



ESPN – Flash report

Dutch Social Housing reform in the light of the refugee crisis

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Theme(s):	<i>Social housing</i>
Title:	Dutch Social Housing reform in the light of the refugee crisis
Category:	<i>Reform proposals</i>
Abstract:	Recent Dutch policy measures have reduced the ability of housing associations to expand the supply of social housing. This is creating pressures that are increasing with the arrival of asylum seekers, which are a prioritised category. Radical measures have been tabled to address this situation.
Description:	<p>The Netherlands, like many other countries, are experiencing a huge influx of refugees from Syria, Eritrea, Somalia, Iraq and Afghanistan. One of the more pressing problems is the effects of this rapidly increasing inflow on the plans for the Dutch system of social housing. Housing for Dutch citizens on a low income (below approximately 35,000 euro a year) is provided by housing associations. These associations build and rent out affordable living spaces (houses, apartments). Tenants on a low income are entitled to a rent allowance if their income is still insufficient to pay the rent.</p> <p>The allocation of social housing is subject to municipal regulations. Because most municipalities have long waiting lists for social housing (RTL News), local regulations contain rules giving priority to groups of residents that are in urgent need of affordable housing: e.g. victims of domestic violence or people with physical disabilities. Asylum seekers are received in the Netherlands by the Central Reception Organisation (COA) until the Immigration and Naturalisation Service (IND) has decided on their asylum application and the court has reviewed the decision.</p> <p>Under the current regulations, successful asylum claimants obtain a residence permit (thereby becoming "permit holders") and move to a home of their own. COA links these former asylum claimants to a municipality and municipalities have the duty to house them. Once every six months, the State sets the municipalities a target for the number of permit holders they are required to house in the forthcoming period. Under the allocation system for affordable housing they are a priority category. Former asylum seekers are obliged to accept the home offered by the municipality. These permit holders are entitled to social assistance benefits, rent allowance and healthcare allowance.</p> <p>In October 2015, under pressure from the increasing numbers of asylum applicants, the Dutch government proposed a radical change in the system for housing permit holders and changes to their access to social welfare benefits. There is no detailed information on the time frame of the announced plans. Changes to the housing Act are expected to be implemented in July 2016 but still have to be presented to Parliament. Furthermore, there is no detailed information on the changes to the social assistance benefits and allowances and the implications for the access to quality services. Keeping this in mind, the proposed plans imply that municipalities will offer this group of new Dutch residents semi-permanent housing facilities, for instance in refurbished office buildings, empty school buildings or in so-called container housing. The rent will be paid by the government, and the group will benefit from collective health</p>

	<p>insurance. Permit holders will be granted a modest living allowance for daily expenses instead of social benefits. The plans also include the abolishment of the permit holders being a prioritised category for social housing.</p>
Outlook & Commentary:	<p>One of the main drivers for the proposed policy plan is the fear that the increasing number of successful asylum claimants will cause even longer waiting lists for social housing. Statistics on the growing number of these permit holders and their share in all allocated social housing, indeed point in that direction.</p> <p>The number of new permit holders grew from 5,920 in 2012 to 18,620 in 2014. In September 2015, over 13,800 permit holders were waiting for a house while still living in the asylum seeker centres. This number will grow significantly because in the first eight months of 2015 there were 26,371 asylum applications.</p> <p>As a prioritised group, they should have been offered a house within fourteen weeks of being granted a residence permit. Residents without such priority face waiting times of on average 8 years, with extremes of 21 years in the municipality of Purmerend. Waiting times are the longest in the western provinces, in particular in the so-called "big four": Amsterdam, Rotterdam, The Hague and Utrecht.</p> <p>In 2014, around 6% of all newly allocated social housing was occupied by former asylum seekers. During 2015, the share grew to 10%. This increase is reflected in the numbers that municipalities need to reserve for former asylum seekers. In 2014, the overall target was 15,750 dwellings; in 2015, it jumped to 28,900 (IND 2015).</p> <p>It is clear that this increased demand for social housing is putting pressure on the market for affordable dwellings. This pressure is increasing all the more because the supply of social housing is not growing. On the contrary, housing associations are selling considerable shares of their stock and are very hesitant to build new dwellings. One important reason for this reluctance to expand their stock is the "landlord charges" that were introduced by the government in 2014. Anyone renting out more than ten houses is charged with this tax, which should yield an increase to the Treasury of around 1.7 billion euros in 2017. Housing associations are raising rents and selling real estate to be able to pay the tax.</p> <p>Moreover, in the recent economically uncertain times, tenants renting social housing have been inclined to stay in their houses longer. Finally, since January 2015, associations have the obligation to offer a cheap dwelling to at least 95% of people looking for a house entitled to rent allowance. With this measure, the government aims to reduce spending on rent allowances. However, it also reduces revenues for the housing associations. All in all these measures reduce their ability and propensity to invest in social housing (one should note however that it represents about 33% of the total housing stock).</p> <p>The new measures regarding the housing of residence permit holders will bring some relief to the overheated social housing market. Significantly, there is as yet very little debate on the implications of these measures on the character of the Dutch safety net system, on the social rights of residence permit holders and on their social integration. Indeed, while the new residents are expected to integrate into Dutch society, they will be housed collectively in former office buildings, often far away from residential areas and with limited access to active labour market policies and social provisions.</p>

Further reading:	http://www.aedes.nl/content/dossiers/verhuurdersheffing.xml#Hoe%20werkt%20het? IND Business Information Centre (BIC), Asylum Trends. August 2015 http://www.rtlnieuws.nl/nieuws/binnenland/gemiddeld-acht-jaar-wachten-op-huurwoning https://www.rijksoverheid.nl/onderwerpen/asielbeleid/inhoud/huisvesting-asielzoekers-met-verblijfsvergunning http://nos.nl/artikel/2062657-coalitie-sobere-huisvesting-asielzoekers-en-geen-voorrang-meer.html http://www.trouw.nl/tr/nl/36561/Asielbeleid/article/detail/4162591/2015/10/14/Sobere-asielopvang-mag-dat-wel.dhtml
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