

POLITECNICO DI TORINO
Repository ISTITUZIONALE

The Italian Banking Foundations committment in social housing.

Original

The Italian Banking Foundations committment in social housing / Ingaramo, Luisa; Sabatino, Stefania. - ELETTRONICO.
- ISHSUM Conference Report:(2010). (Intervento presentato al convegno ISH SUM - International Social Housing Summit tenutosi a The Hague (The Netherlands) nel 13-14/10/10).

Availability:

This version is available at: 11583/2505105 since:

Publisher:

Published

DOI:

Terms of use:

This article is made available under terms and conditions as specified in the corresponding bibliographic description in the repository

Publisher copyright

(Article begins on next page)



The International Social Housing Summit

CONFERENCE SUMMARY REPORT

Four days, 250 people, 22 countries, 50+ speakers – the first International Social Housing Summit in The Hague seems to have been voted a success by delegates and commentators alike.

“At a time of incredible challenge in social housing ...it was probably the most informative, refreshing conference I’ve attended for many years.”

“An ambitious event on a global scale but it fully met my expectations. The conference has given me new ideas which I intend to follow up on and put into practice.”

“I thought the summit was an excellent event, bringing together a refreshing mix of organisations.”

“Inspiring speakers and very good and useful ideas.”

“ISH*SUM provided an excellent opportunity to exchange practical experience and the latest research in the field of social housing.”

(Testimonials provided by attendees on the event survey.)

ISH*SUM set out to identify global best practice, and then share this knowledge and innovation with social housing experts from around the world. The event was arranged in three streams – one focussing on the challenges of securing finance for new developments; one looking at how new and existing homes could be made more sustainable; and one looking at impending demographic changes (particularly the aging population) and how these will affect social landlords in years to come.

Day 1 – 13th October

Conference chairman, BBC Home Editor Mark Easton, welcomed delegates and got the event off to a good start by stressing that people can only really innovate and improve their service if they strive to learn from each other.

Opening Keynote: The state of social housing worldwide and the results of the CEO survey

The main keynote address was delivered by Sharon Chisholm and John McTernon, who unveiled the results of a survey of social landlord chief executives from all over the world. Between them the CEOs were responsible for nearly one million homes. The key findings of this research were:

- In 2009, each social landlord, on average, built 357 new homes; this year they expect to build a average of 272 (a drop of 24%); and in 2011 the expected average new build figure will be up to 313 new homes.
- CEOs expect their budgets to increase in 2011, by an average of 5.3%; in 2012 they expect a decrease of 1.1%
- Typically each CEO has a staff of 675 people – in 2011 they predict an increase in staffing numbers of 2.9%, followed by a further increase in 2012 of 2.6%
- The top priorities for CEOs are Repairs and Maintenance programmes, securing funding and undertaking new development. The least critical issues for them at the moment are tackling the sustainability agenda, dealing with anti social behaviour and strategic change or mergers. Issues of “middling” priority include dealing with new legislation, the productivity of the workforce, helping vulnerable tenants and improving tenant engagement and communication.

- Only 24% of social landlords currently have international links, and these tend to be (at present) quite informal. Those that are planning future cross border links are mainly considering pilot projects, or the management of properties on behalf of others.
- Affordable housing providers that are looking at linking up with other social landlords are doing it because of the opportunities for saving costs, or to help them widen their geographical coverage
- There is unlikely to be a great change in where CEOs get their money from – the survey suggested slightly less from central government, and slightly more coming (in future) from rents.
- One section of the CEOs survey asked about landlords' commitment to the sustainability agenda. At present just over a quarter of all landlords measure their carbon footprint, and those that do have already reduced their CO₂ emissions by 5%.
- The top three techniques that have been employed to make homes more sustainable have been improvements to the insulation of the fabric of homes, fitting better quality glazing and installing more efficient boilers. Alongside this, CEOs were keen on running educational or behavioural change programmes for tenants to explain how they could reduce their individual CO₂ footprints.
- The "green solutions" that were further down the list of actions to consider included fitting solar panels, linking homes together via combined heat and power systems, or tackling water conservation issues. Addressing draughts and fitting low energy bulbs were seen as "middling" priorities.
- At present CEOs reckon about 45% of their housing stocks are reasonably energy efficient. By 2015, they expect this proportion to have increased to 50%, and by 2020 it should be up to 63%.
- Around 28% of all residents are currently estimated to be above retirement age; by 2020 this is expected to have increased to just over 36%. About a third of all landlords expect to, or are thinking about moving into the domiciliary care market.

Overall, the big recurrent concerns were worries over securing future funding, and reforms to welfare and benefits (which might impact on rental incomes). There were also concerns that the banks might withdraw from supporting the sector. These concerns were echoed by the panel of financial experts that then debated the main financial issues.



Financing Keynote

A panel of speakers from a range of countries tackled the key question of what social housing providers could do to weather rocky financial waters and adapt their organisations to be more resilient. Derek Ballantyne from Canada, Mark Washer and Andrew Heywood from the UK and Stefania Sabatino from Italy gave very different perspectives on the current challenges facing social housing providers in their sectors and how they see the funding issue and the role of the housing provider evolving. Stefania gave an interesting insight into the real estate funds and banking foundations targeting social housing organisations in her region of Italy.

Sustainability Keynote

The main keynote address on sustainability was presented by New Zealander Andrew Eagles of Sustainable Homes. He stressed the urgent need for social housing to play its part in reducing CO₂ levels. Around a quarter of all the energy used in the world is consumed in homes, and many of them are very energy inefficient, he said.

He also highlighted some of the wider impacts of the housing sector on climate change – more flooding caused by concrete surfaces when we develop land, deforestation caused by the demand for building materials and around 85% of all water use consumed by homes.

He pointed out that if we do nothing those in the developed world would need the equivalent of "6.4 earths" to support its activities. To move to "one earth" will require massive change, with the biggest challenge being the retrofitting of virtually all existing homes over the next few decades.

Mr Eagles said that there were tens of millions of social housing units around the world, and that by improving them it

would be possible for social housing to play a big part in the inter-governmental commitments to reduce CO₂ by 80% by 2050.

His top tips for landlords included:

- Ensuring real commitment from all Board members to the sustainability agenda.
- It is important to get the wider staff to support the strategy and ensure they set a good example by “walking the green talk” in their offices too.
- Committing to measure your performance, set some targets and track your progress.
- Understanding what really delivers the biggest and most cost effective savings, and focus initially on these (eg. extra insulation/better performing windows, more efficient boilers, and making the building more air tight)
- Getting your residents to buy-in to CO₂ reduction strategy too, as they can make a very big contribution themselves by changing their behaviour.

Throughout his presentation he stressed that sustainable housing wasn't just about saving the planet. A good, sustainable home was also good for tenants – it was more comfortable to live in and more affordable to run.

Demographics Keynote

The president of AGE-Platform Europe, Dr. Elizabeth Mestheneos, delivered the main keynote presentation that looked at the trends towards an aging population, and the implications this would have for social housing landlords.

She argued that elderly people would have an increasingly powerful role in society, and that more and more public policies were taking note of their needs and requirements. The elderly want to stay in their own homes for as long as possible. The availability of specially adapted housing for the very elderly and good care and support was in short supply (and very expensive) right across the world. One of the things that was often overlooked, said Dr Mestheneos, was the need to provide really secure homes for the elderly, as they were very concerned about this issue. They also wanted their homes to be integrated within the rest of the community, rather than being cut-off in an old people's ghetto.

She highlighted the fact that different countries have very different cultural approaches to the elderly. For example in Greece, where she is based, it is normal for elderly people to move out of the established family home to somewhere much smaller so that their children and grandchildren have somewhere big enough to live.

Day 2 – 14th October

Morning plenaries

The opening plenary session on day two brought together heads of organisations from the UK, Canada and South Africa who spoke about the key strategic challenges facing them today, and their vision for how the sector might develop. All were involved to some degree in “Housing Plus” initiatives, with the Johannesburg Housing Society in particular taking on a huge range of roles and social challenges.

David Cowans of Places for People inspired the audience with his vision of breaking down the stigmatisation and failures of the current social housing system and creating successful housing which offers real choice and opportunities.

In the final plenary of the morning, a panel ranging from politicians to CEOs of leading housing providers delved deeper into what has made The Netherlands' approach to social housing admired around the world – and the worrying challenges facing the sector today.

Round Table lunch discussions

During the lunch break on both days there were around 20 lively Roundtable discussions, across a broad spectrum of themes. These were designed to add even more content and a broader perspective to the conference, and to optimise the delegates' time away from the office.



TRACKS

Following lunch, delegates split into three concurrent “tracks”. In the main conference venue the debate drilled into the nitty-gritty of financing social housing. Upstairs there were separate sessions looking at sustainable housing and the demographic challenges. Each session was chaired by a respected international expert.

Financing Social Housing – Track 1

Dr Julie Lawson, an Australian based at the Delft University of Technology, presented a detailed analysis of the pros and cons of six of the most widely used methods of channelling private finance into the social housing sector. For each of these she analysed how well they performed during the booms and slumps of the housing cycle, how robust they were in the increasingly volatile financial markets, and how successful, or not, they had been in delivering the wider social goals of the sector.

She concluded that there was no one size fits all solution – some were more robust than others, some more cost-effective. Balanced and responsive solutions were important, and security of revenues was vital.

She encouraged delegates to delve into the detail of her findings by visiting this website: www.ahuri.edu.au (and to examine chapter 8 of her report).

After her scene-setter, there were presentations from two distinguished panels that explained how the Dutch and UK currently raised funds for the sector, and some of the expectations for how financing solutions might develop in the future.

The much admired “Dutch Model”, it became clear, was under threat both from EC legal challenges and the economic downturn. The panel from the UK voiced concerns about the future of funding and the impact on social housing of swingeing cuts about to be announced by the new government.

A good insight was then provided into the special challenges of Islamic financing models by PwC and Trowers & Hamblins. There are clearly opportunities out there for the social housing sector and gaining more understanding of this currently quite under-developed sector could prove rewarding.

The final session on day one took a more lateral look at how deprivation in all areas is interconnected and still very much a reality in first-world countries. Arie Voorburg spoke about the need for cross-agency collaboration, honesty and creativity to tackle this huge challenge.

On the second day, the track opened with a panel of leading international lenders and credit experts who gave vital pointers on how they judge an organisation’s financial standing. The overall picture was a positive one, with social housing organisations still considered a relatively low risk lending proposition; the presence of strong regulation was also an essential factor in the lending or rating decision-making process.

The two final panel sessions of the day looked in turn at the funding models and regulatory frameworks in the US and Australia. The US session highlighted the complexity of this sector with its multiple levels of regulation; the speakers emphasised the big mismatch between housing need and supply and the challenges involved in applying for funding.

The Australian session highlighted the growing disparity between income and housing prices, and the consequent increasing pressures on social housing stock. The recent injections of stimulus funding, a new National Affordable Housing Commitment and a significant building and refurbishment programme herald some exciting, if challenging, times ahead.

Finance track summary

The chair of the track, Dr Darinka Czischke, summed up the session like this: “We had lots of discussions, and we accepted that it was challenging to work out how to transfer some of the ideas that were discussed from country to country, because we nearly all have different tax or legal issues to comply with. However, we agreed that there were many areas where we could learn from each other.”

Dr Czischke, who is a social housing finance specialist from the Technical University of Delft, said that despite the credit crunch,



and current regulatory and political uncertainties, there was still great confidence in the sector from private lenders and banks. “Despite the downturn it was clear from the bankers and lenders in the session that there was a real confidence in the social housing sector. It is seen as a very safe area to invest in,” she said.

She referred to the presentations from the UK and Dutch speakers, and the ideas for future funding that emerged from these that other countries might mirror or adopt. “Some countries have been very clever at raising money for investment, whilst others are desperate for it – there were lots of paradoxes and contrasts.” She also applauded the presentation on the US social housing funding regime. “We had a crash course in how it works and the challenges of dealing with the different expectations of investors, while delivering the sort of sustainable communities people want at a local level,” she said.

The Australian presentation showed how keen they were to learn from others, and Dr Czischke praised the presentation from Dr Julie Lawson. “Her rigorous analysis of the various funding models all over the world should provide valuable lessons for Australia’s social housing community,” she said.

The session on Islamic finance was also very stimulating, and demonstrated the particular challenge of assembling financial solutions that still complied with Sharia Law.

She ended by saying that it was clear that most Governments were not going to be able to fund social housing so much in the future, so she suggested that social landlords move away from begging Governments for more financial help. “Instead, let’s be creative, talk to each other and come up with innovative new solutions to raise the finance we need.” she said. “But, having said this, we must never forget that we still need our Governments to support our activities”.

Sustainable Social Housing – Track 2

The first presentation in the Sustainability track examined the 12 key goals of the UN Economic Commission for Europe’s strategy for tackling energy efficiency in housing. Dr Oleg Golubchikov’s talk included the chart here, which identified the percentage of energy consumed by residential buildings across some 50 nations.

The goals set by the strategy included ensuring that each nation had good Governmental leadership, committed to energy saving. This often needed to be supported by financial or tax incentives to encourage great energy efficiency and a good support infrastructure through national housing bodies and institutes, and relevant energy utilities.

In addition, nations needed to set minimum energy performance standards for housing, support renewables and other low energy technologies, and encourage the planning system to help deliver more efficient larger scale developments. Support for research projects and low energy case studies was also vital.

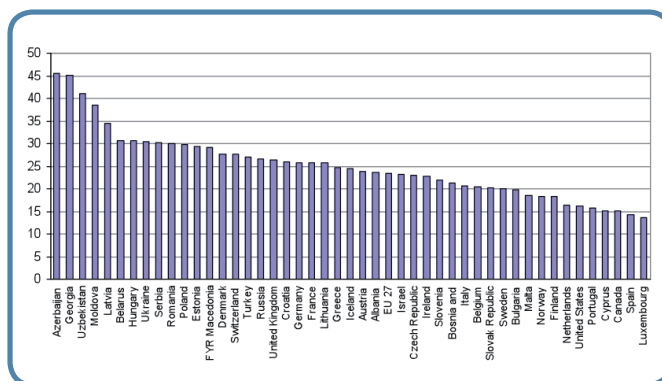
On top of this, in the public housing sector there needed to be special policies to encourage energy efficiency, and comprehensive retrofitting programmes needed to be instigated. Alongside these measures were needed to help remove fuel poverty, he said.

Martin Townsend, from BRE Global, said that the move to improve the standard of homes and grow the proportion of energy delivered by renewables could lead to the creating of millions of new “green collar” jobs. He illustrated his presentation with a number of examples where retrofitting works had delivered big fuel savings, and payback periods were often very short.

In simple terms he said social landlords had to start with insulating the fabric of the building, then ensure all the appliances were A-rated. The third step was then to look at generating energy directly via renewables.

In his presentation, the chair of the track, Corné Koppelaar, described how the latest IT systems and smart energy control systems could play a big part in saving energy and reducing water consumption. For example more accurate control of room temperatures can save 4-7%, reducing heating levels when a home is unoccupied can reduce energy demand by 5-20%, and reducing the average home temperature by 2 degrees can cut energy use by a tenth.

Professor Helmut Krapmeier talked delegates through the latest developments in the construction of Passive Houses in Austria. He showed that careful attention to detail, excellent levels of insulation and good air tightness can produce very energy efficient homes. Austria now leads the world the construction of Passive Houses, and they are increasingly becoming the “standard” for new homes.



Professor Krapmeier's presentation also demonstrated that it was perfectly possible to design a very attractive looking Passive House. They weren't just energy efficient; they were beautiful, light, healthy homes that residents found very comfortable to live in. On the second day of the conference the Sustainability Track kicked off with an inspiring presentation from Michael Scharp, the co-ordinator of the BewareE project. Michael and his team have been looking at awareness and educational programmes aimed at encouraging tenants to become more sustainable.

The results showed that if you wanted anyone to change their behaviours you needed to combine a number of key factors. Residents had to have enough knowledge about the facts and benefits of going green; they also had to become motivated – either by personally committing to do something, by the cost savings they might achieve or being “encouraged” by their peers. The third key factor was that they had to become conscious of their own responsibilities and their role in helping the planet. When you had all three of these forces acting on tenants there was a chance they'd change their behaviour, he said.

All around Europe different promotional campaigns had been tried. The ones that worked the best were:

- Campaigns where there was individual feedback for residents on how their homes were performing versus their neighbours. With one to one advice, monitoring and lots of feedback it was possible to deliver energy savings of up to 12%
- Campaigns where tenants were incentivised to save energy. If tenants get a bonus, or cheaper tariffs you can typically deliver savings of 7%.

He concluded that a really effective tenant awareness campaign could therefore potentially result in energy reductions of up to 19%, and he showcased some of the best campaigns that had been run to date, including an especially impressive programme in Finland called Motiva, and a clever energy consumption metering system that had been used in Karlsruhe, Germany. His presentation included many more examples of effective energy saving campaigns that had been trialled in the social housing sector.

Sara Kaplan and Johann Souvestre described the BUILDTOG programme; this is a project developed by EURHONET, a network of social housing providers from around Europe. In this project, a series of near-identical Passive Houses are to be built in Italy, France, the UK, Germany and Sweden. Each will be extensively monitored in terms of both performance and cost and the results will be compared in 2014 -16.

Three experts on the social housing sector in central and eastern Europe and the Baltic Sea region explained the particular challenges of delivering better energy standards in the existing social housing stock in these countries.

Sustainability track summary

In his summing up, Mr Corné Koppelaar, Managing Director of Global Habitat, said: “We had some excellent speakers – presenting both theoretical and practical case studies. The big value of this conference is that we can share this best practice.”

Mr Koppelaar said different countries had different approaches – some were focussing on reducing energy usage; others were looking at the generation of renewable energy. “We concluded that you should always start with reducing your energy consumption, and only when you have done that does it really make sense to look at renewables,” he said.



With housing being responsible for more than a quarter of all the world's energy use, the social housing sector had a duty to play its part, and our sector could help set an example for the private sector to follow. “We could make a real impact on the goals for CO₂ reduction that have been set by Governments,” he told the conference.

One of the biggest challenges was the retrofitting of existing homes, and the funding of the hugely expensive work that would be involved. But smart energy control systems and inexpensive tenant education campaigns can have a big early impact – between them they can reduce bills by 20% or more.

For new buildings, the Passive House approach was now well proven, he said, and the additional costs were modest and would be recovered in 5-10 years. What's more it was clear that Passive Houses could also exhibit high quality architectural standards.

“With the social housing sector responsible for some 60 million homes worldwide we can make a very big impact. I believe housing associations must not just make statements in their annual reports about their commitment to sustainability; they must turn those words into actions, and lead the whole housing industry forward in its efforts to reduce CO₂”.

Demographics – Track 3

Diane Diacon of the Building and Social Housing Foundation, opened the track with a focus on best practice on housing for older people worldwide. She emphasised that our current housing stock does not reflect the ageing population and its changing needs, and that this will have very real implications not only on quality and dignity of life, but on the economy too. She looked at case studies across a broad range of countries which offered different approaches to housing with care for older people.

The celebrated Professor Hans Becker captivated the audience with the story of the Humanitas Foundation and its revolutionary approach to care. Happiness, real choice and a sense of belonging as elements of equal importance to physical care lie at the root of his philosophy. Saying ‘yes’ to as many requests as possible, rejecting any form of institutionalisation or overt medicalisation and encouraging a collaborative collective approach to organisation are other core elements. In the words of one respondent to the ISH.SUM post-event survey: “Hans Becker for President!”.

Robyn Stone of IAHSa presented a fascinating case study looking at two very different approaches to offering “Senior Housing with Services”, one in Vermont, USA, and the other in Singapore. Both approaches facilitate “ageing in place” in the community; the social benefits in terms of improved well-being and health are clear, and the economies of scale mean very real savings.

Frank Köster rounded off day one by tackling the important issue of the mismatch between housing supply and demand. Looking particularly at the Netherlands and UK markets, he described “choice based lettings” as a model and the needs of the senior age group in particular. A key conclusion was that abandoning assumptions about what will suit a tenant and actually listening and working with them were crucial to creating contented and engaged communities.

On day two, Mirko Immendörfer and Sibylle Heeg introduced delegates to the ground-breaking Gradmann Haus near Stuttgart. The project is recognised as a test bed for cutting-edge research on the role of the living environment in promoting wellbeing for dementia sufferers. The design, which creates a warm and dignified living environment which minimises the alienation which so often exists with dementia, has seen significant results in residents’ standard of living and well-being.

The Housing Center in Belgrade was the subject of an interesting case study which looked at its work delivering Social Housing in Supportive Environments to, among others, refugees and Internally Displaced Persons. The local community has been vital in the process of helping integrate vulnerable people back into society.

The final session in this track was brought to us by the European Housing Forum, which looked at the impact of the EU on housing policy and presented its policy on social housing, with presentations covering issues including climate change and homelessness.

Demographics track summary

In his summing up, track chair Freek Lapré, from the European Association for Homes and Services for the Ageing, said that the presentations had been wide ranging, displaying best practice from all over the world. He said one of the early conclusions was that elderly people really wanted to stay in their own homes for as long as possible, and he said that this was increasingly possible – citing the example of Germany, where, with the right support, two thirds of people suffering with dementia now live at home. “It’s not rocket science,” he said. “People really do live longer and better quality lives in their own homes. And with an integrated approach to housing and care older people can enjoy energetic and useful lives.”

Mr Lapré said there was a role for planning communities for the elderly, but he also pointed out that these can also naturally form. This was the case in Singapore and in other cities, and it showed that certain building types – for example some urban high rise apartment blocks - could be adapted quite easily to meet the needs of the elderly.

The presentation from Belgrade was well received, he mentioned, and demonstrated the role of the wider community in helping to support older people.

He summed up with a plea for the EU to gather more data on the elderly and to formulate better policies on how to care for the growing numbers of elderly residents.

The organisers would like to thank the many speakers, sponsors and supporting organisations who helped make ISH.SUM possible. Thanks to all attendees for their support of this new conference for the sector; We hope to meet many of you again at future events.