



Co-financed by the European Regional Development Fund

Inspire Policy Making with Territorial Evidence

UPTAKE ARTICLE

ESPON Peer Learning Workshop on Housing and Multi-locationality

Virtual

17th March 2022, 10:00-13:00 (EET)

Objective



The ESPON-TNO programme organised a virtual Peer Learning Workshop with ESPON researchers, academics, and Finnish stakeholders on the 17th of March 2022.

Before the COVID pandemic, the Nordic countries, especially Finland, were already being recognised for their practice of multi-local work. Since COVID-19 has had a significant impact on multi-locality in other European regions, public authorities are currently exploring how the pandemic has impacted the housing market value and its potential socioeconomic impact on smaller regional cities. Based on these ongoing policy processes and the demand for territorial evidence on second homes and multi-locality, ESPON has mobilised its evidence into an online workshop to provide input and study the results from the recent research. The ESPON Peer Learning Workshop (PLW) on housing and multi-locality aimed to give an insight into the present policy processes targeted to the context of smaller cities. The PLW combined these discussions with the presentation of results of the ESPON project SUPER (Sustainable Urbanization and land-use Practices in European Regions) which analysed the main patterns in European urbanisation processes. The discussions during the workshop bore the following questions:

1. How is multi-locality seen, addressed in, and how does it affect smaller cities (“seutukaupungit”)?
2. What is the effect of multi-locality on housing?
3. How do the available services affect living/housing possibilities?
4. What can be the role and level of impact of governmental services?

Out of the 74 registrations, an average of 30 participants from 21 member states attended the event. The largest proportions of attendees were from Finland (10), Croatia (9), and Poland (7). The registrants belonged to four groups: the public sector (40,54%), academics (40,54%), the private sector (12,16%) and civil society (1,35%). Overall, the event has proven to be successful with a high level of satisfaction, averaging 4.5 on a scale from 1 to 5. The main and sole criticism mentioned that one presentation was too long and that the speaker should have been notified. Another respondent expressed his or her hopes that policymakers will take the points discussed during the event into account in the future.

Summary

Multi-locality is a term that Europe began reusing when the COVID-19 pandemic started. In 2020, second homes and summer cottages were increasingly used by their owners who sought to escape large cities where the virus was expanding. We now see that it has triggered a larger boom in the housing market for summer houses in Europe and in Nordic countries, including Finland. It is argued that the COVID pandemic is the ‘game-changer’ that has propelled the revival of the countryside. Others say that it may trigger people to buy second homes, however most second or third-homeowners still stay in their large cities. It is to be expected that multi-locality will become more common.

Finland is an interesting region to study multi-locality because it has a long tradition of second homes. It demonstrates a higher extent of digitalisation of public services as well as a higher share of remote work than other Nordic European countries. The topic of multi-locality is also high on the policy agenda and there are several ongoing Finnish national-level policy processes regarding this topic. Firstly, the ongoing governmental project “How multi-locality changes regional and population structure” seeks to answer the question: “What is the effect of multi-locality on housing?”. Secondly, the Ministry of the Environment of Finland launched the project “The availability of governmental services improves the vitality of the regions and the possibilities for working, studying and living multi-locally”. In addition, Nordregio has recently launched a project to study remote work and multi-locality post-COVID-19.

ESPON has invited different experts and policymakers who have worked with this issue in academia, in a ministry, or in a local municipality to present and discuss at the PLW.

The workshop first gave an insight into the results of the ESPON project “Sustainable Urbanization and land-use Practices in European Regions” (SUPER) which analysed land-use change in Europe since the year 2000 and gave an overview of different interventions and their impact on urbanisation. The SUPER project proposed three scenarios of how urbanisation can occur in 2050: diffuse, polycentric, and compact. The results can be used to evaluate the sustainability of different forms of urban development. The SUPER project, however, showed relatively less change in urbanisation in Finland and in Sweden.

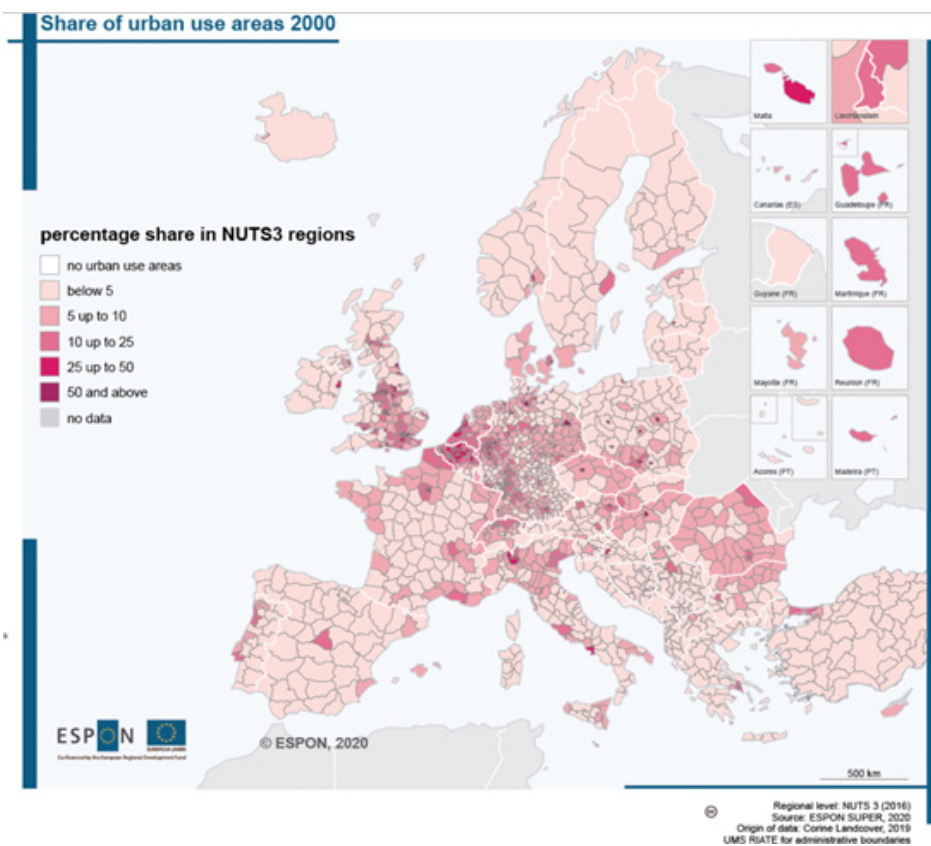


Figure 1. Share of urban areas. Source: **David Evers/SUPER**.

Mrs. Linda Randall from Nordregio introduced the preliminary work done by the project “Remote work and multi-locationality post-COVID 19” and discussed the topic of remote work and its regional effects. The data from Nordic countries and Finland shows that remote work has become more common as there has been an average of about 20% less journeys from home to work in 2021 compared to 2020. The biggest decreases in mobility were in and around the bigger cities. **Mr. Mika Ristimäki** from the Ministry of the Environment of Finland summarised the governmental project: “How multi-locationality changes regional and population structure”. The results indicate that, in Finland, the concentration of the working age population in large urban areas is a dominant trend. However, multi-locality spreads population to the commuter belt and smaller reachable towns. The result is that the commuter belt of large cities is widening. Remote work, however, can significantly reduce the “commuter flow” in all areas.

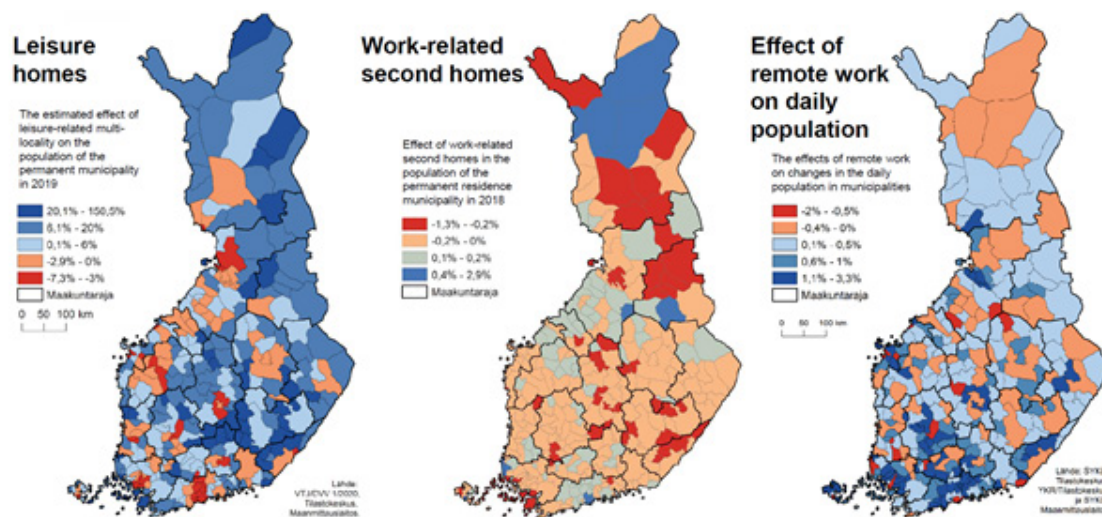


Figure 2. Leisure homes, work-related second homes and effect of remote work in Finland. Source: **Mika Ristimäki** (Ministry of Environment of Finland)

Finally, **Mrs Noora Pajari**, the mayor of Keuruu city in Finland, discussed second homes from the perspective of a small city. Since 2020, Keuruu city has witnessed the increase of its population for the first time in years. Although there are concerns regarding the tax income, accessibility, and service provision that need government level decisions, multi-locationality is highly welcomed on the local level.

There are three main takeaways from the open debate discussion that can be drawn from the workshop. Firstly, more accurate data is needed about the usage of second homes. Census data often does not reveal the leisure-related and work-related second home usage. That is why Finland’s governmental projects have partly used mobile positioning data. Secondly, the patterns of second-home usage and multi-locationality show that the commuter belts of large cities, where the jobs are easily located and where the access to education and services is better, will grow. There is a need at state level to take charge of this issue tactically so that rural areas and more remote cities can benefit from multi-locationality. The third takeaway to note is that of increased demand for suburban and rural housing. Before the pandemic, several plans were made for a “compact city structure”, but more and more signals show that people would prefer to live in more spacious places. This will have an impact on sustainability as compact development is about 30-40 percent more energy efficient than dispersed settlement structures. The housing demand and supply are, however, different in each country and each need a different policy focus.



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ESPON 2022

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The ESPON EGTC is the Single Beneficiary of the ESPON 2020 Cooperation Programme. The Single Operation within the programme is implemented by the ESPON EGTC and co-financed by the European Regional Development Fund, the EU Member States and the Partner States, Iceland, Liechtenstein, Norway and Switzerland.

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