

Decentralization, you have to explain? A qualitative study into the municipal perspective on housing in the period after the abolition of the Ministry of Housing, Spatial Planning and the Environment and a possible comeback?

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# Colofon

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### Abstract

The Netherlands has a growing shortage of housing and during the elections of March 17, 2021, this was an important topic. Both political parties and market parties expressed in the press a preference for a return of the Ministry of Housing, Spatial Planning and the Environment (VROM), which was abolished in 2010. During this process of decentralization, tasks related to housing from the central government were transferred to the municipalities. However, in today's discussion about a return of a ministry of VROM, the municipality's vision often does not seem to emerge. To make the suggested recentralization of housing policy successful it is also important to look at what has been going on within the municipalities in recent years. Therefore, the research question is as follows:

"To what extent and how did the abolition of VROM affect the construction of new housing from a municipal perspective?"

By using semi-structured interviews, the vision of small, medium and large municipalities on the process of decentralization and its effects on the housing market has been mapped out. In addition, discussions were held with the municipalities about their vision of a returning central government and the desired interpretation of this. Research has shown that, for various reasons, municipalities have not experienced the abolition of VROM as a process of decentralization. Nevertheless, there are several factors related to the decentralization literature which can be linked to housing construction. Factors such as the capacity of both finances, manpower and knowledge play an important role. The factor of customization also influences housing construction. Although the media often mainly describes the municipalities and the national government as important government bodies related to housing construction, the important role of the provinces emerged during the interviews. Finally, although the abolition of the Ministry of Housing, Spatial Planning and the Environment in 2010 was not perceived as much of a 'problem', the municipalities are generally of the opinion that slightly more tasks from the central government should be taken up again. Whether this is under a Ministry of Housing, Spatial Planning and the Environment in 2010 was not perceived as much of a 'problem', the municipalities are generally of the opinion that slightly more tasks from the central government should be taken up again. Whether this is under a Ministry of Housing, Spatial Planning and the Environment or not. Communication within, from and with the central government is key.

Keywords: Decentralization; housing; municipalities; different layers of governance.

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### **1. Introduction**

The shortage of housing in the Netherlands has been growing for years (Groenemeijer *et al.*, 2020), and with the national political elections on March 17, 2021, approaching everyone was looking at political The Hague. Certain is that all political parties have the theme of living on the agenda. However, for several parties, it has already been decided that a housing ministry must be established again (Vastgoedmarkt, 2021). According to the report 'State of the housing market 2020', the Netherlands had a shortage of 331,000 homes in that same year, which corresponds to 4.2% of the housing stock (Rijksoverheid, 2020). The target is to reduce this deficit to 2% by 2035 (Rijksoverheid, 2020). The increasing shortage of houses in recent years is a response to the sharp decline in construction during and after the financial crisis (Lennartz, 2018). Although the decades-long decline in new construction of new construction plans due to the crisis, there are also structural and institutional causes that might play a role (Lennartz, 2018).

An example of these structural and institutional causes is the decentralization of housing policy in recent years. For years, the national government (Het Rijk) played a central role in the spatial planning of the Netherlands. Financial cutbacks and the vision that spatial planning should be decentralized to the provinces and municipalities because 'they are closer to the citizen', were the main reasons in 2010 for dissolving the Ministry of Housing, Spatial Planning and the Environment (VROM) (Wiegerinck, 2021). This decentralization process was led by the formation Rutte I. The spatial planning tasks were divided among other ministries (Infrastructure and the Environment, Internal Affairs, Economic Affairs) and decentralized to municipalities (Ministerie van Binnenlandse Zaken en Koninkrijksrelaties, 2010).

While in the news, among political parties and market parties, the urge for a more central policy is paramount, there seems to miss information from the current parties in control of housing, the municipalities. To make the suggested recentralization of housing policy successful, it is also important to look at what has been going on within the municipalities in recent years. This is because the municipalities were mainly the government body that dealt with housing policy after the abolition of VROM. To learn from the past years it is highly important to research their perspective as well and to look at points that went well and points of improvement. By mapping this out, a possible recentralization of housing policy can benefit. This research is to create insight into what the effects of decentralization of housing policy have meant for municipalities. Therefore, the purpose of this qualitative research is to create insight into the factors which might have influenced housing in the municipalities.

The question is whether municipalities experienced results of decentralization in the process of constructing new houses. This question should be answered before looking at an alternative for a more returning centralization. Therefore, the purposed research question is: *"To what extent and how did the abolition of VROM affect the construction of new housing from a municipal perspective?"* 

This research question will be supported by the following sub-questions:

- *How do the municipalities evaluate and experienced the decentralization of housing policy and the abolition of VROM?*
- What factors did impact the construction of housing?
- What are lessons to learn for further housing policy division between municipalities and the central government?

By answering these questions the research will show what municipalities might have encountered, since the abolition of VROM in 2010. The research is going to be supported by a review of academic literature, current reports, articles and in-depth semi-structured interviews with municipal housing experts.

The theoretical background of the research will follow in chapter 2. This describes what has been researched about the theme of decentralization and the appropriate factors. The methodology of this research forms chapter 3, in which the qualitative data collection, data analysis and ethical aspects are discussed. Subsequently, the research results are presented in chapter 4. Chapter 5 attempts to discuss the results and presents limitations and suggestions for further research. Finally, in the conclusion, an overview of the research will be presented followed by the main conclusions.

## 2. Theoretical Framework

This chapter consists of two parts. First, the decentralization of Dutch housing is described, after which the scientific literature in the field of decentralization is further examined.

### 2.1 Decentralization of Dutch housing policy

Decentralization is defined as "the transition of powers and responsibilities from the central government level to elected subnational bodies (regional governments, municipalities, etc.) that have some degree of autonomy" (OECD, 2019). In the Dutch constitution it is the case that when the lower public-law bodies of the province and municipalities act, there is territorial decentralization (Heering, 1967). For this study, it was assumed that in the period after the abolition of the Ministry of Housing and Spatial Planning and Environment, the relevant tasks and responsibilities were partly transferred to a decentralized level. Therefore in the past ten years, central government, provinces and municipalities each had their responsibilities and powers when it came to housing and development. This means that the tasks related to housing policy, spatial development and housing of the central government were transferred to the municipalities after 2010 (Wiegerinck, 2021). The central government was responsible for the system and process and the municipalities were responsible for the realization of sufficient homes and responsible for results. In addition, the province makes super-regional decisions (Randstedelijke rekenkamer, 2019).

Initially, until 2016, the decentralization approach seemed to work in the sense that it did not emerge that the new tasks caused additional problems (Lennartz, 2018). However, the reason for this was that, especially in the long aftermath of the economic crisis, there were hardly any new projects (Lennartz, 2018). Although in 2010 Ministry of Housing, Spatial Planning and the Environment was already disbanded, there was still a Ministry of Housing until 2017, of which VVD member Stef Blok was then minister. At the end of his term, he uttered the following words with great enthusiasm: 'We are going to close the ministry because the housing market is ready'. Subsequently, under Rutte III, the theme of Housing was assigned to internal affairs (Lennartz, 2018). However, with the current shortage of 331,000 homes and the expectations that 1 million homes will have to be built in the next 10 years to guarantee housing in the coming years, it is clear that the housing market was by no means 'ready' (Aedes, 2021).

#### 2.2 Factors linked to decentralization

Several factors that relate to decentralization have been formulated from the literature (Boogers *et al.*, 2008; Groenendijk, 2013). To research whether these factors have influenced the process of housing construction after the abolition of VROM and the acquisition of 'new' tasks for the municipality. These factors are combined in Figure 1, which displays the conceptual framework of the research. This framework represents the relationship between a process of decentralization, related factors and the expected influence on the construction of housing (Boogers *et al.*, 2008; Groenendijk, 2013).

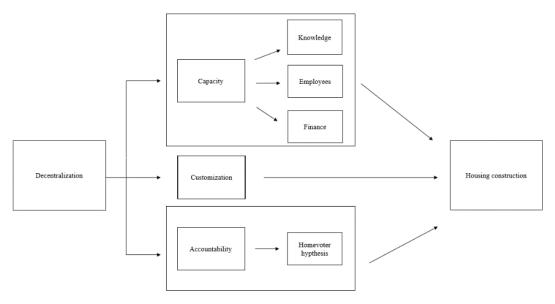


Figure 1: Conceptual Framework

#### 2.2.1 Customization

The first thing that emerges is that a decentralized government can provide better customization for residents (Groenendijk, 2013). In the current system, responsibility concerning building new homes lies with both the provinces and the municipalities (Randstedelijke rekenkamer, 2019). The idea behind this is that these levels provide the best insight into the quantitative need and the qualitative need for housing

in that area. Also, there is expected that these parties can provide the most appropriate interpretation. The fact that the actual initiative lies at a decentralized level can, according to Groenendijk (2013), be linked to one of the most important advantages of decentralization, namely the ability to provide customization by the local authorities. The delivery of customization can be viewed from different perspectives. From a public administration approach, customization mainly means that local authorities have a better insight into the specific decentralized circumstances, can respond more quickly to changing needs and are better able to provide integrated solutions. This could mean that more efficient and effective policy could be pursued at a decentralized level (Groenendijk, 2013). Looking from an economic perspective, customization means that the supply of public facilities is geared to the demand for facilities. In the case of the research, this would concern housing. The importance of customization is described by authors such as Oates and Thiebout (Salminen, 2003). They argue that a uniform supply for residents with heterogeneous preferences can lead to a loss of prosperity in the region. Another argument in favour of customization is that there might be assumed that municipalities work more efficiently and effectively when they can offer local customization (Boogers et al., 2008). Translating this to housing construction might imply that when municipalities are in charge of housing policy, they can implement customized plans and run smoothly to the process. However, a researcher of the Kadaster stated that whether a municipality has facilitating or active land policy pursues, it certainly does not seem to determine the duration of development (Cobouw, 2021). Also, according to economic theory, municipalities can be inclined to allow less new construction than would be optimal. This is because residents of the municipality sometimes experience disadvantages of the new construction (Michielsen, Groot and Veenstra, 2019).

#### 2.2.2 Accountability

Another argument linked to decentralisation, described by Boogers *et al.* (2008), is related to democracy. It states that the possibility of influencing the (democratic) decision-making, when municipalities are in charge of tasks, is greater for citizens at the local level. This could be linked to another factor related to decentralization, namely accountability. Smoke, (2015) mentions that decentralization would lead to greater involvement of residents. A municipality is known for greater recognition and accessibility for citizens than the national government. Therefore, citizens have a greater influence on decentralized levels than on central levels (Groenendijk, 2013). Although this advantages greater support from residents, it can also lead to the opposite (Groenendijk, 2013). Fischel (2009) writes about the home voter hypothesis, which includes that residents, for example, realize that new homes are needed, but that they do not have to be built in their region. Since they might expect lower values for their homes or changing composition of the neighbourhood. Literature about public opposition states that social acceptance is considered a main predictor for protest (Coppens, Van Dooren and Thijssen, 2018). Researchers found that there is a relation between individual perceptions of for example affordable housing and one's willingness to accept the construction of them in the vicinity (Swofford *et al.*, 2010). In the case of decentralization and the construction of housing, this factor might have as a consequence

that residents, in particular, want to prevent construction utilizing local political choices. This is expected to be of greater influence when municipalities are primarily in charge of housing construction than when the central government has a more decisive role in this. In the case of housing construction, neighbours can oppose the project whenever they think it is going to change their neighbourhood and property values (Levine Einstein, Glick and Palmer, 2017). Even though in some cases it will not lead to cancelling the development, it might occur a delay.

### 2.2.3 Capacity

Lastly, the factor related to decentralization that might influence the construction of housing is the factor of capacity. This factor can be subdivided between implementation capacity and decision-making capacity (Boogers et al., 2008). Implementation capacity is the extent to which municipalities have sufficient knowledge, expertise and other resources such as finance to perform tasks. The extent to which municipalities that customization capabilities use is determined by their decision-making capacity: the ability of municipalities to attune decentralized policy to local wishes and circumstances (Boogers et al., 2008). Evaluation studies show that the municipal decision-making capacity in decentralization is rather adequate in many cases. Municipalities (both large, medium and small) usually struggle to formulate their policy for the decentralization challenges they face (Boogers and Reusing, 2019). For this study, it is interesting to look primarily at the financial capacity of the municipality. What influence has the abolition of VROM had on the finances of the municipality concerning the construction of housing. It is expected that mainly the reduction of money flows from the central government has effected housing construction. Groenendijk (2013) mentions that if the policy at a decentralized level has positive or negative effects on the policy of higher tiers of government, this can lead to vertical external effects. This means that decentralized authorities make autonomous decisions regarding their budgets, but that a central government remains responsible for the responsibilities as a whole. When municipalities have to make decisions based on their budget, this can be of influence on the centrally conceived objective regarding sustainability and housing.

Expected was that these factors, linked to decentralization, can have or have had an influence on housing construction. To find out whether and what role these factors played, they were included in the semi-structured interviews.

### 3. Methodology

The methodology is written in this chapter. This is done based on three different parts, namely the research method, ethical considerations and data analysis.

### **3.1 Research method**

To answer the aforementioned research question, semi-structured interviews were conducted with employees of the municipality who are responsible for the current housing policy. In this type of interview, the division of roles is such that the interviewer directs the conversation via predetermined topics and initial questions based on the theoretical framework. The topics of conversation are fixed, but the number of sub-topics, the precise formulation and sequence of the questions are not (Hijmans and Kuyper, 2007). However, this study could not interview employees of all 355 municipalities. Therefore, to create a diverse sample, the municipalities were divided into three different categories: small, medium and large municipalities. From every category at least two municipalities spread around the country were interviewed. Municipalities were divided according to the number of inhabitants. The small municipalities category concerns a number of inhabitants till 50.000, the medium between 50.000 - and large more than 100.000. The choice to subdivide based on the number of residents was based on the expectation that a municipality with more residents also has a larger housing task.

To prevent municipalities from having many regional comparisons, an equivalent distribution of the municipalities throughout the country was chosen. This means that municipalities in the north, east, south and west of the Netherlands have contributed to the research. Map 1 shows the spatial distribution of this research. Municipalities in between the coloured areas were interviewed. As well this map shows that not in every province a municipality is interviewed, yet there is a proportional representation. To expect the interviewes to have equal knowledge, it was decided to interview policy officers with regard to housing.



Map 1: Location of interviewed municipalities. From all coloured provinces, there are municipalities interviewed

For this research, only a limited number of municipalities are interviewed, and the interviewees do not form a homogeneous group. As a result, it is very unlikely that theoretical saturation has occurred in this study (Hennink *et al.*, 2011). Therefore, the interviews will never be representative of all large, medium and small municipalities in the Netherlands. In addition, it is observed that formulating a representative conclusion is not possible and is therefore not the aim of this qualitative research (Clifford et al., 2010). However, the aim was to gain an overview of factors that might have contributed to the housing shortage

in the Netherlands. The study was intended to gain more insight into these factors and the decentralization for specifically the case of the Netherlands.

Due to the measures regarding COVID-19, the interviews took place in an online setting. Each interview lasted approximately 45-60 minutes. To recruit participants, the researcher's network was used to make contact with several municipalities. In addition, there has been made use of desk research into persons concerned and be sought contact by telephone, email and LinkedIn.

#### **3.2 Ethical considerations**

It is important to handle the collected data in an ethically responsible manner and to inform the participants about this (Clifford et al., 2010). Therefore, prior to the interviews participants were asked for permission to record the interviews. The choice here went to a recording of only the sound, for privacy reasons. In addition, prior to and during the research there was a constant consideration of consent, confidentiality and dissemination of results and feedback of participants. Also, there was awareness amongst the researcher involved to be mindful of the diversity of moral communities in the working field and ultimately hold responsibility for the moral significance of deeds. Before starting the interviews, interviewees were informed about the content of the research and get the opportunity to ask further questions. To get accurate results, the interview questions were open questions, and suggestive answer to the participants was prevented. Furthermore, the researcher tried to offer a welcoming and compassionate environment. The privacy and anonymity of the respondents was guaranteed by a consent form that protects their anonymity from the use of their private data as well as from preventing the use of records and data outside of research purposes. In addition, the privacy of the respondents was protected and taken very seriously. Finally, the participant could end the interview at any time.

### 3.3 Data analysis

After the interviews, the audio files were transcribed and anonymized. Both the conceptual framework and the coding scheme in Appendix 1 were used to analyse this data. A combination of a deductive and inductive coding tree has been chosen here. For the inductive code tree, the codebook must be drawn up based on the interviews (Hennink *et al.*, 2011). The use of an inductive coding tree is well suited to conducting semi-structured interviews, in which the expectation in advance was that relevant topics would emerge from the interviews, which, if worthwhile, could be included in the research (Hennink *et al.*, 2011). The interviews were analysed afterwards and the results can be found in Chapter 4. During transcribing, relevant quotes were highlighted and a link with the literature was made. Since the interviews were held in Dutch, the quotes had to be translated which might have led to small changes. However, the risk of wrong translation or interpretation is tried to be minimized.

### 4. Results

This chapter will present the results based on the semi-structured interviews. It starts with the results related to the process of decentralization and factors impacting housing construction. Those results are followed by the occurring results related to the role of provinces and the recurring influence of 'het Rijk'. Table 1 shows the pseudonyms and general description of the participants.

Pseudonym municipality	Category	Function interviewee
Municipality 1	Large municipality	Policy maker regarding housing
		and urban planning
Municipality 2	Large municipality	Housing director / Policy
		advisor
Municipality 3	Large municipality	Policy maker regarding housing
		and urban planning
Municipality 4	Medium municipality	Policy advisor housing / living
Municipality 5	Medium municipality	Housing director / policy
Municipality 6	Small municipality	Policy advisor and living and
		urban renewal
Municipality 7	Small municipality	Housing director / policy

Table 1: Interview Participants

### 4.1 Process of decentralization

The clearest result that emerged from the interviews was that the municipalities did not experience the period after the abolition of the Ministry of Housing, Spatial Planning and the Environment (VROM) as a process of decentralization.

In a single interview it was mentioned that although the possible process of decentralization has not been recognized in the past 10 years, a process of decentralization has been taking place that has been going on for about 30 years. This experience of decentralization is consistent with the literature of Van der Werf and Kok (2018) which describes that since the 90's the government is assuming a changing role. An interviewee indicated that the central government had been withdrawing for some time already. The abolition of VROM came in the midst of the financial crisis. In the first instance, the effect of the abolition of this ministry, therefore, is not that much in the mind of several civil servants.

"When I heard your question, I thought, decentralization, what is she talking about. Because if we go back to 2010, we were in the middle of the effects of the credit crisis and that crisis actually started at the end of 2008 and lasted until 2014 until a huge dip in the housing market."<sup>1</sup>

"But if you have 2010 at first no one was concerned with decentralization everyone was concerned with the economy has collapsed".<sup>1</sup>

After the crisis, it was mainly the realization that during that period not enough work was done. An important reason for this is that the housing corporation was hindered in a sense, with the result that there was no countercyclical construction. *"We stopped for a while."*<sup>2</sup>

Although the assumption that the abolition of VROM, would be experienced by the interviewees as a process of decentralization, was not confirmed, many factors from the theoretical framework were recognized as impacting factor during the interviews.

### **4.2 Factors impacting housing construction**

According to many interviewees, there was no decentralization process. However, several factors can be linked to decentralization or the influence on housing construction over the past 10 years as a whole. A frequently recurring topic is financing. Subsidies have lapsed after the abolition of the VROM. However, several municipalities indicate this was already quite minimal and was therefore not greatly missed. At the moment, the government is again issuing impulses for housing construction to accommodate housing construction again in this way. Although it was indicated that the earlier subsidies are not sorely missed, this housing impulse is seen by several municipalities as a positive initiative. However, it is especially the larger municipalities with a larger housing assignment that benefit from this. The smaller and medium-sized municipalities indicate that the impulses are not intended for them. To be eligible for this subsidy, a project of at least 500 homes must be met. This is far from appropriate for the smaller and medium-sized municipality. However, this is a point of which the government is aware and subsidies have also been issued for projects of at least 200 homes.

"You can't touch 500 homes within 1 planning area. Then you have to merge at least 3 or 4 areas."<sup>7</sup>

"The central government contributes where the need is highest, but we are fighting to bring them to the other cities as well."<sup>7</sup>

When naming the impulses for housing construction, a lot of administrative work was also mentioned. "You just have a day job with about six men and then the question is whether you will get it"<sup>6</sup>. The factor capacity was mentioned as well. In recent years, the housing challenge has become increasingly complex. But the ratio of personnel has not grown with this. "There are always too few hands." <sup>7</sup> Another capacity problem mentioned by municipalities is the number of employees in construction. "At the moment we are realizing a lot, but our delivery number is low."<sup>7</sup> Many housing projects are delayed due to a shortage of both construction workers and building materials. One of the medium-sized municipalities indicates that even when it comes to sustainability, there is sometimes a knowledge and

capacity shortage. More regulation has been introduced in recent years, but it takes a lot of time to acquire all the appropriate knowledge.

In addition to extra tasks that the municipality has been given with regard to sustainability, the decentralization of the Social domain is also a frequently mentioned factor. This not only costs extra money on the budget but also leads to complicated situations when it comes to specific target groups in affordable suitable homes. The municipality indicates that the part of priority is also missing here.

"We can't do everything, one thing will affect the other"<sup>3</sup>.

### 4.3 Role of the provinces

A government layer that emerged in all the interviews is the province. Although the cooperation between the municipality and the province differs greatly from case to case, it is a government body that should certainly be mentioned. In some cases, it emerges that the province and municipalities mainly consult each other a lot. A few municipalities also indicated that in some cases the focus should be more on implementation. *"It is a shame if we keep discussing endlessly."*<sup>4</sup> However, it is of course the case that the province looks at the province as a whole with a different focus than that of the municipality itself. Entering into the conversation remains important, but it must be possible to take steps. For example, one of the interviewed municipalities indicated that the household forecast drawn up by the province does not match the needs of the municipality. The municipality, therefore, considers it important that they can play a decisive role in this.

### 4.4 Recurring influence of 'het Rijk'

During the interviews, not only the past 10 years were discussed, but also the subject 'What if the government takes more control? How should it look like?' Below is an overview of the aforementioned do's for a more central direction. As mentioned by an interviewee *"Central control can help."*<sup>2</sup>

The opinions of the interviewees are divided between 'whether' there should be a Ministry of Housing, Spatial Planning and the Environment. What is central in almost all interviews is the need for a government that is committed to accessibility, affordability and stimulation.

Initiatives such as housing incentives are highly appreciated. However, there is a demand for a more inclusive approach to this impulse.

The housing impulses are a great initiative, but not for us. When a plan is needed for at least 300 homes. That is not the case. How can we participate in this?"<sup>4</sup>

In addition, a common 'do' is regulating more conversations with each other. If a province and a municipality cannot reach an agreement, the central government should decide. In addition, smaller municipalities, in particular, indicate that they do not always feel seen with, for example, housing deals. One of the interviewees indicates that they would like to be more involved in this. Getting in touch also often takes a lot of time for the smaller municipalities, which can also be related to the capacity problem.

With all the 'tasks' that currently lie with the municipality, there is a demand for an overall vision from the government. An example of this is indicated by one of the interviewees: *"The government must have a vision when discussing a wind farm or housing, what has priority."* In addition, several municipalities indicated that prioritizing tasks from the central government is appreciated. Everything has to do with each other, both socially and physically policy side.

"In recent years, decentralization has given the municipality so many new tasks, tasks, permit holders, social support services, but there is a lack of prioritization" .... "More, more, more, but the municipality cannot do everything."<sup>2</sup>

Where the influence of central government on the affordability of housing came to the fore, one specific topic came to the fore in almost all municipalities. Namely the 'Verhuurdersheffing'. A tax imposed by the ministry has caused financial issues for many housing corporations. Therefore, many municipalities indicate that this is something that the government has to change and which will contribute to making homes more sustainable, affordable and available.

"Central level should really be there for: location, accessibility and affordability. The role of central government in relation to housing associations also plays a major role in terms of affordability."<sup>2</sup>

Mobility is also a frequently mentioned concept. When the central government provides the right infrastructure, this will have a positive effect on the development of new housing and spatial development.

The last topic mentioned is compartmentalisation (verzuiling). It was indicated that ministries are compartmentalised and that this often precludes good cooperation. Ministries must work better together. A Ministry of Housing, Spatial Planning and the Environment could contribute to better cooperation and by drawing more attention to the topic. However, an interviewee mentioned, "*communication is key*"<sup>7</sup>.

### 5. Discussion and limitations

This chapter will discuss the results followed by inspiration for future research and limitations.

### **5.1 Discussion**

The first result that emerged was also one of the most worthy of mention. Most municipalities do not experience the process of abolishing the Ministry of Housing, Spatial Planning and the Environment (VROM) as a process of decentralization. As a result, therefore most of the factors linked to decentralization were not recognizable for the interviewees. However, it emerged that the decentralization process can be viewed over a much longer time. For example, it was indicated that a process has been going on for about 30 years in which the municipalities are taking on more and more tasks. Van der Werf and Kok (2018) describes this process. The interview also revealed that the municipalities are used to being given new tasks, but that there would be a preference for a central priority setting. However, looking at the definition of OECD (2019) which states that decentralization is the "the transition of powers and responsibilities from the central government level to elected subnational bodies (regional governments, municipalities, etc.), there can be spoken about decentralization in combination with the abolition of the ministry of VROM. Although an important point was that for some time now the government has been taking a step back when it comes to housing, another mentioned point was that the abolition happened during the economic crisis.

Although the factors gleaned from the literature were not fully experienced as a result of decentralization, some of the factors were recognized as influencing housing construction. For example, capacity, having sufficient knowledge, expertise and knowledge came to the fore as one of the most important factors influencing housing construction (Boogers *et al.*, 2008). This is related both to the shortage of manpower and in some cases to the lack of sufficient expertise. Also, the concept of customization is well recognized by the municipalities, this in the sense that they are aware that they as a local government can provide better customization for residents in the area (Groenendijk, 2013). Linking this to housing constructions, often, results in a discussion between municipalities and provinces about the local needs and forecasts. Nevertheless, knowing the needs of the residents does not always mean that they can be met. For example due to capacity issues. The lack of capacity, in the sense of manpower, is mainly an issue in many municipalities. There is also a shortage of specialists in some municipalities.

Finances are a factor that has come to the fore in every conversation. Although many municipalities indicated that they had financial resources when it came to housing construction, financial impulses were appreciated. However, making use of these impulses is often not possible for the smaller municipalities. The municipality's residential task to build suitable new buildings for the area suits them

well. Nevertheless, with all the new tasks surrounding the social domain, sustainability and affordability, it is not always possible to meet all housing requirements within the municipality.

Although the media often leads to the belief that the relationship between municipalities and central government is concerned, the interviews revealed that the province also plays a major role when it comes to housing construction. This can go very well depending on the municipality or act as a delaying factor. Although the focus of this research was on the perspective of the municipalities, it will be interesting for further research to bundle the visions of municipalities, the province and central government. Including the vision of housing associations and market parties would also be valuable and interesting for further research.

Not every municipality is in agreement about whether there should be a new Ministry of Housing, Spatial Planning and the Environment. However, it is of paramount importance that government control will be necessary for the realization of the major housing assignment. It is indicated here that financial impulses are desirable, but that every municipality in the country, large or small, must be taken into account. In addition, the smaller and medium-sized municipalities would also like to be able to participate more actively in the housing deals. With the many tasks that the municipalities currently have on their plate, an overall vision of the central government with regard to national vision and prioritization could be of added value to speed up the process of housing construction.

However it is stated in the interviewees that housing construction is politics, most of the municipalities did not recognize the home voter hypothesis (Fischel, 2009). It was mentioned that elections at the municipal, national and provincial level can regularly lead to new regulations, which can influence the housing construction as well. An example of this is how to deal with the Nitrogen crisis.

Finally, although the abolition of the Ministry of Housing, Spatial Planning and the Environment in 2010 was not perceived as much of a 'problem', the municipalities are generally of the opinion that slightly more tasks from the central government should be taken up again. Whether this is under a Ministry of Housing, Spatial Planning and the Environment or not. Communication within, from and with the central government is key.

### **5.2 Limitations**

Important to mention in empirical research are limitations and areas for future research (Brutus *et al.*, 2013). Therefore, this study features limitations. Firstly, all interviewees were reached based on making use of the researcher's network and approaching possible interviewees. Therefore the research exists out of interviewees who were willing to participate. There might be municipalities who have a controversial opinion, which were not approached or not willing to attempt in the research. Due to the fact that the

approach of the study was to create a general picture and the study did not contain enough time and space for a larger sample, the sample may not be representative enough. For further research, it would therefore be advised to approach a larger sample.

### 6. Conclusion

With a large housing shortage and a call from market parties and politicians to set up a new ministry of VROM, the perspective of an important party that, after the abolition of VROM in 2010 was given more tasks regarding housing, was missing. Namely the perspective of the municipality. In order to properly shape a possible recentralization, it is important to examine which factors linked to the abolition of VROM have played a role in housing construction in recent years. In addition, it was relevant for this study to find out how the municipality would view a recurring VROM. Therefore the research has provided interesting insights on the effect of the abolition of the ministry of VROM on the housing construction and about their vision on partly decentralization of housing tasks. This was done by creating a theoretical framework and a methodology which contains semi-structured interviews. These interviews took place with various municipalities in the Netherlands, which were subdivided into small, medium and large municipalities based on population. The most important result is that municipalities have not experienced the abolition of VROM as a process of decentralization. This is mostly due to the government's long retreating role with regard to housing and the fact that it took place during the economic crisis. Although the abolition of the ministry has not been experienced as decentralization, there are some factors from decentralization literature that can be linked to housing construction as well. For example, capacity both financially as well as knowledge and manpower. The factor related to accountability and the home voter hypothesis was less experienced by the municipalities. The format of the semi-structured interviews revealed that, although the media sometimes leads to believe otherwise, the province plays an important role when it comes to housing construction. However, the nature of this experience varies greatly from municipality to municipality. Finally, it is important to mention that the vision of the municipalities. Although the abolition of VROM in 2010 was not perceived as much of a 'problem', the municipalities are generally of the opinion that slightly more tasks related to housing should be recentralized. Whether this is under a Ministry of Housing, Spatial Planning and the Environment or not. Communication within, from and with the central government is key.

In addition to the political slogans and news titles from market parties about a recurring VROM, this research clarified the perspective of the municipalities on the abolition of VROM, related factors that influenced housing construction and the expectations from a municipal perspective on recentralization.

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## Appendices

### Appendix 1

The deductive code tree is composed based on the conceptual framework. The colour associated with each factor is reflected in the analysed transcripts. The inductive code tree has been drawn up based on the interviews. Following the analysis of the interviews, the following concepts have been drawn up. Also, in the transcriptions, the related sentences are marked in the relevant colour.

