

Expansion of the Municipal Housing Stock

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Abstract: Due to the increasing difficulty that certain social sectors have in accessing decent housing, the Zaragoza Municipal Housing Society has set itself the objective of expanding the municipal supply of social rental housing. To this end, it has set up the Empty Housing Capture and Mobilization Programme, aimed at owners of empty housing so that, by means of incentives, they transfer them to the municipal stock in exchange for comprehensive management, obtaining a series of guarantees and economic benefits.

It is estimated that there are around 13,000 empty dwellings in Zaragoza that are available for use, 5% of the total number of dwellings in the city. These are the objective of the programme, empty dwellings in the city in good habitability conditions.

This article aims to publicize this new way of expanding the public housing stock that provides a faster availability of housing to the public than a traditional process of building new housing. It also contributes to social integration, distributing a resource like social housing in the different neighbourhoods of the city, which avoids the creation of ghettos and makes it easier for those families who have access to social housing to remain in their usual environment, with its neighbourhood support network.

Key words: social housing; community; social renting; security; integration

JEL code: H

1. Programme for the Recruitment and Mobilization of Empty Housing

1.1 Introduction

The Zaragoza City Council, through the Zaragoza Municipal Housing Company (*Sociedad Municipal Zaragoza Vivienda*), and through an agreement signed with the Government of Aragon, has launched the Vacant Housing Capture and Mobilization Programme in Zaragoza, aimed at owners of empty housing so that, by means of incentives, they transfer these housing units for municipal management of social rentals. The main objective of the programme is to expand the municipal offer of social rental housing.

It is estimated that the number of empty housing units that can be used for social rental could be one around 13,000, which means 5% of the total number of housing units in the city (Zaragoza City Council, 2019).

At the same time, the demand for affordable rental housing is a growing need in our society and in our city in particular, especially for vulnerable groups that live on low incomes from social benefits, pensions or low-quality jobs (Aguirre Carreras J., 2015).

The programme aims to unite these two realities, contributing to the improvement of life in

neighbourhoods and communities by contributing new neighbours.

In this document we analyse the characteristics of the dwellings that have been ceded to this programme and those of their owners, as well as those of the living units that occupy them, drawing some conclusions about the functioning of the programme and possible lines of improvement.

1.2 General Purpose of the Programme

The housing is aimed at covering the needs of cohabitation units that do not have adequate housing, whose income does not exceed 2.5 times the IPREM (Government of Spain, 2018). The rent to be paid is limited to a maximum of 3.75 €/m² and tenants may benefit from the municipal rental subsidies that are called annually, as well as from the social support and monitoring programmes of Zaragoza Vivienda.

The programme also helps to improve the physical condition of many homes that deteriorate without being used, helping to reduce the number of empty homes in the city and preventing the depopulation of traditional neighbourhoods.

The management of rental housing is professionalized in most European countries. However, in our country, professional management is scarce, and is mostly in the hands of small private concerns (Inurrieta Beruete A., 2007). In this way, this programme offers effective management to these small homeowners.

1.3 Housing Requirements

The houses ceded to the Programme must bear the following characteristics:

- They must be located in the municipality of Zaragoza.
- They must be free or subsidized housings with authorization from the Government of Aragon to be rented.
- They must be owned by natural or legal persons, both public and private.
- They must have been empty during the last 3 months.
- They must be provided with a furnished kitchen equipped with a cooking plate, a sink and an extractor hood.
- They must be provided with a bathroom with a toilet, a washbasin and a shower or bathtub.
- They must obtain a habitability report from Zaragoza Vivienda's technical services.
- They must have a good appearance in terms of cleanliness.
- The owner will receive a monthly amount for his cession of the house, which is to be calculated according to its quality and area (maximum 100 m² of useful area). This amount will be of at least 225 Euros per home every month.

2. Owners

The owners lease the house for a minimum period of five years, extendable for a further three years. There are also administrative requirements that can be consulted at www.alegratuvivienda.es

The owners have the incentive of the integral management of the rent on the part of Zaragoza Vivienda, and with a series of benefits:

- Guaranteed payment of the monthly rent of between €3.75 and €4.75/m² from the time the housing is awarded to a cohabitation unit until the end of the assignment.
- multi-risk insurance.
- interest-free financing of the costs of adapting the property, of up to €6,000.

- compensation of 50% of the Urban Real Estate Tax (IBI).

3. Dissemination of the Programme to Attract Housing

The programme has a website (<http://www.alegratuvivienda.es/>), and advertising campaigns are being carried out in various media (TV, radio, buses, billboards ...).

It benefits from the help of professionals for the diffusion of its advantages and the attraction of owners, who participate in talks at interested entities, go to parties and popular celebrations, contact possible interested parties, etc.

There has also been the collaboration of social and neighbourhood organisations, as well as the Professional Associations of Real Estate Agents and Property Administrators.

4. Requirements for Access to Municipal Social Rental Housing

Once the house is transferred, it becomes part of the municipal housing stock for social rent that Zaragoza Vivienda manages.

In order for a person or cohabitating couple to have access to one of these dwellings, they must meet certain minimum requirements:

- Having a need for housing in accordance with the housing regulations (Government of Aragon, 2008), which means not having adequate housing in property or the unavailability thereof for the applicant cohabitation unit.
- Having a minimum annual income of €5,100 and a maximum of €26,856.
- Registration of the applicant in Zaragoza.
- Being registered as applicants for municipal rental housing.

There is a Register in which any citizen, complying with the above requirements, can apply for registration to access a rental dwelling managed by Zaragoza Vivienda. The available properties are awarded among these applicants, on the basis of the agreement between the characteristics of the property (number of bedrooms, square metres, accessibility, neighbourhood, etc.) and those of the applicant. The age of the application is taken into account, with preference being given to those who have been registered for the longest time.

Housing can also be allocated to housing emergency situations and to families at risk of losing their habitual residence or through other collaboration programmes with the municipal area of Social Rights such as the programme of attention to women who are victims of gender violence, the “housing first” programme for homeless people,... (Sanz Cintora A., 2012).

5. Detailed Analysis of the Programme

5.1 Profile of the Owners

The average age of homeowners who transfer their homes to the program is 63. This datum indicates that it is a population close to retirement age, composed of people who seek both to ensure the preservation of the housing in good physical condition and to be able to receive their rental income without arrears and satisfactorily, without being involved in everything that involves a management of a rent (payments, repairs,

community burdens...). The security offered by professional management is precisely the aspect the owners value the most, as a motivation to surrender a housing to this programme.

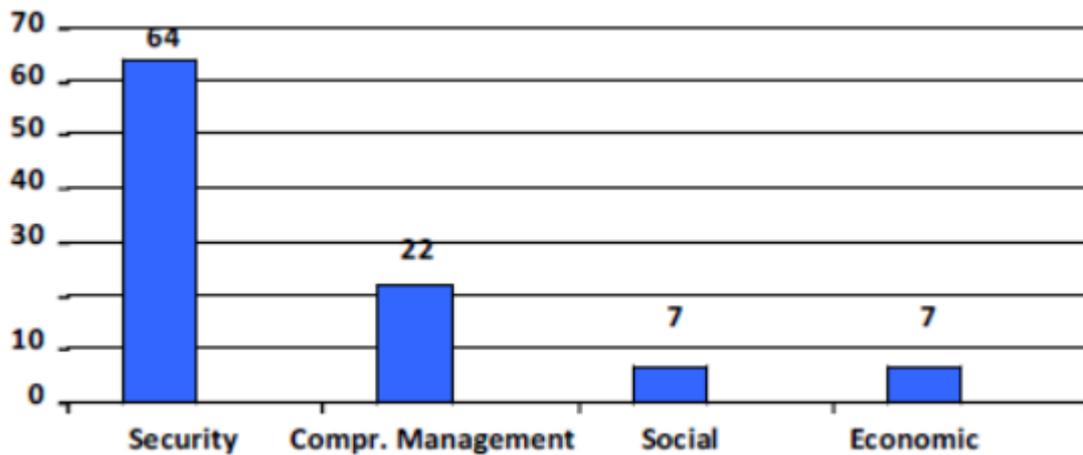


Figure 1 Main Reason for Transferring the House

5.2 Characteristics of Housing

Most of the houses have an average age of 50 years. Buildings of that time are noted for the low quality of their insulation (facades, windows,...) and of the state of their electrical and sanitation systems. All the houses are checked and comply with the minimum habitability conditions; those that do not comply are rejected.

The average surface area of the houses ceded to the programme is of 64 m²; they have 2/3 bedrooms plus a living room and a bathroom.

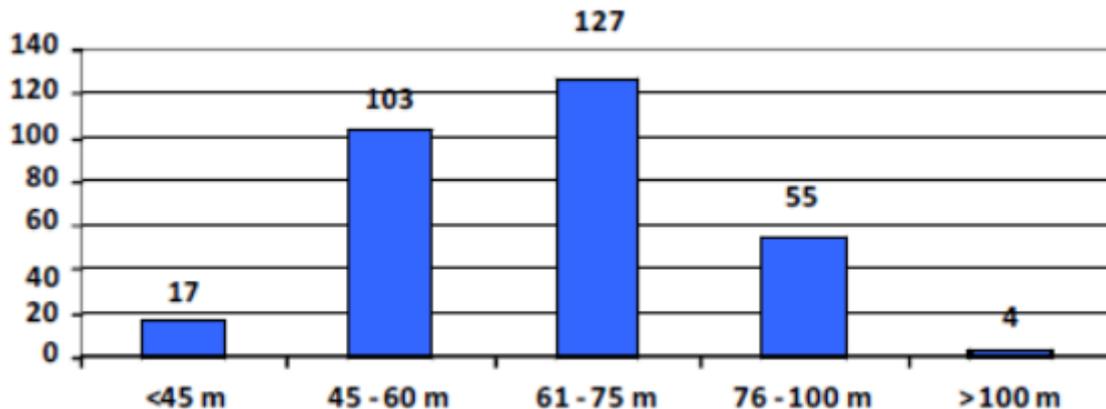


Figure 2 Housing Area

These homes can benefit from a professional management program, which ensures their good state of conservation and maintenance, allowing you to rent homes that are simple but in good conditions of use.

Half of the houses have an elevator and three out of four have some kind of heating system, although this often entails a high cost for the economy of these tenants, especially if the house is of low construction quality.

With the implementation of this programme, a new line of economic aid has been created to re-qualify these homes, facilitating their transfer in good habitability conditions. The aids promote the updating of the electrical system, improved energy efficiency (insulation, carpentry and gas installation) and accessibility. The total amount of aid to be granted will not exceed 80% of the budget, up to a maximum of 10,000 euros per

home. This line of aids has a budget of 300,000 euros in the call for 2019.

5.3 Location of the Houses

Data are presented on 306 dwellings awarded in the first two years of operation of the programme (from 20 June 2016 to 1 June 2018). Neither the dwellings that are in the different previous phases of the process of cession and assignment nor those awarded after this date will be included this analysis.

The dwellings are distributed in 16 neighbourhoods of Zaragoza. The neighbourhoods with the greatest number of dwellings surrendered are Delicias, Torrero, Las Fuentes, El Rabal and San José, all of which are traditional neighbourhoods, with medium quality old dwellings owned by older people.

The neighbourhoods in which the largest number of ceded dwellings are located correspond to the most populated neighbourhoods that can be observed in Zaragoza, as per from the municipal census 2019. The most important ones are given in detail as follows: Delicias, with 40,700 dwellings that represent 15% of the population of the city of Zaragoza; El Rabal, 29,794 corresponding to 11.3% of the population of Zaragoza; and San José, with 27,044 corresponding to 10% of the population of Zaragoza (Minguijón Pablo, 2014).

Thanks to this programme, those inhabitants of these neighbourhoods that need social rental housing can remain in their usual environment, maintaining their social support network (Benito Sánchez J. C., 2019).

In addition, the municipal social rental programme has housing available in more areas of the city, where new families can successfully integrate into the community life of traditional neighbourhoods (Trilla Bellart C. & Bosch Meda J., 2018).

Table 1 Neighbourhood

		Frecuencia	Porcentaje
Validos	Delicias	60	19.6
	Torrero	44	14.4
	Las Fuentes	43	14.1
	EI Rabal	39	12.7
	San Jose	30	9.8
	Casco Historico	28	9.2
	Oliver-Valdeierro	17	5.6
	Centro	14	4.6
	Actur-Rey Fernando	9	2.9
	Uiversidad	6	2.0
	La Almozara	5	1.6
	Montanana	4	1.3
	Casablanca	2	.7
	Casetas	2	0.7
	Miralbueno	1	0.3
	Santa Isael	1	0.3
	Villarrapa	1	0.3
	Total	306	100.0

5.4 Profile of the Families

5.4.1 Description

The programme has been in operation for two years and during this period 306 social rented housing units

have been offered. The most frequent profile of cohabitation units occupying these dwellings is that of a couple with dependent children, 42% of the total, followed by single-parent families (30%).

The following graph shows the distribution of dwellings according to the composition of family groups:

As Figure 3 shows, it is families with children, representing three out of every four family units, that are mainly being dealt with in this programme. One of the priorities, precisely, is to ensure that children have access to affordable housing in good living conditions, as a basis for improving their quality of life (Municipal Plan to Combat Child Poverty (2017-2021, 2017)).

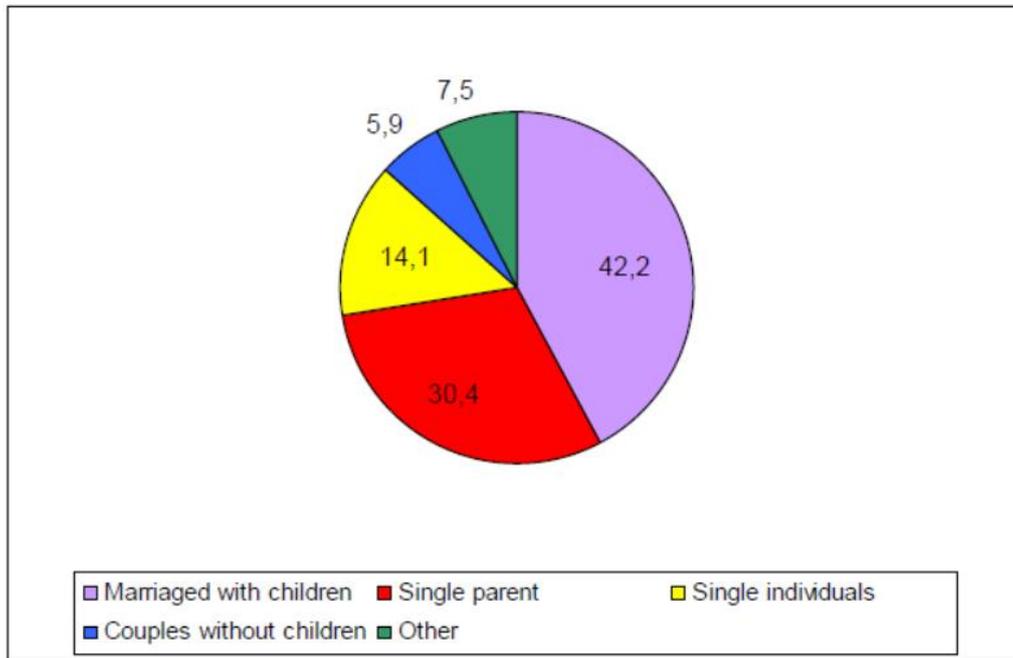


Figure 3 Composition of Families (in %)

With regard to the size of the family units, the usual composition varies between two and five members. Figure 4 shows this in more detail:

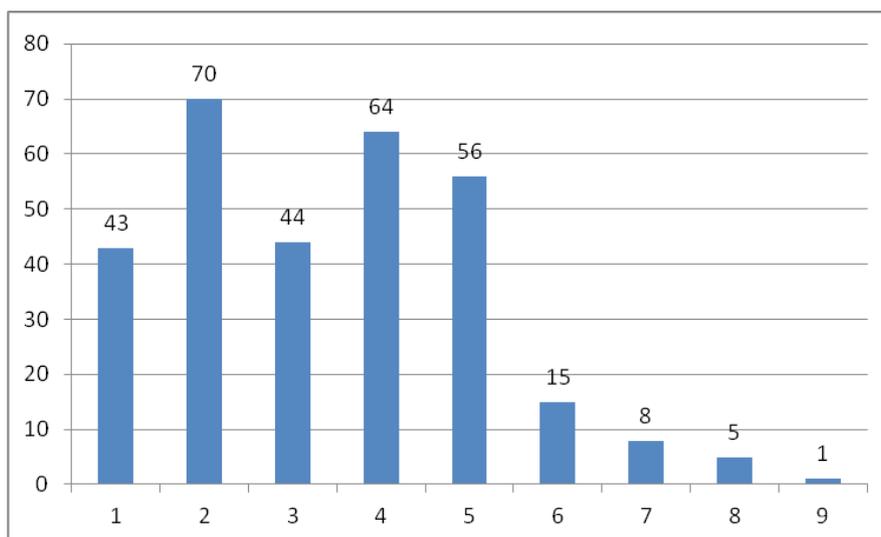


Figure 4 No. of Family Unit Members

With regard to the origin of the head of the family, we have families of 34 different nationalities in these dwellings. The following figure shows the most representative ones, Spaniards of origin constituting the majority nationality with 40% of the total (120 families).

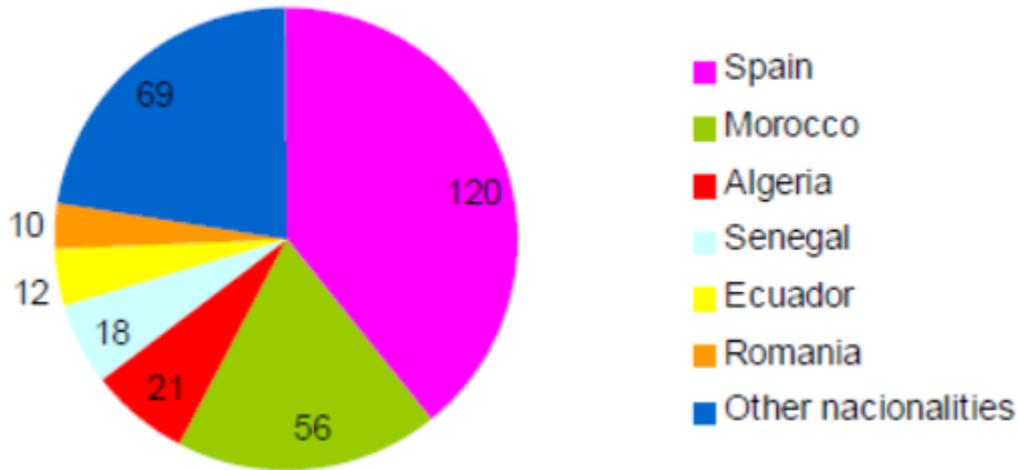


Figure 5 Origin of the Contract Holder

5.4.2 Income

70% of the families in this programme have an income of less than 6,454.03 euros/year. Figure 6 shows this in more detail.

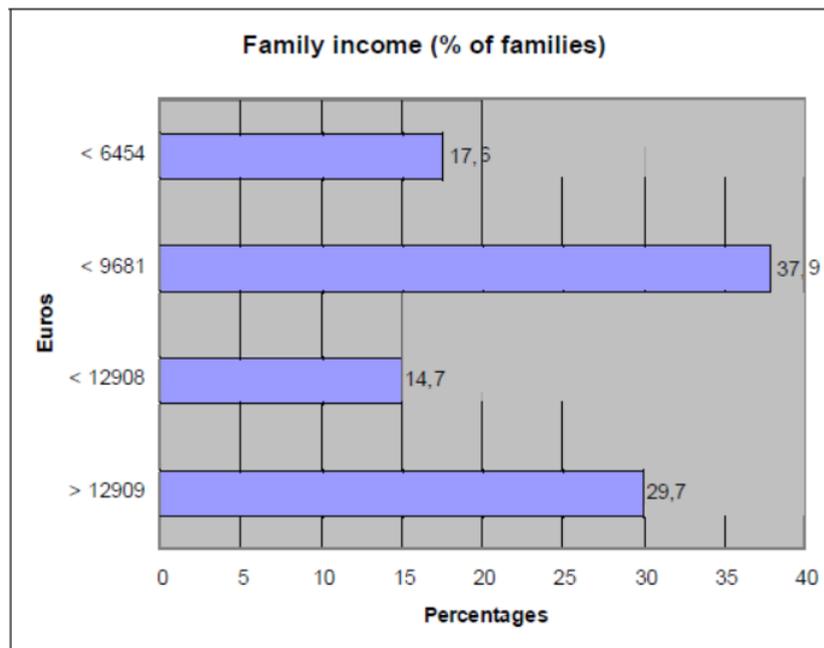


Figure 6 Family Income as Compared with the IPREN (% of Families)

Given the limited income of most family units, one of their greatest concerns is to have access to decent housing at a price they can afford (Cortés Alcalá L., 2005). That is why Zaragoza Vivienda offers a low rent compared to the market price. The rent, moreover, is adapted to the income level of each family unit so that it does not exceed 20% of its income and is not a significant burden for minimum economies. This measure allows

them to have the security of maintaining the home so that they can focus on other issues such as work, childcare, health problems, etc.

Analysing income according to the members of each family throws light on the following situations:

No income: we find 3.6% of families with 1 to 5 members. These families are in the process of applying for or renewing social benefits.

With less than 5,112 euros: 4% of families receive unemployment benefits and non-contributory pensions, the majority of which are family units with two members.

Between 5,113 and 8,760 euros: we find families receiving the Aragonese Insertion Income; the family units that predominate with these incomes are composed of 1 to 5 members. Bearing in mind that the per capita income suffers a great variation, 40% of the families under analysis (120) lie within this range.

From 8,761 to 13,999 euros: these are families whose main income comes from a work income with an average of between 900-1,000 euros per month. They represent 26% of all households.

From 14,000 to 27,999 euros: family units in which two adults usually work under temporary contracts. They constitute another 26% of the total.

With more than 28,000 euros: we observe 1.5% of the families in which the two members of the family unit work with more than 1,200 euros per month. The economic groupings carried out are not pure; different possibilities intermingle: works and benefits, several benefits,...giving rise to very diverse situations. There is also a great economic variation from one month to the next due to labour instability in the current labour market.

The data show that the programme is essential for responding to the residential needs of the most economically vulnerable cohabitation units, which survive without an income or with pensions and social benefits. It also responds to the needs of cohabitation units with reduced and unstable incomes, which do not find an answer in the free market (Alguacil Denche, Aitana et al., 2013).

5.4.3 Monitoring of Families

Zaragoza Vivienda offers tenants a social support service that is carried out by social workers who accompany the family from the moment they enter the home by performing various interventions in a multidisciplinary team that manages 2,500 social housing units.

According to the problems of each family, a type of follow-up is carried out that we break down into groups as follows:

- Minimum social monitoring (Type 1): These are cohabitation units that do not need specific social monitoring, only the annual documentation review and compulsory visits for basic support and for checking compliance with the requirements of the social rental programme (first visit and that prior to the end of the contract).
- Medium social monitoring (Type 2): Greater intervention of the Social Worker with more visits and interviews, and also coordination with other institutions, linked to situations of greater vulnerability.
- Intense social monitoring (Type 3): In addition to the above, families require more specific intervention, complemented by other professionals.

Social monitoring is mainly carried out by means of office services, direct visits and coordination with professionals from other institutions.

Approximately 11% of the families living in these dwellings require intensive monitoring due to their social and family situation. Of these, 65% are single-parent families or single people who tend to have greater difficulties and need much more specific attention (see Figure 7).

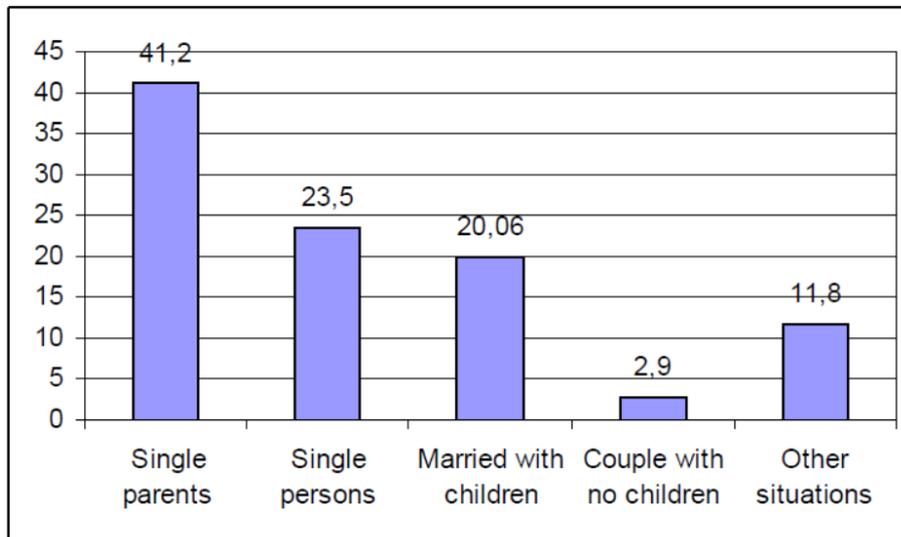


Figure 7 Family Types with Intense Monitoring (in %)

Medium monitoring is the most frequent type, taking up 54% of the cases, which indicates that the majority are families with an important need for support. 47% of medium monitoring cases are married couples with children and 32 percent are single-parent families.

Both type 2 and type 3 families present a significant number of social needs (disabilities, dependencies, lack of training and/or work, lack of social skills, health problems, difficulty in family relations, negative parenthood, etc.). In all these situations, housing stability allows them to focus on improving the other needs of their family situation.

The remaining 35% are families with a greater degree of independence, so minimal interventions are made with them, depending on their demand.

The distribution of the different monitoring types is similar to that of the rest of social housing. A significant percentage of these families can not only benefit from affordable housing in good physical condition but also enjoy the social support provided by Zaragoza Vivienda professionals, improving their quality of life and social vulnerability.

5.4.4 Main Problems Detected Regarding Housing

(1) Financial Responsibility of Families Regarding Housing

It should be noted that 72% of the tenants in the Vacant Housing Capture and Mobilisation programme are up to date with their housing payments and have no debts.

Regarding families with debts, the unpaid receipts have been grouped according to the following criterion:

- Low debt: 1 to 5 unpaid bills.
- Moderate debt: from 6 to 11 unpaid bills.
- High debt: 12 or more unpaid bills.

We can see that only 6% of the families present more than 5 unpaid receipts, which gives us an idea of how important it is for these families to fulfil their obligations as tenants and thus ensure their permanence in the dwelling even though their income is scarce. It could be said that there is a high degree of family responsibility for paying for housing.

Expansion of the Municipal Housing Stock

Table 2 Typology * Unpaid bills

			Unpaid bills				
			No debt	Low debt (1 a 5 bills)	Moderate debt (6 a 11 bills)	High debt (12 o more bills)	Total
Typology	Min. Monitoring	Count	91	15	0	1	107
		% typology	85.0%	14.0%	0.0%	0.9%	100.0%
	Medium Monitoring	Count	111	43	7	4	165
		% typology	67.3%	26.1%	4.2%	2.4%	100.0%
	High Monitoring	Count	18	9	5	2	34
		% typology	52.9%	26.5%	14.7%	5.9%	100.0%
Total		Count	220	67	12	7	306
		% typology	71.9%	21.9%	3.9%	2.3%	100.0%

Table 3 Chi-square test

	Value	gl	Asymptotic sig.(bilateral)
Pearson's chi-square	26,541 ^a	6	.000
Ratio of verisimilitude	26,589	6	.000
Linear by linear asociation	20,481	1	.000
No of valid cases	306		

^a 5 boxes (41.7%) have an expected frequency of less than 5. The expected minimum frequency is .78.

Regarding the type of family, we see that the debt increases as the need for family support increases ($P < 0.0001$), meaning that 47% of families with intensive follow-up have a rental debt. These are mainly multi-problem families where the accumulated debt is not usually the greatest of their problems. All of them have a high level of socio-familial dysfunctionality that requires greater professional intervention at a family and community level. For these families, too, the program represents an opportunity, since they can face their difficulties with a greater chance of success by relying on social support.

(2) Community Coexistence

We emphasize that in most of the communities where our tenants live, there is a need for integration with the rest of the neighbourhood in terms of lifestyle, norms, customs, times, habits, etc. We might go as far as to say that there is positive integration in 91% of the cases.

Only neighbourhood conflicts between the tenants of the programme and the rest of the neighbourhood have been detected, in 9% of the cases, meaning that out of a total of 306 families, only 28 conflict situations have occurred.

As for the origin of the conflict, 3 out of 4 have been originated by the users of the program. In these situations, the programme has social support, which offers ways of solving these situations, preventing them from becoming entrenched, as may happen in the rest of the neighbourhood communities, since both the tenant families and the communities where they live are not alone to face the differences that arise.

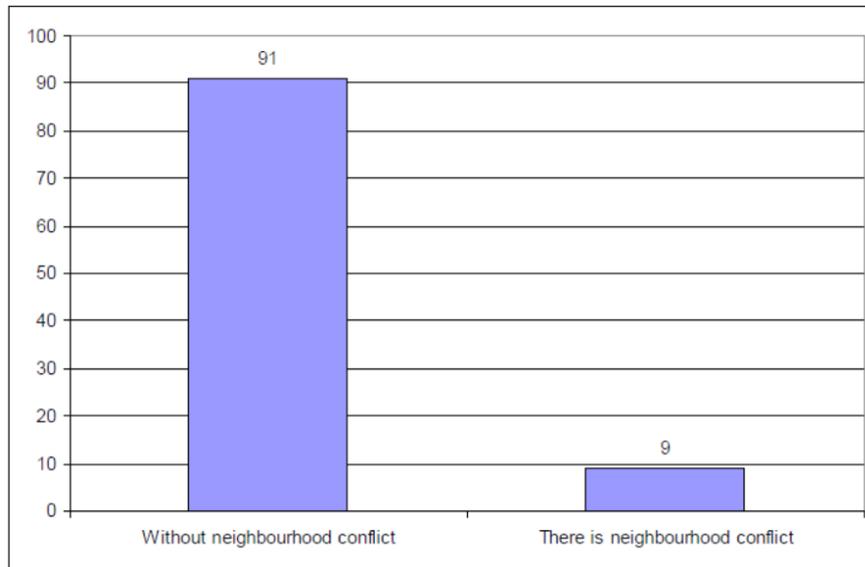


Figure 8 Families with Cohabitation Conflicts (in %)

This can be seen in the Figure 9 with greater precision:

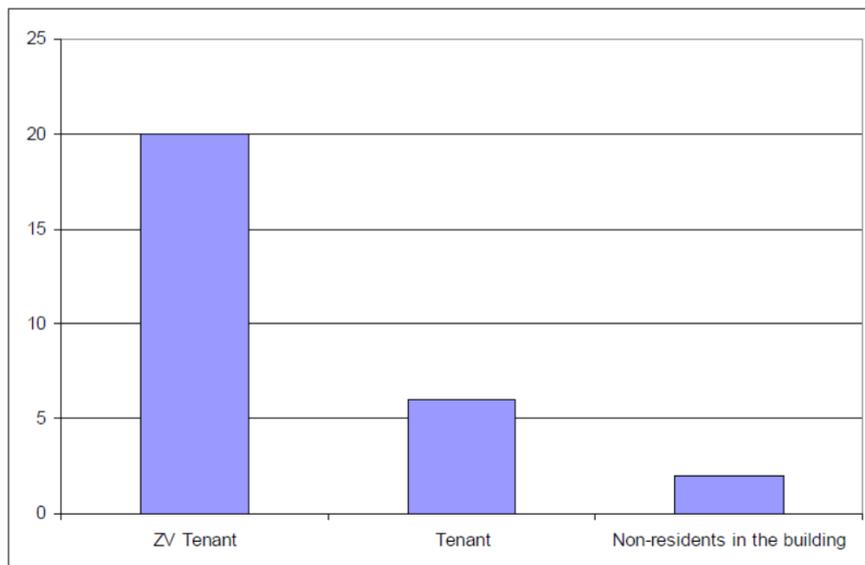


Figure 9 Individual Creating Conflicts

For a correct analysis of the data, the community conflicts have been grouped in accordance with the events that occurred in each case, giving rise to the following types:

The main cohabitation problems (noise, common areas and rest times) are generated mainly in families with children; so it is important to work on this aspect through interviews with parents (awareness), workshops that provide them with new tools, parents' schools and through childcare.

6. Conclusions

- One of the greatest benefits of the program is that it allows the expansion of the municipal housing stock,

which makes it possible to offer more housing available to an element of the population that has few economic resources.

- The housing is intended for a highly precarious population profile with no access to housing by their own means.
- A use is made of resources that existed in the community and were not normally used out of owners' fears of the destruction of the dwellings or the non-payment of the rent, and these resources are houses being considered for habitation.
- Landlords are satisfied because they perceive security in their housing and in the collection of the rent.
- The housings provided under the programme are small, old and sometimes with accessibility problems. This programme provides them with a new opportunity to respond to their residential function.
- It is allowing municipal housing in consolidated neighbourhoods where two years ago there was none, offering an important resource for the community.
- The dispersion of families with problematic social needs throughout the city prevents the emergence of ghettos and favours the integration of these families within the community.

The data presented are the preliminary results of a more extensive ongoing research being carried out in the entity itself, where the quality assessments of owners and tenants are collected.

In May 2019, the Vacant Housing Capture and Mobilisation Programme had 450 private dwellings transferred.

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