

Cour des comptes



Chambres régionales  
& territoriales des comptes

# Evaluation of French Social Housing Policy *Experience feedback*



INTOSAI Working Group on Evaluation

Vilnius - 21 May 2019

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## HOUSING POLICY, AN IMPORTANT AREA OF WORK FOR THE FRENCH COUR DES COMPTES

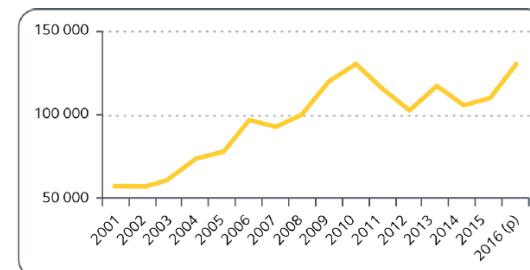
- **Competence shared between the 5<sup>th</sup> Chamber** (national policy, housing ministry, government local offices, national agencies) **of the Court and the regional and territorial chambers** (CRTC – local communities and local housing offices)
- **Nearly 60 reports published since 2015 on the various aspects of this policy:**
  - Expenditures: budgetary and tax
  - Actors: administrations, agencies, subsidized bodies and public and private operators
  - Areas: personal benefits, construction and renovation subsidies, acquisition support, fiscal incentives to lease.
  - Other dimensions: zoning, territorialization, policy for poor urban areas, ...



## SOCIAL HOUSING, AN IMPORTANT COMPONENT OF THE FRENCH HOUSING POLICY

- **A stock of 5,003,500 social housing units on 01/01/2018 (+1.1%)**
- **18% of French households (7.6 million) are living in a rented social housing**
- **About 900 public and private housing operators are subsidized**
- **16.0 billion of public aid in 2017 for the social housing sector, including €8.3 billion in personal assistance (APL) and €5.3 billion in social benefits for building and renovation programmes**

Logements financés depuis 2001



Source : Cour des comptes d'après données ministère du logement (données provisoires pour 2016)



## EVALUATION, A LONG-TERM PROCESS

- . Beginning of the **evaluability assessment** (§5.1, *INTOSAI GOV 9400*) : February 2015
- . **Deliberation on the evaluability assessment**: 03/06/2015
- . **Establishment of an *ad hoc* deliberating group (FIJ) between the 5th Chamber and 6 CRTC by decision of the First President**: July 2015
  
- . **Beginning of the evaluation process**: 02/10/2015
- . **Tabling of the first provisional report**: 26/07/2016
  
- . **Reviewing of the first provisional report by the FIJ**: 07/09/2016
- . **Reviewing of the contradictory answers of the first provisional report from stakeholders by the FIJ**: 16/11/2016
  
- . **Reviewing of the draft final report by the Court's committee for planning and publication (CRPP)**: 13/12/2016
- . **Reviewing of the draft final report by the 5th Chamber**: 14/02/2017
- . **Publication of the final report**: 22/02/2017 (<https://www.ccomptes.fr/fr/publications/le-logement-social-face-au-defi-de-laces-des-publics-modestes-et-defavorises>)



# FLOWCHART (1)

## Production

Tools	Output	Outcome	Impacts
Construction and renovation subsidies	1.1.1. Subsidy income is generated from new construction or acquisitions	1.1. Investment costs are reduced	1. Rents and charges are below market (Social housing advantage)
VAT at 10% (5.5% in sensitive urban zones (ZUS))	1.1.2. Tax savings are realized on constructions or acquisitions		
Revision of social housing standards	1.1.7. Construction savings are achieved		
Sale of social housing assets, inertia on the existing social housing stock	1.1.3. The financial burden is reduced by the contribution of equity capital		
Special loans on social housing from State public investor ( <i>Caisse des Dépôts et Consignations</i> )	1.1.4. The financial burden is reduced thanks to the difference with the market rate loans		
Property regulation and taxation	1.1.5. Property is more affordable		
Land reserves, discount of public lands, equalization	1.1.6. The property tax is reduced	1.2. Operating costs are controlled	
Merger of organizations and regrouping of estates	1.2.1. Purchasing and rental management procedures are reduced		
Tax exemptions	1.2.2. Tax savings are achieved		
Rehabilitation, renovation	1.2.3. The vacancy rate after renovation is reduced		
Direct recovery of housing benefit and credit check	1.2.4. Unpaid bills are controlled	1.3. Rental expense are reduced	
Thermal renovation subsidy and VAT 5.5%	1.3.1. The poorly insulated dwellings are reclassified		



# FLOWCHART (2)

## Attribution

Tools	Output	Outcome	Impact
Single application file	2.1.1. Application registration system	2.1. Social housing is open to all those who meet the conditions of resources	2. The attribution procedures conciliate the three objectives of the social housing public policy
Scoring of requests	2.1.2. Transparency and (perceived) fairness of attribution procedures are improved		
Follow-up of the application by the candidate			
Payment of extra-rent (SLS)	2.1.3. Tenants above the income ceiling are encouraged to leave the social housing		
Non-renewal of the lease	2.2.1. Priority quotas are set up	2.2. The most disadvantaged households are privileged in their access to social housing and are protected from eviction	
Prioritization of people with inadequate housing (DALO procedure)			
Agreements between the State and social housing landlords			
State software listing all eligible applicants (SYPLO)			
Personal assistance			
Prevention of tenants evictions committees	2.2.5. Social support for the most disadvantaged households is provided		
Staying in housing support	2.3.1. Accommodation is allocated to employer candidates	2.3. Employees' access to social housing is facilitated and their living conditions are improved	
Employer's contribution to access housing			



## FLOWCHART (3)

### Regulation

Tools	Output	Outcome	Impact
Distribution of construction and renovation subsidies and equalization of special loans on social housing	3.1.1. New social rental housing constructions are concentrated in high-rent areas 3.1.2. New constructions of social housing reduce rental cost and reduce the number of requests	3.1. The capacity of the social housing stock is adjusted to the needs of the territory	3. The social housing public policy allows a management adapted to the needs of each territory
End of convention between the Satte and social housing landlords	3.1.3. Housing units are sold in surplus areas		
Changes within the stock	3.2.1. Housing adapted to new applicants is available		
Rehabilitation and renovation	3.2.2. Vacancy is reduced and homogeneous in the different parts of the housing stock	3.2. The occupancy of the housing stock is optimized	
Assisted access to property	3.2.3. Exits from the social rental stock are increasing		
Intermediate housing financing	3.2.4. Exits from the social housing stock are increasing	3.3. The range of rents is adapted to the contributive capacities of the tenants	
Special loans on social housing from State public investor	3.3.1. Deliveries of new social housing are increasing		
Debt adjustment	3.3.2. Changes within the special loans		
Modulations and occasional reduction	3.3.3. Individual adjustments	3.4. The population is balanced in terms of income distribution	
Integration housing within the stock	3.3.4. Integration housing is increasing within the housing stock		
State rehabilitation and urban planning program	3.4.1. Intermediate or free housing are provided in sensitive areas		
Social mix	3.4.2. New operations meet a social mix objective		
Legal obligation to provide 25% of social housing in every city	3.4.3. The number of social housing units delivered to deficient municipalities is increasing 3.4.4. Financial sanctions are put in place in the event of non-compliance with the legal obligation 3.4.5. The increase in the Social Stock does not affect the financial health of social housing landlords.		



## FOUR INITIAL EVALUATION QUESTIONS

- 1) To what extent does the social housing public policy provide accommodation in a reasonable time frame for the different audiences targeted ? (effectiveness)**
- 2) How do the housing provided meet the needs of the various target groups? (utility/relevance)**
- 3) At what costs can the social housing public policy correct any internal and external imbalances? (efficiency)**
- 4) To what extent are the different objectives of the social housing public policy attribution process reconcilable? (consistency)**





# INVOLVEMENT OF STAKEHOLDERS (1)

## COMPOSITION OF THE **ADVISORY BODY**

### ✓ **11 present and active members + president of the FIJ**

#### ☐ 2 members of Parliament:

- MP for Ille-et-Vilaine, Chair of the Board of Directors of the National agency for housing (Anah)
- MP for Maine-et-Loire, President of the National Housing Council

#### ☐ 2 representatives of Ministries:

- Inspector General of the Sustainable Development Administration, Vice-President of the Housing Accounts Commission, President of the Paris Rental Observatory (OLAP) – Ministry of Ecology
- Director, Directorate of Housing, Urban Planning and Landscapes (DHUP) – Ministry of Housing

#### ☐ 3 representatives of social housing landlords and managers' associations:

- Director General of the Association of businesses and workers for housing (UESL) - Action Logement
- Director General of the National Agency for the Control of Social Housing (ANCOLS)
- Director of Economic and Financial Studies of the Social Union for Housing (USH)

#### ☐ 1 representative of tenants' association:

- General Delegate of the Abbé Pierre Foundation

#### ☐ 3 expert/representatives of the academic community:

- Senior economist, head of the French office at the OECD
- Professor at the Institut of Urban Planning of Paris, Director of the Lab'Urba
- Professor, Director of Studies at the École des hautes études en sciences sociales (EHESS), Director of the Laboratory of Excellence (LABEX) at the Aix-Marseille School of Economics (AMSE)



## INVOLVEMENT OF STAKEHOLDERS (2) THE ADVISORY BODY

- ✓ **Expression in a personal capacity, without involving their institution (building a convergence of points of views)**
  
- ✓ **Four meetings:**
  - framing, evaluation questions and project organization
  - eight thematic areas to cover
  - presentation of the tentative findings (before provisional report)
  - Analysis of the Court's recommendations (after the first FIJ deliberation)



## INVOLVEMENT OF STAKEHOLDERS (3) THE NATIONAL ACTORS

**A listening approach aimed at understanding the logic of the actors**

**About twenty semi-directive interviews: a questioning grid, no questionnaire**

***Verbatim* approved by the interlocutors**



## INVOLVEMENT OF STAKEHOLDERS (4) 6 TERRITORIAL ANALYSES

- ✓ The choice of **six contrasting territorial** situations (agglomerations or departments)
- ✓ The organization of regional workshops bringing together local actors:
  - in partnership with the regional chambers (CRC) concerned (FIJ, management of workshops by CRC auditors)
  - on each site, three workshops per category of actors and then a synthesis workshop, in order to identify points of consensus and divergences
- ✓ A unique questioning framework
- ✓ Monographs in two parts: inventory of social housing, restitution of the points of view of the actors



## QUANTITATIVE ANALYSIS

### **Data as a supporting evidence for a public policy evaluation:**

Do not initiate an evaluation if you are not sure you can be provided with accurate, up-to-date and usable data

**Research on the impacts (including indirect impacts) of public policy:** data of a very varied nature (physical and financial, economic and social, national and regional...)

### **Identify data sources**

Bases mainly used: INSEE (ENL), Ministry of Housing (RPLS, SNE), CNAF, Filocom



## DATABASE CHARACTERISTICS AND METHODOLOGICAL PRECAUTIONS (1)

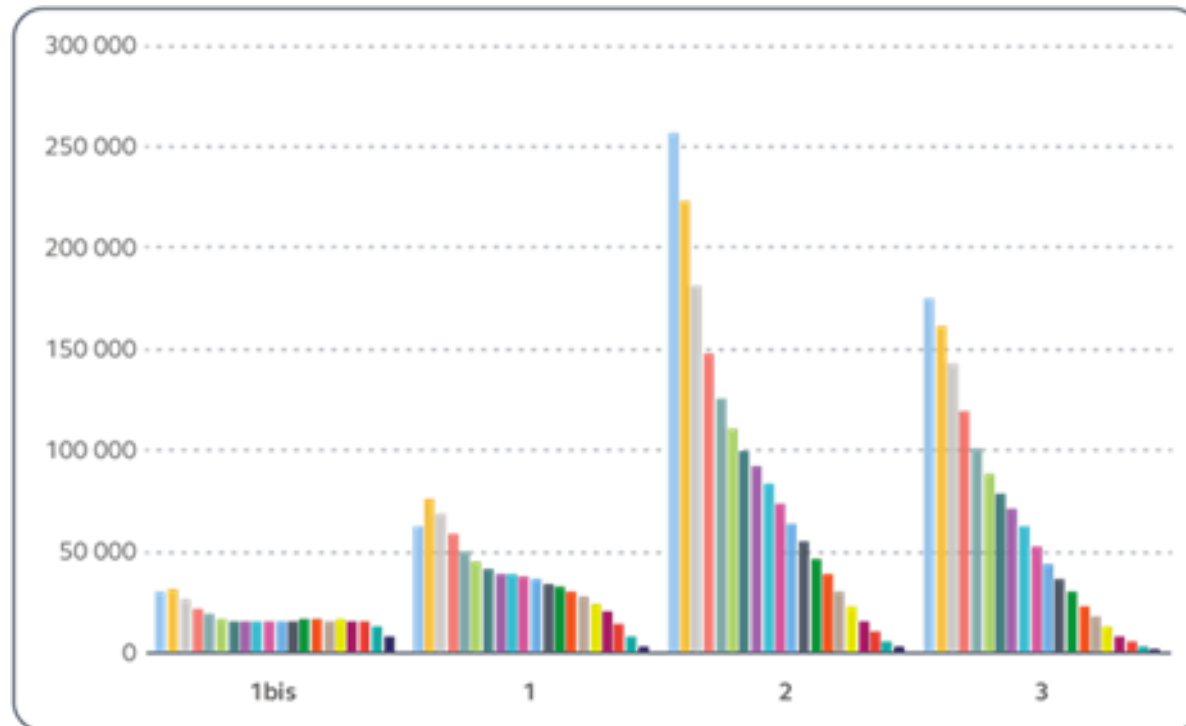
**It is essential to understand the characteristics of databases and methodological limitations:**

- **Scope covered** - Ex: which social housing are we talking about? (RPLS, Filocom, ENL)
- **Reliability** - Ex: response rates, declarative character... (OPS)
- **Precise definition of the variables** - Ex: household resources (tax income, disposable income...)
- **Precautions in the case of databases built by sampling**



## SOME OF THE DATA OPERATIONS CARRIED OUT (1)

### Distribution of the occupancy of the social housing stock by income group and by high-rent areas





## SOME OF THE DATA OPERATIONS CARRIED OUT (2)

### The insolvency threshold for access to social housing

Household composition	Type of accommodation (# of bedrooms)	40% median standard of living			30% median standard of living			20% median standard of living		
		Household income in €/month	Discretionary income per day and c.u.	Maximum rent in €/m <sup>2</sup>	Household income in €/month	Discretionary income per day and c.u.	Maximum rent in €/m <sup>2</sup>	Household income in €/month	Discretionary income per day and c.u.	Maximum rent in €/m <sup>2</sup>
<i>Single person</i>	1	667	<b>15,6</b>	<b>7,3</b>	500	<b>11,7</b>	<b>5,9</b>	333	<b>7,8</b>	<b>3,5</b>
	2	667	15,6	4,7	500	11,7	3,8	333	7,8	2,3
<i>Single person + 1 child</i>	2	867	15,6	<b>7,6</b>	650	11,7	<b>5,9</b>	433	7,8	<b>3,2</b>
	3	867	15,6	5,8	650	11,7	4,5	433	7,8	2,5
<i>Childless couple</i>	2	1 000	15,6	<b>7,4</b>	750	11,7	<b>6,3</b>	500	7,8	<b>4,3</b>
<i>Single person + 2 children</i>	2	1 067	15,6	<b>8,8</b>	800	11,7	<b>7,1</b>	533	7,8	<b>4,2</b>
	3	1 067	15,6	6,7	800	11,7	5,4	533	7,8	3,2
<i>Couple + 1 children</i>	3	1 200	15,6	<b>7,1</b>	900	11,7	<b>5,9</b>	600	7,8	<b>4,0</b>
<i>Couple + 2 children</i>	4	1 400	15,6	<b>6,7</b>	1 050	11,7	<b>5,5</b>	700	7,8	<b>3,9</b>





## SOME OF THE DATA OPERATIONS CARRIED OUT (3)

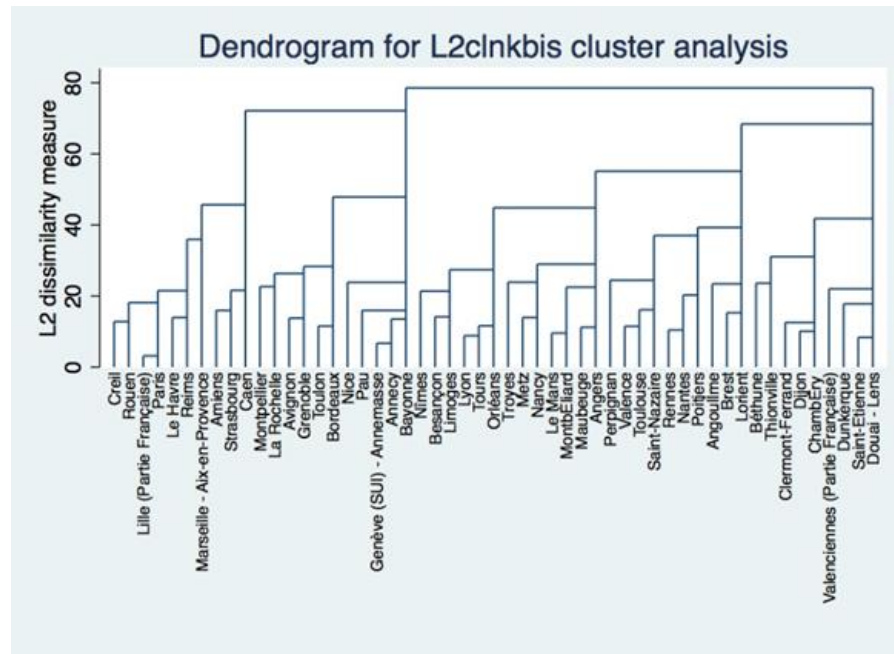
**The proportion of affordable social rental housing outside the disadvantaged urban area (ZUS)**

	Parisian region (Ile-de-France)			Outside Parisian region			
Rent	ZUS	Outside ZUS	Total	Rent	ZUS	Outside ZUS	Total
<i>Housing stock</i>				<i>Housing stock</i>			
≤ 6 €/m <sup>2</sup>	14 %	27 %	41 %	≤ 5 €/m <sup>2</sup>	13 %	28 %	41 %
> 6 €/ m <sup>2</sup>	10 %	49 %	59 %	> 5 €/m <sup>2</sup>	9 %	50 %	59 %
<i>Annual offer</i>				<i>Annual offer</i>			
≤ 6 €/m <sup>2</sup>	9 %	16 %	25 %	≤ 5 €/m <sup>2</sup>	9 %	22 %	31 %
> 6 €/ m <sup>2</sup>	13 %	62 %	75 %	> 5 €/m <sup>2</sup>	9 %	60 %	69 %



## SOME OF THE DATA OPERATIONS CARRIED OUT (4)

### Hierarchical analysis in the search for differentiated territories





## NOT JUST FIGURES: STAKEHOLDER ASSESSMENTS

- **Feeling of opacity of housing attribution process**
- **Deficit in defining what is “social dwelling mix”**
- **Confidence in intermunicipal management**



## QUALITATIVE BUT THOROUGH SURVEYS

**A single framework, usable answers (reconciliations)**

**Conducting appropriate interviews (team training)**

**Workshops: by category of actors, then summarization**

**Validation of interview/workshop minutes, verbatim**

**National interviews**

**Regional workshops**



## STRENGTHS AND WEAKNESSES OF THE EVALUATION (1)

**The framing**

**The evaluation process**

**The recommendations**



## STRENGTHS AND WEAKNESSES OF THE EVALUATION (2): THE FRAMING

- ✓ **The scope of the evaluation: ...not too large, not too small...but requires a systemic approach**
- ✓ **The logical framework: identify the mechanisms and logic of action, order their presentation in the service of framing**
- ✓ **The **evaluation questions**: the keystone of the deliberation on the feasibility note**



## STRENGTHS AND WEAKNESSES OF THE EVALUATION (3): THE EVALUATION PROCESS

- ✓ **The collection of data and opinions: an approach guided by the practices of the actors** (the logics of action govern statistical sources, business lines and organizational charts, immediate opinions)
- ✓ **An analysis of findings that are not immediately related to the evaluation questions** (occupation, responsibilities, adaptation of the offer, construction, mobility, rents, mix, governance)
- ✓ **The return to evaluative questions: a double entry grid**



## THE EVALUATION PROCESS (2)

	Beneficiary target groups	The attribution system	Matching supply to demand	The new production	Tenant mobility	Rental policy	The balance of population	Governance
<i>a. To what extent does the public policy on social housing make it possible to accommodate, within a reasonable period, the different audiences targeted by this policy?</i>	xxx	xx	x	x		x	x	
<i>b. To what extent is the supply of social housing adapted to the needs of the various target groups?</i>	x	xx	xxx	x	x	x		x
<i>c. What is the cost and impact of the actions implemented to correct the deficiencies noted?</i>		x	x	xx	xxx	xxx	xx	xx
<i>d. Are the different objectives of public social housing policy compatible with each other?</i>	xx	x	x	xx	xx	x	xxx	xxx





## STRENGTHS AND WEAKNESSES OF THE EVALUATION (4): THE RECOMMENDATIONS

### ✓ **Disconnection of findings and judgments**

An atypical reporting, suggested by the work of the advisory committee, approved by the CRPP

### ✓ **Unanimity on the findings**

effective role of stakeholders before the contradiction

### ✓ **No convergence on the recommendations: what role for the advisory committee?**

for the evaluation of social housing, the stakeholders' opinions were obtained after deliberation by the FIJ at the time of the first contradiction



## OPINION OF THE SUPPORT COMMITTEE ON THE RECOMMENDATIONS

Recommendations	Aim 1 Better targeting of disadvantaged groups			Aim 2 Expanding the annual offer					Aim 3 Contributing to the population balance				Aim 4 Partnership and participatory policy		
	1	4	11	5	6	8	9	10	7	12	13	14	2	3	15
DH		Green	Yellow	Green	Yellow	Yellow	Yellow	Yellow	Green	Yellow	Green	Green	Yellow	Green	Green
CR	Yellow	Green	Green	Yellow	Yellow			Green		Red	Green		Green	Green	Green
MP										Yellow	Green				
PMG							Green	Green		Red			Green	Green	Green
SBB		Green	Yellow	Green	Green		Yellow	Yellow					Yellow	Green	Green
JCD		Yellow	Yellow	Green	Green		Green	Green	Yellow		Yellow		Yellow	Green	Green
AT							Green		Green	Red	Green	Green			
NB											Red				



## THE FRENCH COUR DES COMPTES' ANSWERS TO THE EVALUATION QUESTIONS

- 1) Public social housing policy does not allow all eligible groups to be housed within a reasonable period of time**
- 2) The inertia of the social housing stock limits its ability to adapt to changing needs**
- 3) Social housing policy is too oriented towards new construction and insufficiently towards active management of the existing stock**
- 4) The objectives of social housing policy must be consistent at regional level**



## THREE ORIENTATIONS, THIRTEEN RECOMMENDATIONS

### **1) Social housing must better target modest and disadvantaged groups**

- Lowering the resource ceilings according to the specificities of the regions concerned

### **2) Social housing must offer more housing to the target groups for which it is intended**

- Introducing fixed-term leases

### **3) Transparency of the functioning of social housing must be increased and its management better ensured at regional level**

- Publish selection and attribution criteria by the social housing landlords



# WHAT IMPACT ON THE GENERAL PUBLIC?

## Significant media coverage

Press coverage: 239

*e.g., «Logement social: des solutions-chocs pour «mieux cibler les publics modestes. La Cour des comptes estime que les plafonds de revenus pour prétendre à un HLM «apparaissent élevés» car en théorie, les «deux tiers de la population» y ont droit.» (Le Monde, 22/02/2017)*

Cour des comptes and CRTC websites visits: 3 360

Downloads: 836

## Repeated messages

Better targeting low-income and disadvantaged households

Questioning the lease for life

## A prevailing disagreement

The presence of the middle classes in the social stock



## FOLLOW-UP OF THE RECOMMENDATIONS

**Follow-up of the recommendations conducted in 2018 through a survey sent to the Ministry of housing and published in the 2019 annual report:**

**1) Social housing must better target modest and disadvantaged groups**

➤ **Partially implemented in the “ELAN Law”, 2018**

**2) Social housing must offer more housing to the target groups for which it is intended**

➤ **Only partially implemented**

**3) Transparency of the functioning of social housing must be increased and its management better ensured at regional level**

➤ **Totally implemented in the “ELAN Law”, 2018**



# END OF THE PRESENTATION



**Any questions ?**