



European  
Investment Bank

# Role of PPPs in housing

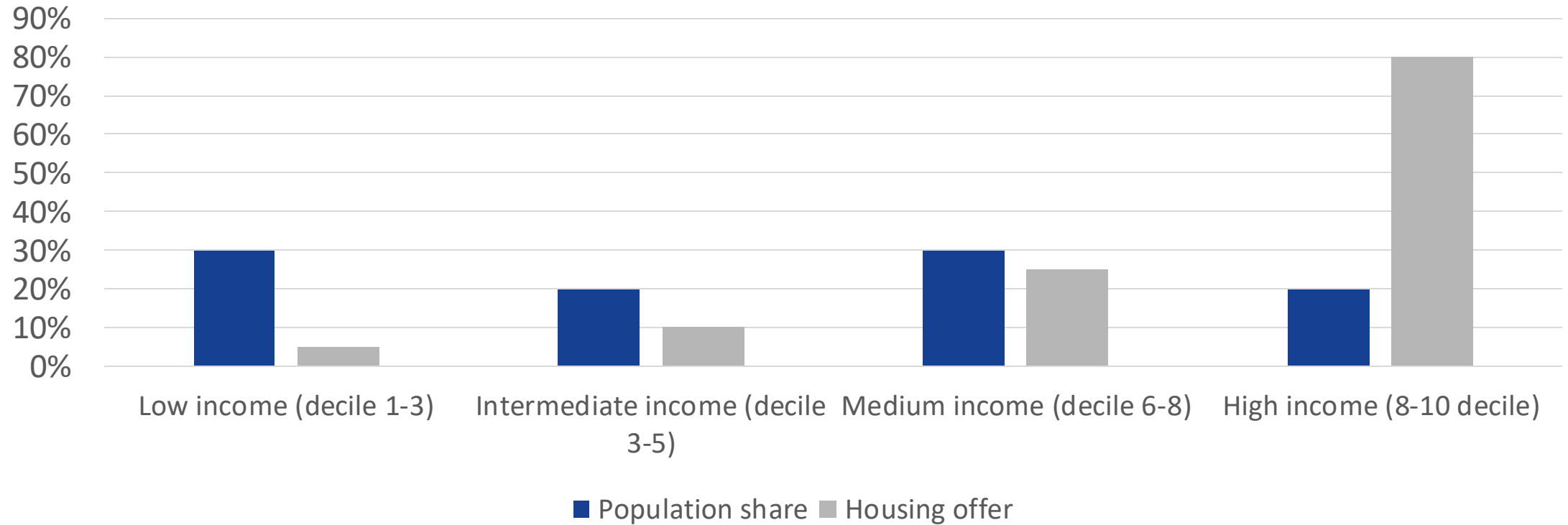
# Diagnosis

	1st decile	2nd decile	3rd decile	4th decile	5th decile
income	237	731	1,110	1,375	1,596
max rent	59	183	278	344	399
max loan pmt	71	219	333	413	479
max loan	18,000	57,000	86,000	107,000	124,000

City of Rennes, 2019, 1-person household

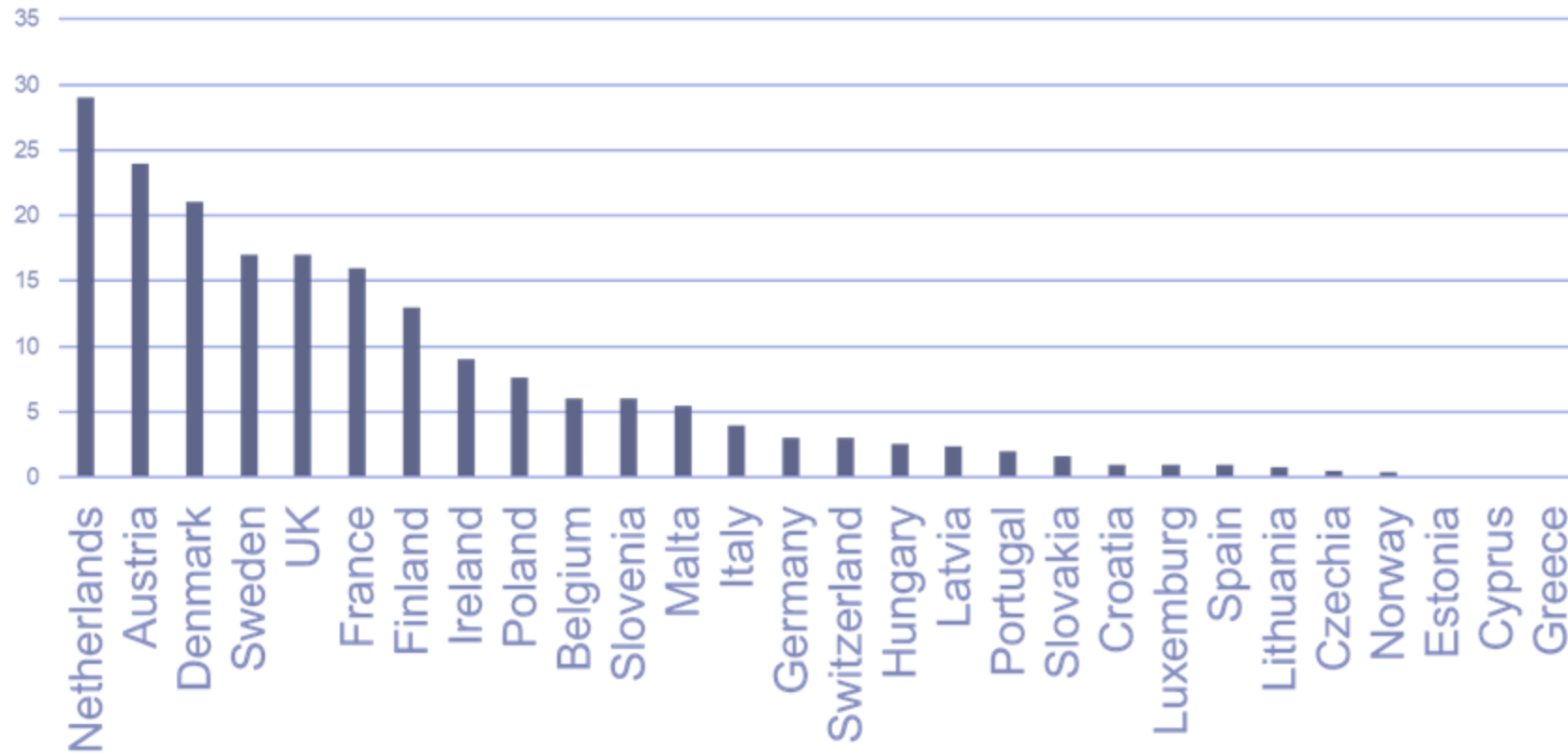
# Diagnosis

## City of Rennes

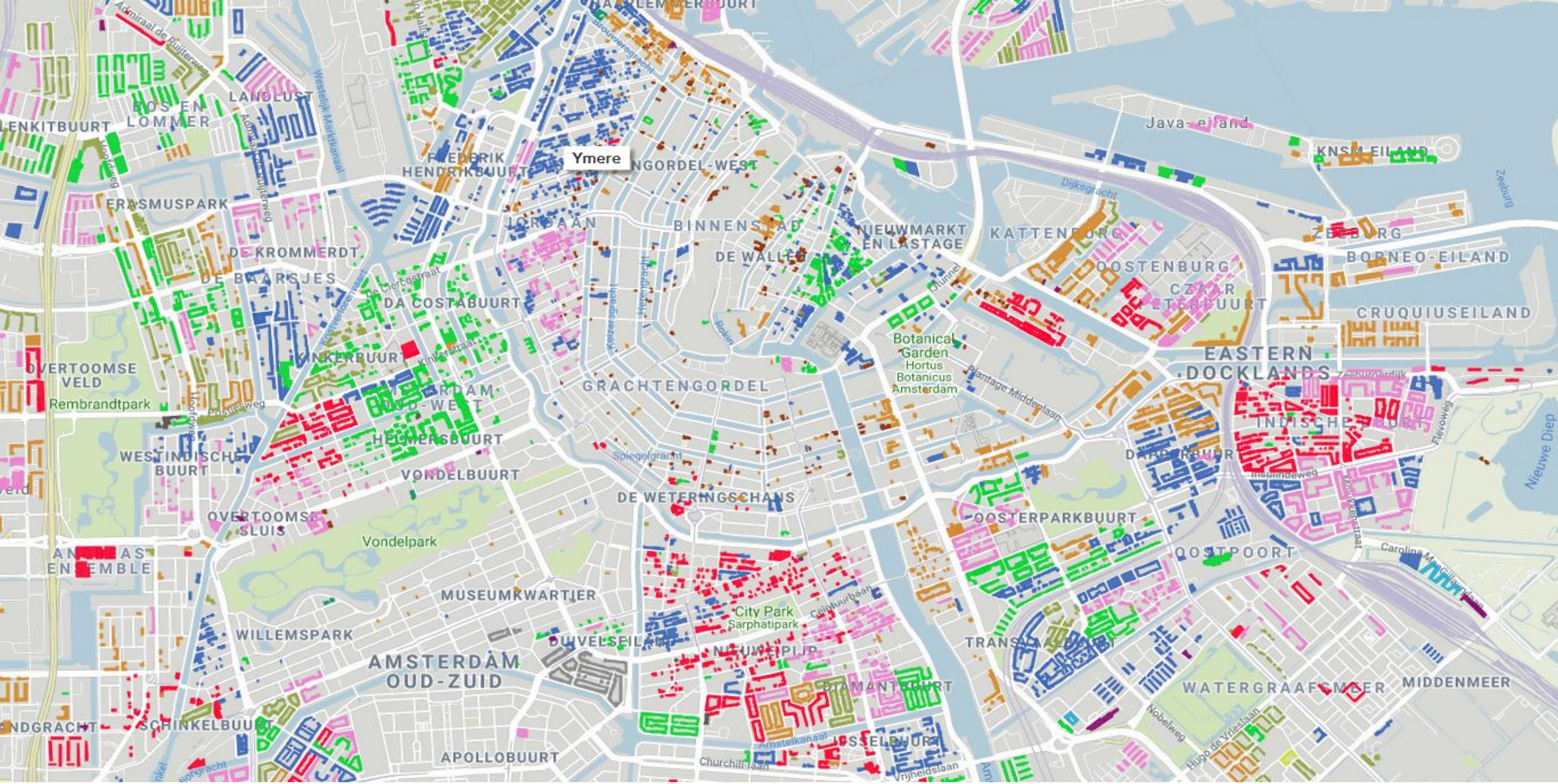


# Response

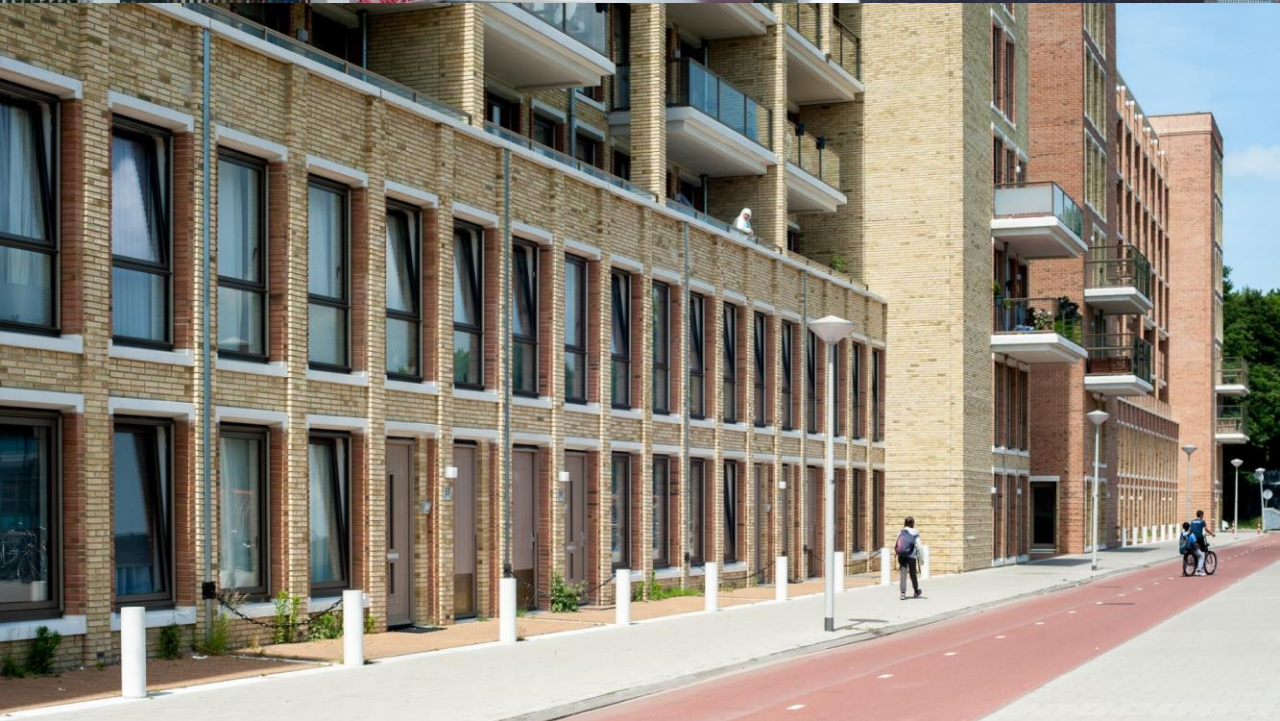
**Social rental housing in European countries**  
% of total housing stock, 2020









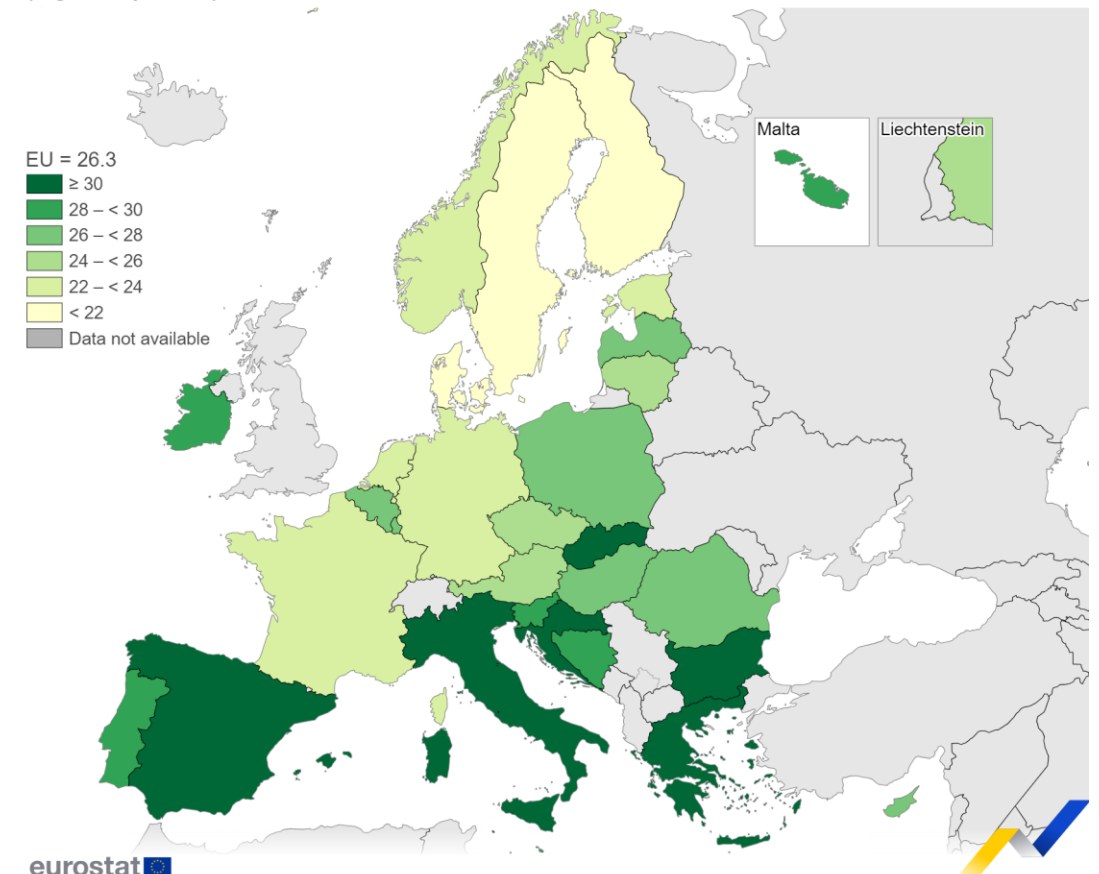




# Best practice

- Predominantly – rental
- Eligibility - based on income or universal
- Allocation – typically based on waiting list
- Rent level – 20-80% of market or based on income
- Typically ban on distribution of profit
- Planning-led development
- Social inclusion
- Tenants' involvement in decision making

Estimated average age of people leaving their parental home, 2023  
(age in years)



# Best practice

- Wide eligibility (increases financial sustainability and social mix)
- Smart allocation
- Long-term financing mechanism able to transform private, non-budgetary financing into public or non-profit private assets

Plus:

- Good legislation
- National regulation, local delivery
- Democratic land management
- Transparency and public control





# Role of PPPs in delivery of housing

- Additional to established housing delivery system
- Off-budget debt treatment
- Additional implementation capability
- Leverage of private capital
- Leverage of private sector organizational skills and innovation

BUT

- Can be a part of the solution but not the solution

THANK YOU



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