

Social housing and innovative financing models


Experiences from Flanders

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Social housing and innovative financing models

- 1. Flemish social housing policy**
- 2. Energiehuis Limburg**
- 3. Aster**

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for social living





Strengthens housing companies and social housing



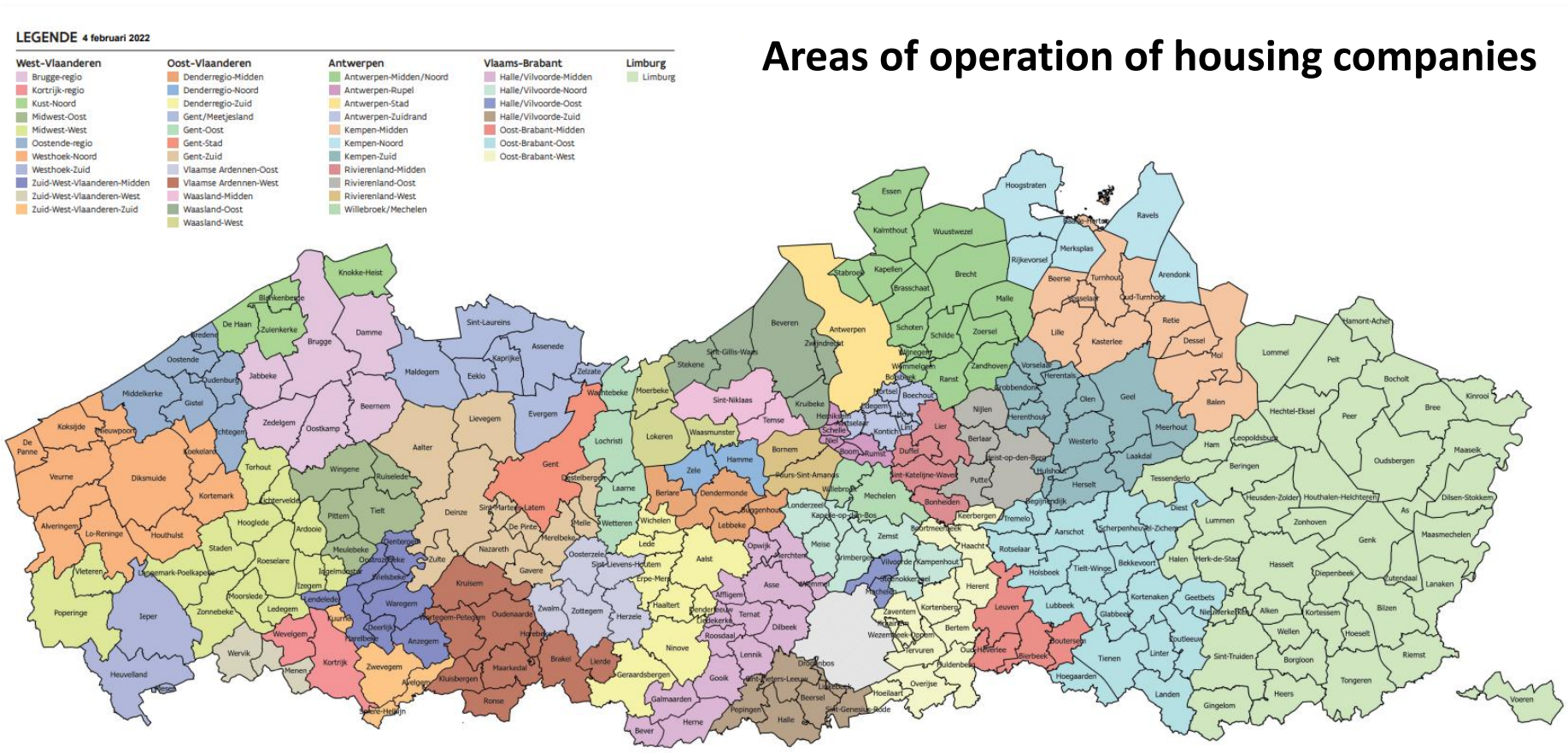
Together with member, policy and partners we work on a framework that helps housing companies to carry out their mission.

Initia is the logical partner for social housing. We unite the sector behind a positive vision of social housing.



Formation of housing companies

New housing companies



New housing companies



The housing companies carries out the following tasks within its area of operation:

1. improving the housing conditions of families and single people in need of housing, especially the most needy among them, by ensuring a sufficient supply of social rental housing or social purchase housing, possibly including communal facilities, with attention to their integration into the local housing structure;
2. contributing to the revaluation of the housing stock, by renovating, improving and adapting unsuitable homes or unsuitable buildings or, if necessary, demolishing and replacing them;
3. acquiring land and buildings for the realisation of social housing projects and making social plots available;
4. renting or taking on a long lease of homes or rooms on the private rental market in order to rent out quality homes or rooms to families and single people in need of housing at a reasonable rent and with attention to offering housing security;
5. guiding social tenants to familiarise them with their rights and obligations as tenants;
6. expanding the social housing supply by guiding and supporting candidate landlords and landlords to ensure housing quality in accordance with the standards stated in Article 3.1;
7. collaborating and consulting with local authorities and housing and welfare actors, and if desirable, taking initiatives to set up partnerships.

Assignments for new housing companies

Increasing the supply of housing

- Build to rent
- Hiring on the private market for social subletting
- Build to sell (optional)

Monitoring housing quality

- Renovate
- Relieving the burden on private owner-landlords

Monitoring affordability

Pursue social policy

Maintain good financial management

Customer focus

Context: housing market characteristics

Ownership structure

Owners stable around 70%; social rent 6%; private rent rising to 23%

Activities

Less new construction, less renovation, fewer sales

Prices

Rising sales prices; rising construction costs; rising rental prices

Housing quality

23% moderate to very poor; 18 à 19% rental homes no roof insulation; 6% private rental homes no insulating glass

Affordability

46% private tenants and 17% social tenants with a housing ratio above 40% (rent and additional housing expenses such as energy costs)



Social housing:
instrument for the right to housing

Social housing: instrument for the right to housing

Article 23 of the Belgian Constitution

“Everyone has the right to lead a life in dignity.”

(...)

These rights include in particular:

1° the right to work and to the free choice of occupation within the framework of a general employment policy aimed, inter alia, at ensuring the highest and most stable level of employment possible, the right to fair working conditions and fair remuneration, as well as the right to information, consultation and collective bargaining;

2° the right to social security, protection of health and social, medical and legal assistance;

3° the right to adequate housing;

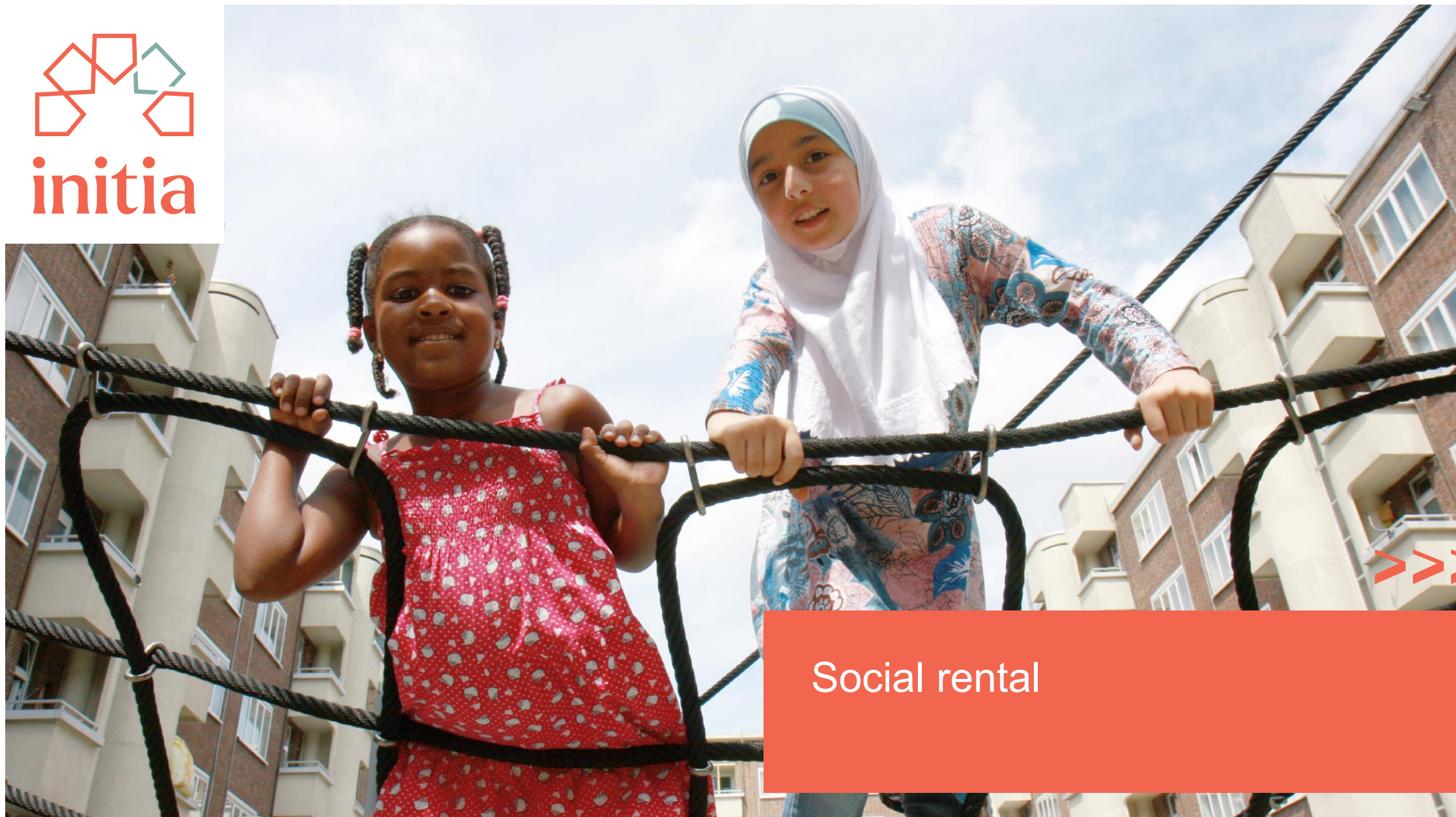
4° the right to the protection of a healthy living environment;

5° the right to cultural and social development;

6° the right to family benefits.

Social housing: instrument for the right to housing

- **166.961 homes managed by housing companies, including 13.628 private rental homes.**
- **Early 2025 199.000 people on the waiting list, half are single, the other half are families (443.569 people).**
- **In 2024 52.322 new applications!**
- **More than 7000 applications with an urgent need (figures to 2023).**
 - Homeless
 - Temporary stay with family or friends
 - Emergency shelter
 - Poor quality housing
 - Termination or eviction
- **10.000 allocations per year, of which approximately 2.000 are accelerated on the basis of urgent need (previously 2.500).**



Social rental

Offer

2 types of homes.

- Rented homes
- Own homes

2 rental price calculations (for now, to be changed).

- Income related
- Rent subsidy

Customized housing support and guidance.

Collective rental guidance or tenant participation.

Conditions

Income.

- Single: 30.636 euro/year
- Single person with disability: 33.202 euro
- In other cases: 45.952 euro/year
- + increase per dependent person: +2.569 euro

Maximum capacity via means (financial) test.

- Assets/positive balances on savings-, current-, term- and securities accounts may not exceed certain limits
- See above
- Declaration of honour + access to extracts

Property.

- Not to have any home or building plot in full or partial ownership or in full usufruct, either at home or abroad, at the time of registration
- When is ownership still an issue for tenants?
 - Report to HC
 - Sell, give away or exchange within a certain period of time
 - In case of fraud: refund of social discount

Tenant obligations

- **Language proficiency requirement ↗** (for contracts from 1/1/2023).
 - Level A2 of the Common European Framework of Reference for Modern Languages, B1 in policy letter of new minister
- **Registration VDAB.**
 - A tenant must register with VDAB if he does not work (as an employee or self-employed) and is younger than 65 years old
 - Efficiency test in policy letter of new minister
- **Don't live too big. (House)**
- **Report changes in family composition, income or ownership situation.**
- More info: [website Wonen in Vlaanderen.](#)



Registration and allocation in 2024

Central registration register

Access for candidate tenants.

- Secure environment
- User-friendly
- Registration and consultation
- Link with 'authentic sources'
- Continuous updating (activity in file!)
- Supporting service only together with prospective tenant
- Mobile usable, but no mobile application (app) for the time being

Access for housing companies.

- Back-office
- Validation of supporting documents for missing or additional information (current income, housing need, etc.)
- Check and registration of grounds of deletion

Integrates allocation system

Allocation model with 4 pillars:

- Pillar 1: chronology and local ties
- Pillar 2: accelerated allocations (urgent need and welfare target groups): 20 %
- Pillar 3: specific target groups: max. 1/3 of the assets (e.g.elderly)
- Pillar 4: mutations

Elaboration in 3 regulations:

- House regulations
- Allocation regulations
- Internal rental regulations

Integrates allocation system

Plenty of room left for local input

- **Chronology and local ties:**

- Stricter requirement for local ties in addition to regional regulation possible
- It is also possible to take into account the local connection with the area of operation

- **Accelerated assignments:**

- Various options possible: quota and nomination by services, points system or mixed form
- Defining target groups

- **Specific target groups:**

- Local connection (see chronology)
- Municipal council decision

- **Mutations and special allocation rules:**

- Absolute priority?
- Fitting in?

Pillar 1: Basic = chronology

1. **Rational occupation.**
2. (The stricter residential bond that the municipality has opted for).
3. The **long-term residential bond** of the prospective tenant (the long-term residential bond gives priority to all prospective tenants who have lived in the municipality for at least 5 years without interruption over the past 10 years).
4. (The long-term residential bond with the sub-area of operating area of the housing company).
5. Providing or receiving informal care from or to a person who lives in the municipality where the home to be allocated is located.
6. The **chronological order** of the entries in the registration register.

Pillar 2: Accelerated allocation: max. 20%

1. Roofless and homeless people or people at risk of becoming roofless or homeless.
2. Young people who live **independently with support** or who are going to live independently with support from a recognized social service.
3. Prospective tenants with **mental health problems**.
4. Prospective tenants living in **poor dwellings**.
5. Prospective tenants who find themselves in **special social circumstances**.

Pillar 3: Specific target groups (1/3 of the assets)

1. The prospective tenant aged 65 and over.
2. The prospective tenant who lives in supervised housing as a young person or is going to live independently with supervision.
3. The prospective tenant with a physical or mental disability or handicap.
4. The prospective tenant in a sheltered housing or employment program.
5. The prospective tenant with a mental health problem.
6. The prospective tenant who is roofless or homeless, or at risk of becoming roofless or homeless.

In addition, the municipality can define other target groups.

Pillar 4: Mutations and special allocation rules

1. Tenants who live in overcrowded housing.
2. Tenants who no longer require adapted housing (physical disability) or assistant living.
3. Prospective tenants who filed a complaint with the supervisor that was found to be justified.
4. Prospective tenants who have to leave a specific private home (e.g. social management law).
5. Tenants who no longer meet rational occupancy requirements and tenants whose previously reported family reunification is taking place.
6. Tenants who have completed a waiting period awaiting family reunification that has not yet taken place.
7. Tenants who need to be rehoused upon termination of the main lease of a rented property.
8. Tenants who live under-occupied.
9. Sitting tenants who need to be rehoused through demolition, renovation or sale of the social housing.



Social policy

Social policy: see performance manual

- **Objective 4.1.: housing support**
- **Objective 4.2.: tenant support according to the needs of residents**
- **Objective 4.3.: commitment to optimal housing security**
- **Objective 4.4.: involve tenants in projects and district management**
- **Objective 4.5.: addressing liveability issues**

Social policy

Obj. 4.2.: tenant support according to needs

- Referral to specialized services (welfare actors)
- Early detection of specific support needs of tenants (home visits)
- Specific tenant support (improving living conditions, increasing self-reliance of vulnerable tenants)
- Follow-up in consultation with tenant and welfare actors

Social policy

Obj. 4.3.: commitment to housing security & avoiding evictions

Develop strategy ⇒ meet tenant obligations

Goal:

- Avoiding of overdue rent
- Avoiding nuisance in the neighbourhood
- Avoiding home neglect and domicile fraud

How?

- Building trust (targeted)
- Early detection of problems(e.g. monitoring rent payment)
- By contacting tenants in a timely manner (proactive)
- Finding a solution with the person involved (mediation)
- If necessary, refer to a welfare institution

Social policy

Obj. 4.4.: involving tenants in project and district management

- Informing tenants (website, Facebook, WM newsletter)
- Organizing satisfaction surveys among tenants (project, operation, services)
- Organization of tenant meetings
- Supporting a neighbourhood party (in a committee with tenants)
- Establishment and follow-up of the tenant advisory council
- ...

Social policy

Obj. 4.5.: tackling liveability issues

- Taking measures to promote liveability (vision and strategy)
- Preventing liveability problems (setting up neighbourhood initiatives)
- Troubleshooting and solving problems
- Conflict mediation (reconciliation talks)
- Collaborate with other actors (CAW, local police, ...)
- Liveability versus investment policy:
 - Renovating old homes (project duration)
 - Renovation projects



Financing

Own homes: rent

Rent your own homes:

- Fixed in regulations, no freedom for HC's ('Housing Companies')
- Strongly related to tenant income
- Little relationship with market rental value
- Difference between market rental value and rent collected = social discount paid by the HC's
- Average rent: 380 EUR/month
- Average social discount: 350 EUR/month

Own homes: financing

Investments (new construction / replacement construction / renovation)

- Loans via the Flemish government
- Duration: 33 years
- Repayment of capital: 99,25 %
- Interest subsidy from the Flemish government for the full interest

Own homes: financing

Operating costs:

Regional Social Correction

- Objective system of comparing income and expenditure
- In case of shortage: intervention by the Flemish government to the extent of the shortage
- Condition: accumulated surpluses from the past 5 years must first be spent before any intervention takes place
- Limited number of HC's has Regional Social Correction

Own homes: financing

Decision:

The operation of owner-occupied homes is financed from:

- Rental income (regulated, large social discount)
- Interest subsidies for investments
- 99,25% repayment of capital
- Possible adjustment of liquidity shortages via theoretically objectified calculation and only after a waiting period

Rented properties: rent

- HC rents from a private owner and sublets to social tenants
- HC pays full rent to private owner
- Social tenants entitled to rent subsidy
- Rent subsidy is paid to HC
- Tenant pays rent to HC
- Rent = full rent subsidy

Rented properties: financing

- HC has no margin on rent to finance operations
- Subsidy for operating costs from the Flemish government based on the number of homes

Summary of social renting

- **Necessary instrument, supply must increase drastically.**
- **Each municipality has 1 housing company (HC).**
- **Financing: .../...**
- **A HC rents out both its own and rented properties.**
- **Numerous conditions and obligations for tenants.**
 - Registration conditions
 - Admission requirements
 - Tenant obligations
- **Registration via Central Registration Register, various options.**
 - All registrations in a central registration register (CIR)
 - 4 entry options: chronology, accelerated allocations, specific target groups, changes and special rules
- **Housing support, tailor-made rental assistance, participation.**
 - Specific assignments for HC's
 - Individual and collective



Flemish housing benefit

If you have a modest income and you move to a new rental home, you may be able to get a rent allowance from the Flemish government.

You may be eligible if you have moved:

- to a rented home from your housing company*
- to a rental property after you were homeless*
- from a bad home to a good and compliant rental home on the private rental market*
- from an unadapted rental home to a compliant and adapted rental home on the private rental market*

The amount of the rent subsidy depends on the location of the house, the income and the number of dependents.

The housing benefit is paid monthly. In addition to the rent subsidy, you will in some cases receive a one-off installation premium that amounts to 3 times the amount of the monthly rent subsidy.

In 2025, the maximum rent subsidy will be:

➤ *184,22 euro.*

In addition: 30,70 euro per dependent, up to and including the 4th dependent.

➤ *202,64 euro in some municipalities.*

In addition: 33,77 euro per dependent up to and including the 4th dependent.



You can receive the rent subsidy for a maximum of 9 years as long as you meet the conditions.

Exception: persons over 65 years of age or with a disability can receive the housing benefit for an indefinite period.

Flemish rental premium for prospective tenants of social housing

Private tenants with a low income who have been on the waiting list for social housing for at least 4 years may be eligible for a monthly rental premium.

*You are only eligible if you have built up **at least 4 years of waiting time** with the housing company active in your municipality.*

The rent you pay each month may not exceed the maximum rent depending on your family situation.

For that maximum, there is a distinction between independent dwellings and rooms.

A self-contained house has its own kitchen, its own toilet and its own bathroom.



Maximum rent in 2025.

*The maximum rent (without additional costs) for an **independent home** may not exceed 746,57 euros in 2025.*

➤ *For some municipalities, the maximum rent is 821,22 euros.*

*The maximum rent (without additional costs) for a **room** may not exceed 597,25 euros in 2025.*

➤ *For some municipalities, the maximum rent is 656,98 euros.*

You may add 20% per dependent, up to a maximum increase of 50% (max. reached from 3 people).

Duwo energiehuis limburg

stebo
ondernemend
voor de samenleving

fluvius.

**lim
coop**

 **onesto**
woonkrediet dat kansen biedt

DABO
L I M B U R G . B E

provincie
Limburg 

 **Vlaanderen**
is energie en klimaat



Energy House Limburg



Social Cooperative (since 2008)



Triple focus

Social (high-quality and affordable housing)
Sustainable (energy-efficient living)
Local (collaboration with Limburg construction partners)



Largest Energy House in Flanders (VEKA)



Energy House Limburg

Founded by 4 Limburg partners each of whom is engaged in a related activity and have brought together their expertise.



The non-profit association **Stebo**, which has been developing projects and services in the context of community development and socio-economic regional development since 1987, and has social and technical advisers in the field via 'Infocentrum Wonen'.



The vzw **Centrum Duurzaam Bouwen** (CeDuBo for short), an information and coordination centre that promotes and puts sustainable building into practice on a large scale.



- **CVBA Limcoop, a cooperative of beweging.net Limburg that has experience with various projects on energy saving in the home (formation, joint purchasing, guidance and advice).**



- **CVBA Onesto Woonpunt, a cooperative of Onesto Kredietmaatschappij, a recognized credit company for social housing loans.**



- **In 2010, distribution system operator Infrax (now Fluvius), also joined as a cooperative and partner in the organization.**



- **Duwolim is recognised by all Limburg cities and municipalities to distribute the Flemish energy loan.**
- **Duwolim is the only energy house in Flanders that covers the territory of an entire province.**
- **To serve this wide working area well, it works closely with the (inter)municipal housing offices, the social services and all actors who are locally active in the field.**
- **Of all the energy houses in Flanders, Duwolim distributes the most energy loans.**

%

Affordable renovation loan

- **Free support to loan as optimally as possible for energy-saving and quality-enhancing renovation work.**
- **Our independent advisor will guide homeowners in making important choices (renovation work, choice of contractor, studying quotes, applying for a premium, etc.).**

Affordable renovation loan

- **You borrow an amount between €1,250 and €60,000.**
- **For both energy-saving works and works that improve the quality of living.**
- **Borrow at a favourable interest rate (1,5% in 2025).**
- **Repayment is possible over a maximum period of 25 years.**
- **The loan can be combined with all other premiums and benefits.**
- **You can repay the loan early without additional costs.**
- **Advice tailored to your needs ensures the right investments.**
- **No administration costs.**

Affordable renovation loan

- **The house must be at least 15 years old. For investments in renewable energy (photovoltaic system, solar thermal collector system, heat pump, heat pump boiler), more recent buildings are also eligible.**
- **Private owner-occupiers:**
 - Single person: max. income €53,880;
 - Single person, 1 dependent: max. income €76,980 + €4,320 per additional dependent;
 - Couple, no dependent: max. income €76,980 + €4,320 per additional dependent.



Renovation support

- **Free customized advice for every Limburger. Depending on their municipality and income, the offer varies.**
- **People receive a free home consultation for energy and water saving tips to reduce your bills.**

Premiums & home energy desk

- **Every home is different, just like its residents.**
- **That is why you can visit a “home energy desk” at fixed times in all Limburg municipalities.**
- **Our specialists start from their questions and habits.**
- **They answer all questions about energy saving, premiums or loans, There are more premiums than people know. We help them to find which premiums they are eligible for and give free support with their premium application.**
- **And refer them to our advisors to support you in your renovation project.**

Adviesbezoek

Onze adviseur komt bij je langs en schat de situatie van je woning of appartement in. We bespreken jouw plannen en vragen.



Stap 1

Stappenplan

Je ontvangt een plan op maat van je vragen en je budget. Ontdek de beste volgorde waarin je werken uitvoert.



Financiering

Kom je in aanmerking voor premies? Kan je een beroep doen op een voordelige energielening?



Uitvoeren werken

De adviseur helpt je met het opvragen van offertes en het aanstellen van aannemers (in onderling overleg).



Genieten

Geniet van je verhoogd wooncomfort en je verlaagde energiefactuur.



	Number of loans	For the amount
Limburg	10.600	155,50 Million

The success of Energy House Limburg

- **The unique partnership at its basis.**
- **In this project, our cooperative partners transparently pool their expertise, organization and experience. Strong together, as demonstrated by the success of the DuwolimPlus project launched in 2015, where the expertise of the social profit partners in Duwolim was strengthened with support and deployment of financial resources from public partners on the provincial government.**
- **Working together with other organizations, whether public, private or from civil society, forms our DNA and is immediately the most important catalyst for a successful operation.**
- **The combination of awareness-raising, personal guidance, advice on the ground and an offer of affordable and accessible funding gets people moving.**



ASTER cv

The sun shines for everyone

For a better climate and less
energy poverty in Flanders



Today: ASTER in a nutshell

- Cooperative company
- Established in 2020
- Operational as of 2022
- All 41 Flemish social housing companies and umbrella organization Initia
- Main objective: “supporting the social housing sector in making their housing stock more sustainable”
- No subsidies, but private funding



The ASTER-project: a brief history

- Follow-up: VVH, the association of Flemish social housing companies (*today: Initia*)
- 2018 - 2022
- Project within the European Commission's ELENA grant programme intended to promote efficient and sustainable energy projects
- Coordinated by the European Investment Bank
- Grant (1 mio Euro) for preparatory activities, staff salaries and expert fees (no subsidizing of investments)
- Main objectives: establishment SPV (special purpose vehicle) & investment leverage factor 10
- Explore further funding opportunities



Private funding

- 85% bank loan, 15% own contribution social housing companies
- Shareholders: only social housing companies (public procurement rules)
- July 2022: financial agreement with Belfius Bank for 105 mio Euros
- ASTER 100% owner of PV-installations
- Social housing companies 100% owner of produced electricity
- Social tenants pay for self consumption, lowest tariffs (defined by the flemish government)
- Injected power sold on electricity market
- Future: energy sharing amongst social tenants and others



What is ASTER doing?

- Activating solar potential of social housing sector in Flanders
- 2022 – 2026
- 50.000+ PV-installations
- 395.000 solar pannels



A positive impact on the climat

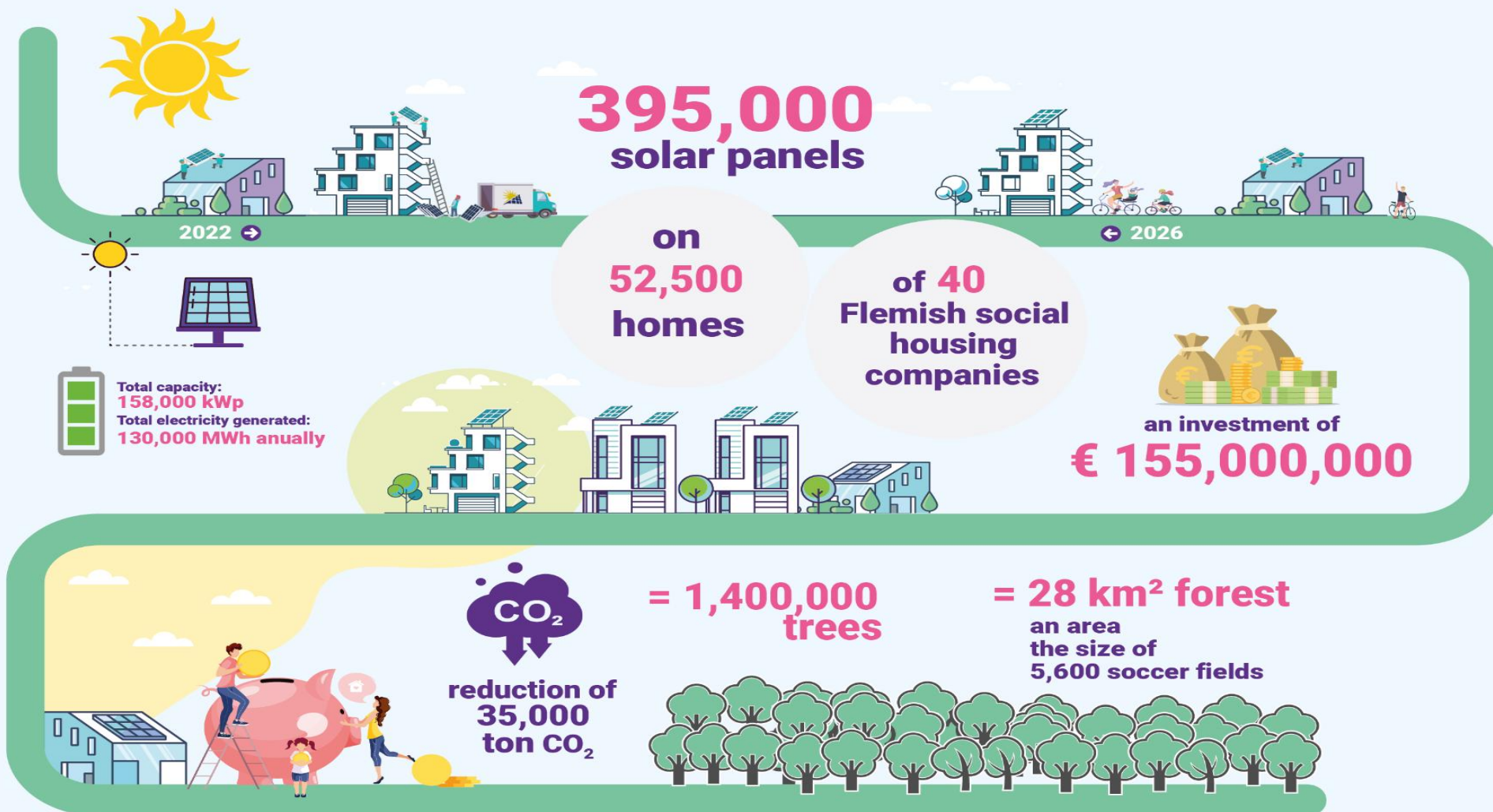
- Reduce CO2 emissions, 35.000 ton CO2 reduction (yearly)
- 158 MWp solar power
- 130 GWh solar energy (yearly)



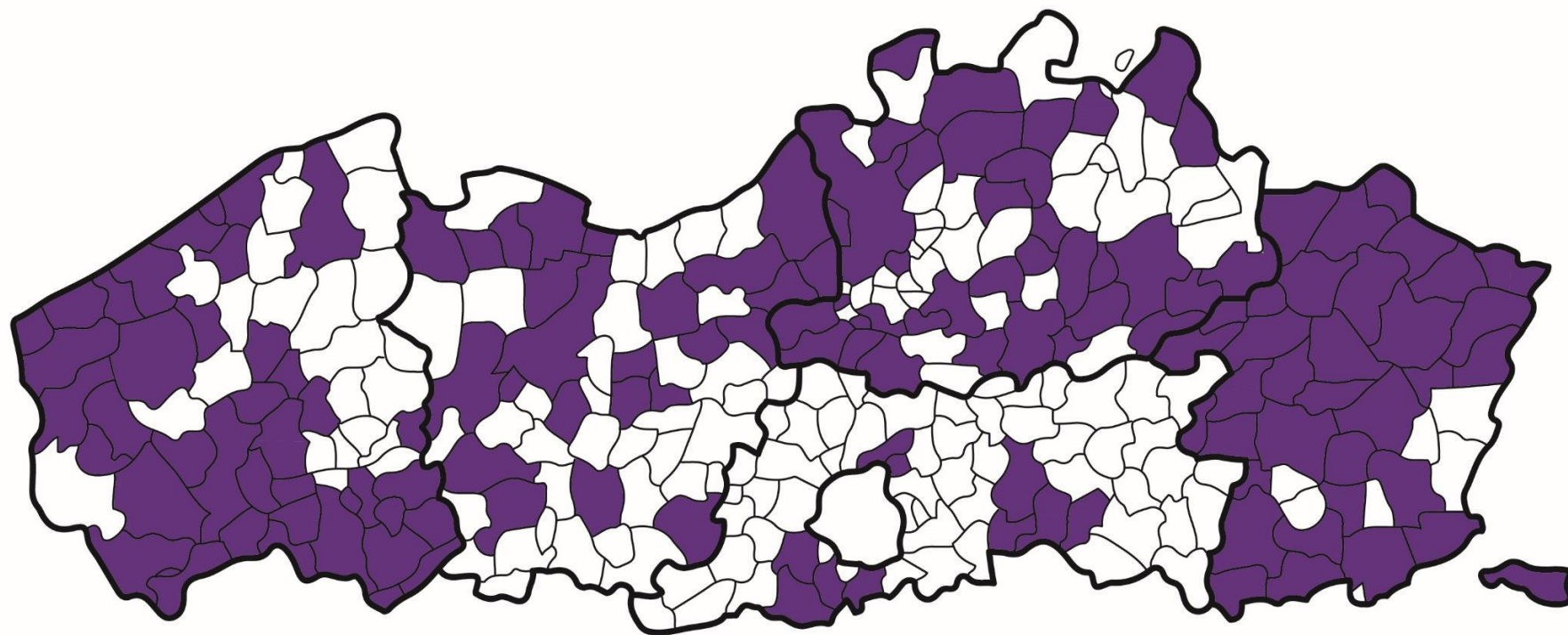
A positive impact on the people

- Affordability and fight against energy poverty
- Self-consumed solar energy 58% cheaper
- Savings up to 180 EUR (yearly)





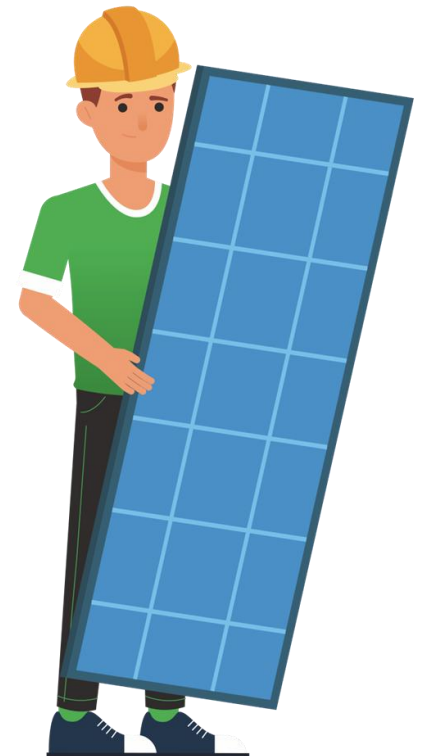
ASTER invests over a 5-year period €155,000,000 in 395,000 solar panels on 52,500 homes, representing a production of 130,000 MWh renewable energy annually.



PV-installaties en/of productiemeters

Where are we now?

- 10,836 residential PV-installations (spread across flanders)
- 118,858 PV-panels
- 49,600 kWp



New challenges?

- Charging points for electric vehicles
- Wind energy
- Sustainable collective heating
- Off-site renovations

Any questions about Aster?
info@aster.vlaanderen

