  - involvement of social housing workers in the community

➢ **Positive social impact expressed in €** (improvements in the quality of life, rise in property prices, reduction in crime)

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Living Independently with Autism

- Parents + social housing provider + municipality
- **Creating care homes for autistic young people** (24 apartments + a common room)
- There **they can live independently** -and still receive intensive supervision.
- Rooms are fitted with extra insulation and the complex is located on a quiet street.



- Stichting Woondroom (Dream living Foundation) manages apartments for the allocation and the purchasing of the care services.

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'Accelair' the integration of refugees!

- Aim: **social Integration of refugees through Housing, Training and Employment**
- Began in 2002 within the framework of EQUAL
- In 2008, the Immigration Ministry asked Forum Réfugié to transfer its methodology to national level.
- In 2010, 20 counties in France asked to develop a program like Accelair in their own areas.

forumréfugiés
www.forumrefugies.org

Cosi
promouvoir et défendre les droits

➢ **The success is based on the trust** established between the different stakeholders.

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LA FONDATION ABBÉ PIERRE EN EUROPE

European Investment Fund on fuel poverty and social housing

Joint reflexion from the civil society :

- Social foundations (Abbé Pierre, Roi Baudouin, BSHF)
- Firm foundation: Schneider electrics
- NGO's in shelters and homeowned shrinking housing (Feantsa)
- Social housing (Housing Europe, FR and NL social housing)

-> check the exact needs, opportunities, conditions for local stakeholders…

Discussions with EU/investment tools

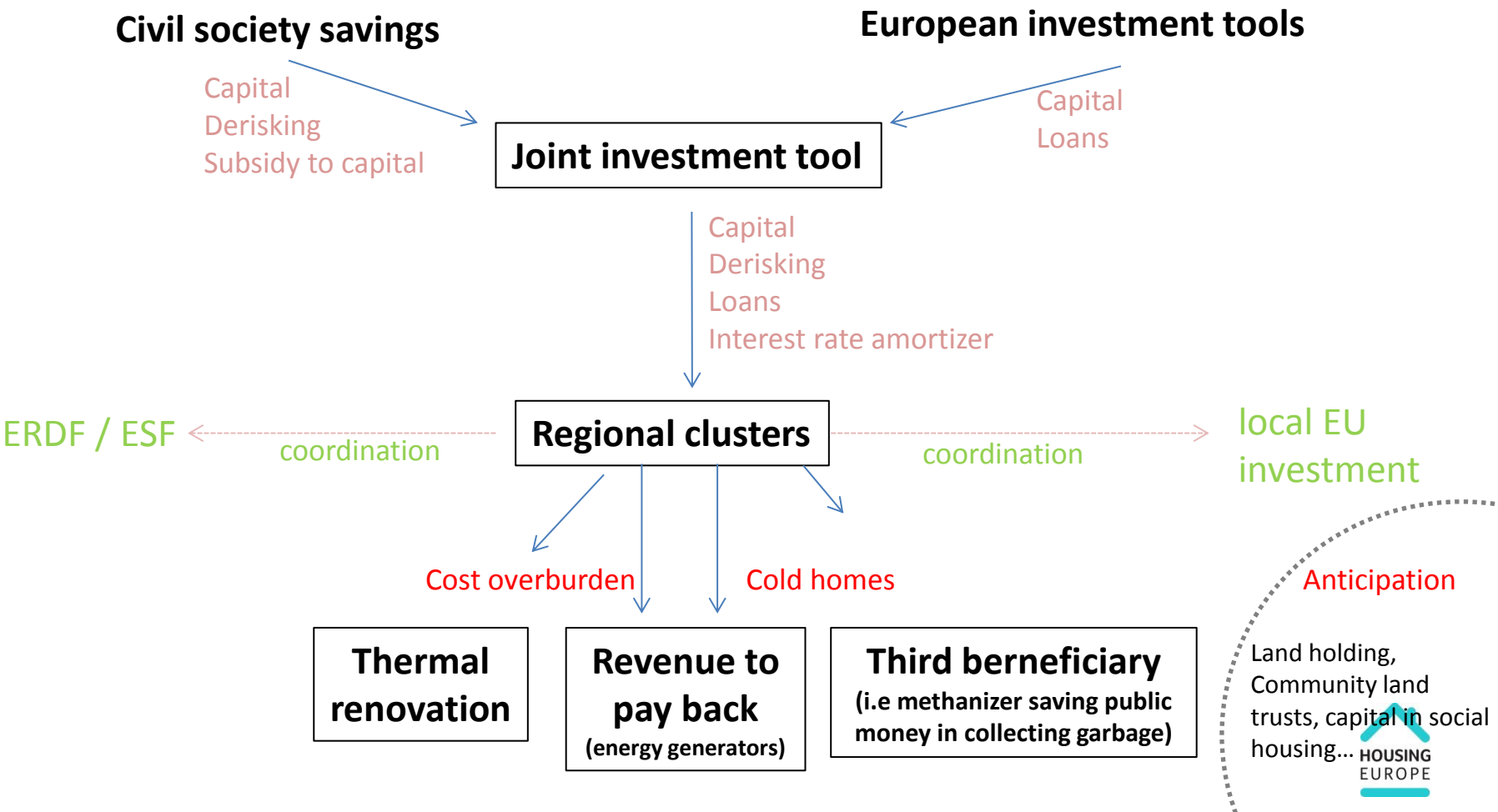
- Trying to build the fund according to needs, will and barriers of public stakeholders.
- Take the opportunity of the Energy Union to optimize EU involvment…

Preparation of regional clusters to spread money

- coordination between investment means and ESF/ERDF,
- Possible for small stakeholders to make joint projects.
- Coordinate EIB investment and need for « third investors »
- Update practices and paradigms

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Draft model :
100 million € as a start



Thanks for your attention!

HOUSING EUROPE

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