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**HOUSING DEVELOPMENT AND
THE ROLE OF LOCAL AGENCIES
Case studies from Britain and the Netherlands**

Abstract: This article examines the role of agencies in the housing development process of two European countries: Britain and the Netherlands. The aim is to investigate how the role of local authorities, housing associations and private developers changes in response to political and economic forces. The case study context includes four developments from the city of Rotterdam and Leicester. There is a case study from each city for the period of the late 1970s and early 1980s and one from each city for the period of the late 1980s and early 1990s.

A number of changes are observed at the national and European level which appear to influence outcomes on the ground. The main forces are an increasing emphasis on monetary policy and a more liberal market philosophy. These influences impact very strongly on the composition of new housing developments over time, where the number of completions in the social sector give ground to private provision. As a result, the role of local authorities has changed from one of direct provider of housing, to an administrative or enabling function.

The main focus of the article examines the contribution made by structure and agency paradigms in explaining housing development. The case studies show that in particular, the role of local authorities has become more similar. Other changes observed from the four case studies, however, do not fit so tidily the convergence assumption. This is explained by the fact that change occurs at a different pace and in a different manner.

Key words: housing, local policy, urban development.

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1. INTRODUCTION

Understanding the forces shaping urban change is a complex challenge. Important policy shifts have occurred over the last twenty years and none more so than in the field of housing. These shifts are well documented (Boelhouwer and van der Heijden, 1992; McCrone and Stephens, 1995), particularly at the national level. Our approach is to ask how, and to what extent, the changes are reflected at the local level. To do this, four case studies are examined in two countries, Britain and the Netherlands. The case studies are housing developments in the cities of Rotterdam and Leicester, built mainly in two phases; the late 1970s to early 1980s and the late 1980s to the early 1990s. There are a number of common themes, not least in the role played by the respective local authorities as land owners. The changing relationships between the key actors are discussed, although the focus will be primarily on local authorities.

Initially, the article reviews the main changes in national policy and the performance of the wider housing market in each country. This provides a backcloth against which changes at the local level can be evaluated. Considerable attention is then given to the case studies themselves. In the conclusions, we consider the common factors affecting agencies involved in housing development at the local level, and make an evaluation of the extent to which their roles appear to be converging.

2. CONVERGENCE IN NATIONAL HOUSING POLICY AND IN THE ROLE OF THE HOUSING MARKET

An initial review of the macroeconomic policy context in Britain and the Netherlands reveals some differences in approach. For much of the post-war period, British governments followed a policy of Keynesian 'demand management' based on regulating the employment cycle by means of government spending and taxation. The idea of a central bank making the major decisions about monetary policy has only very recently come to the fore. Dutch macroeconomic policy on the other hand, in common with other major mainland European countries, has traditionally been characterised by a 'virtually neo-classical rigidity' (Crouch, 1993: 93), where a central bank has been dominant. Since the mid 1980s, however, macroeconomic policy in the United Kingdom has been more in line with the continent. The real interest rate has risen significantly and the central bank has been given a greater say in policy making, more in keeping with the model in the Netherlands.

Despite some historic differences in economic policy making, there is nevertheless an important degree of convergence in housing policy at the national level between the two countries. Particularly throughout the 1980s and early 1990s, new challenges have been met in the form of housing renewal and other policies to improve the quality of the housing stock (Boelhouwer and van der Heijden, 1992: 273). In Britain and the Netherlands these policies have been in evidence since the mid 1970s (*ibid.*). Over the same twenty year period, European governments have changed the nature of financial support in other ways. Generally subsidies have been moved away from bricks and mortar to the individual (Hills *et al.*, 1989), whilst at the same time, there have been significant cuts in support for social housing; Emms (1990) provides a salutary warning of the 'dilemma' in which the sector finds itself. The way out for social housing is seen to lie in the new 'social entrepreneurship' (van der Krabbe, 1995) which housing organisations are being encouraged to adopt. In the Netherlands this gives housing associations a whole new financial autonomy for developing social housing based on a system of 'grossing and balancing'. This is an arrangement concluded with the central government (Priemus, 1995), under which the associations have been given a one-off lump subsidy in return for foregoing annual future subsidies. Although in Britain housing associations still receive annual (Housing Association Grant – HAG) subsidies, this source of funding is becoming less certain, if not less substantial, as private sector funding of new developments becomes more usual.

The performance of owner-occupied housing markets have also contributed to the decline in social housing in some European countries. In Britain and the Netherlands, where the property market is seen as being 'transparent' and 'simple' (B. M. Bau, 1993: XXXII), owner-occupation has proved for many to be very financially rewarding (for a full account of British situation, cf. Saunders, 1990), and not even the slump period of the early 1980s seems to have dampened the long run demand for more private housing. This demand has put pressure on national governments not only to find ways of allowing tenants in the existing housing stock to become owners through a variety of schemes enabling tenure transfer, (Bramley, 1993; Boelhouwer and van Weesep, 1987), but also to allow private developers and market builders a greater share of completions in new housing estates and developments.

Other important policy shifts have occurred in both countries relating to: the land market, to subsidy arrangements and the roles assumed of local authorities, private house builders and housing associations. In so far as land policy is concerned, governments in both Britain and the Netherlands since the mid 1970s have begun to reject interventionist policies, although with varying degrees of enthusiasm. The first Thatcher government's repeal of the Community Land Act of 1975 was swift when it came to power in 1979, whereas the move to a market led land policy in the Netherlands has been more incremental and can be linked

with a number of factors which are above all practically (Faludi, 1989) and ideologically (Davies, 1989) associated. Nevertheless it is clear that land policy in both countries is no longer a mechanism for the economic redistribution of wealth or provision of low cost housing. Rather this is being done by letting land prices float at market values by bringing in more private sector players, who can then be 'encouraged' through the planning system to fulfil social objectives and needs.

Whether this method will work is very much a question for housing and planning policy makers in the 1990s. The statistics for house building completions might indicate that in Britain relaxing land and planning policy in the 1980s (Spaans *et al.*, 1996) did little to favour the cause of social housing, and the same can be said for the Netherlands, where a number of housing and planning reports of the central government have tended to bolster the case for market builders and owner-occupiers. Figure 1 shows national house building outcomes over the period 1970 to 1992:

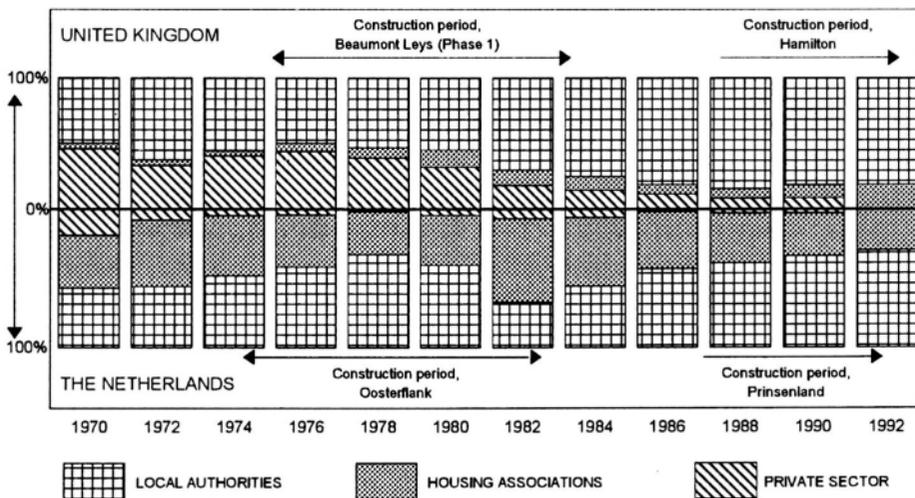


Fig. 1. National house building outcomes 1970–1992

Of the Dutch policy initiatives, the most important are the Housing Memorandum for the Nineties (Heerma, 1989) and the Fourth Memorandum on Spatial Planning (VINEX), (Alders, 1991), where the policy envisaged is for 70% of all new housing completions to be in the private sector, and 30% in the social sector. These objectives have played an important role in influencing the relationship between central government, local authority planners and housing developers over the last few years. As the case studies in Rotterdam show, whereas during the late 1970s and early 1980s, local authorities were the most powerful agency in housing development, by the late 1980s and early 1990s,

they began to play a role which was more sympathetic and reactive to the others players in the development process: a co-ordinating role. In Britain, the same trends can be identified through case studies where the relationships between the main agencies in housing supply have been affected significantly by the 1987 White Paper which outlined a new 'enabling role' for British local authorities. The strategic enabling role relates to 'that range of activities that makes possible, encourages or facilitates the provision of social housing opportunities by bodies other than the local authority itself' (Malpass and Means, 1993). More specifically, it was stated that:

Government will encourage local authorities to change and develop their housing role. Provision of housing by local authorities as landlords should gradually be diminished ... local authorities should increasingly see themselves as enablers who ensure that everyone in their area is adequately housed: but not necessarily by them (Department of the Environment, 1987).

and in Sections 4.2 and 5.2 we trace the way in which housing development in Leicester can be shown to change in response to central government policy. First, however, it is perhaps useful to make some introductory comment on the urban context for the case studies.

3. THE URBAN CASE STUDY CONTEXT: ROTTERDAM AND LEICESTER IN COMPARISON

There are some noteworthy differences between the Dutch port city of Rotterdam and the city of Leicester which is positioned in the Midlands region of England. One difference is in the economic contribution made by the individual cities to the national level. Rotterdam is Europe's largest port and is situated in the Province of South Holland within a main economic area of the Netherlands. It is the second largest city in the Netherlands with 589,817 inhabitants in 1992; the urban region of Rotterdam then had 1,128,976 inhabitants (Gemeente Rotterdam, 1994). Leicester, by comparison, is a medium sized city in Britain with an urban region of 280,000 inhabitants (Leicester City Council, 1997). Leicester's historic significance lies largely in the contribution of its local textile manufacturing industry. Although this sector has declined, it still remained (1987) a significant employer providing around 20,000 jobs. The built environment of the two cities are very much a logical consequence of their historic trading strengths. The housing stock, for example is much newer in Rotterdam than in Leicester, a reflection in no small part, on the (differing) levels of damage inflicted by the Second World War.

Yet despite these differences, the two cities provide a useful context for a comparison of housing development over time, as there are similarities which are not revealed by the examination of the geographical and historical context. Perhaps the most important of these is the role played by the individual local authorities in the land market, where municipal powers have been used over time to acquire and supply land for various housing types.

In Rotterdam, the need for municipal involvement in land supply is desirable from at least two points of view. First, because private housing developers and housing associations generally have not wished to become heavily involved in the very expensive process of land preparation and infrastructure provision. The two case studies examined in this article illustrate well the problems involved. Since the 1960s the eastern part of the city has been a major housing development area. Because of its very low topography, sand often has to be imported and then allowed to settle over a period of time, making development inordinately expensive. The development of Oosterflank and Prinsenland, the two case studies described here, necessitated very significant pre-building land preparation costs. The second reason for municipal involvement derives from the need to realise social and economic housing objectives. These are objectives shared in common with the local authority in Leicester, who, despite a very different physical environment, has nevertheless pursued a proactive land acquisition policy. Today the consequences of this policy are evident in the large tracts of land to the north and east of the city, where the case studies at Beaumont Leys and Hamilton are situated.

4. CASE STUDIES OF HOUSING DEVELOPMENT OF THE LATE 1970s AND EARLY 1980s: OOSTERFLANK AND BEAUMONT LEYS

The information which follows looks at two case studies of housing developments in Rotterdam and Leicester. The commentary results from material gathered during interviews with local authority planners and housing policy makers, private housing developers and with development personnel working in housing associations.¹ In addition, the case study material for

¹ The research project involved interviews with a number of individuals and organisations in Rotterdam and Leicester: Mr C. van Hulst, City Development Corporation, OBR, Ontwikkelingsbedrijf, Rotterdam municipality; Mr J. Scholtens, (formerly) dienst Stedebouw en Volkhuysvesting, Rotterdam municipality; Mr W. Patijn, (formerly) dienst Stedebouw en Volkhuysvesting, Rotterdam municipality; Mr J. A. van der Schans, Stichting Volkswoningen housing association; Mr A. de Groot, Van Omme and De Groot B. V; Mr N. Reeves and Mrs C. Sarris, Department of Environment and Planning, Leicester City Council; Mr N. Evans, Property Services Department, Leicester City Council; Mr M. Ward, Mather Jamie, Land Agents, Loughborough; Mr I. Greasley and Mr P. Smith, David Wilson Homes.

Leicester has been supplemented by previous research at Beaumont Leys and Hamilton (Carter *et al.*, 1986).

4.1. Oosterflank, Rotterdam

The development of Oosterflank took place in the mid 1970s, with the main housing production period being 1975 to 1983 (figure 1). Figure 2 shows the location of the Oosterflank housing development within the Rotterdam area.

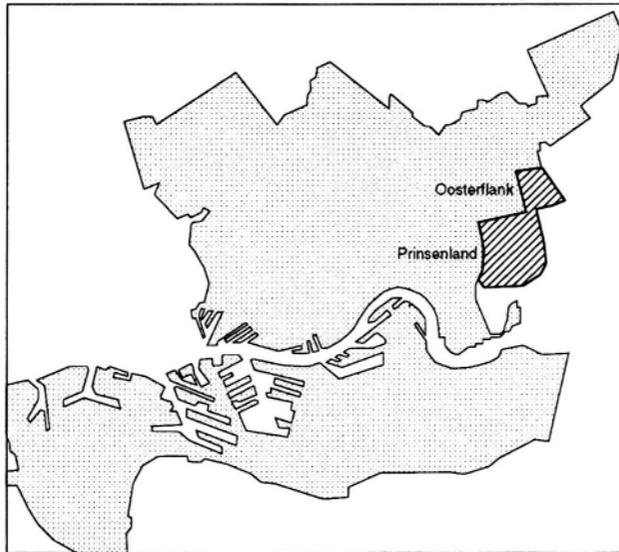


Fig. 2. Oosterflank housing development in Rotterdam

There are important differences between the developments of Oosterflank and Prinsenland, developed in the late 1980s. Oosterflank was designated a 'location subsidy-area', where arrangements were made with central government about the number of dwellings to be built. Under the agreement, the risk of development lay primarily with central government who underwrote any deficits that might occur; under these rather favourable conditions, the municipality could always go back to central government and claim more subsidies.² To try to offset the risk, central government stipulated that if private developers made

² Mr C. van Hulst, City Development Corporation, OBR, Ontwikkelingsbedrijf, Rotterdam municipality.

excess profits at Oosterflank, there would be a sum of money to be returned. In the event, however, this situation never arose.

This was partly because of the state of the Dutch national private housing market which during the time that Oosterflank was developed, was on the point of collapse. Hence private developers were reluctant to enter the field³ and only around 30% of in total 5,109 completions at Oosterflank were in the market build sector (as in other case studies of the time). To encourage private house building, very low land prices would have been needed. Land prices in Oosterflank, however, as everywhere in the late 1970s and early 1980s, were fixed by central government. Only around 150 unsubsidised dwellings were built from the total 5,109 dwellings and only 15% of all (unsubsidised and subsidised) dwellings were in the owner-occupied sector. As there was so little unsubsidised housing in Oosterflank the possibilities offered by the subsidised housing routes strongly conditioned the relationship between the Rotterdam municipality and private housing developers.⁴

At the time during which Oosterflank was planned, the municipality of Rotterdam may be viewed as a single agency in the development process,⁵ although later two main departments emerged: the City Development Corporation (Ontwikkelingsbedrijf Rotterdam, OBR) and the Urban Planning and Housing Department (dienst Stedebouw en Volkshuisvesting, dS+V). These two departments which now work mainly in co-operation, have become a primary point of reference for private house builders and housing associations wanting to discuss the technical aspects of housing development. At Oosterflank however, development was not wholly a technical exercise and the Town Hall itself had a strong political input.⁶ Particularly important also was the intermediary of the Federation of Rotterdam Housing Associations (Federatie Rotterdamse Woningcorporaties, FRWC) which appointed two large housing associations to develop at Oosterflank: the PWS (Patrimonium Woningstichting) and the Stichting Volkswoningen. The FRWC helped to overcome the problems experienced by housing associations at the time. These problems were twofold and inter-dependent; housing associations were previously forbidden by law from initiating development, yet (not surprisingly) they had no experience of the process.

³ Both the City Development Corporation (Mr C. van Hulst) and the private developers (Van Omme and De Groot) emphasised the importance of housing market conditions for encouraging the private sector into house building.

⁴ Mr C. van Hulst: mainly this relationship was conditioned by the fact that there was no room for manoeuvre on land prices which were fixed by the central government.

⁵ Mr J. Scholtens, (formerly) dienst Stedebouw en Volkshuisvesting, Rotterdam municipality.

⁶ Mr J. A. van der Schans, Volks Woningen housing association.

Because of a lack of expertise and experience in the expansion areas on the part of housing associations,⁷ as well as a lack of financial backing, urban design plans for Oosterflank were often put out to contract to architects and urban development firms outside the confines of the municipality. The municipal building co-ordinator for an area was responsible for the choice of contractors. Together with the council committee he was also responsible for the choice of architects. However, the aldermen at the Town Hall had considerable discretion for delegating specific responsibilities and project tasks and hence ultimately had control over the development process at Oosterflank.⁸

4.2. Beaumont Leys, Leicester

Virtually all the land for development at Beaumont Leys is owned by Leicester City Council as part of the corporate estate held since 1901. Only around 5% is owned by other parties, and this is mainly the church. This situation has come about as a consequence of a far-sighted decision⁹ of the City Council to acquire a large segment of land beyond the city centre and to the north (figure 3). Since the 1970s a large number of housing completions in social and private sectors have been achieved.

Beaumont Leys has been developed in three phases, each phase representing a shift in development location away from the city centre. Phase 1 was developed from the mid 1970s to the early 1980s, and phase 2 during the mid to late 1980s; there is also a phase 3 being built at the present time. To make the comparison with Oosterflank, however, we should look at development phase 1.

Phase 1 is in many respects a good example of the type of housing development in Britain built during the 1970s (figure 1). The houses are primarily local authority dwellings.¹⁰ In phase 1 which was virtually completed by 1982, 56% of the total 3,329 dwellings were local authority. Of the other completions during this first phase, around 20% were housing association dwellings and 25% private sector. In total therefore around 76% were social housing completions. These are mostly of a low rise nature and comprise a mix of semi-detached and terraced or town houses. The first phase of Beaumont Leys was developed around a Master Plan which envisaged a managed traffic system built around individual residential and landscaped areas. There was to be a monorail link with the Leicester city retail centre, although this never materialised.

⁷ Mr J. Scholtens: housing associations were said to be very much dependent on the Rotterdam municipality during the 1970s.

⁸ Mr W. Patijn, (formerly) dienst Stedebouw en Volkhuysvesting, Rotterdam municipality.

⁹ Mr N. Reeves, Department of Environment and Planning, Leicester City Council.

¹⁰ Mr N. Evans, Property Services Department, Leicester City Council.

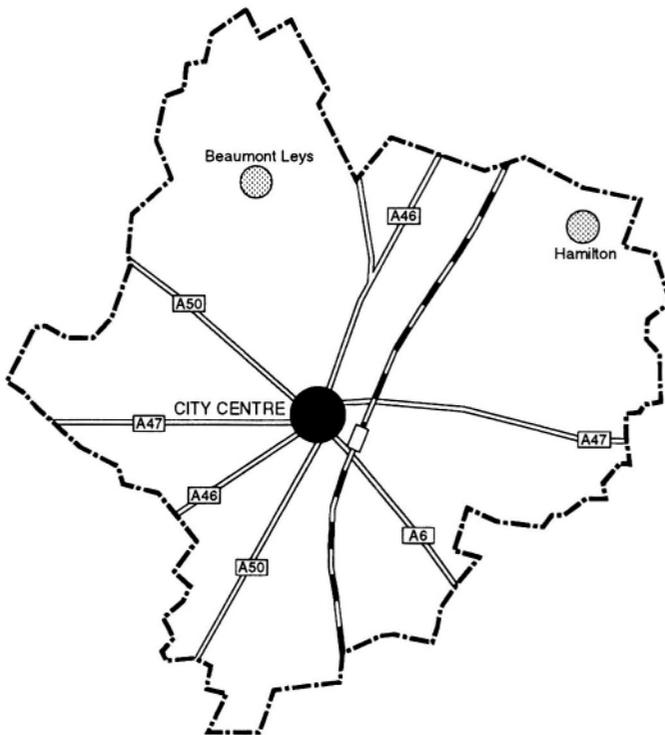


Fig. 3. Beaumont Leys and Hamilton in Leicester

As with Oosterflank, the City Council was the driving force behind housing development during the 1970s, where a main objective was to achieve a high level of council dwellings. In the event this was achieved as in Oosterflank against the background of a weak owner-occupied housing market which in Britain lasted for much of the mid 1970s. However, the housing built in the first phase of Beaumont Leys was politically as well as economically motivated. Mainly the way housing was developed at the local level was via a close co-operation between planners and housing policy makers who also determined the infrastructure and design aspects. It was only in the later phases of development that conflicts began to emerge: problems between the Estates department (recently formed 'Property Services') who have a very broad and sometimes non-specific site remit, and planners who are concerned with site design and layout in one particular area.

In the 1970s, land sales were very often re-invested at the same site to fund infrastructure and green space. Beaumont Leys was seen as a discretely planned housing area. Since then it has become an increasing possibility that financial gains made at particular sites could be spent on new development at other areas

of the city, or even on housing renewal. In so far as land prices are concerned, there is very little evidence to show whether land in the first phase of Beaumont Leys was sold at market values to finance other municipal objectives. This is very different to today where local authorities are under a statutory duty to achieve the highest possible prices (Department of the Environment, 1993).¹¹ By comparison with Oosterflank, however, it is difficult to understand the development process clearly mainly because in Britain there is no overt land pricing policy linking subsidies with specific housing programmes. Perhaps a clearer picture might have emerged had the Community Land Act of 1975 been implemented properly at a local level. This could have been a step in the direction of a more transparent land market. Instead, it was only a set of (largely untested) guiding principles for allocating betterment and development gains.

Phase 1 housing development at Beaumont Leys is today seen by many inhabitants of Leicester as being an example of poor housing. This is however as much to do with the image of crime in the area as anything else. Phase 1 is mainly social housing, yet the poor image which it has extends also to later development in the greater Beaumont Leys area which incorporates a much higher proportion of owner-occupied housing. Nevertheless private developers are still reluctant to build there if alternative sites are available.

5. CASE STUDIES OF HOUSING DEVELOPMENT OF THE LATE 1980s AND EARLY 1990s: PRINSENLAND AND HAMILTON

5.1. Prinsenland, Rotterdam

Housing development at Prinsenland to the east of Rotterdam (figure 2) was begun in the late 1980s and is now almost completed. The financial provisions for development are entirely different to those at Oosterflank.¹² For the development of Prinsenland an arrangement was made with central government that 5,000 dwellings had to be built, for which the Rotterdam municipality received a limited amount of subsidy from central government. Development costs at Prinsenland were not calculated on the basis of a balanced budget and a deficit of 10 million guilders was agreed. This was the extent of the risk assumed by the municipality, which in the view of central government had to be covered

¹¹ Mr N. Evans, Property Services Department, Leicester City Council: there are examples where land can be released at below market values, if an agreement is reached with the housing department.

¹² Mr J. A. van der Schans, Volks Woningen housing association: in particular, location subsidies were low compared with Prinsenland.

at the local level: primarily by municipality's project management expertise. Whether the development costs will ultimately be covered is not yet clear although it does seem likely that the municipality will not be in deficit.

This is mainly because at Prinsenland more private sector housing has actually been built than was originally planned. The consequence of this is that significant profits have been made by the municipality selling land ripe for development to the market build or private sector developers. Assisting this process, Prinsenland has been developed in a period when the demand for private housing has been very strong (figure 1), a situation which the City Council has exploited to the full. Ultimately around 2,000 dwellings in the social sector will be built; however 3,000 dwellings will be completed in the private sector.

Because the financial provisions at Prinsenland were different to those at Oosterflank, the relationship between the Rotterdam municipality and the various housing suppliers was also different. These relationships were above all conditioned by the significantly higher share of unsubsidised housing at Prinsenland¹³ over which the City Development Corporation (OBR) wished to retain some control. There were mainly two possibilities for private developers wishing to buy development land from the municipality. Either standard agreements were made where developers undertook to supply a certain product (housing type) for a certain price. With this method the land price and development costs could be fully anticipated and the municipality could then harmonise the building programme across a number of different builders and house types.

Alternatively, where the market for housing was less predictable, there was a more flexible arrangement whereby developers were offered land at a reasonable price but also committed themselves to pay back to the City Development Corporation any excess profits made on the anticipated sale price of the houses. This 'excess profit' would be laid down in the contract; for instance 25% up to a sales price of Dfl. 350,000 and 40% extra above that price. In practice, it is shown however, that the City Development Corporation considers the rate of turnover (speed and production) more important than maximising profits from land deals. In Prinsenland there have been few problems with sales of dwellings ensuring that high production levels were achieved. The City Development Corporation's policy is to keep exact records on the progress of sales for owner-occupancy in Rotterdam. For Prinsenland, there was a monthly update on sales of housing by type, price, and time taken to sell. The City Development Corporation reacted efficiently to this information and was able to reach

¹³ Mr A. De Groot, Van Omme and De Groot: stated emphasis on non-subsidised housing at Prinsenland.

agreements with developers to adjust the building programme in terms of pricing and house types.

Finally at Prinsenland a standard land price for the social sector was anticipated. Agreements were made with central government on the basis of Dfl. 22,900 per plot. However, the extent to which the City Council deviated from the anticipated price did not concern central government. The actual price could vary, being a result of negotiations between municipality and individual housing associations. As the housing associations have become more independent this situation has become more of a two way process.

5.2. Hamilton, Leicester

The Hamilton housing area of Leicester lies to the north-east of the city (figure 3). The original planning aims in the early 1970s foresaw Hamilton as a housing expansion area for the city, although building at this location did not begin until 1988 (figure 1). The main thrust of production was during the late 1980s and early 1990s (until 1993), although production is still being carried forward at related sites. Hamilton is an interesting case study in the British context as it highlights well the changing national context in a local framework. There are some parallels with the Dutch case study at Prinsenland in the shift in emphasis from public to private house building and in the changing role of local authorities.¹⁴

Land at Hamilton is owned both publicly and privately. The City Council is an important land owner with around one third of the total development area. The remaining two thirds of the estate is owned by a private trust (the Hamilton Trust), set up some time ago on behalf of a member of a local Leicestershire family.¹⁵ The interests of the Trust are represented by a local land agent. These land ownership interests were brought together in a legally binding partnership agreement in 1987 drawn up between the Leicester City Council and the Hamilton Trust. The partnership was concluded in order to ensure a co-ordinated development of the whole area.

In so far as the financial provisions at Hamilton are concerned, the development is almost entirely driven by private sector finance. By this is meant finance for private house builders, of which there are eight (including David Wilson, Trencherwood, Westbury, Bloors, Wimpeys and Bellway Homes). There is very little direct subsidy involved and hence the development risk is entirely taken on by the house builders themselves. To date around 900

¹⁴ For a full comparison cf. Spaans (1996).

¹⁵ Mrs C. Sarris, Department of Environment and Planning, Leicester City Council.

dwellings have been constructed by the private sector. Where there is subsidy¹⁶ this is attracted by a housing association (a local company), which has to date completed around 30 dwellings. Hamilton highlights quite well a local authority attempting to fulfil its new enabling role.¹⁷ At Hamilton, there are no local authority dwellings, and the focus of the city council's efforts has been on trying to bring together the many different development interests in a co-ordinated way.

More specifically, development at Hamilton has been regulated through a partnership agreement between the Leicester City Property Services department (formerly City Estates department) and the Trust's agent (the Hamilton Trustees). The Property Services department is responsible for all functions relating to property with potential as a financial resource. Its tasks are varied. It is the role of Property Services to market sites, advertise them and go into negotiation for the sale of land, although its preferred policy is to not release land until it is absolutely necessary. This has several advantages which enables the parties to monitor development and infrastructure provision as well as take advantage of rising land values, as and when they occur. When land is released on the market, there is an agreement drawn up for sharing the costs of infrastructure. This agreement is linked to the developer's offer for the land as well as to the outline scheme for housing development. Developers in effect have to get two 'permissions'; one from the Trust (with regard to the scheme as a whole) and a second from the City Council Planning department (for planning permission itself). To aid the planning process at Hamilton, the City Council have set up a forum for the benefit of developers, the Hamilton Trust and themselves. Participants and those having an input to these meetings are the housing and planning representatives of the City Council, representatives of the Trust and representatives of the Highways department of the Leicestershire County Council.

The success of housing development at Hamilton is based on a number of assumptions relating to households' own transport facilities. Whereas for the early phases of Beaumont Leys, public transport was an assumed mode of travel, at Hamilton, the private motor car plays a more elevated role. The future of the development is very much dependent on link roads being built from Hamilton to join up with Leicester's main outer ring road. The target at Hamilton is for 4000 dwellings and this aim cannot realistically be achieved without improved road links.

¹⁶ Mr N. Evans, Property Services Department, Leicester City Council: stressed the unlikelyhood of social housing development without the backing of the Housing Corporation.

¹⁷ Mrs C. Sarris, Department of Environment and Planning, Leicester City Council: suggested that the relationship between the development agencies is seen (from the point of view of the local authority) to work well at Hamilton.

6. CONCLUSIONS: EVALUATING THE CHANGING ROLE OF LOCAL AGENCIES IN THE HOUSING DEVELOPMENT PROCESS

The earlier case studies at Oosterflank and Beaumont Leys have some commonalities from the point of view of the agencies involved in housing development. Perhaps the most notable is the significant role of the local authority in steering the housing development process. Both housing schemes were subsidy dependent to a large extent and without a strong municipal input, the very high levels of social house building could almost certainly not have been achieved. Importantly, housing development at these locations was provided as part of a ring-fenced operation, where central governments did not force local authority housing decision-making out into the market environment. At Oosterflank the Rotterdam municipality could call on central government to rescue the building programme if it overran on costs, and the municipality did not have to rely on the private sector to any extent for cross subsidy. In the early stages of Beaumont Leys (phase 1) this is also the case; the political environment was not one in which central government was evidently forcing the city council to release land at maximum prices, a policy which might have brought in more private sector suppliers. The potential conflicts between departments with differing social and economic objectives did not really appear until the second phase of development in Leicester.

There are also commonalities in the development models at Prinsenland and Hamilton. Instead of development being subsidy driven, as in the earlier case studies, with high levels of local authority and housing association completions, house building across the board has been motivated much more by the market and the unsubsidised sector, where social housing has played a more residual role. This mirrors quite well the picture at the national level particularly in Britain. In these later developments there is greater flexibility between different agencies and the risk is shared more evenly. At Prinsenland for example, the Rotterdam municipality has devised alternative pathways for private housing development providing developers with ways of reducing the inherent risk of the housing market. These are based on local land policies. At Hamilton, more flexible solutions are also sought through the land market; by bringing together both public and private sectors, sites can be assembled in such a way that infrastructure provision is timed to reduce the 'building to sale' period down to a minimum thus reducing costs and risks for house builders.

Whilst noting, however, that the role of local authorities and other local agencies in housing development appears more similar between countries as time passes, it is also important to note that national policies have an important effect in determining the speed of convergence. Generally, the differences in the role of local agencies at Beaumont Leys and Hamilton are more pronounced than those at Oosterflank and Prinsenland. Beaumont Leys phase 1 was housing

development almost entirely driven by the City Council; in terms of the tenure of housing completions, the infrastructure provision and the system of land supply. At Hamilton, the City Council has built virtually no housing, relying on the private sector and to a lesser extent, housing associations. The release of land, the tenure and type of housing is only partially controlled by the local authority. The role of the Rotterdam municipality is also significant at Prinsenland, particularly in respect of the distribution of housing subsidies. Although the building programme policy has changed over time from subsidised to unsubsidised housing, the local authority still retains a strong hand over the timing of development.

These events can be linked with the national economic and policy framework. In Britain, the more volatile political and economic situation has led to a very different model of housing development. The case studies in Leicester show a stark transition in the local authority role; from one in which the city council was an active provider or supplier of social housing, to one in which its function has become largely enabling. In the Netherlands, the transition to market led local housing development, has been made against a backdrop of a more stable economy and a less adversarial political context.¹⁸

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