

A transdisciplinary perspective on “Policy and Financing”

Deliverable 4.3

Lead Beneficiary: University of Zagreb – Faculty of Law (UNIZG)

Date: June 30, 2024 (m45)

Submission date: September 30, 2023 (m36)

Version: 1

Dissemination level: Public

www.re-dwell.eu



RE-DWELL “Delivering affordable and sustainable housing in Europe” has received funding from the European Union’s Horizon 2020 research and innovation programme under the Marie Skłodowska-Curie grant agreement No 956082

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RE-DWELL

Deliverable 4.3. A transdisciplinary perspective on “Policy and Financing”

Version 1

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0.2	15.11.2023	Gojko Bezovan (UNIZG), Marko Horvat (ESR6), Anna Martin (ESR7), Tijn Croon (ESR11), Alex Fernández (ESR12), Leonardo Ricaurte (ESR15)
0.3	09.12.2023	Gojko Bezovan (UNIZG), Marja Elsinga (TU Delft), Leandro Madrazo (La Salle-URL)
0.4	30.1.2024	Gojko Bezovan (UNIZG), Marko Horvat (ESR6), Anna Martin (ESR7), Tijn Croon (ESR11), Alex Fernández (ESR12), Leonardo Ricaurte (ESR15)
0.5	01.06.2024	Leandro Madrazo (La Salle-URL)
0.6	18.06.2024	Leandro Madrazo (La Salle-URL)
1.0	25.06.2024	Lisa Kinnear (La Salle-URL), proof-reading

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Executive summary

This report presents the work undertaken in Task 4.3 "A transdisciplinary perspective on Policy and Financing" which together with Task 4.1 "A transdisciplinary perspective on Design, Planning, Building" (Deliverable 4.1) and Task 4.2 "A transdisciplinary perspective on Community Participation" (Deliverable 4.2) constitute a core component RE-DWELL's Work Package 4 "Transdisciplinary affordable and sustainable housing research framework". The primary goal of these three tasks is to equip Early-Stage Researchers (ESRs) with the methodologies and tools necessary to conduct their research on affordable and sustainable housing from a transdisciplinary perspective.

The work contained in this document has been developed in parallel with the work reported in Deliverables 4.1 and 4.2. To carry out these three lines of inquiry along each of RE-DWELL's three intertwined research areas – "Design, Planning, Building", "Community Participation" and "Policy and Financing", 14 ESRs have been assigned to one of the three research areas most relevant to their research projects.

The process of the three lines of work has been as follows:

- Identifying key issues derived from the work conducted in the ESR research projects
- Deriving societal challenges related to the issues identified the research projects
- Interlinking challenges across the three research areas

Five research projects focusing on the area of "Policy and Financing" have identified key themes, including the residualisation of social and public rental housing, particularly in post-socialist countries, worsening housing affordability for vulnerable and middle-income groups; increasing inequality in acquiring housing assets, which exacerbates social class divisions and leaves renters in vulnerable positions with worsening access to decent affordable housing; the need for effective governance strategies to address energy poverty and ensure a just energy transition; tensions in the EU housing markets resulting from the introduction of market finance, which jeopardises social objectives by requiring social housing organisations to operate within market mechanisms; and the need to incorporate post-occupancy evaluation (POE) of social value into policy measures to ensure housing sustainability and improve well-being.

A transdisciplinary approach to affordable and sustainable housing requires the involvement of non-academic stakeholders who can leverage their knowledge and experience to identify and address housing problems effectively. To this end, the topics identified through the research projects are presented as challenges in accessible language to facilitate dialogue with a broad audience. Some of these challenges are the lack of political will to address the problem of affordable housing; bridging communication gaps between academic fields and non-academic sectors in order to develop effective housing policies and programmes for vulnerable populations; governments' untargeted response to the energy crisis hindering the realization of 'just transition' principles; collaboration between governments, investors, and housing providers, to promote innovation in ESG finance methods and measurement tools; and unlocking the potential of the Social Value Act to promote social value in the provision in the housing sector.

The report concludes by identifying several cross-cutting issues across the three RE-DWELL research areas that are critical for real-world activities aimed at providing affordable and sustainable housing and for future research:

- **Investment in affordable and sustainable housing.** Housing is becoming unaffordable to wider social groups, and housing crises have an increasingly unfavourable impact on individuals, families and society. Unaffordable housing in an unregulated housing market is a trigger for the migration of young people and families to more developed countries within the EU.
- **Strengthening housing provision for vulnerable social groups.** These are tasks for many cities and governments currently suffering the effects of the growing housing crisis which require action oriented-research on assets-based welfare, services for homeless people, housing allowance and housing initiatives in the community.
- **Improving access to capital markets for social housing organizations.** This is crucial in today's globalized capital market, which often overlooks initiatives promoting affordable and sustainable housing. This is especially pertinent given the trends of housing financialization and touristification.

To effectively tackle the complex challenges of affordable and sustainable housing, a comprehensive and inclusive approach is essential. By fostering collaboration among governments, investors, housing providers, and non-academic stakeholders, it is possible to develop innovative solutions and policies that ensure long-term sustainability and social equity in housing.

1. Introduction

The work contained in this report is part of the construction of a research framework for affordable and sustainable housing carried out with the objective of equipping Early-stage Researchers (ESRs) with the methods and tools necessary to conduct their research within a transdisciplinary perspective.

Through various activities carried out over the three years of the network—which include training and research in diverse environments—researchers have had the opportunity to integrate theoretical insights from various disciplines with their research objectives. This fostered the acquisition of skills to implement a transdisciplinary approach to address the challenges currently facing the provision of affordable and sustainable housing. The ultimate objective is to establish a shared language to link individual research with the expertise provided by scholars and professionals from the ten universities and twelve non-academic organizations involved in the RE-DWELL network, and to develop and apply methods that facilitate dialogue between experts and non-experts in real-world cases aimed at addressing contemporary housing issues.

The main purpose of Work Package 4, “Transdisciplinary Affordable and Sustainable Housing Research Framework,” is to facilitate the creation of interlinks among the ESRs’ projects across the three intertwined research areas that make the RE-DWELL comprehensive approach to housing –“Design, Planning, and Building” (Deliverable 4.1), Community Participation” (Deliverable 4.2) and “Policy and Financing” (Deliverable 4.3)– , spanning across academic and non-academic realms (Figure 1).

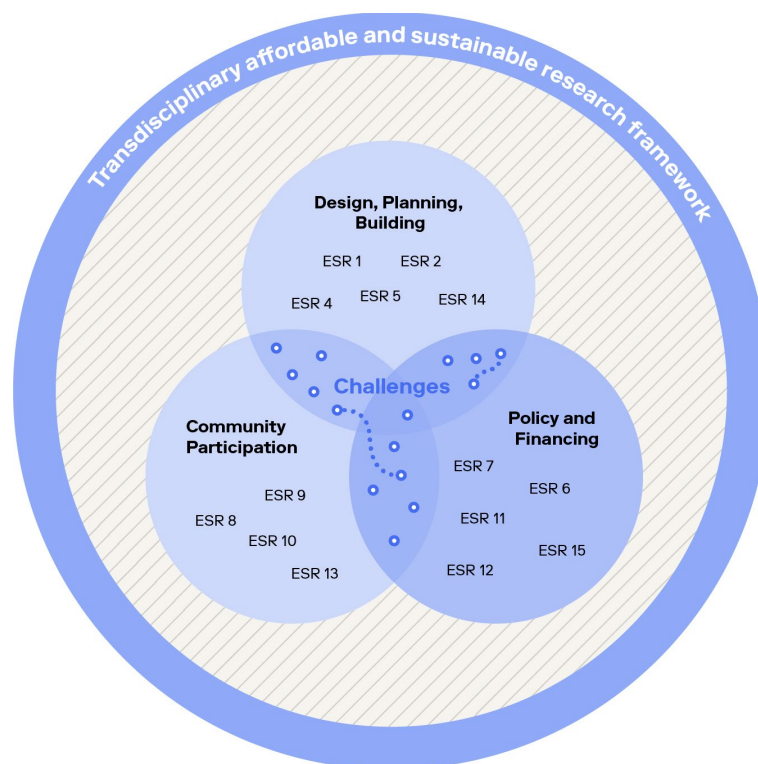


Figure 1. RE-DWELL's transdisciplinary research framework highlighting challenges arising from the interaction among three research areas, with a focus on “Policy and Financing”

As a result of the activities carried out in the network, a rich research environment has been created through the interweaving of the ESRs' projects and their interactions with academic supervisors and non-academic partner organizations. Following a bottom-up approach, the construction of this environment started with the ESRs' research projects (Figure 2). At the outset, the fifteen projects addressed multiple issues related to the provision of affordable and sustainable housing which potentially spans various domains and involves diverse professional fields (e.g. "Tensions between affordability and sustainability and the implications for vulnerable groups", "Lifecycle cost analysis and socioeconomic impact of existing social housing construction methods").

Throughout the activities conducted within the network, various components of the transdisciplinary research framework were introduced and interconnected:

- A [vocabulary](#) (Deliverable 4.4) consisting of definitions of key terms stemming from the individual research, and [case study library](#) (Deliverable 4.5) of relevant examples related to the RE-DWELL multidisciplinary approach to affordable and sustainable housing started to be collaboratively created at the start of the network activities and continued until their end.
- The research conducted by ESR projects related to each of the three intertwined research areas and complemented with their secondments, converging into a set of societal challenges (Deliverables 4.1, 4.2 and 4.3).
- Research on transdisciplinary methodologies within Deliverable 4.6 "Transdisciplinary research framework" provided a tripartite structure of systems, target and transformational knowledge to be used as shared language between stakeholders involved in real-world housing initiatives.
- The application of the framework components to specific cases, with local stakeholders, participatory techniques, including serious games and focus groups (Deliverable 4.7).

During the development of the collaborative research, throughout courses, workshops and field studies, these components became interlinked in multiple ways.

- Vocabulary terms and case studies relationships are linked on the website.
- Challenges are the result of both the scientific research undertaken within ESRs projects and the insights provided from non-academic stakeholders, including partner organisations and third-parties contacted by researchers in the course of their project.
- Participatory activities implemented in real-case scenarios applied the knowledge gained during the development of a shared language.

Ultimately, the goal of this transdisciplinary research work carried out by the network is to have a societal impact on stakeholders involved in the provision of affordable and sustainable housing. With this purpose, Deliverable 5.16-17 "Exploitation Plan" will develop strategies and communication campaigns specifically directed at exploiting the research findings in non-academic sectors (administration, industry, community).

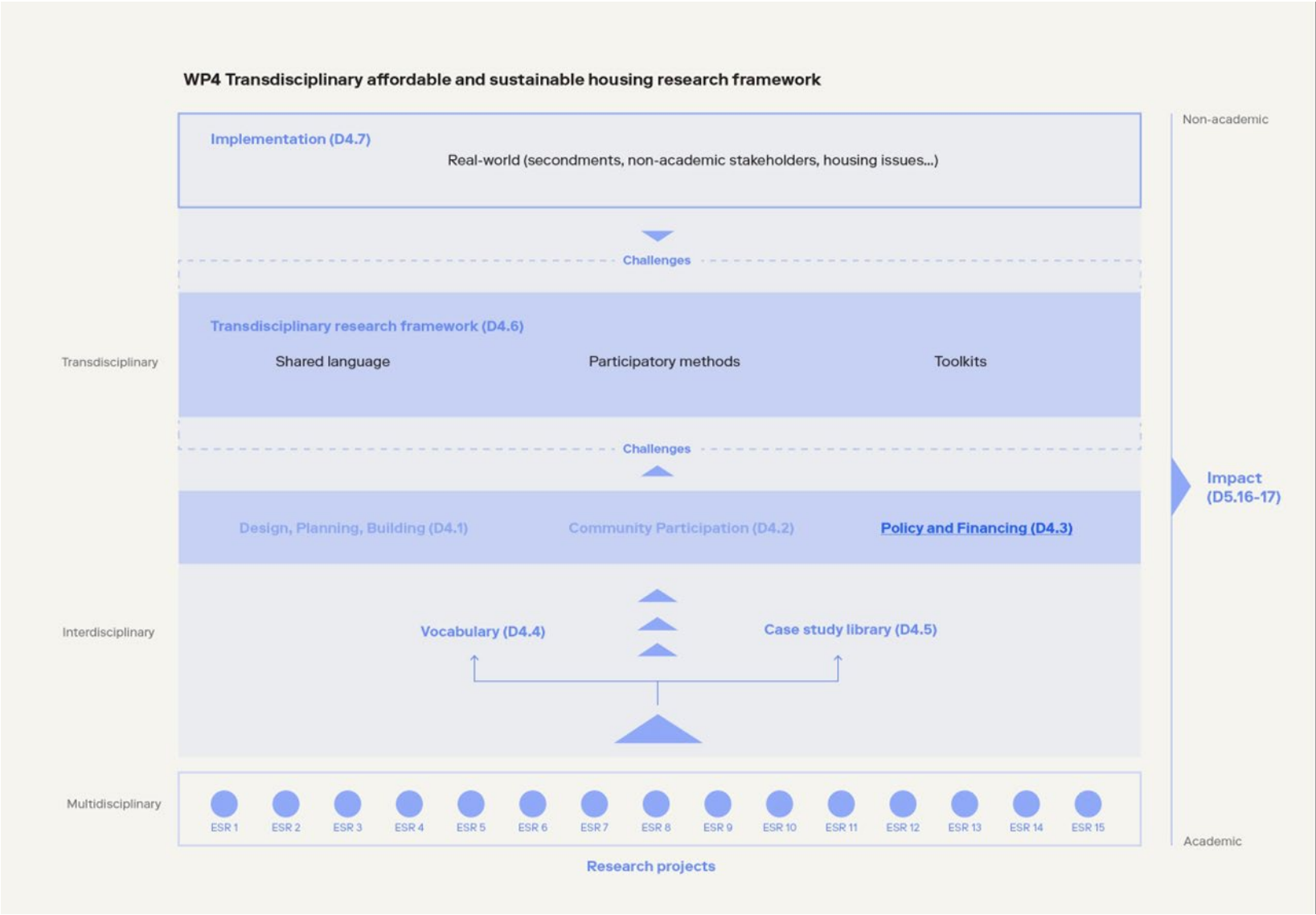


Figure 2. Components of the transdisciplinary research framework

Interrelated research areas

“A transdisciplinary perspective on Policy and Financing” is one of the lines of inquiry carried out within WP4 aimed at identifying research pathways cutting across three research areas – the other two being “Design, Planning, Building” (Deliverable 4.1) and “Community Participation” (Deliverable 4.2) – which are intertwined in the transdisciplinary research on affordable and sustainable housing conducted by early-stage researchers in the RE-DWELL innovative training network.

The research area of “Policy and Financing” examines the interplay between legislative frameworks affecting affordable and sustainable housing and the financing mechanisms driving the housing market. Regulations governing land use, environmental standards for buildings, rent control and stabilization laws, tax incentives, and public housing programs play pivotal roles in shaping the landscape for affordable and sustainable housing. Financing mechanisms such as subsidies, grants, loans, tax incentives, and public-private partnerships are essential for supporting these efforts. A combination of public-led initiatives and private sector involvement is crucial for developing comprehensive strategies that address housing needs while ensuring affordability and sustainability. These policy and financial issues influence housing projects (“Design, Planning, Building”), impacting decisions from site selection and architectural design to construction methods and materials procurement, while legislative frameworks can facilitate the integration of residents’ insights into design choices and foster community ownership of sustainable housing solutions (“Community Participation”).

The work contained in this document has been developed in parallel with the work reported in Deliverables 4.1, “A Transdisciplinary Perspective on Design, Planning, Building,” and 4.2, “A Transdisciplinary Perspective on Community Participation.” The work carried out along these three lines focuses on one of the research areas while aiming to identify issues in the other two, with which they can be interrelated, in order to gain a comprehensive understanding of the challenges involved in providing housing that is both affordable and sustainable.

The process followed in the three reports has been as follows:

1. Identifying key issues derived from the work conducted in the ESR research projects
2. Deriving societal challenges related to the issues identified in the research projects
3. Interlinking challenges across the three research areas

To carry out the three lines of work, the 14 ESRs were assigned to the areas which were most relevant to their research projects, as reflected in Table 1.

Table 1. ESRs and research areas

Research area	ESRs
Design, Planning, Building	Annette Davis (ESR1) Saskia Furman (ESR2) Aya Elghandour (ESR4) Mahmoud Alsaeed (ESR5) Carolina Martín (ESR14)
Community Participation	Andreas Panagidis (ESR8) Effrosyni Roussou (ESR9) Zoe Tzika (ESR10) Androniki Pappa (ESR13)
Policy and Financing	Marko Horvat (ESR6) Anna Martin (ESR7) Tijn Croon (ESR11) Alex Fernández (ESR12) Leonardo Ricaurte (ESR15)

2. Structure of the report

The working process transitioned from individual research projects to societal challenges spanning across the three research areas as reflected in the structure of this report (Figure 3).

Section 3 introduces some of the key research issues encompassed in the subject area of "Policy and Financing," which are derived from the work conducted by ESRs. It is divided into three subsections: a summary of the research projects, including research questions and expected outcomes, and a literature review on key issues related to the research topic.

Based on the knowledge gained throughout their research projects, as well as in the activities within RE-DWELL, researchers have identified a series of societal challenges, presented in Section 4. The description of the challenges includes the actors, methods, and tools involved, as well as the related entries in the shared vocabulary and case study library.

In Section 5, each challenge identified within the area of "Policy and Financing" is related to challenges proposed by researchers working on the other two research areas, "Design, Planning, Building" and "Community Participation".

Finally, Section 6 contains a reflection on the work done and suggests directions for future research.

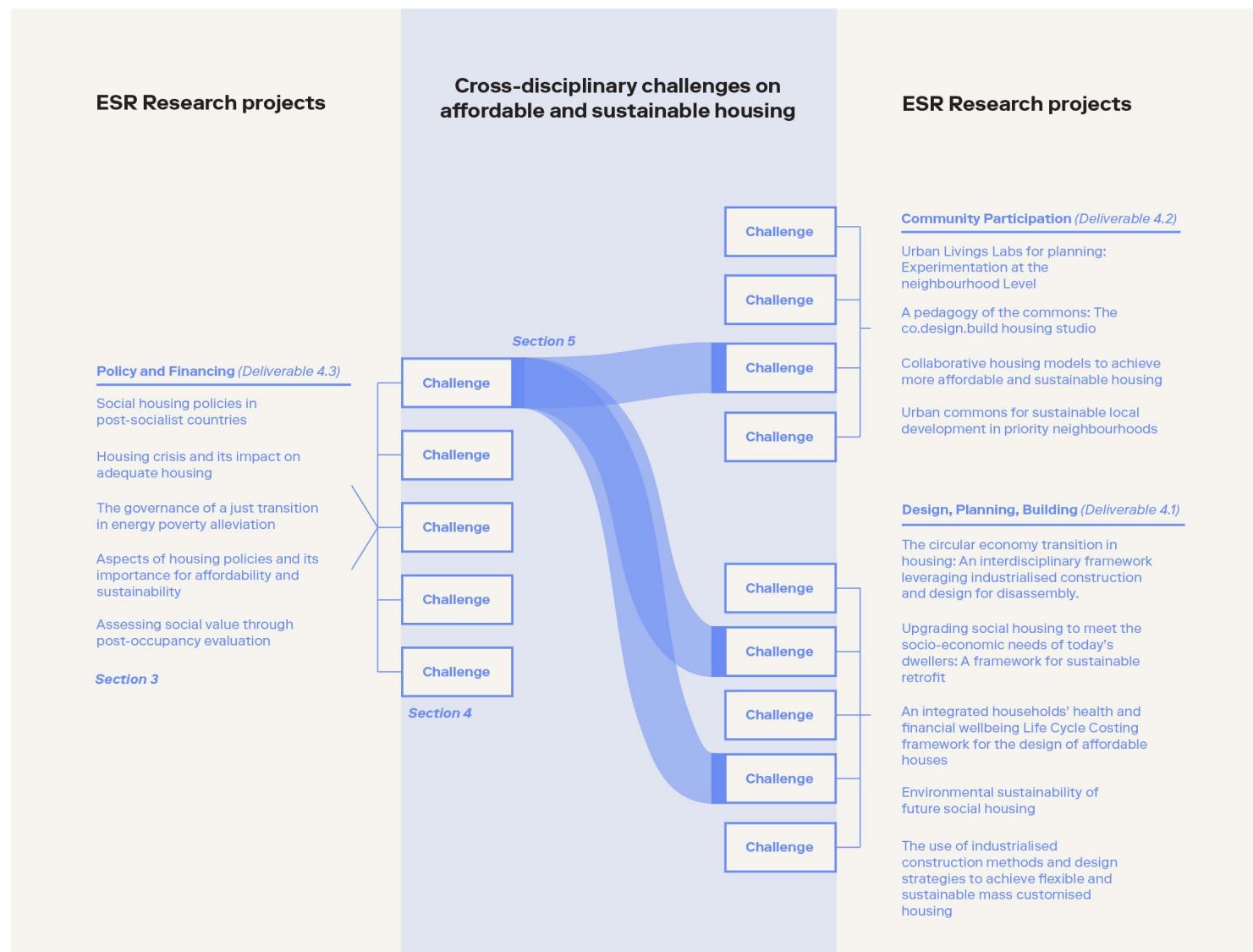


Figure 3. Working process and structure of the report

3. Research projects

In this section, each of the five early-stage researchers focusing on “Policy and Financing” provides a summary of their research work and synthesizes the literature review on the key topics related to it.

3.1. Social housing policies in post-socialist countries

by Marko Horvat (ESR6)

3.1.1. Research project

New global trends are shaping the European housing market. Population is rapidly concentrating in larger urban areas, leading to higher housing demand. In the absence of housing policies and regulations, housing markets are becoming speculative and unstable, affecting vulnerable groups in particular. While developed European countries have adopted policies, some post-socialist countries are struggling to establish a policy framework that ensures affordable and sustainable housing for rent and ownership. Slovenia, Croatia and Slovakia have undergone economic, social and political transformation with the fall of socialism. With the transition to a market economy, the housing market was liberalised. Extensive privatisation created a society of homeowners, making social and public rental housing residual tenures in circumstances of familism, and intergenerational solidarity with financialization of housing market.

Since the “modernisation” in the early 1990s, some former socialist countries have shaped their institutions differently according to current needs and priorities and have taken different approaches to institutionalise and shape social housing policies.

This research aims to compare the development and response process in Slovenia, Croatia and Slovakia in relation to housing policy development since the fall of communism. The comparison includes the national and capital city level, analysing affordability and sustainability for the general population and for vulnerable groups, especially the homeless. The theoretical approach applied to understand the different processes in each country is the historical-institutionalist approach (path dependency). The methodology guiding this research is social constructivism in transdisciplinary perspective. The method of comparison is guided by a qualitative design of the most similar systems in combination with comparative process tracing, while the data collection methods are literature review and policy analysis, database analysis and semi-structured interviews with identified relevant experts and stakeholders at national and local levels.

Research questions

1. What were the differences in housing provision between Croatia, Slovakia and Slovenia after the recent market liberalisation and recent financialization, and how did they impact social and public rental sector? What were the differences between capital cities?
2. What was the impact of measures to increase social rental housing sector and how do they compare across countries? How successful were Croatia, Slovakia and Slovenia in providing social rental housing?
3. What are the recommendable measures that could benefit each of the national housing regimes in improving housing affordability and sustainability?

Expected outcomes

The expected outcome of this research is to elucidate the primary differences in housing policy development between Slovenia, Croatia and Slovakia, emphasizing affordability and sustainability since modernization. The study aims to identify specific policy responses and events that facilitated national and local governments in formulating effective strategies to tackle these issues. It seeks to examine the enabling or disabling conditions within various national and local contexts and explore how successful measures, policies and strategies can be replicated and expanded in other contexts.

3.1.2. Literature review

Home ownership is the predominant form of tenure throughout Europe. While it may vary in size compared to other tenures like private market rent, social rent, public rent or various forms of co-housing, it remains a desirable form of tenure, especially in post-socialist countries (Stephens & Hick, 2022). Housing is more than just a roof over one's head. Due to recent financialisation of housing, it is increasingly being perceived as a commodity for generating income through renting or selling, and as a means of wealth storage (Fernandez & Aalbers, 2016). At the same time, urban population growth worldwide intensifies property prices, adversely impacting housing affordability.

Social rental housing is usually run by a non-profit operator, public sector or civil society organisation, whose main objective is to provide affordable housing to the population that cannot afford to rent or buy on the private market. Access to social rented housing across Europe hinges on household income, composition and housing characteristics like size and location (Hegedüs, 2013). Research indicates that in countries with well-developed social and public rental sectors, achieving affordable housing is more feasible compared to those with residual systems (Vols, 2022). Residualisation of social and public rental housing presents a significant challenge for post-socialist countries (Hegedüs, 2013).

The European Construction Sector Observatory (ECSO) (2019) highlighted barriers to improving housing affordability and sustainability in EU Member States (MS). One such barrier is government regulation of the rental market, including rent control, which can involve freezing nominal rents or allowing gradual increases based on inflation rates. Relaxing rent regulation might stimulate investment in the rental segment, potentially enhancing affordability (p. 45). However, this may only be the case for certain MS. For instance, Croatia lacks rent restrictions, contributing to an overheated housing market with historically high private rent levels, which adversely affects affordability.

Several obstacles hinder efforts to improve housing affordability, including strict regulations on new housing construction, which make finding suitable land for affordable housing difficult in urban areas. Efforts by regulators to increase the supply of well-developed land could be a positive step forward, particularly in Croatia where many central locations in cities have enormous potential resources like brownfield sites suitable for residential conversion.

Another significant barrier is the lack of political will at local and national levels to address housing affordability. Especially in regions with high rates of homeownership, policies that may undermine the prosperity of the majority of the population are often unpopular, while narrowly focused social policies alone provide limited benefit unless integrated into broader welfare initiatives (Korpi & Palme, 1998).

Moreover, the absence of a supportive investment climate for affordable housing exacerbates the situation. In the EU, public spending on social housing amounted to 0.6 per cent of GDP in 2017, a decrease from approximately 0.9% in 2010. If this is an indicator of a trend, the future of affordable housing for low- and middle-income people looks bleak (ECSO, 2019).

Social rental housing in selected post-socialist countries

Post-socialist countries, such as Croatia, Slovenia and Slovakia, exhibit certain common features in housing provision, characterized by predominant ownership (over 90% owners) stemming from mass “give-away” privatisation that took place in the early 1990s. This process entrenched path-dependent political trajectories that hindered shifts towards greater social and public rental provision (Bežovan 2013; Stephens et al. 2015), exacerbating social inequalities. Tenants in state housing had the unique opportunity to purchase flats at significantly reduced prices with favourable credit terms, further contributing to disparities. Additionally, young populations without housing inheritance and lower employability are often

relegated to private rental housing (Hegedüs, Lux & Horvath, 2018). According to Lux & Sunega (2013), there was, and perhaps still is, a severe lack of needs assessment in housing policies, exemplified by the “privatisation trap” inherited from the socialist era, which compelled politicians to offer public housing only for sale to all sitting tenants at a give-away price, rather than limiting it to influential individuals. This institution was inherited from the socialist system and the pressure to privatise newly built public and social rental housing is still present (Mandič & Hrast, 2015).

In Croatia, a notable peculiarity is the absence of public discourse on housing affordability. Local authorities often propose policies that are not supported by research and undergo insufficient public consultation, typically limited to superficial “pro forma” processes. Existing social rental housing units are financially unsustainable, as the rent per square meter amounts to 36 euro cents, leaving no resources for building maintenance. Furthermore, there is a lack of influential civil society organisations advocating for affordable housing, and the national housing strategy, expected to be finalized by 2024 or even 2025, covers only up to 2030 and will not be publicly available until completion. Housing affordability primarily impacts low-income populations and young families unable to afford high housing prices with current salaries, leading to a detrimental demographic impact as individuals increasingly migrate from Croatia (Bežovan & Jakovčević, 2023).

Slovenia embarked on a more organized path towards affordable housing provision following its national independence, distinct from the turmoil faced by Croatia and with early integration into the EU and Eurozone. It implemented a fairer privatization process through the establishment of a National Housing Fund, which reinvested a portion of privatization profits into public and social rental housing. Slovenia now maintains a clear housing strategy, robust maintenance and management systems for existing housing stocks, and a reliable financing mechanism for new projects (Cirman & Mandič, 2013).

In contrast, Slovakia, on the other hand, Slovakia experienced a different trajectory with its privatization, which did not involve a significant sell-off of state-owned housing at discounted rates as seen in Croatia and Slovenia (Hojsik, 2013). Prices during the privatisation were around 15-20 percent below market rates, and most of the housing stock was in bad condition. Privatisation reduced publicly owned housing to just 2.8 percent by 2008, down from nearly 50 percent in the socialist period. In 2018, Slovakia's commitment to addressing affordable housing challenges was evident when it coordinated the Housing Partnership of the Urban Agenda for the EU in 2018. The national policy framework, Housing Policy 2030, outlines Slovakia's strategy to provide adequate housing and address affordability issues for homeowners in need (Ministry of transport and construction of the Slovak Republic, 2017).

In conclusion, the challenge of addressing affordable housing is more pronounced in Croatia compared to Slovenia and Slovakia, primarily due to a lack of political will and minimal investment in social and public rental housing. This situation leaves both low-income and increasingly middle-income populations with limited housing options: purchasing homes is prohibitively expensive, and the private rental market is constrained by short-term rental trends. As a result, individuals may opt to move abroad where salaries are higher and housing markets more functional, or they may rely on family support, potentially leading to overcrowding and contributing to negative demographic trends.

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3.2. Housing crisis and its impact on adequate housing

by Anna Martin (ESR7)

3.2.1. Research project

In 2021, the European Parliament addressed the housing crisis by urging Member States (MS) to recognize adequate housing as a fundamental human right. Achieving adequate and affordable housing across Europe is closely tied to both European and international politics. However, success largely depends on MS willingness to exercise discretion and establish new standards for housing policies that prioritize social inclusion, address regional and social inequalities, promote economic effectiveness, and ensure environmental protection.

This research aims to investigate the current housing crises in Europe from a transdisciplinary perspective, examining both individual and societal levels. It will demonstrate how factors such as income, employment, household composition, and health status interact with structural elements like economic conditions, government policies, and social inequalities to contribute to housing issues. The research encompasses the following topics:

- A comparative study of the main causal mechanisms underlying and conflicting paradigms affecting housing as a commodity in Croatia and Hungary. Despite optimistic post-World War II expectations, social and territorial inequalities have increased, leading to the emergence of a new housing precariat amid unstable middle-class socio-economic positions in both countries. The research employs a particularistic approach to juxtapose and analyse the unique dynamics of each country.
- Clashing vulnerabilities for the right to adequate housing affordability is a primary driver of precarity, affecting both upward and downward social mobility. Middle-income individuals increasingly struggle to afford suitable housing, facing safety concerns and accessing substandard living conditions due to liberalized labour markets or reduced welfare state support. Concurrently, homelessness and evictions are on the rise. The research aims to clarify misunderstandings around the precariat concept and explore the implications of a risk society, focusing on vulnerabilities between marginalized groups and downwardly mobile middle-class individuals competing for limited resources.
- A study on the role of trauma-informed design in the housing sector. It acknowledges the profound impact of the built environment on mental, emotional, and physical well-being particularly among individuals with complex needs. The research synthesizes insights from both academic and non-academic sectors, especially within housing and care, to examine the opportunities and challenges of integrating psychologically informed design principles. Lastly, it advocates for the incorporation of these principles into effective and sustainable social housing programs at European, national, and local levels.

Research questions

1. What has changed over the last two decades regarding subsidies, funding, and strategies to provide affordable housing options for low- and middle-income families in Hungary and Croatia?
2. What are the new types or forms of the housing precariat?
3. How can we prioritize the welfare needs of certain groups?
4. How can trauma-informed design principles be implemented in supportive housing to improve the mental health and well-being of residents?

Expected outcomes

The expected outcomes include a comparative study to offer a critical and descriptive overview, highlighting transferable good practices and policy measures as well as a new typology of the housing precariat to explore how labour market positions can affect housing situations. It also seeks to establish a conceptual basis through a concept paper for further empirical studies that will investigate the positive impacts of applying psychologically informed design methods, paving the way for future research in the field of housing and well-being.

3.2.2. Literature review

Since the early 2000s, housing researchers have increasingly focused on the role of domestic property in welfare provision and its implications for welfare policies. Current research is situated within the broader concepts of asset-based welfare, examining inequalities in asset ownership that contribute to economic security disparities. Discussions of inequality often lead to considerations of social class. The notion that property ownership is integral to class dynamics aligns with Weberian perspectives (Weber 1987, 1991), where ownership of assets—or property—is seen as a defining feature. However, neo-Weberian class theories emphasize individuals' positions within the social division of labor as more crucial than the assets they possess. As Adkins and colleagues argue, "That class is primarily defined by employment and occupation is widely accepted in social scientific discourse" (Adkins et al., 2021, p. 562).

In his 1971 book, the Weberian sociologist of class, Frank Parkin, allocates only two pages to the discussion of property ownership as a factor in class formation (Parkin, 1971). He acknowledges that property ownership is more unequally distributed than work income. However, Parkin argues that this disparity does not critically influence class formation because property ownership is highly concentrated among a small segment of the population. And he goes on to assert that property does not serve as the primary source of income for the majority of people. Over the long term, Parkin observes, Western societies have experienced a trend where the proportion of national income derived from property has declined relative to income from employment (Parkin, 1971, p. 24).

Moreover, Parkin contends that a very wealthy elite that perpetuates inequality through inherited property does exist, yet he views its impact on class divisions as marginal. More important is the 'accumulation of modest wealth on the part of those in well-rewarded occupations (Parkin, 1971, p. 24). Therefore, the property differences that are most consequential for class divisions are intricately linked with occupational positions. While Parkin acknowledges property as a factor in forming social classes, he underscores its significance as derived from the division of labor within contemporary capitalist societies.

Since 1971, significant changes have occurred in the dynamics of income distribution, as highlighted by Thomas Piketty in his influential work "Capital in the Twenty-First Century" (Piketty, 2014). Piketty argues, supported by extensive evidence from Europe and America, that the distribution of national income between property (capital) and income from employment (labour) has undergone crucial shifts in wealthy nations. In the 1970s, capital income typically accounted for 15-25 percent of national income, whereas by 2000-2010, its share had risen to 25-30 percent (Piketty, 2014, p. 222). This increase underscores how ownership of property has become a more significant source of income over time. Therefore, Piketty expresses concerns that these trends could lead to "terrifying" levels of income and wealth inequality in the long run, as the return on capital tends to exceed the overall economic growth rate. These insights challenge earlier perspectives, suggesting that the role of property in shaping economic disparities has intensified in contemporary societies.

Piketty's theory on capital is highly relevant to understanding housing as a class determinant due to his broad definition of "capital" as encompassing all nonhuman assets that can be

owned and exchanged on the market (Piketty, 2014, p. 46). This includes not only productive capital but also residential real estate, which provides housing services valued by their rental equivalence (Piketty, 2014, p. 48). In wealthy countries, residential property constituted a significant portion of total capital in 2010, accounting for half of all capital (Piketty, 2014). MacLennan and Miao (2017) discuss how Piketty's insights apply to housing studies, noting that housing wealth has increased over the past decades and is concentrated among older and higher-income households. This trend has contributed to a widening gap "between those who have housing assets and those who have none" (MacLennan & Miao, 2017, p. 139). Thus, Piketty's framework challenges traditional economic views by highlighting the centrality of housing wealth as a determinant of social and economic inequality, underscoring its impact on defining class boundaries in modern societies.

Adkins, Cooper, and Konings (2020) advance a novel perspective on social class, emphasizing that the primary determinant of inequality today is not solely the employment relationship but rather the ability to acquire assets that appreciate faster than inflation and wages. While employment remains crucial in facilitating asset acquisition, such as through the ability to obtain a mortgage, it is now just one factor among several shaping class dynamics (Adkins et al., 2020, pp. 5-6). Their analysis underscores the significance of housing assets, which are more widely distributed across the population compared to financial assets but still contribute significantly to wealth disparities. They argue that housing assets "appreciate by far more in a given year than it is possible for middle-class wage earners to save from wages" (Adkins et al., 2021, p. 549). This trend challenges orthodox class theories that primarily focus on occupation and employment as the sole criteria of class, suggesting that these theories are outdated in the context of contemporary economic dynamics. .

Consequently, in light of these findings, a contemporary class theory must integrate both asset ownership and occupational divisions, distinguishing clearly between wage earners and non-wage earners. Adkins et al. (2020) categorize housing asset owners into three primary classes: (1) Investors, (2) Outright Homeowners, and (3) Homeowners with Mortgages. Within each of these classes, distinctions are made based on whether individuals derive income from a salary or not. Additionally, each class category is further subdivided into those who own investment properties and those who do not. Individuals who do not own housing assets are classified either as Renters or Homeless. This framework illustrates the intricate interplay among asset ownership, income sources, and housing status, which collectively shape contemporary social stratification.

Adkins and her co-authors' theory bears resemblance to housing class theories, particularly the Saundersian variant (Saunders, 1984). Their approach aligns with the fundamental premise of housing class theory: individuals' housing market circumstances, especially their tenure status, delineate social classes. However, Adkins et al. (2020) focus strictly on describing "the social logic of stratification and inequality" in modern societies (p. 83), devoid of assumptions regarding the agency of these classes, a hallmark of Rex and Moore's housing class theory (Rex & Moore, 1967).

In conclusion, contemporary class theories need to integrate the interplay between asset ownership and occupational divisions to accurately reflect social realities. Traditional class theories are increasingly challenged by the central role of housing assets in shaping contemporary class dynamics, thereby emphasizing their role in perpetuating social and economic inequalities across various societal strata. This also underscores the evolving nature of class analysis in response to shifts in economic conditions and societal structures.

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3.3. The governance of a just transition in energy poverty alleviation

by Tijn Croon (ESR11)

3.3.1. Research project

Energy price volatility is expected to remain high due to geopolitical uncertainty and the ongoing shift towards low-carbon energy generation. However, the impact of price spikes varies across society, disproportionately affecting households with lower incomes, limited savings, and less energy-efficient homes. Energy poverty, characterized by the inability to secure sufficient domestic energy services, poses severe challenges to livelihoods. Consequently, addressing energy poverty has become a focal point in policymaking and research, particularly within the context of the European Green Deal.

This project aims to explore how European policymakers can effectively target vulnerable households at risk of energy poverty, to ensure that the transition to low-carbon housing is perceived as a 'just transition.' It seeks to contribute to our understanding of 'recognitional justice' in several ways. Firstly, it highlights the value of poverty gap indices in assessing the intensity and inequality of deprivation stemming from energy poverty. Secondly, it examines various strategies employed by government and social housing providers in France, the UK, and the Netherlands to alleviate energy poverty. Finally, it proposes a multilevel governance framework that identifies and discusses the roles and responsibilities of different actors in European energy poverty alleviation.

The research combines quantitative and qualitative research methods, incorporating innovative transdisciplinary approaches that involve collaboration with non-academics. By integrating recognitional justice into policies across diverse levels of governance, it aims to foster a more inclusive and informed decision-making process. Through these efforts, the goal is to enhance the identification of energy poverty, improve the effectiveness of alleviation policies, and bolster public accountability among responsible stakeholders. Ultimately, the project strives to contribute to ensuring decent housing for all.

Research questions

- 1 How can the use of energy poverty gap indices enhance the identification of energy poverty, and therefore substantiate effective policies?
- 2 How do social housing professionals in France, England, and the Netherlands perceive and utilise targeted approaches to alleviate energy poverty among tenants?
- 3 What are the driving characteristics behind the 'pre-bound effect'?
- 4 To what degree do the policy formulation processes of the 'Social Climate Plans' of EU Member States demonstrate alignment with the principles as set out in justice theory?
- 5 What does the multilevel governance structure of European energy poverty alleviation efforts entail?

Expected outcomes

The research aims to enhance energy poverty policy effectiveness, provide practical strategies for alleviation, understand factors influencing energy consumption, assess policy alignment with moral foundations, and analyse current governance structures. The research impact will be maximized through publications in peer-reviewed journals, development of whitepapers in collaboration with Housing Europe and EFL, and presentations at conferences, knowledge institutions, and government offices. Ultimately, these efforts aim to inform policy adjustments and targeted interventions that significantly alleviate energy poverty across Europe, thereby advancing affordable and sustainable housing for all.

3.3.2. Literature review

The concept of 'justice' has long been central to philosophical discourse, with contemporary discussions particularly influenced by Rawls' ideas (Velasquez et al., 1990). Rawls (1971) argued that societal harmony depends on perceived fairness within political institutions. He articulated 'justice as fairness' to denote the equal provision of basic liberties and political rights, alongside the 'difference principle', which advocates unequal distribution of resources to benefit the most 'disadvantaged' (Rawls, 1971, p. 266).

Schlosberg (2004) expands on Rawls by identifying three vital components for the conceptualisation of environmental justice: distributive, recognitional, and procedural justice. Distributive justice aligns with Rawls' difference principle, focusing on the fair allocation of burdens and benefits among stakeholders, encompassing financial resources, risks and capabilities. Recognitional justice serves both as a condition of justice, addressing distributive injustice rooted in inadequate recognition of diverse starting positions, and as a stand-alone component that addresses culturally or symbolically ingrained inequities in representation, interpretation, and communication. Fraser (1997) distinguished between three forms of misrecognition: cultural domination, nonrecognition (or 'invisibility'), and disrespect (or 'stereotyping'). Procedural justice emphasises the inclusion of various stakeholders, especially the least advantaged, in governance processes to ensure a diversity of perspectives and equitable policymaking. This procedural justice framework highlights three core elements: accessible processes, transparent decision-making with avenues for contestation, and complete impartiality (Gillard et al., 2017).

McCauley and Heffron (2018) advocated for integrating justice frameworks from environmental, climate, and energy domains into the 'just transition' concept, extending its applicability beyond its origins in labour unions (Hennebert & Bourque, 2011). Newell and Mulvaney (2013) stressed its relevance in mitigating adverse impacts on vulnerable livelihoods during the global low-carbon transition, particularly affecting those in poorly insulated housing facing financial strain and health issues due to escalating fossil fuel prices (Santamouris et al., 2014). Building on Schlosberg's principles, they underscored the importance of ensuring visibility, voice, and adequate compensation for the least advantaged. However, critiques argue that the current discourse often perpetuates capitalist power imbalances and lacks sufficient grassroots engagement (Bouzarovski, 2022).

This research project is grounded in justice theory, particularly aligned with recognitional justice as defined by Fraser (1997), aimed at preventing the 'invisibility' of deprivation. It seeks to enhance the identification of energy poverty while also examining the distributive impacts and participative foundations of targeted alleviation policies at different governance scales.

Multilevel governance

The preceding section outlined the evolution of the concept of just transition from a 'labour-oriented concept' to an 'integrated framework'. However, Wang and Lo (2021) expand on its significance as a governance strategy. Governance is defined here as "the processes and institutions, both formal and informal, that guide and restrain the collective activities of a group" (Hira & Cohn, 2003, p. 15). This concept proves valuable in understanding transitions because it acknowledges the increasing complexity of multilevel institutional structures, processes, and relationships influencing sociotechnical systems such as housing and energy provision (Moss, 2009).

After World War II, there was a widespread acceptance of state interventionism in Western societies, governments started shifting from exercising absolute constitutional powers to adopting roles as facilitators and collaborative partners (Rhodes, 1997). This transformation, occurring gradually over a few decades, eventually gave rise to the notion of 'governance'

characterised by 'interactive social-political forms of governing' (Nag, 2018, p. 124). Today, major societal challenges such as climate change and alleviating energy poverty necessitate collaboration and coordination among diverse stakeholders at local, national, and international levels (Seebauer et al., 2019). Effective governance across these levels is essential to allocate resources efficiently as well as align and integrate policies (Lakatos & Arsenopoulos, 2019).

Delina and Sovacool (2018) highlight a critical governance challenge: the tension between 'temporality', the urgency to increase the speed of the energy transition, and 'plurality', the diversity of stakeholders and interests within a multi-level system. The former often comes at the expense of the latter, excluding historically marginalised groups from the process. Several studies note that when efforts to hasten transitions clash with goals of procedural justice, which require inclusive participation of vulnerable stakeholders (Ciplet & Harrison, 2019; Skjølsvold & Coenen, 2021).

Targeted energy poverty alleviation

Vulnerability – or 'disadvantage' in Rawlsian terms – holds significant importance in the framework of the just transition theory, where energy poverty stands as an omnipresent. While definitions differ, we derive its meaning from Bouzarovski and Petrova (2015, p. 33), who characterise it as "the inability to secure or afford sufficient domestic energy services that allow for participation in society". This definition extends beyond mere heating concerns to encompass essential energy needs such as cooling, particularly in warmer climates (Thomson et al., 2019). Additionally, it embraces a socially and culturally contingent comprehension of participation in society (Middlemiss et al., 2019). Previous studies have demonstrated energy poverty's negative impact on physical health (Liddell & Morris, 2010), mental health (Liddell & Guiney, 2015), stress (Longhurst & Hargreaves, 2019), social isolation (Harrington et al., 2005) and absenteeism (Howden-Chapman et al., 2007). In sum, many of its drivers and consequences of energy poverty reinforce each other, which is why it is often described as a 'wicked problem'.

Governments and other stakeholders are increasingly focusing on energy poverty as a central point for directing support and relief policies. An example is the EU's Social Climate Fund, which will use revenues from the extension of the emission trading scheme (ETS-2) to provide direct financial support to energy-poor households and subsidise their renovations. This initiative is guided by the principles of a just transition and ensuring that no one is left behind (European Commission, 2021a, 2021b). The rationale behind this approach lies in the potential drawbacks associated with universal support, which can often prove financially burdensome, unsustainable, and even inflationary (Arregui et al., 2022). Nonetheless, effectively targeting such a complex concept presents formidable challenges, which this research aims to explore.

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3.4. Aspects of housing policies and their importance for affordability and sustainability

by Alex Fernández (ESR12)

3.4.1. Research project

The overall aim is to research effect of financial policies on residents and housing systems with tensions between affordability and sustainability. The project comprises three distinct research lines, each contributing to a comprehensive understanding of various aspects of housing policies and their implications related to affordability and sustainability issues. The first two research lines employ quantitative methods, while the third two utilizes qualitative approaches.

The research encompass the following topics:

- Taxes and subsidies for housing renovation concerns the financial viability and distributional impacts of policies within Dutch households. This part of the research explores how different fiscal scenarios influence the incentives for housing renovation and their resulting effects on affordability.
- Relations between house prices and consumption delve into the intricate relationship between house prices and household consumption to understand housing affordability. This work examines how housing renovation impacts consumption patterns, with a specific focus on age, tenure, and housing quality as key factors of heterogeneity.
- ESG (Environmental, Social, and Governance) considerations in social housing explore the intricacies of financing within this sector. This work deals with the potential contradictions that may arise between sustainable finance and the imperative of decarbonizing social housing, drawing comparisons across five European countries.

Research questions

1. How do the financial incentives and distributional impacts of housing renovation policies vary under different fiscal scenarios?
2. How do increases in house prices affect consumption across age groups, tenure and dwelling energy performance?
3. How does the introduction of ESG legislation affect the financing of social housing decarbonisation?

Expected outcomes

- The first research line will provide valuable insights into the financial dynamics of housing renovation and sustainability policies, offering policymakers a nuanced understanding of how fiscal scenarios can shape these incentives and their distributional effects over affordability.
- The findings of the second line will shed light on the complex interplay between housing prices and household consumption, helping policymakers formulate targeted strategies for addressing potential disparities in housing affordability across age groups, tenure types, and housing quality.
- The third research line will provide critical insights into the intersection of ESG finance and the imperative to decarbonize social housing, offering guidance on how ESG legislation can be aligned with decarbonization goals for a more sustainable built environment.

3.4.2. Literature review

During the periods of liberalization in the 1980s and 1990s, as public funding retrenched, social housing opened up to various forms of private investment, including loans, bonds and equity. In the UK, pension funds had lent £87 billion to the affordable housing sector by 2021, a figure expected to reach £130 billion by 2026 according to Savills (2021). In the US, according to Real Capital Analytics, investment in affordable housing has grown exponentially from virtually zero after the GFC to over than \$15billion. While social housing provision is widely recognized for its positive impact on housing affordability (OECD, 2021; Klien et al., 2023), the widely divergent financial arrangements depend on aligning both public and private interests.

In theory, social housing offers an alternative to privatised rent extraction by limiting or eliminating profits and speculation, allocating housing based on needs outside of real estate markets, and ensuring financial viability through various forms of state backing. However, in practice, the European experience shows that these two features —being non-speculative and state-backed—operate along a continuum where private investment and public support achieve a partial decommodification of housing provision. European social housing systems reveal tensions arising from the introduction of market finance, which can jeopardise social objectives by way of (1) prioritizing profit and surplus in development choices, (2) increasing rents that reduce affordability, and (3) pursuing non-core activities.

Four exemplary cases illustrating these dynamics can be found in Austria, England, Germany, and the Netherlands.

At one end of the spectrum stands the Austrian system, where social housing provision relies on a combination of state subsidies and cost-based rents. This rent-setting strategy enables Social Housing Organisations (SHOs) to cover construction and maintenance costs without generating profit (Mundt & Springler, 2016). Furthermore, once original loans are repaid, a revolving fund is established, allowing SHOs to continually reinvest in new projects and maintenance, supported by high levels of own-equity. The system benefits from low-interest public loans and, to a lesser extent, grants administered at the regional government level (Kössl, 2022). Widely regarded as the golden standard, the Austrian system effectively manages profit margins and maintains a virtuous cycle that ensures ongoing social housing supply. In contrast, many other European nations face more precarious balances as they navigate between profit-driven incentives and state support.

In England, state-provided grants are used strategically to encourage private investment in new housing developments (Whitehead, 1999). Some providers employ a strategy where market units and higher rents from affordable housing (such as low-cost homeownership and rents at 80% of market rates) subsidize the construction of socially rented units (approximately 45% of market rents) (Clegg, 2019). Surpluses generated by not-for-profit providers through these activities are reinvested in housing provision. However, the necessity to operate within market mechanisms and generate surplus has led some SHOs to prioritize housing for middle-income households, raising concerns about public oversight and long-term social objectives (Manzi & Morrison, 2018; Monk & Whitehead, 2010).

In Germany, the public bank Kreditanstalt für Wiederaufbau (KfW) provides low-interest loans for social housing provision (Droste & Knorr-Siedow, 2014). These subsidised loans operate under concessionary terms, allowing subsidized housing to convert into private market units once the loans are repaid. Differences among Social Housing Organizations (SHOs), whether publicly owned by municipalities or charitable institutions, lead to varied business models, with some SHOs maintaining lower rents after the subsidy period ends, unlike for-profit operators (Haffner, 2021). The direct connection between financial markets and social housing provision has prompted the scrutiny of large for-profit SHOs through the financialization lens (Aalbers et al., 2023). Germany's largest social housing provider, operating as a publicly traded corporation,

prioritizes maximizing shareholder returns, primarily through optimizing rental income, which has sparked criticism of rent increases and resulting displacement (Wijburg et al., 2018).

In the 1990s, the Netherlands replaced a non-repayable grant with a guarantee fund as reduced public expenditure pushed Dutch SHOs towards private finance (Boelhouwer, 1997). This guarantee fund, supported by sectoral shared funds and ultimately backed by the Dutch state's AAA rating (S&P, 2022), enables SHOs to borrow at very low rates by pooling their financing needs and mitigating risks. However, this mutualisation of risks and relaxed oversight has led some SHOs to engage in riskier operations, such as speculation with derivatives. In 2011, the largest social landlord, Vestia, incurred losses amounting to €2.1 billion, covered by the public guarantee (Elsinga & Wassenberg, 2014). The case of Vestia exemplifies that state backing does not necessarily deter speculation and profit-seeking behaviour; accessing capital markets under such guarantees carries increased risks (Aalbers et al., 2017).

These four social housing provision systems highlight the financial viability of independent SHOs with state-backed access to capital markets. While enabling large-scale housing provision and efficient stock management, they consistently grapple with issues of speculation and rent extraction, posing several dilemmas:

How to attract private investment for scalable housing delivery without succumbing to speculative pressures?

How do emerging financing mechanisms like ESG (Environmental, Social, and Governance) and decarbonization initiatives interact with these established systems?

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3.5. Assessing social value through post-occupancy evaluation

by Leonardo Ricaurte (ESR15)

3.5.1. Research project

This research project aims to contribute to the emerging field of measuring social value in the built environment. By focusing on housing, its design, and its influence within the neighbourhood, the project interrogates the conceptualisation of social value in the built environment, particularly in the context of the Public Services (Social Value) Act in the UK. It addresses the theoretical gaps and offers a complementary approach underpinned by Amartya Sen's Capability Approach, emphasizing the pivotal role of housing as a conversion factor that enables residents to live lives that they value and flourish. To this end, the spatial dimension of housing and its capacity to facilitate a valuable living standards for its inhabitants will be analysed. This aspect is particularly relevant in the context of the necessary housing-led regeneration, renovation, and retrofitting of the existing housing stock in Europe.

In order for the newly built and renovated housing to be truly sustainable, the social side of sustainability must be integrally included in the planning, decision-making and evaluation of outcomes. This is only possible if communities and residents are involved in the process. Thus, a holistic view of value and its concomitant assessment by housing providers should be people-centred, focusing on the extent to which residents' capabilities are expanded. This includes taking into account factors such as agency, control and choice, which are pivotal in determining individual life trajectories.

To achieve these aims, the study employs a case study methodology, focusing on the role of large social housing providers. This case study offers insights into how social value is defined, procured and measured, and the impact that current practices have on the lives of residents. The research methodology adopts a transdisciplinary approach to better depict the different roles, processes and tensions that shape decision-making in the housing sector. Consequently, the research includes semi-structured interviews with residents of housing estates and engages with different practitioners and housing associations.

The proposed methodology for identifying the intricate relationship between spatial design and well-being is a capability-based post-occupancy evaluation (POE). This approach provides a more comprehensive understanding of the social value generated by housing providers, architects and local authorities. It is particularly valuable in capturing the often intangible and often overlooked long-term outcomes.

The findings arising from this research are relevant to a diverse audience, including policymakers and practitioners in the field of social value and housing. In addition, housing providers, architects and designers stand to benefit by gaining a deeper understanding of how design decisions affect the quality of life of their tenants.

Research questions

1. What national measures can be implemented to promote the utilization of POE?
2. Should the integration of POE be included in national policies or guidelines?
3. Is it reasonable to make POE a prerequisite for government funding for new housing developments?

Expected outcomes

- Propose the capability approach as a comprehensive conceptual framework for the social value of the built environment, emphasising the role of housing as a crucial conversion factor.
- Introduce and test a methodological framework for assessing social value with residents of housing projects, focusing on the impact of buildings on people's quality of life considering the long-term sustainability of housing.
- Advance and contribute to the use of POE as a transdisciplinary method for assessing social value and creating learning loops within the sector.
- Identify, categorise and explain design features of the housing block that are relevant to the quality of life of residents.

3.5.2. Literature review

Three main themes were identified in the literature to consolidate the conceptual framework, inform the methodology and guide the research design. Together they form a nuanced approach to conducting post-occupancy evaluation (POE) as a means to better assess the value that is being created by housing providers. These three themes are 1) Social value in the built environment 2) Contributions of the capability approach 3) long-term sustainability and the impact of housing on well-being.

Social value in the built environment: A gradual implementation of the Act characterised by ambiguity on key aspects and a common approach to assess it

Social value (SV) is understood as an umbrella term that encompasses the wider economic, social and environmental impacts of a particular activity. Given its broad applicability across a wide range of sectors, SV has a range of interpretations and definitions (UK Government, 2012). The term is often used interchangeably with “social impact” or associated with discussions on social sustainability, rendering it difficult to find an all-encompassing definition that satisfies the diversity of actors involved. This malleability contributes to the diversity of methods by which it is identified, monitored, measured and demonstrated.

Despite this variability, some common notions emerge among the definitions found in the literature (UKGBC, 2020, 2021). First, there is agreement that SV is about maximising or increasing benefits to communities and wider society once an organisation's goals are achieved. This is often referred as creating additional value by going the extra mile rather than carrying on doing business as usual. Second, the short-, medium- and long-term impacts of activities need to be considered, as well as the broader outcomes in the wider community. Third, SV focuses on improving the quality of life of those directly affected. Lastly, the process of defining the SV of a project involves three major steps: identifying stakeholders, understanding what is in their best interests and agreeing on the intended outcomes (Raiden et al., 2018; Raiden & King, 2021a; UKGBC, 2021). Recently the creation of SV in the built environment has been proposed as a means to achieve the SDGs (Raiden & King, 2021b).

The Capability Approach (CA) has found significant application in assessing progress, particularly in developing economies. Instead of solely measuring gross domestic product (GDP), the concept of development should focus on improving the substantive freedoms and capabilities of individuals. This enables people the freedom to choose from different options to live a life they genuinely value (Robeyns, 2003; Robeyns & Byskov, 2021). Consequently, the CA is proposed as a more appropriate informational and theoretical basis for the sector and in particular for housing providers. Given that social value (SV) is context-dependent and should be defined with the community's best interests in mind, an open-ended approach is essential.

The CA's inherent openness makes it a suitable framework for assessing the quality of life of inhabitants in the housing context. Scholars focusing on housing argue that CA can be useful to measure achievements in the housing sector, especially at policy and national levels (Clapham & Foye, 2019; Foye, 2021; Haffner & Elsinga, 2019; Kimhur, 2020). Our approach extends this argument, suggesting that the CA can also be used to assess housing at the spatial level by examining the housing block and neighbourhood and their impact on residents' quality of life and its contribution to long-term sustainability.

Another striking similarity in both approaches –Social Value and Capability Approach– is the recognition that it is not possible to quantify and reduce all values to money. This has led some practitioners to adopt broader approaches, such as the Social Return on Investment (SROI), to monetise non-financial impacts (Watson et al., 2016; Watson & Whitley, 2017). However, human well-being is far more complex than monetary evaluations alone can capture. Therefore, proposing a complementary framework —where, after a deliberative process, a range of metrics are agreed upon—appears to be more aligned with the intricate realities of housing studies.

The implementation of the Social Value Act has progressed gradually, but a lack of consensus on its definition and a standardized assessment method hampers its full potential within the regulatory framework. To effectively nurture social value (SV) and ensure the successful implementation of legislative measures in the sector, it is crucial to establish a common understanding among the diverse stakeholders involved. This requires adopting a transdisciplinary approach, as advocated by Godemann (2008), which integrates perspectives across disciplines and sectors. A people-centred conceptualization of SV holds great promise, particularly for housing providers striving to articulate the multitude of programs and activities they undertake. These initiatives often generate value for communities, yet they are frequently overlooked by current monetization methods and metrics used to measure value.

However, it is crucial to note that while this research focuses on legislation specific to a particular country, the broader discussion on the holistic assessment of social value (SV) in housing extends beyond the UK. SV has increasingly been integrated into policy frameworks in other Anglo-Saxon nations, and similar interests are emerging in various Western European countries as well. Therefore, there is a pressing need to broaden the scope of how SV is defined and assessed, ensuring that the contributions of these initiatives are properly recognized and accounted for in policy and practice, across Europe.

POE is not a commonplace practice in the sector, there is a lack of a comprehensive approach to evaluating housing from the residents' point of view

For the SV that is created by housing providers and designers to be fully evidenced and quantified, adequate methodologies should be developed. Current SV assessment methods in the sector, such as Cost-Benefit Analysis (CBA), Social Return on Investment (SROI), Key Performance Indicators (KPIs), and National TOMs (Fujiwara & Campbell, 2011; Trotter et al., 2014; Social Value Portal, 2023), capture only part of the picture. They typically highlight short-term added value generated during procurement or construction phases, often showcasing these as best practices. Nevertheless, other impacts that have more to do with the medium to long-term effects of housing schemes are commonly overlooked as they are more difficult to gauge or require a longer engagement with communities and residents. The design and spatial configuration of housing schemes, as well as how places are managed over time, can significantly impact the liveability of a place and directly affect people's quality of life and long-term well-being. These aspects often go unnoticed or are inadequately represented in current SV assessments. Therefore, there is a need to develop methodologies that can effectively capture these broader, longer-term impacts to provide a comprehensive understanding of the social value generated by housing projects.

Post-Occupancy Evaluation (POE) involves assessing a building's performance after occupants have moved in. It is often confused with or categorized under Building Performance Evaluation (BPE) (Boissonneault & Peters, 2023; Preiser, 2005; Stevenson, 2018). Definitions of POE vary, but generally, it encompasses activities aimed at understanding how buildings perform and gauging user satisfaction, ranging from simple surveys to measuring indoor environmental quality (IEQ), making its scope quite broad (Li et al., 2018). However, in the case of POE, the focus should be on occupants' experiences of the building and how spaces influence their behaviour and well-being (Watson, 2003 in Sanni-Anibire et al., 2016).

It is commonly suggested that POE should occur at least a year after the building's completion and occupation, allowing users to evaluate its performance under various weather conditions (RIBA et al., 2016). In the context of housing, housing providers, developers and architecture practices can benefit from understanding what constitutes good design from the occupants' point of view. Conducting systematic and rigorous POE alongside periodic user experience surveys can enhance tenant relationships and provide a clearer understanding of the quality of the housing stock. Therefore, POE not only helps to balance the scale between the social, economic and environmental aspects of buildings but also revitalises the role of research throughout the project lifecycle.

A capabilities-informed Post-Occupancy Evaluation (POE), which focuses on assessing the well-being and capabilities of inhabitants, represents a powerful tool that can significantly enhance the SV landscape. If POE is recognised as a valuable tool to assess SV, it could be included as an essential component from the planning stages of any new housing project. By balancing the social dimension of sustainability with economic and environmental considerations, and ensuring equal heed in the estimation of housing outcomes, we can ensure that no one is left behind. This is crucial in the context of levelling up the agenda in order to reduce inequalities in the UK.

Evidence has shown that housing-led regeneration and major urban renewal projects across Europe have sometimes prioritized development at the expense of vulnerable groups, leading to detrimental consequences for their livelihoods (Hochstenbach, 2017; Hubbard & Lees, 2018; Lees & Hubbard, 2021; Lees & White, 2019; Watt, 2009). Incorporating a capabilities-informed POE into housing projects can help mitigate these risks by centring on the well-being and capabilities of residents, thus ensuring that development initiatives contribute positively to social equity and community well-being.

The recent interest shown by governmental entities like the Department for Levelling Up, Housing and Communities (DLUHC) in understanding the limited adoption of POE is noteworthy (Morgan & Lee, 2023). This department is actively exploring ways to encourage housing providers to incorporate POE into their core activities, as evidenced by a report commissioned to the Quality of Life Foundation. Despite this governmental interest in promoting POE, it is surprising and contradictory that a recent report commissioned by Homes England, the government's housing and regeneration agency, to assess the SV of housing-led regeneration on communities, did not mention POE as a tool for providing valuable information (Homes England & AMION, 2023). Instead, the report relied solely on mainstream methods such as hedonic pricing methodologies to calculate the effects of regeneration. While financial proxies, CBA and KPIs are robust tools for demonstrating value, they should not monopolize the assessment and demonstration of outcomes related to SV. This narrow approach limits the understanding of the broader social impacts of regeneration projects. The influence of reports issued by this government agency is substantial and sets a precedent, yet the omission of social assessments like POE from public agendas reflects a broader neglect in both public and private sectors.

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3.6. Key emerging issues on “Policy and Financing”

The previous summary of the research projects highlights several key themes that underscore the challenges of achieving sustainable and affordable housing.

The residualization of social and public rental housing, coupled with the dominance of speculative markets in post-socialist countries, has exacerbated housing affordability issues for both vulnerable and middle-income groups. Narrowly defined social housing measures struggle to gain legitimacy in contexts where homeownership is widely accepted as a social norm under familistic housing policies. Developing comprehensive housing policies, institutions, and appropriate tools to tackle affordability and sustainability issues is increasingly becoming a priority on the political agenda.

Asset-based welfare and its role in welfare policies are increasingly becoming central to research agendas. Contemporary inequalities in acquiring assets that provide economic security have deepened. The key factors shaping these inequalities are no longer just employment but also the ability to purchase housing assets. The gap between those who own homes and those who do not is widening. In this context, individuals' positions in the housing market divide them into different social classes. Renters, particularly, belong to vulnerable social groups, and their access to decent, affordable housing is worsening.

Energy poverty and the promotion of a just energy transition are increasingly prioritized within EU policies, emerging as critical governance strategies amidst the climate crisis. These efforts necessitate collaboration and coordination among diverse stakeholders. Effective targeting to provide allowances to energy-poor households and subsidies for renovations, based on the principle of “leaving no one behind,” are integral components of strategies aimed at achieving decent, affordable, and sustainable housing.

As a legacy of liberalization, European social housing systems in various well-developed EU countries highlight tensions stemming from the integration of market finance, which undermines social objectives. Social housing organizations, supported by different state mechanisms, must navigate within market dynamics. While these policies facilitate the provision of affordable housing to a certain extent and the efficient management of housing stock, they also expose these organizations to threats from speculative market forces.

Post-Occupancy Evaluation (POE) of social value in the built environment provides evidence on housing sustainability and its impact on well-being. A properly planned and implemented concept of social value can improve residents' capabilities, enhance their quality of life, and foster social cohesion at the local level. Despite these benefits, the social assessment of urban regeneration is often neglected in the public agenda. Therefore, promoting the utilization of POE in housing renovation programmes should be integrated into policy measures.

Addressing these combined issues underscores the critical need for innovative housing policies and financing strategies tailored to contemporary societal needs. These innovations need to prioritize mechanisms that protect social housing from market pressures while promoting equitable access to housing assets. Furthermore, fostering the adoption of evidence-based practices like Post-Occupancy Evaluation (POE) can enhance housing sustainability and social cohesion. By integrating these innovations into policy frameworks, governments can ensure that housing solutions are not only affordable and sustainable but also responsive to the evolving needs of communities across Europe.

4. Challenges in “Policy and Financing”

The accounts provided in previous sections offers an overview of some key issues dealing with policy and financing of housing from a scholarly perspective. However, a transdisciplinary approach to affordable and sustainable housing must encompass non-academic stakeholders who can contribute to identifying and solving housing problems with their knowledge and experience. This necessitates that researchers articulate their findings in language understandable to non-experts, facilitating dialogue with them.

With this purpose in mind, researchers were tasked with identifying key challenges in a manner that integrates issues from various experts on contemporary and affordable housing, making these challenges understandable to a broad audience. This exercise allows them to apply the knowledge acquired in the RE-DWELL courses dedicated to research methods and transferable skills.

The challenges presented in the following sub-sections are derived from the knowledge accumulated by researchers throughout their research journey, including secondments, courses, vocabulary, and case studies. These challenges encompass a variety of topics, such as energy poverty, building retrofitting, and social housing, spanning various dimensions—environmental, social, economic, and institutional—and operating at different levels, ranging from individual buildings to neighbourhoods, municipalities, metropolitan areas, and regions. They also involve different actors and apply diverse methods and tools.

These challenges are summarized in Table 2, which includes their connection with some of the framework components provided by the tripartite conceptual structure developed in Deliverable 4.6:

- Target knowledge (Topics, Dimensions, Levels)
- Systems knowledge (Tools, Methods, Actors)
- Transformational knowledge (Policies, Projects, Partnerships)

4.1. Lack of political will

The lack of political will to address the problem of affordable housing is especially pronounced in the former socialist countries. As a result, very little is invested in social and public rental housing. This leaves not only low-income individuals but also increasingly middle-income earners without viable housing options. Buying is becoming too expensive, and options in the private rental market are dwindling. This scarcity is exacerbated by short-term rental trends, resulting in the touristification of housing stock. To tackle this problem, we need to use a comprehensive approach that policymakers and the public, including homeowners, find acceptable. One possible solution is to facilitate a public consultation or forum where all stakeholders can articulate their specific housing needs without exacerbating political tensions. Following the consultation, a potential strategy could involve adopting a “housing for all” approach.

4.2. Breaking down the silos between disciplines and creating supportive and effective housing for people with complex needs

The built environment profoundly impacts our mental, emotional, and physical well-being and promotes empowerment. In the supportive housing sector, people often live with complex needs. This means that it is crucial to consider the separate disciplines of housing, health, technology, design, and social care together. One of the main challenges is that academics in

these different fields often don't speak the same language. There is also a communication gap between academics and non-academic members of society, especially those in the housing and care sector. To overcome these challenges, we need to go beyond the boundaries of specific scientific disciplines and bring together different theoretical perspectives and practical solutions. This will help us to develop better policies and programs for people in vulnerable situations.

4.3. Lack of knowledge on targeted policy instruments to alleviate energy poverty

Across Europe, government response to the energy crisis has been largely untargeted. This has incurred substantial costs, lowered incentives for energy saving among higher earners, redistributed regressively, and caused inflationary pressures. The pervasiveness of this untargeted approach can be attributed to the challenges governments face with outdated welfare systems, making the realisation of 'just transition' principles more difficult. A more targeted approach, while crucial, demands a higher level of administrative capacity and is politically more challenging to sell compared to a policy that benefits everyone broadly. Nonetheless, an increasingly shared viewpoint advocates that climate change and its broader societal transformation necessitate government intervention to ensure equitable outcomes.

4.4. Improving access to capital market for social housing organization green and social financing instrument

ESG finance for social housing faces significant challenges in terms of attracting investors and implementing effective methods. We need the following. 1) Investor Priorities: Many investors prioritize sectors with higher profit potential making it challenging to attract funding for social housing projects. 2) Regulatory Complexity: Navigating complex ESG regulations and standards can be daunting for both housing providers and investors, leading to uncertainty and hesitation. 3) Data Availability: Gathering accurate ESG data for social housing projects can be challenging, making it difficult to assess and report on their environmental and social impacts. 4) Scale and Efficiency: Achieving scale in social housing projects to maximize ESG impact can be difficult, as each project often requires customization to meet local needs. 5) Affordability: Ensuring that ESG-driven improvements in social housing do not result in unaffordable rents for vulnerable populations is a delicate balancing act. Addressing these challenges requires collaboration between governments, investors, and housing providers, as well as ongoing innovation in ESG finance methods and measurement tools.

4.5. Unlocking the full potential of the Social Value Act and analogue regulations in the housing sector

While the Social Value Act represents a significant step towards promoting social value in the built environment, it faces one obstacle - the lack of consensus on how to define and comprehensively assess social value. This ambiguity hampers the full potential of the regulatory framework. In order for SV to be promoted and legal measures to be effectively implemented within the sector, it is imperative to establish common ground between the diverse actors involved. This challenge calls for a transdisciplinary lens (Godemann, 2008). Such an approach can pave the way for a people-centred conceptualisation of social value. This perspective holds promise, especially for housing providers striving to articulate the numerous programs and activities they undertake. Long-term impacts and those that address more intangible dimensions of well-being often remain excluded from current methods of monetisation and metrics used to gauge value, yet they undeniably generate value for communities. It is

important to note that while this challenge focuses primarily on the legislation of one particular country (the UK), the broader discussion on the holistic assessment of social value in housing is not limited to a single context. Social value principles have gradually found their way into policy frameworks in other Anglo-Saxon countries and are also gaining ground in several Western European countries. Therefore, the insights derived from this research can offer valuable guidance for policy-making and decision-making in other contexts with similar housing challenges.

Table 2. Challenges focusing on the area “Policy and Financing” and related components of the transdisciplinary research framework

Challenges	Actors	Methods	Tools	Related Vocabulary	Related Case Studies
Lack of political will (ESR6)	CSOs Experts Politicians Trade unions	In-depth literature reviews Public arena or a public consultation	Housing for all as approach	Housing Allowance Social Housing	Housing Fund of the Republic of Slovenia The Housing Partnership of the Urban Agenda for the EU
Breaking down the silos between disciplines and create supportive and effective housing for people with complex needs (ESR7)	Academics Organisations in housing and care sector	Convergence of different theoretical perspectives based on interviews Logic of grounded theory	Text analysis-Nvivo	Housing Governance Trauma Informed Design	Mason Place Apartments The Elwood Project
Lack of knowledge on targeted policy instruments to alleviate energy poverty (ESR11)	Municipalities National governments Social housing landlords	Collection of microdata, development of energy poverty indicators Focus groups to compare and evaluate different policy designs Policy analysis grounded in social cost-benefit assessment Regression analysis	Designing and evaluating policies to alleviate energy poverty Team to enhance the energy efficiency of homes Team to implementing subsidy schemes	Energy Poverty Just Transition	The Social Climate Fund: Materialising Just Transition Targeting and Policy Efficiency: Exploring the Intended Reform of the Warm Home Discount

Challenges	Actors	Methods	Tools	Related Vocabulary	Related Case Studies
Improving access to capital market for social housing organization green and social financing instrument (ESR12)	Financial experts social housing landlords	In-depth semi-structured recorded interviews Regression analysis diff-in-diff Microsimulation techniques to assess policy impacts	Collaboration between governments, investors, and housing providers ongoing innovation in ESG finance methods and measurement	Affordability Housing Policy	Mortgage subsidisation policies in Croatia La Borda
Unlocking the full potential of the Social Value Act and analogue regulations in the housing sector (ESR15)	Developers Designers Social housing providers	Assessing and monitoring social value Case studies Participant observation Semi-structured interviews	Evaluation Evidence-based planning and design Long-term Post-Occupancy Comprehensive assessment framework	Post-Occupancy Evaluation Social Value	Marmalade Lane More than housing

4.6. Cross-cutting challenges

The convergence of research insights from the ESRs through their PhD research, synthesized literature reviews, and identified key societal challenges suggests the interconnected roles of various fields, actors, and methods in shaping the future of affordable and sustainable housing. This underscores the need for a holistic and collaborative approach that transcends traditional disciplinary silos and academic boundaries.

The lack of political will to invest in affordable housing results in minimal investment in social and public rental housing, affecting both low-income and increasingly middle-income people. This challenge relies heavily on the "housing for all" approach, which could benefit from standardized processes in affordable housing design and the potential for mass customization strategies in multi-family housing. Additionally, a commons-based approach, by leveraging community resources and shared responsibility, could mitigate the impacts of political inertia and speculative interests, ensuring more inclusive and sustainable housing options for all.

Breaking down disciplinary silos to create supportive and effective housing for people with complex demands collaboration between academics and non-academics in the housing and care sectors. This challenge emphasizes the need for a comprehensive framework and guidelines for stakeholders, particularly in the context of industrialized construction approaches, such as design for disassembly. Additionally, it relates to understanding the contribution of spatial design in the success of urban commons initiatives, highlighting the importance of integrating diverse perspectives and expertise in housing projects.

Energy poverty and the need to alleviate it among disadvantaged households involve multi-level governance actors and a clearly defined transdisciplinary approach. This issue is relevant across all countries and affects many households. By integrating resident stakeholders into housing retrofits, significant benefits such as cost savings, reduced performance gaps, and increased social value can be achieved. This collaborative approach ensures that the diverse needs of residents, including disadvantaged groups, are met while also promoting more sustainable and efficient energy use.

For instance, the challenge of improving access to capital markets for social housing organizations through green and social financing instruments involves financial experts and social housing landlords. This challenge is also related to household health and financial wellbeing in affordable housing design due to the lack of a standardized process. It also implies the long-term engagement of actors in municipality-citizens collaboration towards sustainable neighbourhood development.

Finally, the challenge of maximizing the Social Value Act and analogous regulations in the housing sector recognizes the importance of actors such as social housing providers, developers, and designers. It also emphasizes the need for the participation of resident stakeholders in housing retrofits and the long-term engagement of actors in municipality-citizen collaborations towards sustainable neighbourhood development.

5. Interconnected challenges across three research areas

After identifying challenges derived from the research projects which interrelate projects within the area of “Policy and Financing”, the final step is to interrelate these challenges to other from the two other areas, “Design, Planning, Building” and “Community Participation” (Table 3).

In the following subsections, we present potential relationships between the challenges focused on “Policy and Financing” and challenges from the other two research areas (Tables 4-8). Additionally, we illustrate the connections between these challenges and other components of the transdisciplinary framework (see Deliverable 4.6), such as actors, methods, tools, vocabulary entries, case studies, and secondments. These relationships are visualized in a diagram and explained in a short text.

The diagrams have been created using a common graphic language and set of components to provide a detailed view of a complex problem. Beyond this, there is no mechanism underlying the generation of the diagrams other than the researchers' knowledge. Therefore, these representations convey a personal understanding of a multifaceted issue in a language that facilitates further dialogue and exchange with other researchers. In this regard, the knowledge encapsulated in the diagrams can be particularly meaningful for addressing specific real-world problems related to affordable and sustainable housing, involving the relevant actors (see Deliverable 4.7).

Table 3. Challenges in the three research areas

Design, Planning, Building	Community Participation	Policy and Financing
Integrating design for disassembly principles with industrialised construction practices to reduce the embodied carbon impacts of housing over the building lifecycle	Long-term engagement of actors in municipality-citizens collaboration towards sustainable neighbourhood development	Lack of political will
Lack of early integration of resident stakeholders in housing retrofit, which potentially yields benefits such as cost savings, reduced performance gaps, and increased social value	Reconciling the gap between housing studio education in architecture and real-world challenges in affordable and sustainable housing provision through a commons-based approach.	Breaking down the silos between disciplines and create supportive and effective housing for people with complex needs
The underutilisation of Life Cycle Costing (LCC) for households often leads to oversights in investing in tangible features that positively impact residents' health and financial wellbeing in the long term	Supporting community engagement in the development of community-lead initiatives	Lack of knowledge on targeted policy instruments to alleviate energy poverty
The complexity of the regulatory framework governing the sustainability of social housing	Limited understanding of the contribution of space in the success of urban common initiatives	Improve access to capital market for social housing organization green and social financing instrument
Meeting the diverse range of needs in multi-family housing within an affordable and sustainable framework through mass customisation strategies		Unlocking the full potential of the Social Value Act and analogue regulations in the housing sector

5.1. Lack of political will (ESR6)

Some of the most significant challenges that persist in post-socialist countries revolve around the lack of political will to improve housing policy and implement the necessary measures to make housing more affordable. This improvement could be facilitated through the strong commitment and advocacy of civil society organizations and academia to promote public dialogue. In these nations, housing policy should centre on the foundational concept of “housing for all”, encompassing comprehensive measures for the general population and specific groups such as the homeless. Adopting a holistic approach to housing affordability would garner broader support for housing policies, transcending the limitations of targeted interventions. Long-term national housing strategies should prioritize improving access to capital markets for social housing organizations. This can be achieved by eliminating financial barriers hindering the uptake of green and social finance mechanisms. Long-term cooperation between municipalities and citizens is essential for sustainable neighbourhood development (Table 4, Figure 4).

Table 4. Possible links to challenges from other research areas

Design, Planning, Building	Community Participation	Policy and Financing
Meeting the diverse range of needs in multi-family housing within an affordable and sustainable framework through mass customisation strategies	Long-term engagement of actors in municipality-citizens collaboration towards sustainable neighbourhood development Improve access to capital market for social housing organization green and social financing instrument	Lack of political will

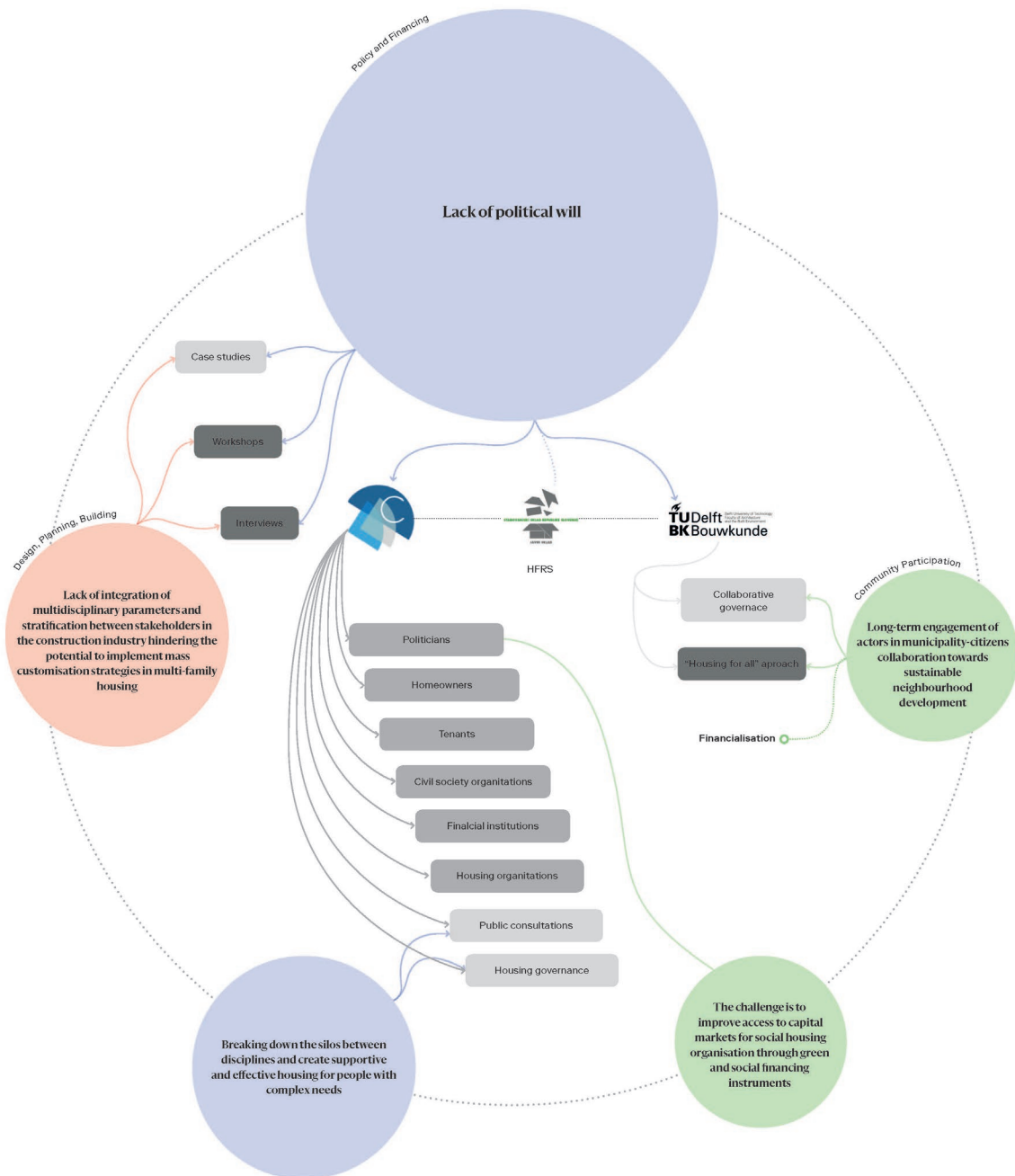


Figure 4. Connections between the challenge and other components of the transdisciplinary framework

5.2. Breaking down the silos between disciplines and creating supportive and effective housing for people with complex needs (ESR7)

Breaking down the silos between disciplines is necessary when addressing the interconnected challenges of housing, social equity, and sustainable development. Progress in this endeavor is often hindered by the lack of political will. Therefore, it becomes imperative to bridge disciplinary divides and involve a spectrum of stakeholders, both academic and non-academic, in inclusive collaborative processes. In the realm of housing provision, particularly for individuals with intricate needs, collaborative endeavours are indispensable. An illustrative challenge arises in the integration of sustainability principles within social housing retrofitting initiatives. While environmental aims prioritize energy efficiency, social sustainability underscores housing affordability and resident well-being. This inherent tension is further compounded by the intricate web of sustainability and housing regulations. Community-driven initiatives, underpinned by participatory methodologies, play a pivotal role in fostering housing stability and ensuring equitable access to safe and affordable housing for all (members of society) (Table 5, Figure 5).

Table 5. Possible links to challenges from other research areas

Design, Planning, Building	Community Participation	Policy and Financing
Lack of early integration of resident stakeholders in housing retrofit to yield benefits such as cost savings, reduced performance gaps, and increased social value	Supporting community engagement in the development of community-led housing initiatives	Breaking down the silos between disciplines and creating supportive and effective housing for people with complex needs
The complexity of the regulatory framework governing the sustainability of social housing		

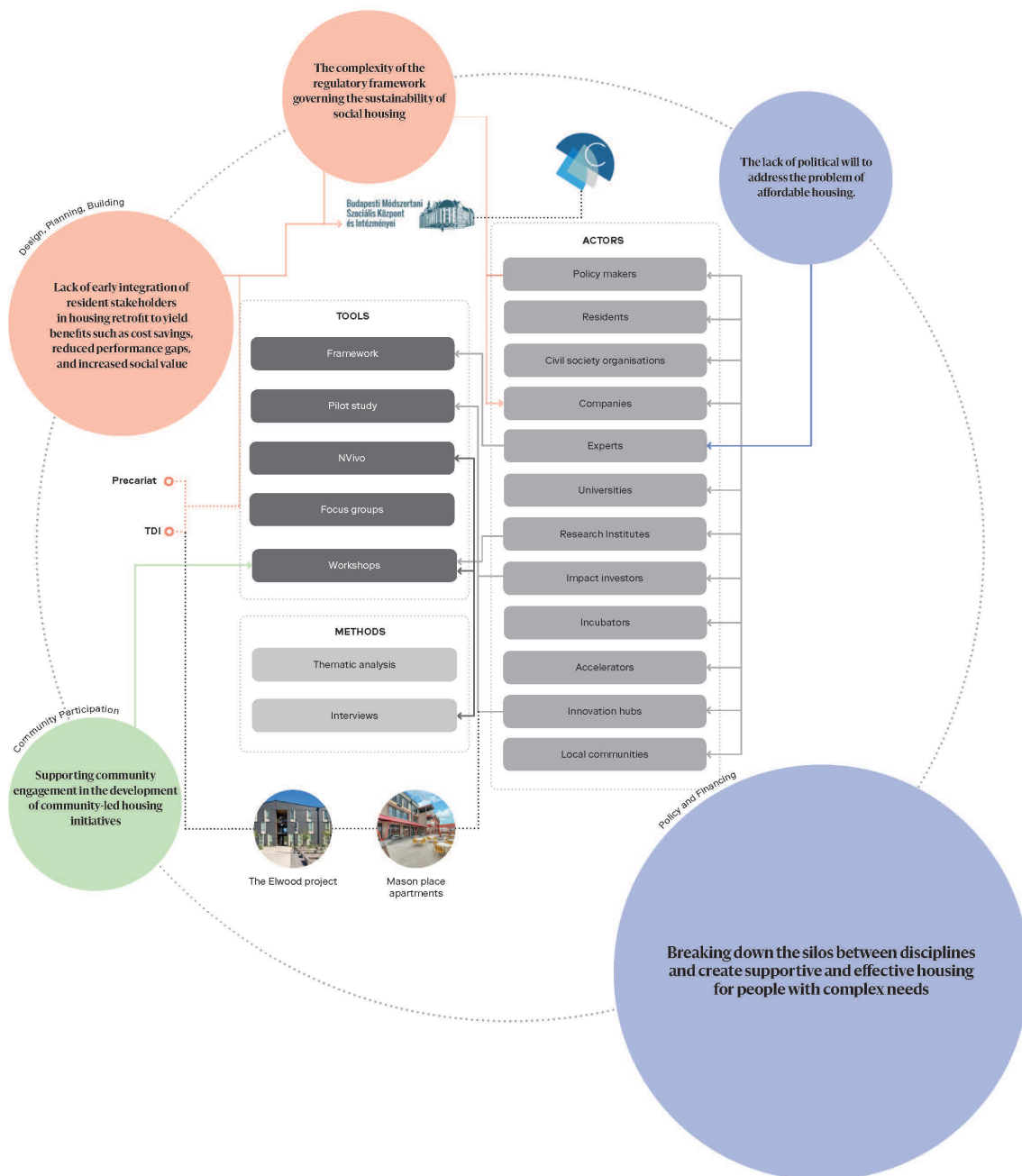


Figure 5. Connections between the challenge and other components of the transdisciplinary framework

5.3.Lack of knowledge on targeted policy instruments to alleviate energy poverty (ESR11)

These three key challenges in affordable and sustainable housing – lack of political will to address housing shortages, insufficient resident involvement in retrofitting, and inadequate tools to combat energy poverty – can be analysed through a justice lens. Recognitional justice suffers due to societal underappreciation of struggles faced by disadvantaged groups, procedural justice falters without active resident participation in decision-making, and distributional justice lacks effective policies to correct injustices. However, despite initially seeming distinct, these challenges share significant similarities. First, there is considerable overlap among key stakeholders identified and methods used to study them. Second, case studies do not overlap and are tailored to particular challenges, serving as examples of both best- and worst-in-class approaches to overcome them. Third, secondments are closely tied to specific actors, underlining their critical role in the research process throughout the project. Together, these challenges and affiliated justice dimensions highlight the critical need for an integrated and transdisciplinary approach (Table 6, Figure 6).

Table 6. Possible links to challenges from other research areas

Design, Planning, Building	Community Participation	Policy and Financing
Lack of early integration of resident stakeholders in housing retrofit to yield benefits such as cost savings, reduced performance gaps, and increased social value		Lack of knowledge on targeted policy instruments to alleviate energy poverty

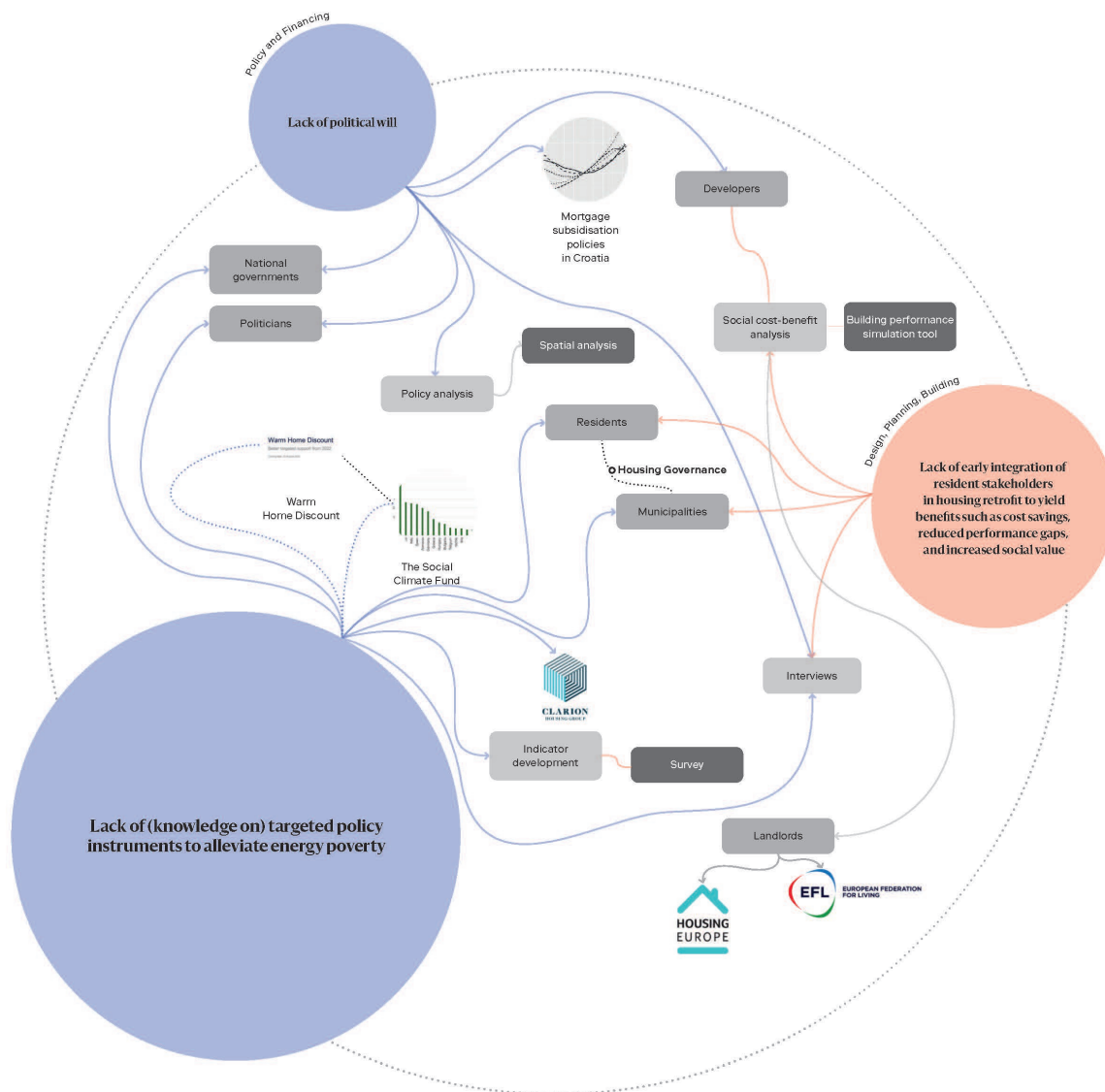


Figure 6. Connections between the challenge and other components of the transdisciplinary framework

5.4.Improving access to capital market for social housing organization green and social financing instrument (ESR12)

The challenge is to improve access to capital markets for social housing organizations through green and social financing instruments. In Europe, addressing social housing needs while reducing carbon emissions is urgent given climate change and social disparities. Striving to meet stringent carbon reduction targets while simultaneously addressing the housing needs of vulnerable populations underscores the urgency of enhancing access to capital markets for social housing organizations through green and social financing mechanisms. It is about providing affordable housing while minimizing carbon footprints and promoting social inclusion. Integrating green financing into social housing projects requires innovative architectural and engineering solutions prioritizing energy efficiency and sustainability. Balancing environmental goals with financial feasibility is vital. Community participation emerges as a pivotal factor in navigating the complex terrain of social housing and decarbonization. Engaging local communities fosters acceptance and tailors solutions to diverse needs. Building trust and empowering residents to engage in financing and design decisions is essential. Collaboration across these realms can lead to sustainable, inclusive housing solutions addressing climate change and social inequality (Table 7, Figure 7).

Table 7. Possible links to challenges from other research areas

Design, Planning, Building	Community Participation	Policy and Financing
Innovative architectural solutions providing energy efficiency and sustainability	Supporting community engagement in the development of community-led housing initiatives	Improve access to capital market for social housing organization green and social financing instrument
Housing needs of vulnerable population		
Reduced carbon emissions		

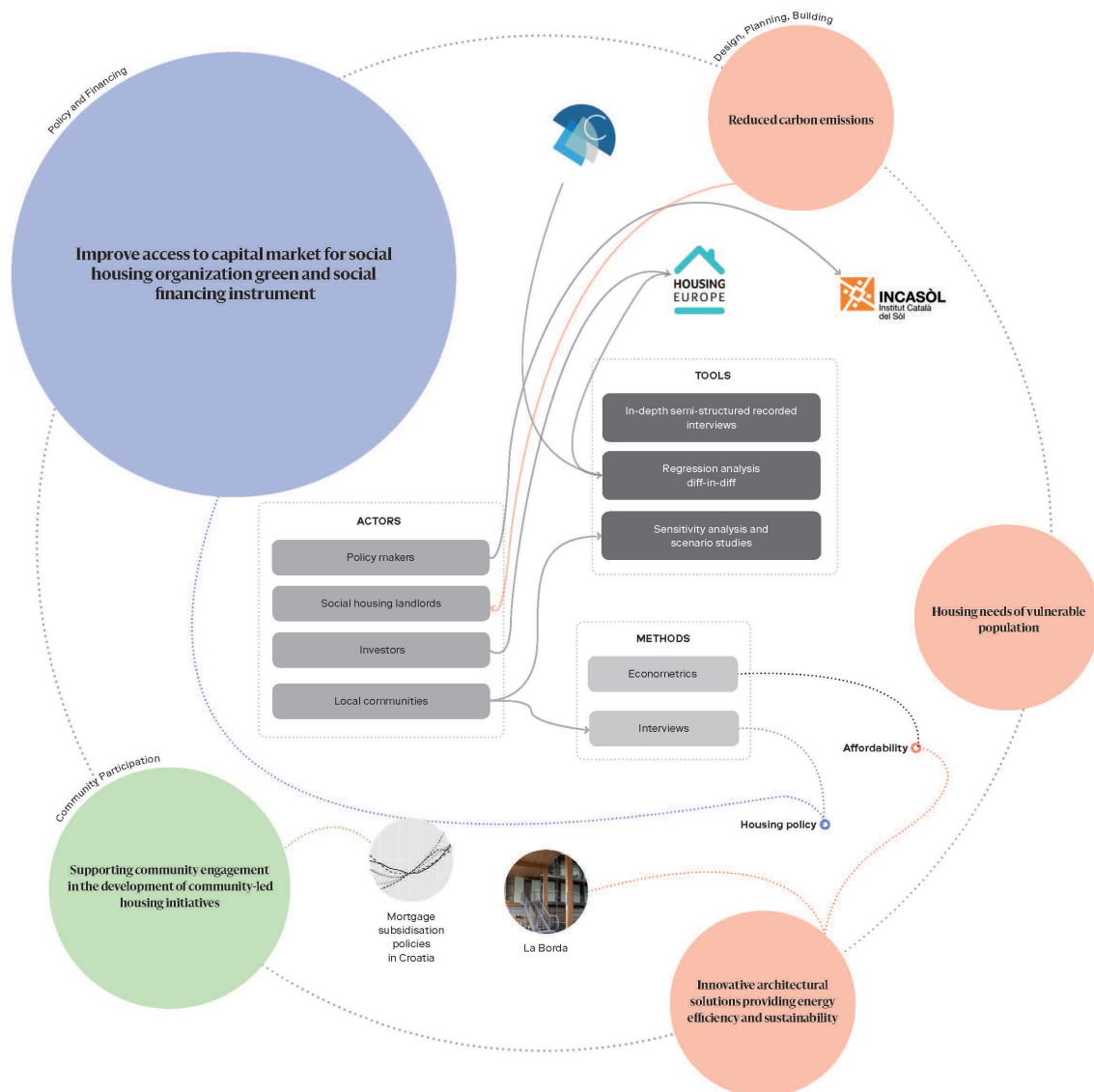


Figure 7. Connections between the challenge and other components of the transdisciplinary framework

5.5.Unlocking the full potential of the Social Value Act and analogue regulations in the housing sector (ESR15)

Residents, positioned not merely as passive recipients of housing projects, but rather at the core of decision-making and ongoing management of housing resources, should be actively engaged in the decision-making process. They are the ones most profoundly impacted by the positive or negative outcomes of regeneration, redevelopment, and retrofit. Other challenges underscore the significance of not solely regarding residents and communities as passive recipients of projects, programs, and policies. These include considering community behaviour and needs during home retrofitting, recognizing the importance of urban commons and spatial dynamics for community well-being, and prioritizing continuous engagement with communities to foster a sense of belonging, ownership, and control. These challenges can be tackled by building partnerships with local organizations to gather comprehensive data for decision-making, which in turn will help determine the most appropriate approach to housing production, be it regeneration, infill solutions, retrofitting, or a mixed approach. Social value and community needs are context-dependent. Therefore, appropriate tools for engagement need to be developed, as solutions cannot be hastily replicated without careful consideration of the local dynamics of places (Table 8, Figure 8).

Table 8. Possible links to challenges from other research areas

Design, Planning, Building	Community Participation	Policy and Financing
Lack of early integration of resident stakeholders in housing retrofit to yield benefits such as cost savings, reduced performance gaps, and increased social value	Long-term engagement of actors in municipality-citizens collaboration towards sustainable neighbourhood development	Unlocking the full potential of the Social Value Act and analogue regulations in the housing sector



6. Directions for future research

Investment in affordable and sustainable housing as political priorities is increasingly part of the pre-election debates in national and local elections. Housing crises in European countries are connected to a significant extent to the withdrawal of the state from the housing market and reduced investment in affordable and sustainable housing. Decent affordable housing is becoming unaffordable to a wider social group, and housing crises have an increasingly unfavourable impact on individuals, families and society. Unaffordable housing in an unregulated housing market is a trigger for the migration of young people and families to more developed countries within the EU. In certain cases, growing political pressures resulted in the creation of implementable strategies, the development of housing governance networks and pilot projects. Engaged and action-oriented transdisciplinary research is necessary in these areas:

- **National and local strategies.** In building capacity to overcome housing challenges, it would be useful to research the preparation and implementation of successful housing strategies at national, metropolitan and city level. In this sense, it is necessary to identify and map the various resources that are mobilized for such purposes and the participation of stakeholders that guarantee a transdisciplinary approach and response to challenges ranging from meeting housing needs for all to climate change. Research is an important contribution and an opportunity to learn from the experiences of others.
- **Housing governance.** Housing policy is increasingly becoming a neglected area of politics, and it has become evident that addressing new housing challenges requires collaboration between different stakeholders, from the private and civil sectors to the academic community, in addition to the state/city. Vibrant housing governance networks are an important prerequisite for an efficient and effective housing policy that encourages and advocates investment in affordable and sustainable housing. In this sense, community participation, as certain governance network, might improve quality of life and sustainability of existing housing.
- **Pilot projects.** Many countries and cities are implementing pilot projects that incentivise investment, for example in social and public rental housing and housing innovations (cost-rental housing model), taking into account the socio-cultural conditions and the level of economic development. The design, planning, and building of such pilot projects with participatory approach might be considered as innovative practices. Action-orientated research into such practises can be an incentive for their re-application.

Strengthening housing provision for vulnerable social groups is a task for many cities and governments in the face of the growing housing crisis. The housing crisis and other social risks are increasingly affecting representatives of the lower middle class. On the other hand, demographic changes associated with an aging population, an increasing number of single households, and migration require an increasing number of social interventions that have a holistic approach to the problems and where each case is approached differently. More and more people are facing housing deprivation associated with poorer labour market, health and wellbeing outcomes. Dedicated researchers should collect and analyse empirical evidence from transdisciplinary perspective to produce transformative knowledge, regarding the feasibility of proposed solutions aimed at transforming existing ineffective practices and introducing desired ones.

- **Assets based welfare.** An increasing challenge is to provide adequate social and health services for the elderly, both in their homes and in institutions. A growing proportion of this population have relatively modest pensions and thus cannot afford the rising prices of services with them. “Investing” one’s assets, primarily housing, can be a framework for innovative housing provision for this population, which can also have an impact on better housing provision for the younger population.
- **Homeless people.** Growing inequalities, new social risks and reduced social benefits are having an impact on the growth in the number of homeless people. Among the homeless, there is a significant share of members from the younger population, and the lack of social interventions from the prevention of homelessness to their social integration is an irrecoverable loss of human resources. Innovative solutions and their adaptation to different socio-cultural contexts can be inspiring tasks for transdisciplinary research.
- **Housing allowance.** Given the rise in house prices, the financialization of housing provision and the instability of the labour market across the Europe, private renting will be a housing option for more and more people of the younger generations. In many countries, especially those with a weak welfare state tradition, governments and local authorities are under political pressure to do more and provide more resources for efficient housing allowance in order to make private rental market more affordable for different target groups. As a research topic, it will be a real challenge to demonstrate improved housing affordability as a result of improved housing allowance measures and to produce the needed target knowledge.
- **Initiatives in the community, social entrepreneurship.** Meeting housing needs is an area of self-organization of citizens and different social groups, which has witnessed the growth of the movements of housing cooperatives and other non-profit initiatives. Promising and innovative housing projects can emerge from combinations of philanthropic and local community resources and tax incentives within the framework of social entrepreneurship.

Improving access to capital markets for social housing organizations should be an important part of the housing agenda in a globalized capital market that has become insensitive to initiatives to promote affordable and sustainable housing. Housing markets are increasingly under the influence of speculative interests and the process of financialization (housing as a financial asset rather than a common right), leading to an increase in housing prices and distortion of housing market. On the other hand, good practices of social housing organizations that have organised the provision of affordable and sustainable housing are in crisis. Targeted knowledge in this field should be sensitive to socio-cultural contexts.

- **Financialization and touristification.** Action-oriented research needs to investigate contemporary trends and the negative effects of the process of the financialization and touristification of the housing stock. Community participation at the local level can have negative effects on the touristification of existing housing stock for sustainable community development. In this sense, action-focused research might be effective in promoting awareness and limiting these processes through regulatory measures.
- **Social housing organizations.** Social housing organizations with a different ownership structure with appropriate access to the capital market can become agents of change, thereby ensuring a more favourable provision of housing for targeted social groups. These organizations can also play an important role in the green transition of existing housing stock using funds for different sources. Research into the viability of these organizations as revolving funds can make them legitimate stakeholders in contemporary housing markets.