



**Economic and Social
Council**

Distr.
GENERAL

HBP/2003/6
10 September 2003

ORIGINAL : ENGLISH

ECONOMIC COMMISSION FOR EUROPE

COMMITTEE ON HUMAN SETTLEMENTS

Sixty-fourth session

(Geneva, 15-17 September 2003)

(Item 4 (e) of the provisional agenda)

REPORT OF THE WORKSHOP ON SOCIAL HOUSING
Prepared by the delegation of the Czech Republic and CECODHAS
with the assistance of the UNECE secretariat

Introduction

1. Following the decision at the sixty-third session of the Committee on Human Settlements in September 2002, a workshop on social housing was organized in Prague from 19 to 20 May 2003. The workshop served as a first step for the preparation of guidelines on social housing (see para. 46).
2. The workshop was organized at the invitation of the Czech Ministry for Regional Development and in cooperation with the European Liaison Committee for Social Housing (CECODHAS). It was preceded by a technical visit to social housing estates in Prague on 18 May 2003.
3. Representatives of the following countries participated in the workshop: Armenia, Austria, Belarus, Belgium, Bosnia and Herzegovina, Bulgaria, Canada, Croatia, Cyprus, Czech Republic, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Latvia, Luxembourg, Netherlands, Norway, Poland, Portugal, Romania, Russian Federation, Serbia and Montenegro, Slovakia, Slovenia, Spain, Sweden, Switzerland, United Kingdom, and Ukraine.

4. The following international organizations participated: United Nations Human Settlements Programme (UN-HABITAT), World Health Organization (WHO), United Nations Interim Administration Mission in Kosovo (UNMIK), Council of Europe Development Bank (CEB) and the Stability Pact for South and Eastern Europe.
5. A substantial number of CECODHAS members were present as well as representatives of local governments, housing associations, cooperatives and the following international non-governmental organizations: European Federation of National Organisations Working with the Homeless (FEANTSA,) International Council of Women (ICW), International Network for Urban Development (INTA), and International Union of Tenants (IUT).
6. The objective of the workshop was to identify the key challenges ECE member States faced in regard to their social housing policies. The workshop also aimed to identify aspects of particular concern on which member countries would like to concentrate future work, in particular in the context of the guidelines on social housing.
7. The workshop was opened by Mr. Frantisek Vnoucek (Czech Republic), Deputy Minister for Regional Development. In his welcoming address he highlighted the importance of State support to those households that were unable to meet their housing needs. He expressed his appreciation for the high participation at the workshop, which meant that social housing was a concern for all countries of the ECE region regardless of their socio-economic situation and the strength of their housing market. He also stressed the importance of sharing experience and good practices among the countries of the region.
8. Ms. Christina von Schweinichen, Deputy Director of the ECE Environment and Human Settlement Division, in mentioning the importance of this workshop for the Committee's work on social housing and in particular the preparation of guidelines, drew attention to the fact that many countries had in recent years seen a decline in the role of the State in the housing sector and an increasing reliance on market forces to satisfy housing demand. This meant that the housing needs of the poor and vulnerable were most often addressed inadequately. A renewed role for the State in the provision of social housing was therefore necessary. She emphasized in this context the importance of partnership agreements to develop social housing schemes and implement them.
9. Mr. Jouko Heino, speaking on behalf of the President of CECODHAS, highlighted in his opening statement the current trends and challenges in social housing policies. He referred in particular to the process of decentralization and the ever-tighter public resources. He also highlighted the consequences of privatization in the countries in transition, which had led to the significant retreat of the State from housing provision. This had a particularly adverse effect on the socially weak and he stressed the need for the countries in transition to redevelop their social housing sector. He emphasized the importance of this workshop for strengthening cooperation among all those involved in social housing.
10. The workshop was organized around three major topics. For each topic introductory papers were prepared by rapporteurs. The rapporteurs were invited to introduce the discussion on their respective topics:

- Topic I.* The role and definition of social housing
 Chair: Ms. Daniela Grabmuellerova (Czech Republic)
 Rapporteurs: Mr. Martti Lujanen (Finland): The role of social housing
 Mr. Laurent Ghekière (CECODHAS): The definition of social housing
- Topic II.* Governance of social housing
 Chair: Mr. Claus Hachmann (CECODHAS)
 Rapporteurs: Mr. Andrew Dench (United Kingdom): Social housing developers and financing
 Ms. Ekaterina Petrova (Russian Federation): Social landlords and housing management
 Mr. Jean-Yves Barcelo (UN-HABITAT): Building partnerships
- Topic III.* Sustainable development of social housing
 Chair: Mr. Hubert van Eyk (Netherlands)
 Rapporteurs: Mr. Claude Taffin (CECODHAS): Financial sustainability
 Mr. Bisser Hantov (Bulgaria): Social cohesion
 Ms. Petra Neuwirthova (Czech Republic): Environmental and quality aspects

11. In addition to the introductory papers, case studies were prepared and presented by Armenia, Belarus, Hungary, Netherlands, Norway, Poland, Romania, Russian Federation, Slovakia, Spain, Switzerland, United Kingdom, the International Union of Tenants and the International Council of Women.

12. As a basis for discussion, the workshop had before it a discussion paper (see annex) prepared by the secretariat in cooperation with CECODHAS, and in consultation with the reference group on social housing. The reference group had been set up to assist the secretariat in the preparation of the workshop and in the conceptual development of the guidelines. It consisted of representatives of the Czech Republic, Finland, Norway, Poland and the Russian Federation.

13. Participants also had the opportunity, during the technical visit around the city, to get acquainted with the problems of and approaches to social housing in Prague. Participants visited various social housing estates, including social housing projects for specific population groups, such as the elderly. They discussed relevant issues with local authorities and representatives of local non-governmental organizations.

I. CONCLUSIONS

14. As the discussions on the different topics were closely interlinked, the conclusions of the workshop will not be strictly divided into the three topics. Rather the conclusions will highlight the most important recurrent themes within the discussions and combine the relevant aspects from all three. Following this approach, the conclusions are structured around four major themes: (i) the role and definition of social housing; (ii) social housing design and urban form; (iii) governance of social housing; and (iv) financing of social housing.

A. The role and definition of social housing

15. Experience within the countries of the ECE region shows that social housing is understood in different ways and within different tenure categories. These depend on a range of social circumstances and specific historical and economic contexts:

- (a) Social rented sector (State, municipalities, non-profit housing associations, etc.) mostly highly subsidized and in many cases reserved to certain income groups;
- (b) Private rental sector, mostly profit-oriented but in some cases regulated by State laws;
- (c) Owner-occupied sector (privately financed or indirectly publicly subsidized), in mixed forms of tenure (shared ownership, cooperatives, etc., with or without public involvement).

16. Social housing is, in fact, not confined to the rented sector. The past decade's privatization policies in the countries of transition have given rise to the widespread phenomenon of "poor owners" - i.e. owners whose income is too low to allow them to invest sufficiently in the maintenance of their homes. Assistance to poor owners of flats who are not able to maintain their units is also considered as a form of social housing and is of particular relevance to the countries in transition.

17. Given the variety of ways to define social housing across the ECE region, agreement on one single, clear-cut definition is difficult. However, there is consensus that housing policies should take into account those households that cannot meet their housing needs unaided. Furthermore, social housing provision needs to be guided by certain criteria. These include criteria for allocation and access, involving the definition of target groups and establishing allocation procedures. Affordability criteria and security of tenure need to be taken into account as well as aspects of social inclusion.

18. There is, in addition, a broad consensus that the role of social housing policy should not be seen merely as providing housing. It is also an important instrument for facilitating social inclusion and promoting economic development.

19. Social housing was in many countries conceived to provide mainly low-cost housing for low-income groups. These policies often resulted in the construction of low-standard and low-quality multi-storey apartment housing in suburbs with difficult or limited access to transport and services. Social tenants were concentrated in these areas and at the same time isolated from the benefits that city life could offer, such as easy access to jobs and infrastructure.

20. This approach, although it provided short-term solutions to the most urgent housing problems, in the long run contributed to social tensions, social exclusion, decreased public security and degradation of neighbourhoods. It was therefore increasingly recognized that social housing policies could not be seen in isolation. On the contrary, they have to be seen as the crossing point of various policies of economic, social and urban development. Social housing policies need to be comprehensive and have a long-term perspective.

21. A comprehensive approach to social housing aims at fulfilling a number of social objectives. Apart from helping the socially disadvantaged to meet their housing needs, social housing policy can contribute to the creation of an inclusive and integrated society by creating an environment that assists specific target groups in improving their opportunities in life. To achieve this, the provision of housing has to be combined with measures aimed at facilitating access to jobs and social services, such as care for the elderly and children or training facilities for the unemployed. Opportunities to participate in neighbourhood decision-making processes contributes to a sense of belonging and, ultimately, to social cohesion.

22. There is no single social housing policy instrument that will solve all problems. Instead there is a range of potentially useful instruments, and combinations of them, which are suitable to be used in different situations. Countries need to adapt social housing policy instruments to their specific situations and integrate social housing policies into their wider socio-economic development objectives.

B. Social housing design and urban form

23. Adequate spatial planning and architectural design contribute greatly to the sustainability of social housing and are important for successful social housing policy.

24. Social housing construction should be developed within the framework of a city's overall urban planning strategy. It is necessary to have continuity in the urban fabric by having continuity between new urban developments and the existing city. The goal is to prevent urban development from becoming too diffuse. For each new urban development, mixed uses should be ensured.

25. New housing construction should aim at spatial inclusion of a compulsory proportion of social housing as a way to foster diversity and social cohesion as well as assuring access to housing to medium- and low-income families. A more compact city would provide a better basis for social sustainability. The concept of a compact city is based on the idea that it is possible to create more self-contained urban communities. To this end it is necessary to improve the mix of uses, increase densities and setup more community activities and better services.

C. Governance of social housing

26. For social housing policies to be successful they need to be embedded in a sound and efficient institutional structure which allows for the effective functioning of all governmental institutions as well as for their cooperation and coordination with others.

27. The detailed definition of roles between different levels of government, as well as developers, owners, managers and investors, will vary according to existing arrangements in the different national, regional and local settings. However, it is important that there is clarity about the roles, and that these reflect the most effective allocation of responsibilities and risks. The adequate and complementary distribution of responsibilities and resources between central and local levels is a particular important part of an effective social housing policy.

28. Central governments have an important role to play in the establishment of broad consultative processes to set up or improve national policy frameworks as well as related strategies and action plans for social housing. Central governments should also encourage and support municipalities and local authorities to develop consultative processes and to formulate, coordinate and implement local policies, strategies, action plans and programmes in conjunction with the national strategy.

29. Local governments have a leading role to play in assessing the local situation, developing integrated local policies and strategies, establishing appropriate instruments and, finally, mobilizing local partners and coordinating social housing programmes. The assessment of local needs should in turn nurture national policies and help the central government in its development of a social housing policy framework. To enable local governments to carry out their tasks effectively, capacity-building for local managers is a precondition.

30. The involvement of all stakeholders in the development and implementation of social housing policies is necessary to ensure the policies' effectiveness and the optimal use of public and private funds. The main challenge in this context is to balance the interests of all actors, i.e. to fulfil the State's and the local government's policy objectives, to meet the interests of tenants and homeowners, while at the same time offering a sufficient return to investors and developers.

31. Social housing policies have tended to be successful where governments were seeking the involvement of all stakeholders and where they were actively engaged in building partnerships. This involves establishing cooperation between all government levels and encouraging the active participation of the private sector and various civil society organizations in the drawing-up and implementation of local and national policies.

32. Of particular importance is the involvement of target groups – the poor homeowners and tenants of social rented housing. Experience shows that the involvement of target groups in social housing projects is effective. It contributes to the better recognition and satisfaction of the households' needs and it increases their sense of ownership of the project. The result is increased initiative and individual responsibility directed towards the project, which ultimately contributes to its success.

33. To ensure the effective participation of households, appropriate mechanisms have to be put in place. The basic condition for any participation is available information and transparent structures. Furthermore, there has to be a continuous effort to involve the socially weak households into the decision-making process. Identifying 'leaders' among the households will facilitate the process but it is nevertheless important that each household should be given opportunities to express its concerns, requirements and priorities.

D. Financing of social housing

34. Social housing projects need commitment and investment. Social housing is not addressed as such in some ECE countries. However, different ways of providing support to the most needy is in place, for example supply-side or needs-based subsidies. Supply-side subsidies or production support tends to be given in the form of general subsidies, its primary aim being to

increase the supply of housing. It may also be based on needs. Needs-based subsidies are generally given on the basis of individual needs. The aim is to provide the opportunity to live in a better dwelling to low- or middle-income groups.

35. A new commitment to social housing projects and to providing the necessary financial resources is needed. In addition, States need to complement their limited resources with alternative sources of financing and strike a balance between public and private financing for the delivery of social housing. Social measures and financial support should be provided for low-income families and underprivileged groups to help them pay the increased rents (to cover repair and maintenance) and prevent them from being evicted or for owners to encourage them to renovate. Other incentives to renovate may involve favourable loans, direct subsidies and tax deductions.

36. Long-term housing finance policies not only have to take into consideration the need for new social housing, but also the resources required to maintain the existing social housing stock or improve its condition. The rehabilitation of the housing stock of multi-family structures built in the second half of the 20th century is a particular challenge for most European countries, in particular countries in transition. To tackle those issues, adequate financial and institutional arrangements have to be put in place. Some of the urban regeneration experiences show the benefits of renewal processes (higher tax income and higher level of social protection). To ensure their success, consideration should be given to preserving a balanced social mix.

37. Different funding mechanisms and policy instruments are used in different countries. As already mentioned, there is a variety of instruments available and their nature is often complex. To enable policy makers to make the right choice, information on the different mechanisms and policy options as well as on the experience with their implementation needs to be spread.

38. Social housing policy makers will in particular have to strike a balance between supply- and demand-side subsidies. Supply-side subsidies, e.g. subsidies to constructors through VAT reductions, property tax exemptions, interest-rate subsidies, long-term credit at low interest rates and State guarantees, help to stimulate the supply of social housing. Demand-side subsidies, such as rental subsidies and housing allowances, do not have this stimulating effect. However, they ensure, in particular in the case of housing allowances, a greater choice for the targeted population groups.

39. The choice of the instrument should depend on the particular circumstances of a country, taking in particular into account the availability and condition of the existing housing stock. Within the countries of the ECE region, housing policies vary widely, and equally varied are the policy instruments that can be implemented. The current trend in most West European countries is to combine supply-side with demand-side instruments. They are not seen as mutually exclusive; both forms of support are used together in many social housing projects.

40. Due to the extremely small size of the public rented housing stock in most countries in transition, options for using this housing stock for future social rented housing are limited. In addition, public rented housing units in these countries tend to be concentrated in peripheral housing estates of low quality, as these were the units which were the least attractive for tenants

to privatize. The question needs to be asked if the lack of rented dwellings in many countries in transition makes it difficult to reach social housing policy goals.

41. In most countries in Western Europe, the availability of a public rented housing stock is, indeed, an integral part of social housing policy.

42. A renewed focus on social rented housing within the countries in transition to meet the needs of these population groups has to be considered. Increasing the social rented housing stock does not necessarily have to immediately result in new construction. An alternative would be to try to transform the existing public rented housing stock, which is currently rented out to the general population regardless of income, into social rented housing exclusively targeted at population groups in need of such housing.

43. However, while the establishment of new social rented housing will help to address the needs of some of the socially vulnerable, it cannot provide a solution for a large part of the substantial group of poor owners in the countries in transition. The possibilities for assisting these owners through the provision of new social housing units are limited. Their number is usually too large and they might also be reluctant to give up their privatized housing units.

44. Housing allowances might be an option. The granting of a housing allowance would be made conditional on a maximum income level. The extension of housing allowances could also be linked to the obligation on owners to participate in appropriate management systems (e.g. condominium associations) of the building. With increased participation in the management of the building, owners of the individual units would feel more responsible for the building, which would contribute to its maintenance and consequently its sustainability.

II. OUTLOOK: GUIDELINES ON SOCIAL HOUSING

45. The workshop discussions have once again demonstrated the strong need for the sharing of experience on social housing policies and practices within the ECE region as well as the need for well-documented information on these policies and practices as guidance for future policy-making.

46. The outcome of the workshop will feed into the preparations of UNECE guidelines on social housing as the Committee on Human Settlements had put forward at its previous session in September 2002. The guidelines will aim at providing policy makers with a tool to assess the different policy options that are currently available for the provision of social housing. They will address the institutional, legal and financial frameworks for social housing as well as experience with social housing design. They will analyse the role of social housing policies for society at large. In particular, they will aim at extending encompassing and well-researched information on the different instruments available for the financing and provision of social housing in order to facilitate the decision-making process.

Annex

Background

1. Following the in-depth discussion on social and affordable housing at the sixty-third session of the Committee on Human Settlements, a workshop on social housing in the UNECE region will take place as a first step in the preparation of UNECE guidelines on social housing.
2. The objective of the workshop is to identify the key challenges in social housing facing the member States. The workshop will also attempt to formulate a comprehensive definition of social housing, which would constitute a basis for a common understanding and international comparison.
3. The present paper was prepared to serve as background for the discussion at the workshop. Participants are requested to consider the questions raised below and express their views and share the experience of their countries in order to formulate policy recommendations related to the social housing sector. The structure of the discussion paper reflects the structure of the workshop. Three main topics are proposed for discussion:
 - (a) Role and definition of social housing;
 - (b) Social housing governance;
 - (c) Sustainable development of social housing.

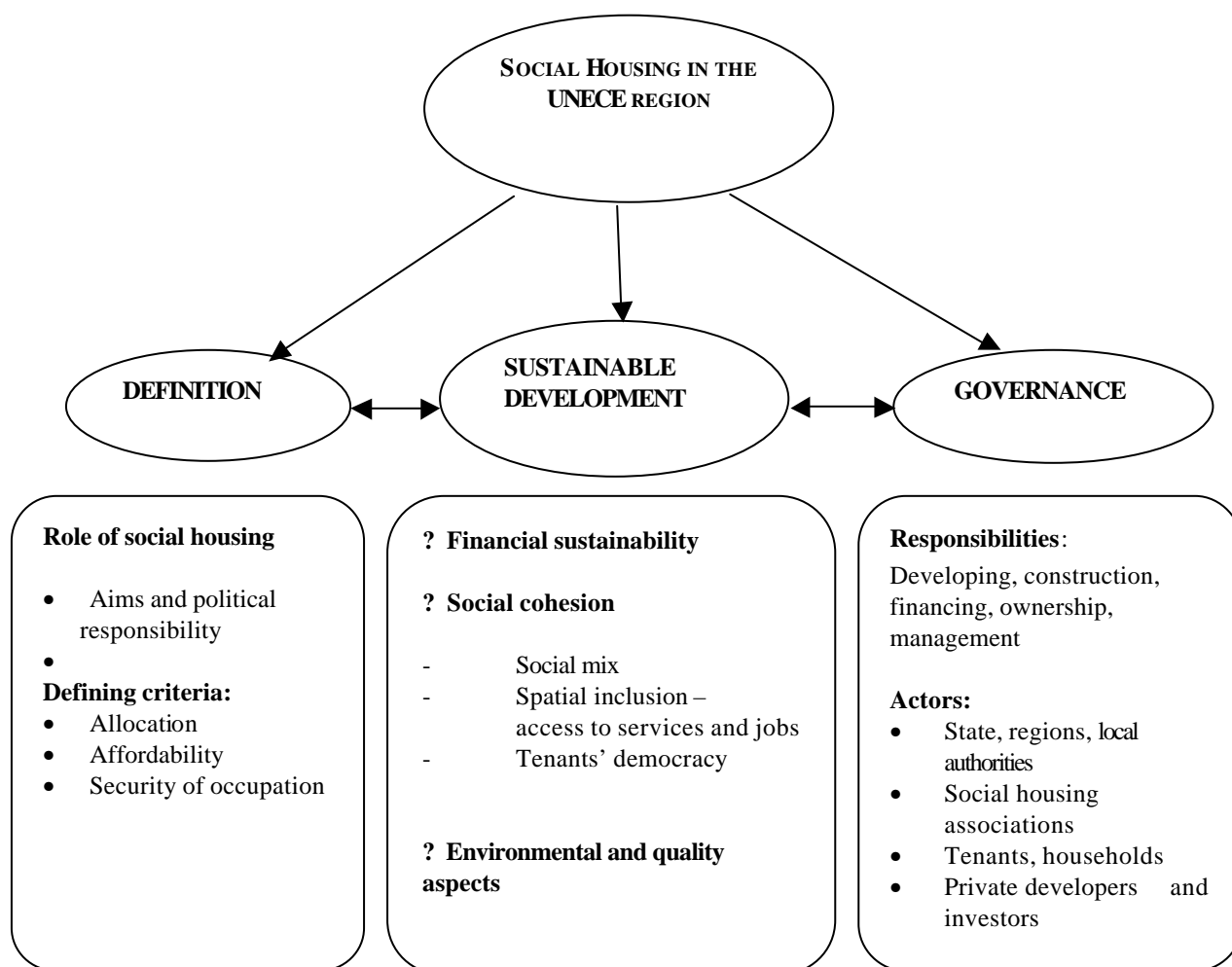
The outcome of the discussion and the case studies provided by the participants will be used in further work by a team of experts to develop guidelines on social housing for the UNECE region.

Introduction

4. To define the policy directions in social housing in the UNECE countries, it is necessary to examine the following three subject areas:
 - (a) The definition of social housing should be looked at with the aim of establishing criteria determining the dividing line between social housing and private housing. Social housing has developed in response to the inability of the housing market to respond to the general needs for housing. How is it nowadays? It is equally important to address the role of social housing in the context of political responsibility;
 - (b) Social housing governance and, in particular, the relations among its four main groups of actors: public authorities, social housing providers, households and the private sector. In the decentralization of competences in social housing policies and taking into account public participation and the need for public-private partnerships, governance is becoming a key issue in ensuring the sustainability and the effectiveness of the response to housing needs. The clear division of responsibilities among the actors including the financing, development, ownership and management of social housing estates is crucial;
 - (a) The development of a sustainable public policy framework in social housing should take into account financial sustainability, quality and standards of provided services and

goods (including energy efficiency), the social and territorial mix and household participation in the efforts to include social housing inhabitants. The principles of sustainable development in the long-term perspective should be taken into account when formulating social housing policies.

(d) The emergence of social ghettos in certain neighbourhoods and the degradation of housing condominiums after privatization of the public housing stock to tenants in countries in transition, are just two examples of the need for new approaches to social housing which meet the objectives of sustainable development, social cohesion and inclusion of citizens / inhabitants.



I. ROLE AND DEFINITION OF SOCIAL HOUSING

5. Before attempting to define social housing it is important to spell out what the aims of social housing policies are in the broader policy context. What social and/or economic arguments call for political commitment to the social housing sector? Where is the dividing line between the market and social housing? Furthermore, where is the dividing line between social and affordable housing?

6. A commonly recognized and referred to definition of social housing is: “Social housing is housing where the access is controlled by the existence of allocation rules favouring households that have difficulties in finding accommodation in the market.”¹
7. However, this definition, being very general, leaves out the aspects of tenure and refers to target groups only in general terms. This may lead to inconsistencies in the way it is interpreted in different countries. Therefore, it does not constitute a sufficient basis for international comparison.
8. The following criteria should be taken into account in order to define social housing comprehensively:
- (a) Allocation and access criteria (definition of target groups and allocation procedure and criteria set by the State or the regional or local authorities: income ceilings, priorities);
 - (b) Affordability criteria (low price or low rent giving low-income groups access to social housing);
 - (c) Security of tenure (secure and long-term lease in rental sector and securitization in social owner-occupation sector).
9. Although social housing is traditionally associated with rental housing, different tenure structures can nowadays be identified in the ECE region. All possible tenure structures should be reflected in the definition of social housing:
- Social rental housing;
 - Cooperative housing;
 - Privately owned housing resulting from the privatization of the public housing stock in countries in transition (poor owners);
 - Privately owned housing – constructed with substantial public support for private ownership (affordable housing for middle-income groups);
 - Mixed tenure.
10. In establishing target groups eligible for social housing, demographic, economic, social and true housing situation criteria should be applied. The following vulnerable groups should be given particular consideration:
- Single parents, particularly female-headed single households;
 - The unemployed, especially the long-term unemployed;
 - Pensioners and the elderly (particularly lone elderly);
 - Big or young families with dependent children;
 - Disabled people;
 - Migrants, refugees, asylum seekers;
 - Ethnic minorities;
 - Other displaced people.

¹ This definition of social housing was proposed by CECODHAS to the European Commission in 1998.

II. GOVERNANCE OF SOCIAL HOUSING

11. The issue of governance of social housing is raised in a number of countries, particularly in those with a long tradition of intervention and where there are consequently a number of social rental settlements. The issue is also discussed in countries in transition where new housing policies are being developed at national and local level.

12. Social housing governance can be defined by the existing interrelations among those taking part in formulating and implementing social housing policies. The clear division of responsibilities for financing, development, construction, allocation and management of social housing estates is crucial. The major role is for the local authorities. They must be able to unite all those involved in the projects in order to ensure sustainability in social housing.

13. Creating long-term partnerships among the following four main categories of stakeholders in order to guarantee the effective functioning of the social housing system should be discussed:

(a) **Public sector/authorities.** What is the role of the State, the regions and local communities in the new context of decentralization of social housing policies. The development of local housing policies, although formulated and implemented at the level closest to the housing need, still requires the policy framework defined at the regional and national levels. It is particularly important to develop a national framework and to find ways to allocate social housing finance instruments such as housing allowances;

(b) **Social housing associations/providers**, traditionally directly dependent on the central or local authorities, are currently gaining more autonomy as local partnerships are being established. The change in relations between social housing providers and the public authorities raises the question of how to ensure the fulfilment of the obligations of the State in the social housing sector and what should be the forms of public control over the implementation of social housing projects particularly in respect to contractual arrangements;

(c) **Citizens, vulnerable groups.** The more need there is for social housing, the more public participation is required to ensure a stable and effective social housing policy. The participation of citizens in the executive boards of social housing organizations, in the decision-making processes of urban renewal projects and the redevelopment of neighbourhoods is also important. If this participation seems necessary, inhabitants should be given the possibility of strengthening their capacity and of participating in designing the ongoing projects. The participation requires new forms of project management and of acquisition of new responsibilities and skills by social housing providers and local authorities;

(d) **The private sector – developers, investors, private owners** - should also be familiar with the aims of local social housing policies, including the need for a social mix and the spatial inclusion of social housing projects. Public-private partnerships could be strengthened to overcome the financial constraints which might undermine the long-run success of the social housing projects.

III. SUSTAINABLE DEVELOPMENT OF SOCIAL HOUSING

14. Social housing projects could be seen as an opportunity to implement the principles of sustainable development at the neighbourhood level. In fact, it is recommended that the principles of sustainability and a long-term perspective should be taken into account in formulating and implementing social housing policies so as to address problems comprehensively and avoid contributing to the creation of future problems in the sector.

15. The integrated approach to social housing projects should include some of the following aspects relevant to sustainability:

- Financial sustainability (finance system and subsidies);
- Social mix – social cohesion, targeting low-income groups and excluded people;
- Spatial inclusion – access to jobs and public services (and community development);
- Tenants' democracy and capacity building;
- Environmental and physical quality.

A. **Financial sustainability (finance system, subsidies and allowances)**

16. The sustainability of public financing for social housing, both to supply social housing and to support households directly, should be ensured within the context of ever-tightening budgets.

17. Public aid and financing should find new forms within the framework of decentralization of social housing policies and local policy development.

B. **Social mix – facilitating social cohesion through mixed planning**

18. Ensuring a social mix is as important as focusing on the most needy households. This implies the creation of mixed occupancy in buildings composed partially of social housing and partially of private housing. This would require a certain flexibility in the application of the allocation criteria.

19. Another way of ensuring a social mix can be seen in providing housing of different standards (number of rooms and floor space) and therefore responding to the housing need of different households. The current and future housing need in terms of size of the units should be assessed taking into account the changing patterns of household structure in the ECE region, due to the ageing of the population and the relationship breakdowns, resulting in an increasing number of single households and unconventional families. On the other hand, it is also important to assess and appropriately respond to the special needs of single parents.

C. **Spatial inclusion – access to jobs and public services (and community development)**

20. Spatial segregation means limited access for a given community to goods and services. Limited access, in turn, may deepen social segregation. Preventing of spatial segregation and

promoting social cohesion should be two of the main aims of social housing policy. The problem can be looked at from two levels: the neighbourhood and the city.

21. At the neighbourhood level, the provision of communal services and facilities, such as green spaces, playgrounds, grocery shops, hairdressing salons, laundrettes, day-care centres for children, as integral elements in the physical design of the neighbourhood reduces the distances to shopping, leisure or other facilities, and at the same time increases accessibility. Employment in these services could also provide some jobs to the members of the community.

22. At the same time compact neighbourhoods should not be perceived as separate, self-containing units. This would lead to segregation of the whole community from the urban structures. The location of social housing estates should ensure that they are well integrated in the urban structure and have appropriate access to transport networks and public services, including schools and hospitals.

D. Tenants' democracy and capacity building

23. One way of ensuring that the needs of different households are addressed is by actually including these groups in the decision-making process. Tenants' participation in the process of designing or redesigning the housing estate would influence the quality and standards of social housing (apartments and communal services). Involving the social housing tenants (and poor owners) in the decision-making as well as in the implementation of those decisions would ensure a greater sense of belonging to the community. Therefore, tenant participation should be understood not only as consultation, but also as active involvement.

E. Environmentally friendly (planning) strategies

24. Strategies leading to the creation of sustainable neighbourhoods and cities should be supported. The protection of the environment, the promotion of environmentally friendly behaviour, the use of innovative energy-saving solutions in design, and shortening the daily commuting distances would be cost-effective and would improve the quality of life in those neighbourhoods. It is equally important to try to strike the right balance between the principles of the compact city with raised densities and those of the green city.