

GLOBAL TENANT

IUT INTERNATIONAL UNION OF TENANTS' QUARTERLY MAGAZINE June 2007



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I wish that my son and his generation will succeed in fulfilling their dreams of a better life in Russia

Our lives changed dramatically when communism fell, and our collective lives were quickly replaced by competition and market liberalism. Those who had the chances in 1991, those with the political connections and were business minded, quickly benefited from the new situation. We, ordinary tenants in state owned houses, were offered to become owners of our flats, at no costs. Most liked the idea, but we did not really see the full consequences. The problems started when the state withdrew their responsibilities for maintenance and renovation of the residential buildings, and of all common parts. The municipality said that the owners were supposed to form Home Owner Associations, and that the HOAs were now responsible for collecting money from the remaining tenants for things like maintenance.

Most times the tenants do not want to pay for extra costs. Either because they are too poor, uninterested or say that the owners can pay. Now, relations between tenants, my neighbours, and owners like myself often become very tense. Many people still, after more than fifteen years, waits for the State to come and fix things. People complain about dirty staircases and lack of hot water, but they are not used to taking own initiatives to try and improve the situation, like forming a residents, or tenants, association.

We can not copy the Swedish, French or Dutch housing model, we've got to find our own model – but we can learn from others. Hopefully my son Sergey will live a more comfortable life; less to worry about and more room for him and his future family.



Yelena Shomina,
Russian Association of Tenants – to be!



Calendar

2007

- June 25-28:** Sustainable Urban Areas. ENHR conference. Rotterdam, the Netherlands
- July 4-6:** Integrated Approaches in Housing Development, Tirana Albania
- August 9-10:** National Sheltered conference, Kenilworth, Warwickshire, UK. Org. by CIH
- August 3-5:** TPAS Annual Conference. Birmingham, England
- September 12-14:** The 7th Australasian Residential Tenancies Conf. Melbourne Australia
- Aug 30 - Sept 1:** APNHR: Transformations in Housing, Urban Life and Urban Policy. Seoul, Korea
- September 4-7:** IAHS World Congress on Housing Science, Melbourne, Australia
- September 12-14:** The 7th Australasian Residential Tenancies Conference, Melbourne
- September 17-19:** UN-ECE, 68:th Session Committee on Housing and Land Management, Geneva
- September 21-23:** IUT Congress, Berlin Germany
- October 1:** International Tenants' Day: Theme: Privatisation and Capitalization of Rental Housing – Future of Rental Housing
- October 1-2:** UN World Habitat Day: A safe City is a Just City. Intern. Conf. The Hague, NL
- October 7-10:** The South African Housing Foundation Intern. Conf. and Exhibition. Cape Town
- October 30 - Nov. 1:** US National Inclusionary Housing Conference, in San-Francisco

2008

- February 20-22:** Australian National Housing Conference, Sydney

For more info: www.iut.nu/conferences.htm



South Africa, September 20, 2006; Anti-Privatisation Forum and landless People's Movement demonstrate in Johannesburg, demanding right to housing and a halt to evictions. In order to make way for evictions local officials disconnect household electricity and street lights. PHOTO: INDYMEDIA SOUTH AFRICA

IUT priority and congress theme 2007: Privatisation and Capitalisation of Public Housing Future of Rental Housing

Rental housing is a fine way of living... when the conditions are right!

Rental housing: public, social and private;

- enhances social cohesion, and most often counteracts segregation
- enables those with low incomes to enter the housing market, and to find shelter,
- a possibility for social excluded and homeless people to re-enter the housing market,
- is flexible,
- a possibility to swap, in most countries,
- perfect choice for young people, and the elderly,
- in most countries...no need to get involved with the plumbing, heating or maintenance!

Capitalisation – in this context; cashing in by municipalities and governments, the selling of public and social rental housing assets, particularly aimed at medium and low income households - is an international phenomenon and a menace. Residential housing traded on the stock market like any other economical good, and REIT.

Fortress, Deutsche Annington, Westbrook and the US based Apartment Investment Management Company (AIMCO) are financial investors and examples of REITs, Real Estate Investment Trusts.

REIT is a tax designation for a corporation investing in real estate that reduces or eliminates corporate income taxes. In return, REITs do not pay corporate tax, if 75 % of their investments are real estates. 90% of the dividends have to be distributed to the share owners. The REIT structure is designed to provide a similar structure for investment in real estate as provide for investment in stocks.

REIT is the perfect instrument for new investors to increase the fast trade with the housing stock.

But, IUT believes that REIT is not an instrument that takes consideration to the tenants.

IUT members report that these large “landlords” quickly increase rents, and neglect maintenance.

Private investors are cashing in. In Germany, during the last 10 years approximately 1,15 million flats have been sold to new international investors, 850.000 of them formerly owned by the state.

In Stockholm Sweden, the new political majority hopes to sell at least 90,000 municipal flats.

In the UK, since 1980, around 2.45 million council flats have been capitalised, sold to the tenants under the Right-to-Buy scheme. Good for some, but the scheme does not bring in any new affordable housing.

The Danish government aimed at selling 500 000 flats in the public housing stock, but was stopped (?) by public outcry. These are a few examples from Europe, where privatisation has become the guiding-star.

Huge public housing developments have been torn down in African cities, and in China were historically and socially important housing quarters, hutongs, are being demolished. New York, San Diego, Chicago and other US cities are also experiencing the demolishing of public housing, and evictions of tenants, to make room for property development.

IUT and its members consider affordable rental housing as a vital component in the struggle for social cohesion and inclusion in every country and society. Rental housing facilitates mobility, which contributes considerably to more flexible labour markets and less unemployment.

Rental housing also makes it possible for young people, students and workers, to stay in other cities or countries for longer or shorter periods. Elderly people often find well functioning rental housing attractive as it often includes services. Rental housing is vital for all those living on low incomes.

RUSSIA

Unregulated privatisation of housing in Russia threatens to worsen the housing crisis – but Putin finally recognises the role of NGOs

Text and photo: Magnus Hammar, IUT

“Our houses and flats are deteriorating, because of negligence and lack of plans for renovation, and 150,000 flats become uninhabitable every. We need to engage the residents, and we need to set up a tenant association in Russia. Can you possibly come over to assist? We are organising a seminar to create interest and to get things going”

This is basically the essence of Mrs Yelena Shominas’ message when she contacted the IUT Secretariat last year. Yelena is a professor at the State University Higher School of Economics in Moscow and she is herself, before as a tenant and now as an owner, experiencing the various results of the ongoing processes of housing privatisation in Russia. Only two hours flying time from Stockholm to Moscow, but yet my first visit

to this huge city of almost 11 million people.

From the Sheremetievo airport we enter through the outskirts of Moscow and I notice large and newly constructed tower blocks. They are big, very big, both in height and width! It’s like driving towards a wall of brick houses, 20-30 floors high. Such big residential houses have rarely been constructed in western Europe since the 1960’s and 70’s. But they look ok, much nicer than the concrete panel houses we built in Stockholm, the 1960’s. All are built by private entrepreneurs, explains Yelena. Uninterested neighbours

Yelena herself lives in a typical 9-storey panel house from the mid 1960’s, of which there are many hundreds in Moscow, built under strict established norms. We enter her house through a steady iron door which is there to keep out unwanted visitors. The lift takes us up to the 6th floor. I must admit that I find the staircase somewhat dark and untidy, with peeling paint and bare light bulbs. “Yes, this is exactly what it is all about” says Yelena, before we enter her 3-room flat and are greeted by her husband Slava.

– My neighbours, owners as well as the remaining tenants, says Yelena, do not care about the common parts of the building! I have tried to organise the residents to form a housing association, but without result. Some say that they are not interested and that it’s the responsibility of the City, some say that they have no money to contribute. The majority is only interested in renovating their own flats, if they have the means.

Privatisation – but no financial benefit to the residents

The privatisation policy in Russia makes it possible for residents to “privatise” their



Typical 9-storey panel house from the mid 1960’s, and further away, expensive gated housing near the river Moskva.

flats free of charge. Only a registration fee of four Euros is required. Yelena estimates that 75 percent of the households in her building have now registered their flats, and become owners. The big problem is that this “free of charge”-policy created groups of residents who are not willing, or not able, to contribute financially to the maintenance of the building; “poor owners” and the remaining tenants.

Rents in Soviet times were nominal; they did not include capital repair costs and did not even cover maintenance costs. This has not changed, and rent in a Russian context hardly deserves its name. Pure rent, *najem*, is about 0,1 rouble per m² – or 0,03 Euro.

Therefore privatisation does not bring any financial benefits to the residents. On the contrary, in most cases privatisation increases financial responsibilities for the new owners, and the remaining tenants. Consequently, interest in privatisation has somewhat waned among residents, while the City is still promoting it as they hope that privatisation will reduce their responsibilities with regard to the huge costly problems in the housing stock.

Threatened gardens

Yelena's house is still surrounded by green space, with gardens, trees and playgrounds. Some 30 years ago the state norm, when constructing a tenement house, was to designate 20 m² of green space for each flat. These green spaces

are now being threatened by the ever increasing price of land, by developers. Also, if this land remains with the residents, it might become an asset, or a burden. As land has become more valuable there are plans to individually tax these green plots, which will further increase the costs for the new owners. No wonder that some prefer to stay as tenants!

Limited floor space, and income

Yelena's flat is in well kept and her husband Slava has renovated the flat bit by bit. The three rooms add up to 65 m², but furniture and bookshelves filled with academic literature take up much of the floor space. Flats in Russia are generally quite small, compared to western standards; Russians enjoy family life on an average of only 20 m² per person, while Swedes and French enjoy 43 m² per person, the British 35, and Americans over 65 m².

– *Najem*, rent, is negligible, but then we pay maintenance costs, and for heating and water, says Yelena. Water, heating and garbage collection cost me about 1,000 roubles per month, or 30 Euros, so in all my “rent” adds up to about 1500 roubles, or 45 Euros.

– Yes, it is still reasonable cheap. And in principle maintenance cost (water, electricity, garbage collection, and staircase cleaning) is the same for every Moscow household, owner or tenant; 6 roubles

per month / m² for first flat, and 15 roubles per month/m² for any second flat. Yes, Yelena also owns a second flat, of 40 m², in the same staircase. This is where her mother used to live and where her son Sergey now lives.

– My second flat costs me some 1,200 roubles per month. So for both flats I pay about 2,700 roubles per month, or 80 Euros, explains Yelena. In many other Russian cities, all these payments are higher, as Moscow Government “adds” some money from the city budget for every m² for the “first flat”.

Long days necessary for most Muscovites

My new acquaintances in Moscow are highly educated and considered well-off by Russian standards as their households' monthly incomes exceeds 15,000 roubles, or 450 Euros. But with the background information that nurses' or teachers', state employees, monthly incomes are just around 3,000-4,000 roubles, maybe sometimes up to 7,000 – I well understand that it must be difficult to get ends to meet for most citizens. A second job in the evening is often the solution. Maybe that's why rush hours in Moscow do not seem to reduce until very late. I noted that the beautiful underground in Moscow was filled with commuters on a weekday at 8.30 pm!



It's the women who's doing it, in Russia as elsewhere! Housing “activist” meeting and teatime in the kitchen of Mrs Nadezda Pronina at Aviacionnaya Street, in the Shukino district of Moscow. From left: Mrs Natalija Samosudova, Mrs Antonina Snegireva, local deputy from the District Housing Commission, and Mrs Yelena Shomina.

Homeowners' Associations, HOAs

The management and maintenance of the thousands of tower blocks in Moscow are still carried out largely by the municipally owned management and maintenance companies – *zheks* – but without adequate funding and the residents complain about the low quality of repairs and cleaning of staircases. These companies are also being privatised, but the process is very slow. As some flats in a building are privatised and others not it is almost impossible to form homeowners' associations, because the City, which formally owns the other flats, is reluctant to be part of the private owners' association. Also, even though the federal legislation was passed in 1993, residents are reluctant to assume responsibility for a building that could require costly repairs. Once an HOA is formed, the financial

losses resulting from poor households (owners, or tenants) that do not pay their utility bills become the responsibility of the association. The new owners are encouraged to form HOAs, which are – according to the Housing Code of March 1, 2005 – supposed to be responsible for choosing and signing an agreement with a managing company.

The end of privatisation?

The deadline for registering a flat, and become owner, is March 30, 2010. So, is this the end of housing privatisation in Russia? Yes, say some, the remaining flats will stay in the hands of the City, and stay as rental flats. No, say others, the city will probably extend the deadline as they want to get rid of most residential housing. Or maybe those who were registered in 1990, or another year, but have not yet obtained a flat will get one – and then stop the allocation.

How to obtain a flat in Moscow?

Before 1991, any Muscovite could register for a new flat, even though it could take up to ten years before a flat was allocated to you. Flats were allocated after professional status and size of family. This general housing queue was closed for the rich and middle classes in 2005, and is now only open for less well off Muscovites, and now the distribution is generally about very limited social housing. Also, if you have chosen to become a medical doctor, a teacher or a military officer or other profession of which there is a shortage you can still obtain a flat from the City.

Buying a flat is no problem as there is plenty to choose from – if you can afford it. Average cost per m² reached 3,000 Euros in October 2006. Prime housing overlooking the Moskva River goes for 30,000 Euros per m². These are in strictly gated communities, and even though we arrived with Mrs Snegireva, a local deputy from the District Housing Commission, we were not allowed in to pass the security. Few Russian households can benefit from the services of the banks. Only 10 percent of the Russians say that they plan to take a loan for the purpose of buying a home. The other 90 percent are “not welcome” as their registered salaries are too low. Also, banks in Moscow provide loans in hard currency, often in US\$ at fixed rates. However, the majority of the burrowers have earnings in roubles, and in the event of devaluation of the rouble there is a risk that the burrowers can not repay the loan.

Babies bring in m²

Another way of improving young couple's chances to maybe obtain a flat is to have a baby. There is a special program that awards each new child with 10 m², as a present from the State! And, more children bring in more square meters. If a family with two young children decides to move into a new flat, of say 50 m², they can deduct the value of 20 m² from the total cost of the flat. The remaining cost for 30 m² can be paid off step by step.



Gated housing in Moscow.

Lunch at a co-op with Natalija

Yelena takes me to visit one of her closest friends, Mrs Natalija Samosudova, who has great experience of housing as she used to chair their housing co-operative for many years.

Before we reassume our talks about housing Natalija brings out lunch on beautiful china and puts several typical Russian dishes on the table. We enjoy fish in aspics, pickled herring and vegetables, and different kinds of meet dishes, fresh vegetables and assorted beverages.

Natalija lives in a 45 m² two-room flat in Tykhachevskogo Street in central Moscow. It is an owner co-operative, in a five-storey panel house built in 1964. Today about 10 percent of the houses in Moscow are ownership co-operatives.

Colleagues became neighbours

Natalija was an employee, a professor, at the Moscow State University. As a state employee she could retire already at 55. Natalijas' co-operative house was built by her university, and all neighbours-to-be were colleagues and university employees, a group of workers considered well-off in the mid 60's.

When Natalija was young she lived with her family of eight in central Moscow. Years passed, elderly family members died and younger moved out. In the mid 1960's there was just Natalija, her mother and an elder brother left in flat. "My brother should have moved out before me as he was older than I,

but I guess he was too lazy from being serviced by my mother", Natalija says with a smile.

– So, I was working at the university when I heard that my institution was going to build a co-operative, explains Natalija. I got very active and managed to convince the people who organised the housing queue that I really needed a flat.

From tenant to co-op owner, without costs

When the co-operative stood ready in 1964 Natalija and the other tenants in the 159 flats had to pay 40 % of the construction costs. The remaining 60 % was a low interest loan for 20 years. In 1985 the house was fully paid for by the co-operative. Six years later, in 1991, it was possible for the residents to register themselves as full owners of their flats.

Through the years the members of the co-op managed to save a considerably amount of money on a joint bank account for future repairs and renovation. In 1998 Russia was hit by severe inflation, banks collapsed and the co-op lost most of its savings. Bills for heating and maintenance became terribly difficult to pay and the co-op was on the verge to have to sell their house. But Natalija and her neighbours had been through hardship before and managed to keep their house until the hard times were over in 2003.



A bigger flat, just a dream

Today Natalija lives comfortably in the house which has been her address for so many years, and with neighbours she knows well from struggling together. She estimates that housing costs end up somewhere around 2,000 roubles a month and that her flat is now worth 150,000 Euros. The floor space is somewhat limited as her rooms are furnished with large beautiful pieces of wooden furniture from her parents flat.

– A larger flat would be a dream, says Natalija. But in today's Moscow this is not possible.

Putin admits that there is a housing crises in Russia, and recognises the role of NGOs

"I think the Public Chamber and non-governmental organisations could assist in solving the whole range of housing problems", President Putin said in a meeting with members of the Public Chamber Council on May 17.

These are new words, as Russian NGOs have never been much respected and never had any true influence. It remains to see if this is lip-service, or if it's a shift in policy.

New Eurasia Foundation

The IUT wishes to thank the New Eurasia Foundation for financially supporting IUTs' three days in Moscow. Particulary we appreciated the company of Mr Konstantin Shiska, programme officer at the foundation, who made transportation possible and arranged for evening activities.

The New Eurasia Foundation strives to facilitate stable social and economic development in Russia.

For more info: www.neweurasia.ru

GERMANY

Peoples' initiative saved municipal housing

By Manfred Wolf, Tenants Association of Freiburg

On April 1, 2006 we could read in Freiburg's leading newspaper *Badische Zeitung*, that the mayor of Freiburg Dr. Dieter Salomon had plans to sell the municipal housing company *Freiburger Stadtbau GmbH*. In November the same year we had managed to change the development and secure the municipal housing for the future.

Freiburg is a town in the south west corner of Germany in the state of Baden-Württemberg, with a population of 210,000. The mayor expected to get 510 million Euro in the sell, money he wanted to use for paying off municipal debts. He wanted to copy what had taken place some months before in Dresden, when the city sold 48,000 flats, to pay off municipal debts, to the international investor Fortress.

Facts speaks for themselves, but some lobbying is necessary

The tenants association in *Regio-Freiburg e.V.* wrote a letter to the mayor in which we pointed out the major risks of such a sell. Freiburg has a very different housing market compared to Dresden. Dresden municipal houses have lots of vacancies, but in Freiburg there are hardly any empty flats at all.

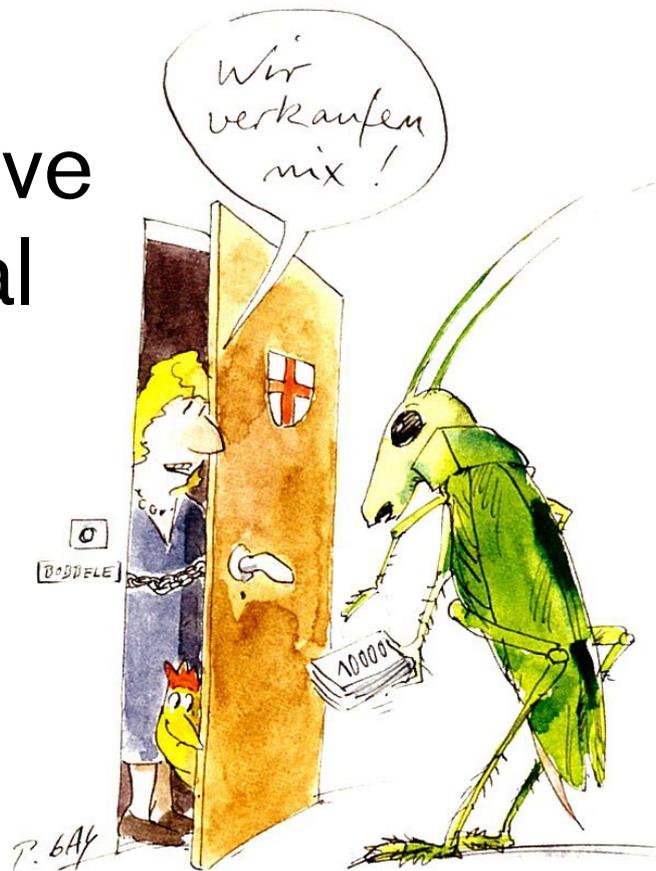
A meeting was arranged with Mayor Salomon, together with Mrs Anke Fuchs, Dr Franz-Georg Rips, Chairwoman and Director



respectively of the German Tenant Association, and the chief of the local tenants association in Freiburg Mr Manfred Wolf.

A short time after this meeting Mr Salomon told us that he had changed his mind after hearing our ar-

Mr Manfred Wolf, chairman of the tenant association in Freiburg



Locusts devour everything, but we don't sell!

ILLUSTRATION: PETER GAYMAN

guments and that he now wanted to keep the municipal housing stock, but that it was now up to the politicians of Freiburg to decide.

Tenants change the predestined road

Our tenant association decided to start a campaign, an initiative which we named "Housing is a Human Right", with the purpose of a referendum, for which we needed 15,000 signatures. We managed to get 28,000 signatures, and the city council had to agree to organise a referendum.

On November 12, 2006, the citizens of Freiburg went to cast their votes. The ballot read; "Do you want Freiburg to be the owner of the municipal housing company and of the municipal houses also in future?"

About 40 percent of the citizens participated in the voting. The "Yes" alternative got 70,5 percent and only 29,5 percent voted "No". For the voting to be applicable, it was necessary to have 38,000 votes on "Yes". We managed to get 41,000 votes.

So, this might serve as a good example how citizen-engagement and initiative can really make a difference. How civic spirit and professional handling can change what was first seen as an inevitable hopeless fight, to become a result that reflects citizens' true will. Democracy in practise!

Mr Wolf can be contacted via e-mail:
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New leadership of the German Tenant organisation, DMB



Stuttgart, June 2: Dr Franz-Georg Rips, was elected new President of the Deutscher Mieterbund, DMB, when 750 elected members of the DMB gathered for two days in Stuttgart. Dr Rips replaces Mrs Anke Fuchs who will go to lead the Friedrich-Ebert Foundation. Dr Rips will stay as Director of the DMB until a successor is appointed.

Happy faces at the 62nd Mietertag; from left; Günther Oettinger, Ministerpräsident of Baden-Württemberg, Dr Franz-Georg Rips, Anke Fuchs and Karin Roth, Parliamentary State Secretary at the Federal Ministry of Transport, Building and Urban Affairs. PHOTO: IUT

Besides the election of the new President, three main topics were discussed;

1. Capitalisation of rental housing; In the last ten years more than 800,000 flats went from public to private ownership. Several cities sell their housing stocks because they want to pay for budget deficits and costly loans. The sell, according to the DMB, will have negative effects on the tenants as rents will most certainly be raised, and maintenance and

modernisation will be neglected – all to reduce costs and raise the yield.

2. Sustainability and Energy efficiency; Housing and service costs increase quickly as energy prices go up, particularly for heating and water. The DMB fights against energy cartels and promotes housing renovation in order to reduce energy consumption, and the introduction of energy certificates for all buildings.

3. Safeguard the rights of tenants – affordable rents; DMB promotes the right-to-housing in a future EU constitution. 15 percent of the German households are not able to pay their rents, and are depending on housing benefit subsidies, the *whongeld*.

The DMB has 1,2 million members.

EU Parliament adopts first resolution on housing

May 10: The European Parliament adopted a resolution based on the own-initiative report drafted by Italian MEP Alfonso Andria on housing and regional policy by 469 votes in favour, 38 against and 46 abstentions.

The report was itself based on the proposal of a European Charter for Housing, as drafted by the Urban and Housing Intergroup, an interest group consisting of EU MEPs. During the drafting process, the Intergroup actively consulted NGOs, including IUT.

The resolution states that the lack of decent housing at affordable prices has direct effects on the lives of citizens, restricting their options for social integration and mobility in both urban and rural areas.

The EU promotes labour mobility, but scarcity of housing has negative effects on the labour market.

Europe faces problems with housing, such as insufficient supply or overcapacity, homelessness, soaring costs of pur-

chase and maintenance and buildings in desperate need of repair. Difficulties in gaining access to housing are a cause of social segregation and ghettoisation. In addition, the combination of low income, high energy prices and inadequate heating and insulation systems results in energy poverty and energy exclusion.

Parliament recognises the right to adequate housing

The EU Parliament considered that the right to adequate and good-quality housing at affordable costs is an important fundamental right that is recognised in a number of international charters and constitutions of the Member States. Unfortunately, the word adequate of course



makes the Parliaments' statement less committing.

The Parliament is of the opinion that housing-related issues, according to the principle of subsidiarity, should be dealt with predominantly at national level, and municipal level. Parliament emphasises how important it is for spatial management authorities to take into account the accessibility of housing, public services and urban transport for disabled and elderly people and to plan exercise and recreation areas for children and young people when framing spatial planning policies.

The resolution is available in EU languages; www.iut.nu/iut_eu.htm#Housing_EU_Agenda

Stockholm's new political majority hopes to sell over 90 000 municipal flats

The message from the new Swedish government is clear; The state and the 290 municipalities are encouraged to privatise as much as possible of their assets, including schools, medical care and hospitals, and municipal housing companies. Tenants are encouraged to become owners of their flats.

Text: Magnus Hammar, IUT / Swedish Union of Tenants

This will perhaps have most effects on the situation in Stockholm. Since many years Stockholm experiences a great shortage of affordable housing, and as a result high prices. Prices on ownership flats in co-operatives in Stockholm have increased by 26 percent during the recent 12-month period, and prices on houses have increased by 10 percent. Happy Swedish estate agents explain these increases on the abolishment of real estate tax since January 2007, and households can now afford to borrow more money.

An offer very hard to resist

This situation also has effects on the rental market, and only those with a low income – or those with a very steady ideological standpoint – can resist when the offer comes to buy his or her flat. Particularly those tenants in the inner city of Stockholm, who can buy for maybe 2,700 Euro /m², and sell for 5,400 Euro the next day.

Swedish Union of Tenants estimates that 30-40 percent of rental housing will be converted to ownership flats. And the question remains; Whose assets are being capitalised



Cecilia Brodin-Höglund and Mohammed Abdi Ahmed give advice to uncertain tenants at the tenants' office of the Swedish Union of Tenants in Rinkeby.
Photo: IUT



Tenants demonstrate outside the chancellery in Stockholm.
 "Mats, selling public housing, citizen's property, is receiving stolen goods"
 PHOTO: IUT

Save rental housing and do not sell our municipal flats!

The Stockholm regional office of the Swedish Union of Tenants, SUT, organised a demonstration on May 31. Hard criticism was delivered to Mats Odell, Swedish Minister for Finance and responsible for local municipalities and housing. The government plans to abolish the present law that prevents the municipalities from selling their housing companies. Thousands of flats will now vanish from the rental market. In the long run this will have effects on the rent setting system in Sweden. It is the rents in the municipal housing stock that set the levels, the ceiling, when rents in the private stock are to be negotiated annually, between the local tenants' representatives, the SUT, and landlords' representatives. If there are no municipal flats left in an area, and no such rents to compare with, rents in the private houses will most certainly be increased.

and transferred to the new owners? Is it perhaps the tax-payer's money?

Does ownership decrease segregation?

One of the arguments for selling municipal flats to the tenants, the local government in Stockholm argues, is to break the increasing segregation in some of the suburbs, of which some are inhabited by sometimes 80 percent of non-Swedish origin households. The city of Stockholm has even set up an information centre in Rinkeby for the purpose of promoting and facilitating purchase. If a 2/3 majority of the tenants in a house agree to buy their flats, they will form their own legal identity, a tenant ownership co-op.

But in spite of the information campaigns very few of the residents

in Rinkeby have shown an interest in becoming owners of their flats. Surveys give that only some 10 percent has an interest to buy.

– Some can not bring up the money, some are not culturally used to becoming members of associations, and some just like it the way it is, explains Cecilia Brodin Höglund, one of the advisors at the temporary office of the Swedish Union of Tenants., SUT.

– As the city's information centre will most certainly only speak in favour of buying flats, the SUT felt like giving the issue a bit of balance, says Cecilia.

The fact remains that up till today, the real outcome of this privatisation campaign has created an even more homogenous population of well off owners in the inner-city, and the less well-off or unemployed stay as tenants in the panel-houses of the suburbs.

Fears for rent increases when Brits buy rental housing

The British real estate company Boulton has recently bought the municipal property company Centrumkompaniet for 1,1 billion Euro. Included in the take over are ten shopping centres and 1,200 rental flats. The political right wing majority in the Town Hall says that they will use these money for new investments in Stockholm, probably improvements in the infrastructure. The political opposition is worried that Boulton will not show itself to be a responsible landlord. Chairman of the regional tenants' association in Stockholm, Mr Terje Gunnarsson, fears that rents will increase substantially. After all, they are in it for the money!

FRANCE



Didier Pavageau and Micheline Thiriet from CNL in Montreuil together with Jacquy Tiset, CNL, Lille.
PHOTO: PECHRAM Kouchakpour

The youth riots of the autumn of 2005 gave rise to local security councils in many of the left controlled municipalities of Paris

– We were out on the streets trying to speak with the youth, helping them to get on to the right track, says Micheline Thiriet of the local tenants association in Montreuil in Eastern Paris.

The troubles in the Parisian suburbs of two years ago became a wakeup call for many of the immigrant-rich municipalities in the outskirts of Paris.

– There were some quarters surrounding our local offices here in Montreuil which were rather heated. Cars were burning and exploding, but various people were out talking to people and this had a calming effect, says Micheline Thiriet.

The insight that there was a need to be working with young people in a more preventive manner led to the establishment of a local security council in the city district – here there are representatives from the municipalities, schools,

parent organisations, tenant associations, trades people and police, but also from the youths who participated in the riots.

– What we have learned is that we must work close to people in their daily life. We cannot afford to only be a service organisation, we have to be more like activists, more revolutionary! says Jacquy Tiset, who for many years has been both locally active in Lille and within the IUT.

Protracted and methodical investment in youth issues was the recipe for Val de Marne

“I was often wondering if I was doing the right things, there is so much anonymity in working with social issues”, says Nicole Le Goarand. Nicole is responsible for social issues in Val de Marne, south of Paris.



But two years ago Nicole understood that she was working in the right direction and that her engagement was more needed than ever. This was when two young boys were electrocuted in a transformer station in one of the Northern suburbs of Paris, after that they had been chased by the police and tried to hide. This became the spark which ignited the immigrant packed suburbs and cities in an explosion of youth riots. In three weeks 10,000 cars were burned out, about one hundred houses were destroyed, the police made more than 3,000 arrests. The French state, for the first time since the war in Algeria, ordered a state of curfew.

Less riots in Val de Marne

But in the different municipalities of Val de Marne the protests received a much less of an impact in comparison to the other immigrant tight areas.

– As soon as we felt that it began to heat up we were all out working in the

areas, trying to get the youth to stay at home. We performed a huge mobilization, and even received help from social workers and parents, Nicole Le Goarand explains.

The working method in Val de Marne is built upon teamwork – different specialists working together out in the areas where the need is greatest. First, with the help of sociologists, a map of the area is drawn up. How many residences, unemployed and juvenile offenders are there? Which operators should one work together with – it can mean schools, organisations or residence committees.

Create confidence-building measures

– One of the biggest problems we come up against is the resistance to the adult world – police and different types of authorities for example. We try to engage good contact between youths and adults in order that young people, devoid of a job and a future, may understand that it is important to have a good education.

by Johan Öhman

Nicole Le Goarand.

PHOTO: PECHRAM Kouchakpour

Wales seeks to transfer its housing stock

By Steve Clarke,
Policy officer for the Welsh Tenants
Federation



Many European observers will have realised that Wales has seen devolution of political power from London, to the people of Wales. As Wales embarks on its third term of political control, the central UK philosophy of social housing provision has not changed.

That is, that local authority resources and leadership would be better applied through steering the boat rather than rowing it. This means exercising better local influence and control over demand and supply of housing be that social, private rented or new build affordable housing.

UK Government treasury restrictions on local authority borrowing coupled with the right of tenants to purchase their housing, has meant that social housing repair and improvements have not kept up with the standards Welsh tenants can expect of a modern economic superpower. The fall in standards has meant that good housing stock has depleted and the cost of adequately maintaining and improving the existing stock has been increasingly difficult to attain, even with government subsidy.

Decision making closer to the consumers, the tenants.

Although still hugely controversial, Wales is beginning to get the message that government ownership of the housing stock is not necessarily the best model to achieve decent, quality, affordable homes, a long term goal of the Welsh Tenants Federation.

Although coming late to the transfer debate, in which England has seen more than a million council homes transfer, Wales has now seen 6 ballots from the 22 local authorities with 4 voting for transfer and 2 voting against.

For the Welsh Tenants Federation, it is not only the Welsh Housing Quality Standard that tenants can expect to see achieved, but housing provision for future generations of tenants.

Transfer leads to social and economic benefits

Just as important, is the capture of social as well as economic benefits due to the mutual principles inherent in the transfer model. Through the ideal of cultivating social enterprise people



can directly benefit through a surge in skills, development and jobs, as housing led regeneration potentially generates an estimated 5 billion Euro of regeneration investment.

As the representative voice of tenants in Wales, we are optimistic about the future of the sector and will continue to work to ensure that what is promised is in fact delivered and that means working with change or, as Bill Clinton once said, seeing change as our friend – and not our enemy.

Contact Steve Clark ; steve@welshtenantsfed.org.uk

South Africa's "special needs"

Text and photo: Alex Hetherington, Cape Town, for the Social Housing Foundation (SHF)

Without any subsidy support, the Saartjie Baartman Centre builds sustainable short-term transitional housing for abused woman and children

In 1810 the young Khoisan woman, Saartjie Baartman, was enticed from South Africa on false promises of fame and fortune. What met her on arrival in Europe was a life of public humiliation, abuse and a death from depression and alcoholism that her former masters would have preferred to sweep under the carpet. Instead, in 2002, her remains were returned to South Africa, draped in the South African flag and trumpeted to much political fanfare and self-congratulatory oration.

One can only surmise what Baartman would make of her homeland now. It

would surely be a confused message, as the energy and vibrancy of its political freedom is quickly annulled by a plethora of social fractures, often manifested in such high levels of domestic and gender violence that even Baartman would be alarmed.

Victim through circumstances

Perhaps most confusing to someone like Saartjie Baartman is that, despite the lessons of its history, South Africa continues to openly neglect the victims of this violence. These are victims only through circumstance, not strength of character, for often their strength is insurmountable in their desire to move beyond abusive relationships. Yet, when doing so, that strength and determination is met by a fragile social system failing to offer

any form of subsidisation that would allow these women to afford safe and alternative housing and truly build better futures for themselves and their children.

A one-stop centre

The one sense of satisfaction that Saartjie Baartman might have, however, is discovering a shelter for abused women and their children in Athlone, Cape Town, which bears her name. The Saartjie Baartman Centre for Women and Children was opened in 1999 with a small annual grant from the Western Cape Provincial Department of Social Development and additional funding from private donors and institutions.

Uniquely, the Saartjie Baartman Centre established itself as a "one stop" centre where women clients and their children could receive a range of services, such as emergency or short-term accommodation (known as "first stage housing"); legal assistance; counselling; and, job creation skills.

Abuse hits one in three women

The need for shelters such as provided at the Saartjie Baartman Centre is acute. In South Africa, one in three women is officially subjected to some form of abuse.

The Centre is open twenty four hours a day, seven days a week, and the shelter's capacity to house up to 22 mothers and 30-40 children is continuously stretched to the limit.

"The issue however, is as much about where the women go after their stay, as it is about them getting here in the first place," says Synnov Skorge, manager for the Centre

In South Africa, there is no subsidy policy or framework allowing for affordable individual housing for people with



From left; Director of Saartjie Baartman Ms Synnov Skorge, Architect of "second stage" developments Ms Astrid Wicht, and Shelter Manager Ms Rosemarie Cox.

housing shame

“special needs” such as abused or trafficked women.

“There is, quite simply, no place of safety from further damage,” she says.

Housing available for longer stays

The Saartjie Baartman Centre is one of only three institutions in Cape Town that offers “second stage” housing where abused women can pay nominal rents and stay for longer periods of time – typically up to one year – while realigning their lives and gaining confidence to once again enter society outside of their previous relationship.

While this “second stage” housing is minimal, beyond it lies a vacuum where women and their children are forced to find and afford their own accommodation.

Architects for social housing

For some, the lack of policy around “special needs” housing subsidies is close to criminal. Cape Town architect Astrid Wicht challenges the lack of political will and slow implementation of the “developmental” state, claiming that the silence surrounding the issue is tantamount to “social numbness.”

In 2005 Wicht joined ACG Architects, the first black architecture firm in Cape Town and, with colleague Peter Dunckley, established ACG’s Housing and Community Development Unit with a specific focus on social housing.

Government needs to “think out of the box”

Prior to this, Dunckley and Wicht met Synnø Skorge in 2002 when the Saartjie Baartman Centre put out a tender for the building of “second stage” housing, following a small grant the Centre received from the Carl and Emily Fuchs Foundation and the DG Murray Trust. In many ways, it was a meeting of common minds and a synergy of ideas.

With an empathetic understanding of the need for housing subsidies for vulnerable groups, Wicht published a policy guideline on Special Needs Housing. The paper has been instrumental in getting different tiers of government to “think out the box”, as Wicht likes to describe it.

“The challenges of providing housing to meet the increasing backlogs are enormous, and this overshadows the needs of the vulnerable and marginalised,” says Wicht, indicating that five per cent of all housing requirements in South Africa should be ascribed to “special needs”.

“Do you want women to be forced to go back to abusive relationships,” Wicht asks rhetorically while ascribing the current subsidy regime as a slow bureaucratic tightrope to try and navigate.

Design with participation

Wicht and Dunckley took their brief directly from the Centre’s clients - women and children escaping abusive relationships - in a consultative and participatory process during the design of the “second stage” housing and pre-school. It was a move that Skorge describes as “breaking new ground.”

Safety was a main concern for the clients and, consequently, the design of the units centre on common courtyards where residents “act as eyes and ears” against any unwanted intrusion and simultaneously allowing mutual support between the women and children housed in the adjacent units. Each unit contains a single large bedroom where women and their children can sleep close together; an open plan lounge / kitchen, and a bathroom; and, storage space is catered for as many women carry their worldly possessions with them when they enter the Centre.



Seven year old Katelin Dirkse, a resident at Saartjie Baartman, enjoying the waterwise low maintenance courtyard garden.

Safety, not taken for granted

Cox describes the dignity that “second stage” housing affords abused families as “untouchable.” Clients constantly tell her of the life-changing experience that they and their children undergo when they are together and safe. Sometimes it is something as simple as running water from a tap, other times it is the freedom to sleep soundly at night.

“A house means everything. It is a mother’s dream and allows her to bond with her children without any fear,” says Cox.

CZECH REPUBLIC: 620 percent rent increases

Tourists cluster in the charming streets of Prague with renovated baroque houses and attractive shops. Very few take the tram to "normal" parts of Prague, where houses from the 1920's and 1930's are common. Many houses have been restituted in these districts. In the Czech Republic about 350,000 households, or about 1 million individuals, are living in former public flats as tenants, currently with new private owners. Many owners would like to get rid of their old tenants in order to raise the rents to market levels or sell the individual flats. Particularly elderly tenants fear the threats and visits from their landlords. In some cases rents have increased by up till 620 percent!

A recent change in the legislation introduced the legal assumption that a reason for eviction is existent unless the tenant pleads and proves differently in a court – inversed burden of proof!

Source: Czech Union of Tenants, SON. www.son.cz

SWITZERLAND: Mortgage interest rates as rent increasing factor

The landlords, private and social, in Switzerland argue for increased rents due to higher energy costs and particularly higher mortgage interest rates. But, in fact, rates in Switzerland are on a historically low 3 percent. Shown by the Swiss tenants association, Swiss landlords have pocketed billions of Swiss francs because rents are still based on higher mortgage interest rates. Landlords are quick to raise rent, but rarely reduce rents when rates go down. Therefore, the Swiss tenant associations consider the uncoupling of the rents from the mortgage interest rates as urgent.

Source: Swiss Tenants Association, Zürich. www.mieterverband.ch

FINLAND: State subsidies for demolition

There are dramatic regional differences in the rental housing market in Finland. In communities with net emigration, empty houses are being demolished with the assistance of state subsidies. Meanwhile there is a growing shortage of affordable flats in southern Finland and in parts of Finland with an increase in population.

Rental flats show an occupancy rate

of 97-98 percent in areas of economic growth. This suggests that the supply of rental housing is way too insufficient. This situation creates great problems when landlords try to find temporary accommodation when houses need major renovation. Also, it has very negative effects on labour mobility in Finland. Rents and Tenancies Courts were abolished in 2003, and cases have since been dealt with in district courts. This has shown to be a very expensive arrangement, and from March 1, 2007, rental disputes can be solved in the Consumer Dispute Board.

Source: Central Union of Tenants, Finland. www.vuokralaistenkeskusliitto.fi

DENMARK: Rising wealth and increase of evictions

Despite low unemployment and rise in wealth, inequality between various groups in Denmark is a growing problem. Segregation increases, particularly on the housing market, and house and flat owners become richer and tenants lag behind. The electoral promise from 2005 by the social democratic mayor of Copenhagen, to build 5,000 flats with a maximum rent of 5,000 DKK (670 Euro) has not yet been fulfilled. Some parts of Denmark show an increase of evictions by 16 percent.

Source: Danish Tenants' Union, LLO. www.lejerneslo.dk

USA; Institutional owners convert social housing to high market rents

AMICO, the largest Real Estate Investment Trust (REIT) in the rental sector in the USA, owns or manages 240,000 flats, of which 115,000 are federally HUD-subsidised flats. AMICO now plans to opt out of government subsidy contracts and convert "social housing" to market rents. Even more troubling is AIMCO's coercive displacement of lower income families in Venice, California and in Salem, Massachusetts, in the pursuit of higher financial returns.

Source: NAHT, www.saveourhomes.org

POLAND; Tenants' association in crisis

The Polskie Zrzeszenie Lokatorów is facing deep financial crisis. In spite of previous promises from the city of Krakow to contribute with zloty to help out with the rent of PZLs' modest office there has been no fulfilment of this promise yet. Ms

Alicja Sarzynska, President of the PZL, fears the worst, that they will have to shut down their office where they give free legal counselling in the evenings.

Source: Polskie Zrzeszenie Lokatorów / Polish Association of Tenants.

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ENGLAND: Regulation of RSLs and the Cave Review

Current debated; The view of the Government that the management and ownership of social housing should be outside of the Local Government structure, and that Registered Social Landlords RSLs, should make better use of the assets they hold, that RSLs (not for profit landlords, formerly known as Housing Associations) should work to improve wider communication than just their tenants and that there should be increased community empowerment. The issue of regulation of RSLs has been raised and the Housing Corporation has set up research into this. IUT and TPAS are both represented.

The Cave Review, announced in December 2006, will look at how the regulatory system for social housing could be reformed to better support tenants and drive up the standards of housing provision and reduce burden on social housing providers.

Source: TPAS, England. www.tpas.org.uk

NORWAY; Building bridges between landlords and tenants

The Norwegians are extremely ownership orientated. Nearly 80 percent are homeowners. But there are enough tenants and landlords that do not agree, and in 2001 the Rent Disputes Tribunal (HTU) was set up in Oslo and Akershus. The Tribunal is an independent administrative unity. Settlements and decisions from the Tribunal are legally enforceable, but decisions may be forwarded to the ordinary courts within a month. The Tribunal only deals with residential housing cases.

A mediation method is used, developed at Harvard University, based on the parties' possibility to look forward at what serves their interest best, rather than discussing past injustices and wrong doings.

Source: Tenants Association, Norway.

Full report available on www.iut.nu>Members>Norway