



For debate in the Standing Committee — see Rule 15 of the Rules of Procedure

**Doc. 10833**  
3 February 2006

## **A dynamic housing policy as an element of European social cohesion**

Report  
Social, Health and Family Affairs Committee  
Rapporteur: Mr Denis Jacquat, France, European People's Party Group

### *Summary*

The Assembly expresses its deep concern at the emergence of a new housing crisis in Europe which poses numerous problems for member states in terms of both social exclusion and spatial segregation, resulting in an alarming erosion of their social cohesion. It is not possible to determine a single course of action for modernising housing policies. Member states must nevertheless respect certain common principles; in particular they must ratify the revised Social Charter, which recognised the right to housing, and encourage the Council of Europe Development Bank's activities in the field of social housing in favour of the most vulnerable groups of population. Closer co-operation with the European Union must be pursued for the effective implementation of the right to housing and access to decent housing for all.

**A. Draft resolution**

1. The Parliamentary Assembly notes that there have been far-reaching changes regarding housing problems in Europe, through a combination of many factors that operate interactively. Those factors include the concentration of employment in urban centres and greater job flexibility, making for increased occupational mobility but also erosion of income security and lasting exclusion of population groups from the labour market.
2. Changes in family structure, and in particular the escalation in divorces and one-parent households, the lengthening of young people's period of cohabitation with parents and ageing of the population, are further contributory factors maintaining housing demand at a high level while the supply is often unsuitable and insufficiently regenerated.
3. The magnitude of migratory flows and the concentration of immigration in towns also fuel the overall level of demand, add further pressure on the availability of housing and more generally raise the issue of the existing housing stock being unsuited to the needs of immigrant populations.
4. All these factors are contributing to a significant evolution in the nature of housing demand. The resultant pressure on housing stock and availability of land has caused a rapid rise in the price of dwellings, and specifically in rent.
5. Poorly controlled urban expansion, growth phenomena generated by urban encroachment on city outskirts, the downgrading of certain districts whose peripheral residential forms are unsuitable today, the reappearance of shanty towns and areas of insufficient or substandard housing in town centres are all symptomatic of the structural dimension of the housing crisis.
6. These phenomena also point to the inextricable linkage of housing with urban development and with questions of social mix, ethnic and racial discrimination and urban and land policies.
7. The Parliamentary Assembly expresses its deep concern at the emergence of a new housing crisis Europe-wide, which poses - and will increasingly pose in future - numerous problems for Council of Europe member countries in terms of both social exclusion and spatial segregation, resulting in an alarming erosion of their social cohesion.
8. The Assembly emphasises that the right to housing, as a fundamental social right recognised by the revised Social Charter of the Council of Europe in Article 31 thereof, is an element of social cohesion. As such, its effective realisation cannot be left to the sole discretion of market forces. This right to housing can only be universal and may not be vitiated by any exclusion in its application.
9. The Parliamentary Assembly wishes to point out that a housing policy vacuum costs the community far more than a dynamic housing policy geared to sustainability, continuity, involvement of all the players and adaptability to needs as they develop.
10. It considers that the most appropriate housing policies are those which have succeeded in adapting to the territoriality of the problems by means of suitable measures aimed at enhancing the role of local authorities while upholding the need for national solidarity and the indispensable commitment of State authorities.
11. Backing should be given to housing policy integrating actions aimed at both prevention of social exclusion and discrimination and urban development and renewal. Facilitating access to housing and home ownership, improving the human environment and promoting balanced development of territories are today key to the safeguarding of European social cohesion and peaceful labour relations against a weakening of social ties and a lesser feeling of belonging and sharing of common values.
12. The Assembly emphasises that there is no single, unequivocal and uniform formula for reforms to housing policies in view of differing national traditions and public intervention goals. While it is not possible to determine a single course of action for modernising housing policies, the member States must respect certain common principles.

13. Consequently, the Assembly invites the member States of the Council of Europe to:

13.1. pursue the ratification of the revised Social Charter so that all member countries recognise the right to housing as a fundamental social right and a factor in social cohesion (Article 31 of the revised Charter);

13.2. strengthen the supervisory machinery relating to the right to housing by treating its genuine enforcement as a priority, particularly in cases of discrimination, eviction and continuing existence of substandard housing;

13.3. develop knowledge of housing situations as reflected by statistical indicators in the member countries;

13.4. promote the exchange of best practices and development of integrated projects on the effective realisation of the right to housing and its enforceability;

13.5. pool thoughts on the future of housing policies, based on an appraisal of the policies conducted during the last decade and the definition of principles common to their future development;

13.6. cultivate knowledge of the territorial dimension of housing policies in conjunction with new forms of governance and methods of evaluating actions providing for the participation of all the players involved.

14. The Assembly encourages Council of Europe Development Bank member countries to support the Development Bank's activities in the field of social housing and to submit investment projects for financing, especially in favour of the most vulnerable groups of population.

15. Finally, the Assembly invites the States brought together within the Council of Europe to pursue closer co-operation with the European Union for the effective implementation of the right to housing and access to decent housing for all, given their shared aims of preserving European social cohesion and the special role of housing unanimously recognised by the Lisbon European Council and the European Parliament.

## **B. Explanatory memorandum by Mr Denis Jacquat**

1. Despite far-reaching change in Europe's economic environment over the last thirty years, the housing question remains a societal problem of great immediacy and real acuteness.

2. However, the very nature of housing problems has radically altered in step with the economic and social transformations which have affected and continue to affect Europe.

3. This situation arises from a combination of many factors that operate interactively: concentration of employment and migratory influx in urban centres, greater job flexibility with increased occupational mobility but also erosion of income security, lasting exclusion of population groups from the labour market, evolving family structure due in particular to the escalating frequency of divorce and one-parent households, lengthening of young people's period of cohabitation with parents and ageing of the population, all of which are factors contributing to a significant evolution in the nature of housing demand.

4. The concentration of jobs in urban centres has become more pronounced, and has been attended by a concentration of populations in the larger centres and by often poorly controlled urban growth. The resultant pressure on housing stock and availability of land has caused a rapid rise in the price of dwellings, and specifically in rent. In some European capitals, the notion of a real estate bubble is again coming to the fore. This labour mobility also leads, in some countries, to depopulation of entire regions, hence an unused oversupply of housing.

5. The increased labour market flexibility has brought with it a casualisation of employment through development of temporary and interim jobs. As a result, periods of occupational activity are punctuated more and more by inactive periods which make the regularity of household income uncertain in the face of constant and growing expenditure on accommodation. In some countries, eviction of insolvent households is on the increase, both in the rented housing sector and where overmortgaged home ownership is concerned.

6. Moreover, owing to the lasting exclusion from the labour market of population groups because of their skill standard or specialisation in activities that are relocated, community support is required for occupational resettlement and skill training as well as for restoration of solvency by transfer income, whether or not allocated to housing.

7. The magnitude of migratory flows and of immigration also fuels the overall level of demand, contributes to heavier pressure on the availability of housing, and on a more general plane raises the question of the existing housing stock being unsuited to the typical needs of immigrant populations.

8. Evolving family structure due in particular to the higher frequency of divorce, the development of one-parent households and young people's longer period of cohabitation with parents, are other contributory factors in keeping demand at a high level in the presence of an often unsuitable and insufficiently regenerated housing supply.

9. Lastly, ageing of the population represents one of the major issues as regards the adaptation of the existing housing supply to the type of needs, in two respects: physical conversion of dwellings and development of service facilities allowing the elderly to remain in their own homes.

10. This radical shift in the demand, quantitative as well as qualitative, would be impossible to satisfy spontaneously with a housing supply squeezed by the exigencies of concentration in urban areas, by the resultant skyrocketing of land values, and by the structural lag of its physical conversion.

11. In this connection, the Parliamentary Assembly expresses its deep concern at the emergence of a new housing crisis Europe-wide, which confronts the Council of Europe member countries with numerous problems relating to spatial segregation and prevention of social exclusion, and brings about an alarming erosion of their social cohesion.

12. The weakening of the social bond by specialisation of territories, the advance of social exclusion through the concomitant loss of housing and job security, and the growing defection from political and institutional participation to positions of community isolationism, do much to debase the sense of belonging to one and the same community and the sharing of common values.

13. European social cohesion must not be reduced to a juxtaposition of territories that are socially specialised, community-dominated and huddled around a territorial identity of their own which is defined by distinctive lifestyles, housing conditions and patterns of social integration.

14. The conditions that govern access to housing, human environment and balanced development of urban territories are central concerns today in safeguarding European social cohesion and peaceful labour relations against a fragmentation of the labour market that now precludes replication of the existing social bonds.

15. In fact this crisis is partly the direct outcome of the governments' gradual running-down of their commitment to housing policy through reduction of the official budgets, privatisation of public or social housing, and deregulation of rental markets, whether in the countries in transition or in the other member countries.

16. The Parliamentary Assembly would emphasise that the right to housing, as a fundamental social right recognised by the revised Social Charter of the Council of Europe and Article 31 thereof, is an element of social cohesion. As such, its effective realisation cannot be left to the sole discretion of market forces. This right to housing can only be universal and may not be vitiated by any exclusion in its application.

17. The policies pursued in many member states to liberalise the rental markets, privatise social housing or reduce its availability have given clearly evidence of inability to deal with the present challenges in a sustainable manner.

18. The increased pressure on public finances has the ultimate outcome of giving market-based regulation processes a more pronounced role in housing and urban development, through shrinkage of government budgets and weakening of direct action to control the level of supply, particularly the offer of accessible social housing.

19. Likewise, policies on land tenure and spatial planning no longer help to channel the urban spread and specialisation of territories which are due to the more pronounced role of market processes and the operation of supply and demand.

20. The Parliamentary Assembly wishes to point a housing policy vacuum costs the community far more than a dynamic housing policy in a perspective of sustainability, continuity, involvement of all players and adaptability to the trend in needs.

21. Considering the challenges faced, the Parliamentary Assembly reaffirms the necessity of maintaining and furthering dynamic, solidarity-based housing policies that are equitable and well-balanced in their action directed at demand and supply, and founded on the role of the State as watchdog for social cohesion and genuine realisation of essential social rights.

22. The future course of housing policies represents an even greater challenge for Europe in that the territoriality of the problems is growing because they are embedded in the development of Europe's towns and more generally in European spatial planning.

23. Growth phenomena generated by urban encroachment on city outskirts, spatial segregation inherent in the downgrading of certain districts whose peripheral residential forms are unsuitable today, reappearance of shanty towns and areas of insufficient or substandard housing in town centres, are signs that vouch for the structural dimension of the housing crisis and its inextricable linkage with urban development and with the questions of social mix, ethnic and racial discrimination, and urban and land policies.

24. The Assembly considers that the most appropriate housing policies are those which have succeeded in adapting to the territoriality of the problems by means of suitable measures aimed at enhancing the role of local authorities while upholding the need for solidarity and the indispensable commitment of State authorities. Indeed, all too often decentralisation has been concomitant with the State's disengagement and dereliction of its duty to secure national solidarity through housing.

25. Housing policies which have come to terms with the need for more integrated actions encompassing social exclusion, discrimination and urban development and renewal have steadily progressed and deserve support.

26. Yet these integrated policies must not lead to the discontinuation of ongoing official measures directly or indirectly aimed at housing markets and the structural causes of the crisis. They should keep up the effort to strike a balance between restoring the solvency of households and providing incentive to the development of a fresh supply of affordable dwellings, between promoting a good-quality public housing supply and regulating the private one, between incentive to replenish what is on offer and coercive measures relating to land policy, new housing supply and social mix.
27. Thus, considering the permanence of the current sociodemographic problems and changes and the intensification of migration movements in Europe, the Parliamentary Assembly is convinced that the activation of these housing policies is a necessity, inextricably linked with social protection policies and urban development policies.
28. This trend is made still more compelling by the certainty that the constraints of sustainable development in urban and transport planning as well as energy conservation are certain to intensify in future and help shape the courses of government policies.
29. The growing complexity of the requirements for framing and implementing housing policies, as regards both the governance of the players involved and the global nature of the processes at work, raises a challenge which must be met.
30. The Parliamentary Assembly considers that the Council of Europe has the authority to take up this challenge and the duty to promote exchanges and comparison of the member states' housing policies, given the impact of this policy area on European social cohesion.
31. The Parliamentary Assembly would nevertheless emphasise that there is no single, unequivocal and uniform formula for reforms to housing policies in view of the differing national traditions and goals of official intervention.
32. While it is not possible to determine one course for modernisation of housing policies, a number of principles which the member states must observe need to be recalled.
33. The implementation of Article 31 of the revised Social Charter of the Council of Europe must form the basis of member states' housing policies and guide the priorities of policy action so that effective application of this fundamental social right is assured.
34. Housing, being a quintessentially vital asset, cannot be regarded as a mere product or marketable good. As a fundamental social right, its enjoyment must be secured to all, and only a dynamic, structured and sustainable housing policy can bring the goal of its universal accessibility closer.
35. The pressure on government budgets means that housing policies should look to an optimum allocation of public funds. The economic and social effectiveness of the actions initiated must be regularly assessed, particularly as to their real impact in making the housing supply more accessible and improving the solvency of the demand.
36. The social justice of the measures implemented should guide housing policies, including intervention on the supply side, where incentives aimed at private operators should entail social returns.
37. Housing policies must be given their territorial dimension by local adaptation of the policy instruments to the type of needs and situations.
38. Lastly, good governance of housing policies must be ensured by a banding together of all stakeholding players, residents and their associations included.
39. Although the territorial organisation of the member states embodies a great wealth of situations, regional and local government commitment with a clear apportionment of powers and responsibilities is vital today. However, this indispensable decentralisation of housing policies should not prompt the State authorities to disengage and call the principle of solidarity into question.

40. Above and beyond these principles, the Assembly expresses its support for comprehensive application to all Council of Europe member states of the right to housing as a fundamental social right secured in the revised Social Charter of the Council of Europe, to be achieved giving fresh impetus to the process of ratification.

41. Recognition of the right to housing is indeed the prime foundation for housing policies; it must strive towards genuine enforcement of the right, towards universal access to housing guaranteed for all, putting prevention of exclusion before eviction and guaranteeing rehousing in a healthy permanent dwelling without discrimination.

42. On that score, the Assembly must condemn once more the discriminatory practices whether active or passive that particularly affect Roma and families of African origin in certain Council of Europe member countries.

43. The recent tragic events of this summer in France bear witness to the public authorities' inability to fulfil this right of housing for all, and to the discrimination that continues to affect certain population categories in obtaining a healthy permanent dwelling. The complexity of the situations which apply cannot in itself account for the powerlessness of the public authorities to honour this right to decent housing for all and to fight all forms of discrimination.

44. On the other hand, the Assembly is gratified that the Lisbon European Council in June 2000 adopted a European strategy of social inclusion and made it a common objective of the Member States to implement housing policies which aim to provide access for all to decent housing and to the related services. The renewal of these objectives at the half-way mark is to be welcomed.

45. It also welcomes the formation in the European Parliament of an Urban and Housing Intergroup, and the inclusion of housing as a complete aspect of the European Union's social cohesion policy and of the European social model.

46. In this context of European Union interest in housing, it considers that the area of housing policies should be a priority area of co-operation on social cohesion between the Council of Europe and the European Union, with better planning of common activities relating to the effective realisation of the right to housing and to the preservation of European social cohesion.

47. The Assembly invites the parliamentarians of the member states to take this occasion to launch a debate at national and European level on the fulfilment of this objective of access for all to decent housing, and to promote the Council of Europe legal instruments as a means of finding lasting solutions for the realisation of this right.

48. The Council of Europe Development Bank (CEB), in line with its mandate, contributes to the implementation of investment projects of a social nature, including social housing for people on low incomes. It plays a significant role in financing social housing projects in its member countries, contributing also to policy development in this area.

49. The CEB's interventions aim at providing social housing and related infrastructure for people on low incomes, with a particular emphasis on refugees, migrants and displaced populations; victims of natural or ecological disasters; vulnerable target group populations such as: people living below the poverty line, abandoned children, people with disabilities and ethnic minorities (Roma).

Furthermore, it seeks to address constraints on access to housing, to support national housing policies and to contribute to the development of social-housing related municipal infrastructures.

50. Since 1995, the CEB has approved € 5 billion in loans spread over 120 projects in this field of action. In 2005 in particular, the CEB approved eight projects and two donations relating to the field of social housing in Bosnia and Herzegovina, Denmark, Finland, Hungary, Romania, Serbia and Montenegro and Spain.

51. In April 2003, the CEB organised in collaboration with the World Bank, a high level Ministerial Conference in Paris for the promotion of sustainable social housing policies in South-Eastern Europe, particularly as regards refugees and vulnerable populations.

52. The CEB also published two reports in this field of action: "Social housing in South Eastern Europe – Solving a puzzle of challenges" (2004, in co-operation with the World Bank) and "Trends and Progress in social housing reforms in South Eastern Europe" (2005, in co-operation with the Council of Europe and United Nations Economic Commission for Europe (UNECE).

53. The CEB is actively working with the European Commission's Regional Policy Directorate-General and the European Investment Bank (EIB), in order to promote in interested countries social housing projects in the framework of integrated urban renewal and development plans.

54. The Parliamentary Assembly recommends that the Committee of Ministers:

i. pursue the ratification of the revised Social Charter so as to extend recognition of the right to housing as a fundamental social right to all member countries;

ii. strengthen the supervisory machinery relating to the right to housing by treating its genuine enforcement as a priority, particularly in cases of discrimination, eviction and continuing existence of substandard housing;

iii. develop knowledge of housing situations as reflected by statistical indicators in the member countries;

iv. promote exchange of best practice and conduct of integrated projects on the effective realisation of the right to housing and its enforceability;

v. further the mutual reflection about the future of housing policies, based on an appraisal of the policies conducted during the last decade and on the definition of principles common to their future development;

vi. cultivate knowledge of the territorial dimension of housing policies in conjunction with the new forms of governance and methods of evaluating actions;

vii. arrange for intensified co-operation with the European Union on the effective exercise of everyone's right to be housed and have access a decent dwelling, bearing in mind the shared goals of the Council of Europe and the European Union concerning the preservation of European social cohesion, and the specific role of housing which has been unanimously acknowledged by the Lisbon Council and the European Parliament.



Reporting committee : Social, Health and Family Affairs Committee

Reference to committee : Doc. 10166, Ref. No. 2964 of 30 April 2004

Draft resolution unanimously adopted on 26 January 2006

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NB. The names of those members present at the meeting are printed in bold

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