# REPORT





# HOW TO AVOID A RENOVICTION WAVE

Marine Cornelis for FEANTSA

Multiple causes of energy poverty EP

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NATURAL & GAS





## LESSON 1

# Many renovation programmes & policies miss the poorest





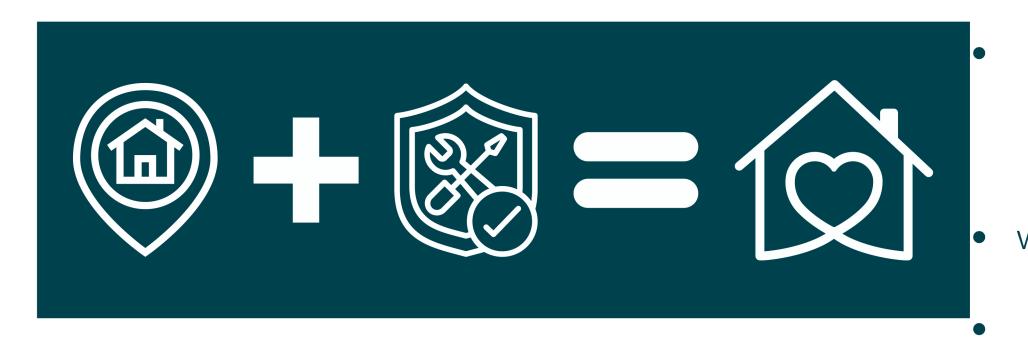
- Renovation may worsen their situation, leading to gentrification and social exclusion
- Ex: untargeted & first-come-first-served funding not reaching the poorest, higher condo expenses; exclusion of some categories of dwellings, privatisation leading to renoviction





## LESSON 2

# Many local policies and initiatives prove that it's possible to reconcile social and environmental objectives



very local and small experiences; specific community, economic or financial fabric high capacity for replication thanks to unambiguous identification of needs (France), often where public policies fail (Hungary, Slovakia).

willingness to learn and improve in pursuit of greater impact (Austria, Czech Republic) collective responses over and above individual interests (Spain, Italy).





## LESSON 3: more evidence is needed on MEPS & access to housing

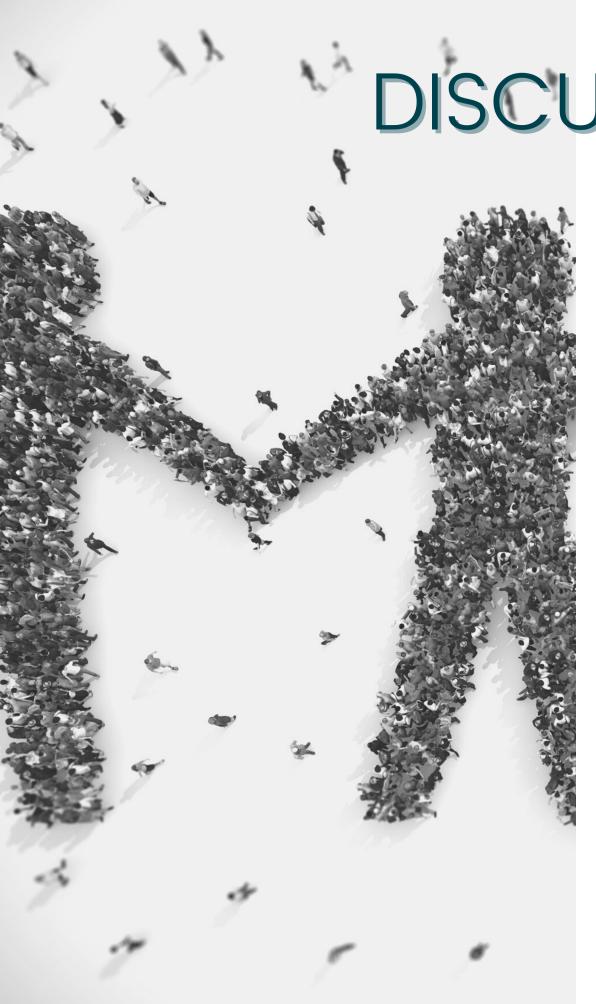


for the most vulnerable

- Need for a carrot, stick & tambourine approach for landlords
- MEPS must be enforceable
- Ambitions might be too slow and too low (G -> F)?!; renewable readiness?







# DISCUSSION - POSITIVE IMPACTS (6)





Improving the quality of life, addressing unfit housing, and reducing the risk of energy poverty

€ 10 billion Could be saved in health costs in France is all "thermal sieves" were renovated (Ministère de la Transition Ecologue, 2022)



Reduced rent arrears and voids benefitting landlords

more energy efficient homes remain unoccupied for a shorter time



#### Trust and broader community benefit

- willingness to receive future assistance
- step out of the logic of housing financialisation



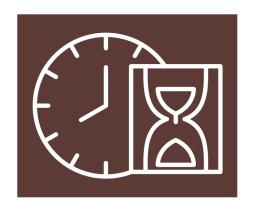
#### Positive economic impacts

Impact on local job market and prosperity





## POTENTIAL REBOUND AND NEGATIVE SOCIAL IMPACTS:(1)



#### The problem of unsustainable and unfit renovations

- few tasks at a time = intrusive but few energy, comfort or financial gains
- can hide or create additional problems (mould, fire safety)



## Unrealistic energy improvements

- 'prebound' effect when "before" energy uses are overestimated
- 'rebound' effect when savings are absorbed by other uses



## Challenges in the Funding streams

- remaining costs
- access to banks, loans and credits
- distrusts in banks and financial intermediaries





## Affordability crunch

- EE improvements = +3 to 8% in the purchase or rent price of residential properties
- But wages, pensions and benefits stagnate or are eaten up by inflation and rising costs



## POTENTIAL REBOUND AND NEGATIVE SOCIAL IMPACTS: (2)



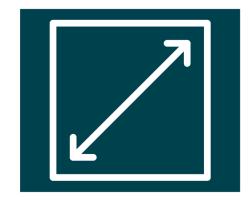
## Lack of acknowledgement of the social factor

- Technical aspects > information and support
- Neglect of people's lived experience
- Needs of social and temporary accommodations (shelters, hostels, refuges)



## Accelerated renoviction and gentrification

- energy efficient renovation = the tip of the iceberg
- greater social injustices, such as evictions, occur because of energy renovation and neighbourhood gentrification
- improving the "reputation" = increased rents, displacement, and segregation of marginalised groups who look for cheaper alternatives



## The danger of one-size-fits-all policies

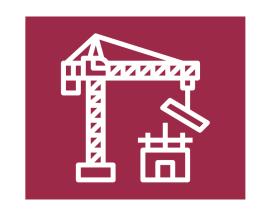
- heterogenous housing, urban development, climate, and economic or associative fabric
- governance of renovation policies and programmes should be targeted to the needs of the local populations, including for racialised, marginalised and disabled people, also thanks to the EU





# RECOMMENDATIONS (1)





## Prioritise deep renovation



• in the least performing homes of the people living in energy poverty, including temporary accommodation (e.g., hostels, shelters, refuge accommodation, etc.)



## Revise the Energy Performance Certificates

• to include the living conditions of the inhabitants... to consider housing as a social right and not an investment opportunity



## Design financial tools for the low-income

- e.g. 100% grants, earmark the highest share of financial support, keep remaining costs close to 0
- -> European Cold House Fund?



## Foster Social and community housing

• to put people before profit

# RECOMMENDATIONS (2)







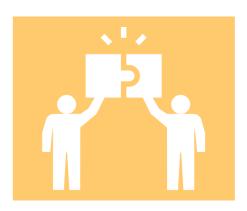
## Actively prevent renoviction

- Gov. should set rent caps and renoviction bans
- Need to assess the situation private rented sector



## Ensure the implementation and enforcement of the right to housing

- Article 31 of the European Social Charter, incl. legal representation
- Stronger social impact indicators in monitoring frameworks



## Think beyond the building sector

- sustainable approach = horizontal participation and inclusiveness of diverse parties
- link up all sectors and policy areas: regulation, building regulation, taxation, environmental and energy policies, and social policies

there's no one-size-fits all to put green AND social justice at the centre

Let's not forget the tools for short-term challenges too!







