Regional governance and public accountability in planning for new housing

Kang, Vitnarae; Groetelaers, Danielle

Important note
To cite this publication, please use the final published version (if applicable).
Please check the document version above.

Regional governance and public accountability in planning for new housing: A new approach in South Holland, the Netherlands

Vitnarae Kang and Daniëlle A Groetelaers
TU Delft, The Netherlands

Abstract
Regional governance is coming to play an increasingly pivotal role in the planning of housing development. It has been argued that an absence of formal accountability lines in regional governance is beneficial because it makes inter-municipal coordination more flexible, without the need for territorial adjustments in local authorities. However, this view is based on a narrow interpretation of public accountability. In fact, regional governance becomes effective when hierarchical accountability arrangements are structured to reinforce horizontal accountability that strengthens self-organising capacity. This paper is based on a study of regional housing planning in the province of South Holland, the Netherlands, and analyses three types of governance modes (hierarchical, horizontal and market-oriented) and public accountability relationships. The measures undertaken in the case under review to ensure effective regional housing planning under changing market circumstances highlight the need to modify accountability arrangements when policy-makers choose a new set of governance modes in order to shape relational dynamics appropriately.

Introduction

An eminent challenge to public planning for new housing is the need to deal with the mismatch between formal jurisdictions and the requirements of functional housing markets, which hinders optimum alignment between housing supply and demand. The provision of housing opportunities for those who need them is not always based on regional housing market dynamics. Many authors propose jurisdictional consolidation – "down-scaling of national

Corresponding author:
Vitnarae Kang, Delft University of Technology, OTB - Research for the Built Environment, Julianalaan 123, 2628 BL, Delft, The Netherlands.
Email: V.Kang@tudelft.nl

institutions" (Levelt and Janssen-Jansen, 2013: 541) – or regionalism – "inter-municipal cooperation" (Kantor, 2006, 2008) – as possible ways of addressing perceived housing problems (Basolo and Hastings, 2003). This leads to questions about how to plan new housing from a regional perspective and how to make the necessary land allocation decisions in a publicly accountable manner.

This study aims to identify and analyse different accountability arrangements in intergovernmental relations for the regional planning of new housing development projects. The Dutch system of urban land development is unique from an international perspective, due to the significant government influence on both planning and direct land supply (Lefcoe, 1977; Needham, 2007; Razin, 2000). However, governance modes have changed considerably over time (Herrschel et al., 2009; Janssen-Jansen and Woltjer, 2010), as outlined in section "Regional governance for housing development in the Netherlands: A brief historical review". Existing accountability arrangements may become obsolete in a changing market and in a changing governance framework, for example, in the context of welfare retrenchment and the devolution of decision-making within the state. This makes the Dutch case relevant to investigation of the effectiveness of accountability arrangements in combination with diverse governance modes.

Public accountability is inherently a relational concept (Painter-Morland, 2006). As different governance approaches assume different relational dynamics between relevant actors (Klijn and Koppenjan, 2014), the notion of public accountability needs to be redefined in each new governance setting. Different levels of government do not employ identical notions of public accountability, but are associated with particular interests, tasks and concerns (O'Connell, 2006; Poulsen, 2009), responding to respective or overlapping constituencies (Levelt and Janssen-Jansen, 2013), a range of organised interest groups (Harrison, 2014) or higher tiers of government (Brownill and O'Hara, 2015).

Policy goals, instruments to achieve a desired goal and task division across government organisations are reflected in the design of public accountability arrangements between different government levels (Skelcher, 2005). The choice of a specific set of arrangements may in turn affect the final delivery of policy goals by facilitating or undermining the use of certain policy instruments. Ultimately, the appropriate design of public accountability arrangements is an integral part of deliberate policy-making, as instruments "structure the behaviour of actors" (Korthals Altes, 2014: 72; Lascoumes and Le Galès, 2007) and the choice of specific arrangements may promote a particular type of relational dynamics between the actors (Buser, 2014).

The literature on accountability and governance is studied in the next section in order to identify the accountability relationships involved in different governance mode. The third section reviews the history and the current state of regional cooperation for housing development in the Netherlands. This is followed by an introduction to case-study methods as applied to regional inter-municipal housing planning in the province of South Holland. Subsequently, case-study findings are analysed and discussed in relation to the issues dealt with previously. The final section draws conclusions of wider relevance to public accountability in regional housing planning.

Governance and public accountability arrangements

The concept of governance approaches is relevant to any analysis of public accountability, as public authorities are expected to pursue "public goals" when accountability is demanded from them. Governance, as a system of ruling, controlling or influencing others (Savini, 2013), includes making decisions about how to define public goals or public interest and how

to deliver on public promises. Not only the government but also market players and societal actors take steps to enhance their ability to deal with social problems (Van Kersbergen and Van Waarden, 2004). In this context, governance strategies refer to the approaches adopted by all three domains – government, market and society – or a nested network of them (Stoker, 1998) in the interests of effective government.

Accountability refers to the ability to explain or give an account of one's actions to another interested party. Many scholars have defined the concept of accountability (Bovens, 2010; Mulgan, 1997) and operationalised it for their empirical studies in the field of urban and regional planning (Aarsæther et al., 2009). Bovens (2007: 450) argues that a social relation qualifies as an accountability practice when an actor is related to a forum where "the actor has an obligation to explain and to justify his or her conduct, the forum can pose questions and pass judgement, and the actor may face consequences". In order to provide a holistic picture of problems associated with accountability and to analyse them, Mashaw (2006: 118) identifies six elements that characterise what he calls the entire "accountability regime": (1) "who" (the accountor) is accountable, (2) "to whom" (the accountee), (3) "about what" (decisions and actions), (4) "through what processes", (5) "by what standards" (means of appraisal) and (6) "with what effect" (sanctions and rewards). Combining the ideas of Mashaw (2006) and Bovens (2007), we use the term "public accountability arrangements" to refer to "account-giving practices designed and required within a social relationship between an accountor and an accountability forum which receives the account-giving from the accountor, and by which debate and judgement on the conduct are possible". Figure 1 shows a prototype of accountability relationships based on this definition.

The way in which public accountability is embedded in governmental processes depends on the governance approach chosen, which may be hierarchical (Hill and Lynn, 2005), horizontal – that is, network-oriented (Provan and Kenis, 2008), market-oriented (Cashore, 2002) or various combinations of the above (Savini, 2013; Schillemans, 2011). Public authorities select a specific governance approach and develop particular arrangements in accordance with certain policy goals.

Hierarchical governance strategies impose requirements from above or to ban certain activities by using authority or legal power, mainly regulations (Héritier and Lehmkuhl,
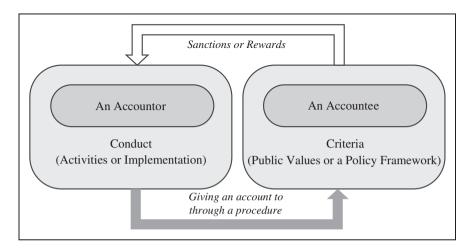

Figure 1. Accountability relationships.
Source: Author's own.

2008; McAllister, 2010); actors at lower hierarchic levels allow a higher level of the hierarchy to restrict or direct the use of their resources or their behaviour. Such relationships are characterised by order and observance; an important criterion for assessing accountability is compliance with the rules and implementation of the policies imposed by higher authorities (Mashaw, 2006: 128). Whether rules are appropriate or effective in fulfilling policy goals is a question which an accountee (e.g. a political representative) is to answer; in doing so it is accountable to its electorate but not to the accountor (e.g. a public officer) (March and Olsen, 1995: 154–155; Poulsen, 2009: 119).

Horizontal governance strategies are used by a network of actors who exercise influence on the field of targeted policy goals, in order to benefit from the network (Bogason and Musso, 2006). Being in such a network helps public authorities to focus on certain problems, share views on them, discuss feasible solutions and implement them jointly (Kooiman and Jentoft, 2009; Sørensen and Torfing, 2007). Here, the relationship between accountor and accountee is characterised by interactive persuasion, participation and co-working; account-giving and account-judging take place in a more reciprocal or even multilateral way among network participants (Klijn et al., 2010; Lau, 2015). Hence, an important criterion for assessing accountability for this type of governance approaches is "group norms" (Mashaw, 2006: 128) – that is, shared understanding and common notions mutually constructed in a long-term relationship (Buitelaar and de Kam, 2009: 189). The notion of accountability is more fluid as network participants negotiate with each other on the subject of accountability, its assessment criteria, means of appraisal and even the consequences of such judgement, and they adapt to each other accordingly. Accounting through deliberation and narration is a well-recognised procedure here.

Market-oriented governance strategies are to harness the market to government goals by inducing market participants to behave in a socially desirable way. This is mainly achieved by configuring the boundaries of the market and influencing the way the market is organised, for example, by decomposing a bundle of rights or defining tradable components of an ownership (Geuting, 2007). The market may also be seen as a form of complex networks between buyers and sellers. Still, what distinguishes market-oriented governance from network-oriented governance is that the former presupposes more autonomous decision-making on the part of participants depending on individual preferences and interests, while the latter presupposes more explicit interdependency between participants to attain what each wants, leading to the coordinated alignment of interests and collaboration, and is thus more reciprocal (Buitelaar and de Kam, 2009).

When market-oriented governance strategies are used, the appropriate accountability mechanism is "market competition" (Mashaw 2006: 122), as this is deemed to enhance quality and efficiency in the provision of services and goods. In a competitive market, individual consumer choices or equity investment of shareholders represent rewards or sanctions for service providers over time (Mashaw, 2006: 122). Accountors such as service providers are responsible to service users for the quality and price of services, and to shareholders for losses or profits. As a consequence, market competition serves not only to enhance efficiency, but also to increase accountability in a broader sense, if efficiency itself is considered to be a public goal, and to promote "publicly responsible behaviour" (Mashaw, 2006: 123). Many discussions about privatisation and public–private partnerships are about harnessing market mechanisms for public benefits (Reynaers and De Graaf, 2014). To this end, the public sector assumes a system responsibility, a role in designing the market to be competitive, which includes structuring contractual relationships by enforcing contract law (Korthals Altes and Taşan-Kok, 2010).

Table 1. Three governance strategies and accountability relationships.

Governance strategies Difference in	Hierarchical	Horizontal	Market-oriented
Approaches to assure governmentality in a specific policy arena	Through imposing rules based on a formal authority	Through co-shaping and co-producing by participating in a network of actors	Through defining property rights, fostering competition and enforcing contract law
Focus of accountability criteria	Conformance with pre-defined rules and standards	Mutually constructed understanding, common notions and agreements	Profits or losses of service providers, consumer preferences or compliance with voluntary contracts
Presumed relationship between accountee and accountor	Independent and unilateral	Dependent, reciprocal and coordinated	More autonomous, discrete, individual and spontaneous

Table 1 summarises the relations between different governance strategies and accountability criteria that are applicable to analysis of the effectiveness of regional inter-municipal cooperative planning for housing development. Governance approaches shape the way public authorities are required to account for their conduct, i.e. the public accountability arrangements agreed on, when a demand for public accountability is renewed (Hanberger, 2009; Klijn and Skelcher, 2007; Newman, 2004).

Regional governance for housing development in the Netherlands: A brief historical review

Dutch municipalities have actively taken responsibility for facilitating the provision of housing in their jurisdiction to meet local needs since the enactment of the Housing Act in 1901 (Groetelaers, 2004: 24). Municipalities establish and enforce statutory land use plans and a building code based on the Housing Act and the Spatial Planning Act. They also carry out land development projects to supply new residential plots to home builders, realising urban layouts defined in their own land use plans. In the era of the so-called "golden triangle" (Buitelaar and de Kam, 2012), in which the national government provided subsidies to municipalities for servicing land and to housing associations for building social housing, the lines of accountability were explicitly hierarchical. The national government kept municipalities under direct supervision in order to prevent subsidies from leaking into general municipal treasuries and to ensure that these funds were used as intended (Keers, 1989).

Welfare retrenchment has led to changes in the organisation of housing development projects. Housing associations became independent of direct state subsidy and control pursuant to the Grossing and Balancing Act (*Wet balansverkorting geldelijke steun volkshuisvesting*) of 1995 (Elsinga et al., 2016). The reduced proportion of social housing in new construction and the steep increase in house prices led to a rise in residual land value (Groetelaers, 2004). Accordingly, the monopoly position of the municipality on the land market was challenged by some private players seeking to exploit part of the land value (Leväinen and Korthals Altes, 2005). Growth management policy also had to be reorganised at the city-region level as part of the process of implementing a national housing provision scheme based on the Fourth Policy Document on Spatial Planning Extra (VINEX, 1990–

1993) (Needham and Faludi, 1999). However, the proposal to turn Amsterdam and Rotterdam into city-regions as formal administrative units was rejected in local referenda in 1995. Since then, the role of the provinces in bringing municipalities together, coordinating regional interests and integrating sectoral policies into spatial strategies has been gradually accentuated. While municipalities are primarily responsible for realising the safe and liveable built environment, the national government is supposed to focus on nationally or internationally important spatial developments and the designing and maintaining of an effective planning system (MIM, 2012; MVROM, 2006).

The aftermath of the last credit crisis has led to a new round of discussions about regional cooperation to tackle issues of municipal involvement in housing delivery (Tijdelijke Commissie Huizenprijzen, 2013). This was due to increasing awareness of the higher financial risks associated with municipal land development projects as a result of the stagnant housing market. Four types of regional cooperation were proposed (Feijtel et al., 2013: 6): (i) sharing information on housing plans, (ii) regional coordination of housing projects, (iii) regional equalisation of the financial results of land development between projects, and (iv) creation of a regional development company whose shareholders are municipalities. The third and the fourth types of regional cooperation have been regarded as less feasible, as they involve creating new administrative structures outside the existing ones. The first and second types are currently implemented as inter-municipal cooperative set-ups (*regionale samenwerkingsverbanden*) pursuant to the Common Regulations Act (*Wet gemeenschappelijke regelingen*), which has provided a legal basis for inter-governmental agreements and organisations since its enactment in 1950.

In this context, Figure 2 shows the current state of intergovernmental accountability relationships in the Netherlands, which address issues concerning housing planning. Municipal authorities are accountable to the provincial government, while a regional inter-municipal cooperation body is accountable to its participating municipalities. The general board of this body, which appoints its executive board members, consists of mayors, deputy mayors or municipal councillors delegated from the participating municipalities.

Research methods

In order to identify and analyse in depth what accountability arrangements are currently used to ensure effective inter-municipal cooperation for regional housing planning in the Netherlands, we chose as a case-study unit consisting of subcases the province of South Holland, the most densely populated (3.5 million inhabitants) of all twelve Dutch provinces. The case is rich in relevance since the province has actively integrated a regional approach to housing planning into its statutory planning processes (Evers, 2015: 437–438), facing urbanisation pressure in highly dynamic land market due to the strong regional economy and population growth (PZH, 2012: 11; Van Straalen et al., 2014: 574). Sixty four municipalities (as of 2015 but reduced to 58 in 2017 by merger) participate in the province's seven regional cooperation bodies and one big municipality (Goeree-Overflakkee) is similar in area to the province's other regions (see Figure 3).

Holland Rijnland, Midden-Holland, The Hague Region (*Stadsgewest Haaglanden*) and Rotterdam Region (*Stadsregio Rotterdam*) were selected for detailed data collection and interviews. The latter two are so-called ''plus regions'', initially organised pursuant to the Administration in Change Act (*Kaderwet bestuur in verandering*) of 1994, with a longer history of more intensive and formal inter-municipal cooperation than other regions, dating back to the VINEX programme which subsidised land development costs based on a regional inter-municipal covenant. Therefore, both plus-regions and non-plus-regions were
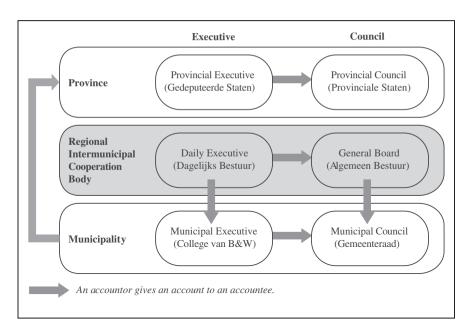
Figure 2. Intergovernmental accountability relationships.
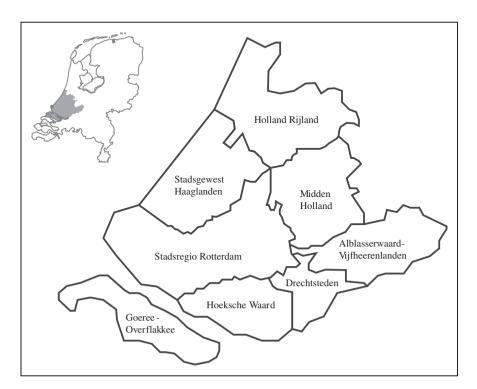Source: Author's own.

Figure 3. Regions in the province of South Holland.
Source: Author's own.

selected as a respective sub-case to check if the history of forced cooperation has made inter-municipal cooperation easier.

From 7 March 2014 to 3 April 2014, 11 interviews were conducted with officials at all three levels involved in the process of regional housing planning. The government organisations represented are listed below with a number indicating an interview unit.

- The province of South Holland (1)
- Regional inter-municipal cooperation body: the Rotterdam Region (2) (3), The Hague Region (4), Holland Rijnland (5), Midden Holland (6)
- Municipality: Lansingerland (7) and Schiedam (8) from the Rotterdam Region, Zoetermeer (9), The Hague (10) and Pijnacker-Nootdorp (11) from The Hague Region

Interviewees 7, 8 and 9 were municipal deputy mayors for housing, while the remainder were policy advisors, spatial planners or process coordinators. In each plus-region, one municipality with the largest population and its two neighbouring municipalities were contacted next to the regional cooperation body. For the municipality of Rotterdam, the head of the department of Space and Environment of the Rotterdam Region's cooperation body (interviewee 3) described the municipal stance. For the non-plus-regions, the regional body's staffs were interviewed as they knew concerns of the participating municipalities well.

The interviews were semi-structured through use of the questions indicated below.

- Which parties assumed which role with respect to regional housing planning?
- What formal and informal accountability relationships have been put in place in order to establish a regional housing plan and to make it effective?
- What accountability practices have grown up and how in the process of developing a regional housing plan and applying it to actual housing development practices?
- Which governance strategies have been applied to what housing policy goals?
- What insights did the interviewee gain about the effectiveness of a regional housing planning and its future perspectives, and why?

Before and after interviews, desk study was performed on public documents concerning the process, content and outcome of regional housing development planning to critically analyse the interviewees' answers and triangulate findings. These documents included the provincial housing vision (*Woonvisie*) 2011–2020, the provincial structure vision "Space and Mobility" (*Visie Ruimte en Mobiliteit*) 2014, the spatial programme of the province (*Programma Ruimte*), the relevant provincial ordinances, each region's housing plan and participating municipalities' housing-and-land-related policy documents.

Case-study findings and analysis

We identified and constructed the narrative of regional housing planning in the province of South Holland given below, which characterises each aspect of the three above-mentioned governance strategies and the associated accountability arrangements.

Hierarchical governance

"The formal requirement of the province on the basis of the provincial structure vision and later the (provincial) ordinance of spatial planning have been important to the development of a regional housing plan" (interviewee 6, 25 March 2014). This is due to the statutory

power of Dutch provinces that may suspend the full legal effectuation of a municipal new land by notifying its conflicting elements with provincial interests. Pursuant to Article 3.8 of the Spatial Planning Act (*Wet ruimtelijke ordening* 2008), municipalities must inform the province of a new land use plan which automatically comes in force if the prescribed period is expired without the provincial objection. So, the province proactively adopts various indicative and spatially integrated plans and sectoral policies on such topics as housing, the environment, mobility and economic development, and translate their concerns in the relevant provincial ordinance, which is updated almost annually responding to the changing planning environment. Municipalities must give sufficient consideration to provincial interests clarified in this way, which is part of the accountability process represented by the dark arrows in Figure 4.

In this context, the province of South Holland adopted the provincial housing vision 2011–2010 in October 2011 which emphasises inter-municipal cooperation for regional housing planning (PZH, 2011: 12) and amended the provincial ordinance on spatial planning (*Verordening Ruimte*) in January 2013 to base the assessment of each new land use plan for housing on the alignment between spatial needs implied by the land use plan, its housing programme and a relevant regional housing framework. This was in line with the "sustainable urbanisation ladder", a decision-making framework devised and promoted by the state to underpin quantitative and qualitative realism of new development and prioritise in-fill over greenfield development (MIM, 2012).

For example, when, in September 2013, the municipality of The Hague wanted to change a land use plan for "Vroondaal", an urban-expansion area, the province's negative remark halted development for about four months. The original land use plan had included a large proportion of high-end villas, expecting land sales revenue to cross-subsidise development elsewhere. However, demand for expensive houses weakened, land sales delayed and the municipality's financial risks increased. So the municipality wanted to amend the land use plan to incorporate a higher proportion of affordable homes. The province queried the validity of this change on the basis of the existing regional housing framework that indicated locations for accommodating affluent international communities in and around The Hague. Hence, the municipality of The Hague had to reach an agreement with the neighbouring municipalities in the region that housing quantity and quality in the new land use plan were sound from an updated view of regional housing demand (Gemeente Den Haag, 2014: 9). The amended land use plan then gained provincial consent. As interviewee 11 called "disallowing land use plans to proceed" even as a "threat" (3 April
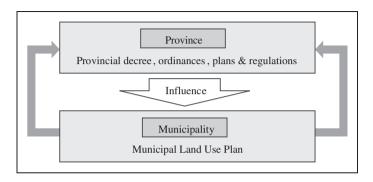

Figure 4. Accountability of a municipality to the province.
Source: Author's own.

2014), the province's demonstration of authority placed municipalities on alert to the seriousness of participating in regional coordination.

Horizontal governance

Municipalities began to see the instigated inter-municipal cooperation for regional housing planning as an opportunity to strengthen their own arguments and reasoning behind a housing programme that might not entirely conform with the provincial policy. This was partly due to the technocratic nature of the provincial housing demand forecast as a ''neutral basis for the provincial housing policy'' using national statistics on regional population and household projections (i.e. PRIMOS and PEARL) and the triennial national survey database on housing preferences (Provincie Zuid-Holland, 2011); values derived from the extrapolation dependent on many factors may fluctuate (interviewee 2, 13 March 2014). It was also recognised well that exact numbers of houses in the forecast are unobtainable in a top-down manner, no matter how well the forecast is segmented into different incomes and households.

   For example, Lansingerland, a suburban municipality at the northern edge of Rotterdam, wanted more certainty for its future building activities, assuming the housing market to recover in the near future. Back in the 1990s, Lansingerland had acquired land as part of the VINEX programme to accommodate regional demand for spacious family houses. However, the acquired land has become considered more than enough to meet the regional demand beyond 2020 in the aftermath of the 2007–2008 financial crisis and the consequential phasing of development, while the municipality of Rotterdam also wanted more family houses in Rotterdam's north for a wider socio-economic mix to tackle social housing concentration in the city. On top of that, the province has stressed based on recent studies that single-person households with moderate incomes and preferences for urban neighbourhoods represent a larger part of prospective housing demand. Being squeezed between the province and Rotterdam's competitive drive, the Lansingerland's deputy mayor for housing discussed the regional housing market analysis with the Rotterdam's deputy mayor for housing. They explicated a discrepancy between their practical delivery capacity and the provincial forecast and determined a mutually tolerable range of deviation from the provincial forecast (Stadsregio Rotterdam, 2014: 6). The province accepted their joint conclusions.

   Figure 5 shows the inter-municipal relationships underlying joint accountability. By the rules of the game, each municipality presents its housing development plan firstly to the municipalities in its (sub)region and then to the province with their joint justifications.
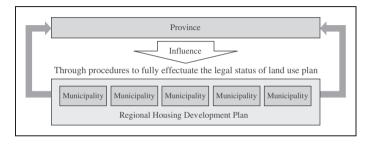

Figure 5. Joint accountability of municipalities to the province.
Source: Author's own.

In the process, they mapped supply and demand in coming years together, co-examined the prospect of the regional housing stock and coordinated qualitative and quantitative priorities. The province also appreciated increasing quality of reasoning behind municipal plans in this way, acknowledging inter-municipal agreements as legitimate basis for land-use decisions. As interviewee 1 said "If there are agreements, we (province) want to trust them. [...] How they (municipalities) have constructed the numbers is also almost confirmed by us. The point is that we do not want to approve numbers but to believe their (regional) story. We test numbers, but actually find them unimportant" (20 March 2014).

Market-oriented governance

Market mechanisms are generally taken for granted by municipalities in the sense that correspondence between demand and supply results in a certain level of housing prices and quantities. Given the impracticability of forcing the market and instigating immediate changes in on-going projects, regional housing planning aims to facilitate municipalities to cope with market forces in the medium/long-term (four to ten years) planning. Especially when considering supply inelasticity and persistent undersupply in view of total needs which weakens demand-side bargaining power (EEA, 2010; Vermeulen and Van Ommeren, 2009) and an average period of six years from project planning to final delivery during the previous housing boom (De Vries and Louw, 2003), it has been regarded increasingly important to foresee a potential gap in housing supply left by the market and communicate the implications of prospective demographic changes and housing preferences recurrently at the regional level well in advance of municipal project planning (interviewee 9, 13 March 2014).

This is reflected in the following five main themes that the province requires municipalities to elucidate in their regional housing plan (PZH, 2014: 20–21): (1) urban architectural profiling for new neighbourhoods considering existing ones in the region, (2) realistic and regionally coordinated quantity and quality of new houses to deliver, with indicative price-ranges and unmet housing needs, (3) meta-regional agreements if applicable (e.g. an ecological corridor), (4) an estimate of social housing supply in coming years, considering current social housing stocks, target groups and (inter)municipal ordinance on social housing allocation and (5) the regional application of the "sustainable urbanisation ladder".

The elaboration of these themes differed per region for market dynamics. For example, inter-municipal moving patterns appeared to cluster at sub-regional scales in the Rotterdam Region; the municipality of Rotterdam had separate dialogues with the municipalities in each neighbouring sub-region. In Midden-Holland locating in Green Heart, an interim review and update of the regional plan is biennial due to less intensive housing demand (Midden-Holland, 2013: 22), differently from the Rotterdam Region's annual monitoring and half-yearly informing cycle (Stadsregio Rotterdam, 2014: 18).

As interviewee 5 said "With the same rules of game, municipalities are not played off against each other by a developer saying 'I can build less social houses in that municipality than in yours. I rather go there.'" (3 April 2014), inter-municipal coordination has been deemed essential for municipalities to perform as a "market-regulator" (interviewee 7, 24 March 2013). By reducing information bias on the housing market, generating shared knowledge on housing types and reasonable price-ranges to sell, and stating public interest to secure in the concerned region, regional plans were also expected to offer predictability for responsible developers and housing financiers (interviewee 3, 31 March 2013), who do not want "free-riders" to enter into the building market without sound business plan and appropriate public contribution. However, finances and contractual

relationships with developers were hardly discussed in the regional platform (interviewee 4, 7 March 2014; interviewee 5, 3 April 2014), while it disseminated the idea of making a strategic choice (interviewee 10, 28 March 2014) and phasing supply (interviewees 8, 21 March 2014) among municipalities.

Discussion

We will now discuss the pros and cons of each governance strategy on the basis of our case-study findings and analysis.

The hierarchical governance approach as applied by the province instigated regional planning. Previously, municipalities rarely felt urgency about regional coordination unless it was a condition for state subsidy or other resource allocation. Fear of being constrained in planning and lack of confidence in concrete benefits of extra effort required had contributed to municipalities' inertia. Hence, a unilateral accountability relationship in which the "accountee" may require the "accountor" to move in a particular direction without suffering the accountee's formal authority for the accountor's reactions has been necessary to wean the accountor from its familiar decision-making environment.

The coercive approach alone is, however, insufficient to sustain regional governance. The accountee's insensitive use of power could stir resistance or stifle the accountor's self-learning even when accountability procedures are well followed. In the studied case, the province required a regional plan to centre on key principles instead of imposing fixed targets. Within this flexibility, municipalities coordinated steps toward a more balanced regional housing stock. Here, we see that the accountee's authority can be applied to establish horizontal accountability relationships between accountors to make them aware of aggregate effects of their individual decisions and base their decisions on mutual coordination.

In the studied case, no participation in inter-municipal dialogues could result in neglecting municipal interests in a regional framework or risk the necessary endorsement of a new land use plan. To each municipality, the benefits of working together clearly outweighed those of withdrawing from the regional platform. The province's refusal of consent to land use plans that failed to incorporate a regional perspective assured no "free-riders" but adherence to regional agreements between municipalities, which was essential in the studied regions to motivate participation regardless of the past experience of forced cooperation (interviewees 6, 5, 8 and 11). As in the studied case, the prisoner's dilemma, i.e. a potential downside of horizontal governance or the problem of ambiguity in soft accountability relationships can be solved when the accountee gives the accountor clear feedback on keeping or breaking joint agreements between peer-accountors. Hereby the accountee assigns interdependent responsibility to them.

Ultimately, the admixture of hierarchical and horizontal governance strategies in the studied case has been devised as an instrument to strengthen the self-organising capacity of an accountor within the market. Due to no more supply-side state subsidy and challenges to self-financing of municipal land development, it has become increasingly critical to improve what municipalities may already do at their discretion. Amending statutory plans which dictate current land use and granting building permissions, municipalities control supply of residential land and influence the relationship between supply and demand. Thus, it is implied by regional planning, i.e. aligning municipal planning and financial autonomy with a regional perspective, that municipalities can jointly structure room for market forces to function in. This may be a part of the reason that in the studied case the regional planning platform never included private developers, while negotiating with them

on public value capture and residential qualities was considered the task of an individual municipality referring to a regional plan. So regional planning formed a strategic networking arena exclusively for municipalities to consolidate their interdependence to be a powerful "market-regulator", which underlines the importance of selectivity in forging policy alliances (Muñoz-Gielen, 2014: 64).

With respect to the meta-level of market-oriented governance, the intention of the province as a meta-designer of accountability arrangements has been to facilitate municipal planning and long-term resource allocation to be more effective within the market rather than to merely increase the provincial control. Logically, regional planning has based on functional housing market areas and their characteristics (Jones, 2002), moderating technocratic policy-making with political, administrative and market considerations such as perceived sense of local/regional priorities, urban architecture, project financing and the economic climate. This way compatible with bottom-up planning is significantly different from the UK's previous "regional spatial strategies" (2004–2010), for example, which one of the major critics of was top-down imposition of regional housing targets (Boddy and Hickman, 2013; McGuinness and Mawson, 2017; Pemberton and Morphet, 2013: 2033).

Regional housing planning does not fundamentally alter the capitalistic mode of housing production nor directly touch upon public fiscal issues affecting the real estate market. Since permissive urban planning and inter-municipal competition for development can exacerbate the housing bubble and urban sprawl in times of growing liquidity and financial markets when combined with tax-induced distortions (Fernandez Milan and Creutzig, 2016; Korthals Altes, 2009), regional housing planning has been regarded as an insufficient but necessary measure to remedy market failure by decoupling municipal planning from "temporary growth dynamics" (Fernandez Milan and Creutzig, 2016: 111–112). Decades ago, Lefcoe (1977: 198, 260) also indicated similar success-factors for active local land policy: a higher level review of local plans to limit over-building, stronger public monopoly on land supply via coordinated planning decisions and intimate knowledge of regional market and local needs. In the studied case, regional planning encourages these by strengthening facilitative "ideas" rather than repressive "rules" (Korthals Altes, 2017); hierarchical accountability bolsters horizontal accountability, being anchored in the meta-level of market-oriented governance goals.

It needs to be noted that financial autonomy of Dutch municipalities as quasi-market players in the urbanisation process is subject to a different line of formal accountability, i.e. the annual provincial review of municipal budgets and accounts. When they are judged inadequate, the province may limit the concerned municipality's financial discretion, challenging the flexible implementation of the municipal coalition programme. Hence, municipalities are generally motivated to maintain sound financial discipline, which corresponds with the findings of Allers (2010: 468) that loss of financial self-determination matters to local politicians who are "more than office-seekers". Hence, regional planning on top of the formal financial accountability line elucidates "ends" for using financial "means" when the municipality undertakes development projects.

To interpret the level of effectiveness of regional housing planning observed in the studied case properly, it is worth mentioning that both vertical and horizontal coordination has been strong in the Netherlands (Silva and Acheampong, 2015), a political consensus on bottom-line issues such as necessity of social housing has relatively been broad and a range of multi-dimensional housing indicators developed at a national level are available as a reliable starting point of discussion. All these focus regional planning on finding a practical solution and inter-municipal compromise, instead of politicising different local concerns

and contesting them on an ideological ground. It may be more challenging to introduce a coherent set of accountability arrangements to other countries where one governance approach has prevailed more than others. Even in the studied case, however, multiple lines of accountability had to be rearranged to buttress one another in order to effectuate the new style of regional housing planning and to earn its "credibility" (Levelt and Metze, 2013), taking three full years (2012–2014) to initiate and routinize it. Considering this, the conceptual framework used in this paper can be useful for assessing existing accountability arrangements and identifying weak lines to improve in other contexts where regional planning is either conformance-based (as in Mediterranean countries) or performance-based (as in England) (Kang and Korthals Altes, 2015).

Conclusions

In this paper, we conceptualised accountability relationships in three governance modes, hierarchical, horizontal and market-oriented, and further discussed strengths and limitations of each approach based on the case-study findings. The following can be named as crucial to coherence in plural accountability relationships and to their effectiveness in regional governance for new housing: (a) clarifying consequences in embracing or rejecting soft accountability by connecting them to already existing formal procedures, (b) making autonomous accountors jointly responsible for specifying their own accountability criteria and content requirements, and (c) requiring accountors' decisions to base on a shared interpretation of policy principles and a situated knowledge of the regional housing market.

Going back to the discussion on what characterises an accountability regime (see section "Governance and public accountability arrangements"), we would like to highlight a critical omission from Mashaw's list, that is, the *purpose* of account-giving. In the studied case, account-giving practices had to be modified to attain a re-defined policy objective within a broader context of evolving state-market relations, i.e. shaping the housing market to be more responsive to housing need. The chosen set of accountability lines was designed to strengthen the self-organising power of local authorities and their steering capacity on housing supply by promoting their mutual adaptation within the market. Considering the resurgent housing market after hitting the bottom in 2013, whether this new style of regional planning is effective in improving municipal decisions on the ground as intended with its system-design is yet to be empirically tested over coming years. Still, the case-analysis suffices to identify that in each context, the purpose of account-giving is decisive for (re)arranging an accountability regime (Mashaw, 2006: 118).

When an overriding policy objective of adopting various governance approaches is clarified, the effectiveness of a set of accountability arrangements can be assessed more unequivocally. Furthermore, holding to ultimate policy objectives and principles is vital to the functioning "accountability forum" (Bovens, 2007; see section "Governance and public accountability arrangements") since the shared notion of a policy objective serves as a basis for debating and judging the accountor's conduct, which make the accountability forum meaningful enough for the accountor to engage in and learn from. Therefore, in order to achieve an ultimate policy goal, accountability arrangements also need to be modified accordingly to adjust relational dynamics between accountors and thereby induce changes in their cognition and behaviour.

Regional housing planning strives to balance the respective influence of market forces, municipal autonomy and regional priorities on housing supply. The complexity of housing delivery, spatial planning and regional market dynamics requires varied governance styles to be deployed in a right combination. Hence, multiple lines of accountability need to be relied

upon to enhance a combined effect of the diverse governance strategies as intended. In view of this, a particular set of intergovernmental accountability arrangements must build on each respective soundness of different accountability lines (hierarchical, horizontal and market oriented) and their inter-compatibility to form a coherent accountability regime. Last but not least, a meta-policy purpose, i.e. a concerted policy goal, must be guiding to configure an ideal set of accountability arrangements.

References

Aarsæther N, Bjørnå H, Fotel T, et al. (2009) Evaluating the democratic accountability of governance networks: Analysing two Nordic megaprojects. *Local Government Studies* 35(5): 577–594.

Allers MA (2010) The Dutch local government bailout puzzle. *Public Administration* 93(2): 451–470.

Basolo V and Hastings D (2003) Obstacles to regional housing solutions: A comparison of four metropolitan areas. *Journal of Urban Affairs* 25(4): 449–472.

Boddy M and Hickman H (2013) The demise of strategic planning? The impact of the abolition of Regional Spatial Strategy in a growth region. *Town Planning Review* 84(6): 743–768.

Bogason P and Musso JA (2006) The democratic prospects of network governance. *The American Review of Public Administration* 36(1): 3–18.

Bovens M (2007) Analysing and assessing accountability: A conceptual framework. *European Law Journal* 13(4): 447–468.

Bovens M (2010) Two concepts of accountability: Accountability as a virtue and as a mechanism. *West European Politics* 33(5): 946–967.

Brownill S and O'Hara G (2015) From planning to opportunism? Re-examining the creation of the London Docklands Development Corporation. *Planning Perspectives* 30(4): 537–570.

Buitelaar E and de Kam G (2009) Steering local housing production: Evaluating the performance of governance structures. *Journal of Housing and the Built Environment* 24(2): 185–201.

Buitelaar E and de Kam G (2012) The emergence of inclusionary housing: Continuity and change in the provision of land for social housing in the Netherlands. *Housing, Theory and Society* 29(1): 56–74.

Buser M (2014) Democratic accountability and metropolitan governance: The case of South Hampshire, UK. *Urban Studies* 51(11): 2336–2353.

Cashore B (2002) Legitimacy and the privatization of environmental governance: How non-state market-driven (NSMD) governance systems gain rule-making authority. *Governance* 15(4): 503–529.

De Vries P and Louw E (2003) Beleidskader veroorzaakt stagnatie woningbouw [A policy framework causing stagnation in housing construction]. *Bouwmarkt* 34(5): 12–14.

EEA (European Environment Agency) (2010) *Land in Europe: Prices, Taxes and Use Patterns*. EEA Technical Report No. 4/2010. Copenhagen: EEA.

Elsinga M, Priemus H and Boelhouwer P (2016) Milestones in housing finance in the Netherlands, 1988–2013. In: Lunde J and Whitehead C (eds) *Milestones in European Housing Finance*. Chichester: Wiley-Blackwell, pp. 255–272.

Evers D (2015) Formal institutional change and informal institutional persistence: The case of Dutch provinces implementing the Spatial Planning Act. *Environment and Planning C: Government and Policy* 33(2): 428–444.

Feijtel J, ten Have FJM and van den Bouwhuijsen I (2013) Onderzoek naar regionale samenwerking op het gebied van grondbeleid [Research for Regional Cooperation in the Field of Land Policy]. Utrecht: Deloitte.

Fernandez Milan B and Creutzig F (2016) Municipal policies accelerated urban sprawl and public debts in Spain. *Land Use Policy* 54: 103–115.

Gemeente Den Haag (2014) *Voorstel van het college inzake vaststelling bestemmingsplan Madestein-Vroondaal. Gewijzigd voorstel* [Proposal of the Municipal Executive to the Municipal Council concerning the land use plan of Madestein-Vroondaal. Amended proposal]. Rv. 14, DSO/2014.22, RIS 269828_140211.

Geuting E (2007) Proprietary governance and property development: Using changes in the property-rights regime as a market-based policy tool. *Town Planning Review* 78(1): 23–39.

Groetelaers DA (2004) *Instrumentarium locatieontwikkeling. Sturingsmogelijkheden voor gemeenten in een veranderde marktsituatie* [Instruments for Area Development. Steering Possibilities for Municipalities in a Changing Market Situation]. Delft: Delft University of Technology.

Hanberger A (2009) Democratic accountability in decentralised governance. *Scandinavian Political Studies* 32(1): 1–22.

Harrison J (2014) Rethinking city-regionalism as the production of new non-state spatial strategies: The case of peel holdings Atlantic Gateway Strategy. *Urban Studies* 51(11): 2315–2335.

Héritier A and Lehmkuhl D (2008) The shadow of hierarchy and new modes of governance. *Journal of Public Policy* 28(1): 1–17.

Herrschel T, Salet W and Woltjer J (2009) New concepts of strategic spatial planning dilemmas in the Dutch Randstad region. *International Journal of Public Sector Management* 22(3): 235–248.

Hill CJ and Lynn LE (2005) Is hierarchical governance in decline? Evidence from empirical research. *Journal of Public Administration Research and Theory* 15(2): 173–195.

Janssen-Jansen LB and Woltjer J (2010) British discretion in Dutch planning: Establishing a comparative perspective for regional planning and local development in the Netherlands and the United Kingdom. *Land Use Policy* 27(3): 906–916.

Jones C (2002) The definition of housing market areas and strategic planning. *Urban Studies* 39(3): 549–564.

Kang V and Korthals Altes (2015) Public accountability in planning for new housing areas. *Proceedings of the Institution of Civil Engineers – Municipal Engineer* 168(4): 235–243.

Kantor P (2006) Regionalism and reform: A comparative perspective on Dutch urban politics. *Urban Affairs Review* 41(6): 800–829.

Kantor P (2008) Varieties of city regionalism and the quest for political cooperation: A comparative perspective. *Urban Research & Practice* 1(2): 111–129.

Keers GP (1989) *Het Rijksgrondbeleid voor de Woningbouw sinds 1900; een historisch onderzoek* [The State's Land Policy *for Housing Since 1990: A Historical Research*]. Amsterdam: RIGO. Report by Ministerie van VROM.

Klijn EH and Koppenjan JFM (2014) Accountable networks. In: Bovens M, Goodin RE and Schillemans T (eds) *The Oxford Handbook Public Accountability*. Oxford: Oxford University Press, pp. 242–257.

Klijn EH and Skelcher C (2007) Democracy and governance networks: Compatible or not? *Public Administration* 85(3): 587–608.

Klijn EH, Steijn B and Edelenbos J (2010) The impact of network management on outcomes in governance networks. *Public Administration* 88(4): 1063–1082.

Kooiman J and Jentoft S (2009) Meta-governance: Values, norms and principles, and the making of hard choices. *Public Administration* 87(4): 818–836.

Korthals Altes WK (2009) Taxing land for urban containment: Reflections on a Dutch debate. *Land Use Policy* 26(2): 233–241.

Korthals Altes WK (2014) Taking planning seriously: Compulsory purchase for urban planning in the Netherlands. *Cities* 41(A): 71–80.

Korthals Altes WK (2017) Rules versus ideas in landscape protection: Is a Green Heart attack imminent? *International Planning Studies* 1 May 2017: Online first published http://dx.doi.org/10.1080/13563475.2017.1321479.

Korthals Altes WK and Taşan-Kok T (2010) The impact of European Public Contract Law on Networks of Governance: A relational approach. *European Planning Studies* 18(6): 971–988.

Lascoumes P and Le Galès P (2007) Introduction: Understanding public policy through its instruments—From the nature of instruments to the sociology of public policy instrumentation. *Governance* 20(1): 1–21.

Lau M (2015) Tackling uncertainties in plan implementation: Lessons from a growth area in England. *Town Planning Review* 86(1): 7–28.

Lefcoe G (1977) When governments become land developers: Notes on the public-sector experience in the Netherlands and California. *California Law Review* 51: 165–263.

Leväinen KI and Korthals Altes WK (2005) Public private partnership in land development contracts – A comparative study in Finland and in the Netherlands. *Nordic Journal of Surveying and Real Estate Research* 2(1): 137–148.

Levelt M and Janssen-Jansen L (2013) The Amsterdam Metropolitan Area challenge: Opportunities for inclusive coproduction in city-region governance. *Environment and Planning C: Government and Policy* 31(3): 540–555.

Levelt M and Metze T (2013) The legitimacy of regional governance networks: Gaining credibility in the shadow of hierarchy. *Urban Studies* 51(11): 2371–2386.

Mashaw J (2006) Accountability and institutional design: Some thoughts on the grammar of governance. In: Dowdle MW (ed.) *Public Accountability: Designs, Dilemmas and Experiences*. New York: Cambridge University Press, pp. 115–156.

March JG and Olsen JP (1995) *Democratic Governance*. New York: Free Press, 1995.

McAllister LK (2010) Dimensions of enforcement style: Factoring in regulatory autonomy and capacity. *Law & Policy* 32(1): 61–78.

McGuinness D and Mawson J (2017) The rescaling of sub-national planning: Can localism resolve England's spatial planning conundrum? *Town Planning Review* 88(3): 283–303.

Midden-Holland (2013) *Regionale Agenda Wonen Midden-Holland 2013–2019* [Regional Housing Agenda Midden-Holland]. 14 March 2013.

MIM (Ministerie van Infrastructuur en Milieu) (2012) *Structuurvisie Infrastructuur en Ruimte. Nederland concurrerend, bereikbaar, leefbaar en veilig* [*Structure Vision Infrastructure and Space. The Competing, Accessible, Liveable and Safe Netherlands*]. Den Haag: Ministerie van Infrastructuur en Milieu.

Mulgan R (1997) The processes of public accountability. *Australian Journal of Public Administration* 56(1): 25–36.

Muñoz-Gielen D (2014) Urban governance, property rights, land readjustment and public value capturing. *European Urban and Regional Studies* 21(1): 60–78.

MVROM (Ministerie van Volkshuisvesting, Ruimtelijke Ordening en Milieubeheer) (2006) *Nota Ruimte: Ruimte voor Ontwikkeling* [*Memorandum Space: Space for Development*]. Den Haag: Ministerie van Volkshuisvesting, Ruimtelijke Ordening en Milieubeheer.

Needham B (2007) *Dutch Land-Use Planning: Planning and Managing Land-Use in the Netherlands, the Principles and the Practice*. The Hague: Sdu Uitgevers.

Needham B and Faludi A (1999) Dutch growth management in a changing market. *Planning Practice and Research* 14(4): 481–491.

Newman J (2004) Constructing accountability: Network governance and managerial agency. *Public Policy and Administration* 19(4): 17–33.

O'Connell L (2006) Emergent accountability in state–local relations: Some lessons from solid waste policy in Kentucky. *Administration & Society* 38(4): 500–513.

Painter-Morland M (2006) Redefining accountability as relational responsiveness. *Journal of Business Ethics* 66(1): 89–98.

Pemberton S and Morphet J (2013) Libertarian paternalism as a tool to explore strategic sub-regional planning in England? *European Planning Studies* 21(12): 2020–2036.

Poulsen B (2009) Competing traditions of governance and dilemmas of administrative accountability: The case of Denmark. *Public Administration* 87(1): 117–131.

Provan KG and Kenis P (2008) Modes of network governance: Structure, management, and effectiveness. *Journal of Public Administration Research and Theory* 18(2): 229–252.

PZH (Provincie Zuid-Holland) (2011) Woonvisie 2012–2020 Provincie Zuid-Holland [Housing Vision 2012–2020]. Provinciale Staten van Zuid-Holland. 12 Oktober 2011.

PZH (Provincie Zuid-Holland) (2012) *Kansen zien, kansen grijpen. Beleidsvisie en Uitvoeringsstrategie regionale economie en energie 2012–2015* [See and sieze opportunities. Policy vision and implementation strategy for regional economy and energy 2012–2015].

PZH (Provincie Zuid-Holland) (2014) *Programma ruimte Provincie Zuid-Holland* [Programme Space Province of South Holland]. Provinciale Staten van Zuid-Holland. 9 July 2014.

Razin E (2000) The impact of local government organization on development and disparities – A comparative perspective. *Environment and Planning C: Government and Policy* 18(1): 17–31.

Reynaers AM and De Graaf G (2014) Public values in public–private partnerships. *International Journal of Public Administration* 37(2): 120–128.

Savini F (2013) The governability of national spatial planning: Light instruments and logics of governmental action in strategic urban development. *Urban Studies* 50(8): 1592–1607.

Schillemans T (2011) Does horizontal accountability work? Evaluating potential remedies for the accountability deficit of agencies. *Administration & Society* 43(4): 387–416.

Silva EA and Acheampong RA (2015) *Developing an Inventory and Typology of Land-Use Planning Systems and Policy Instruments in OECD Countries*. Paris: Organisation for Economic Cooperation and Development (OECD).

Skelcher C (2005) Jurisdictional integrity, polycentrism, and the design of democratic governance. *Governance* 18(1): 89–110.

Sørensen E and Torfing J (2007) Theoretical approaches to metagovernance. In: Sørensen E and Torfing J (eds) *Theories of Democratic Network Governance*. Basingstoke: Palgrave Macmillan, pp. 169–182.

Stadsregio Rotterdam (2014) *Woningmarktstrategie en Woonvisie Regio Rotterdam 2014–2020* [Housing market strategy and housing vision of Rotterdam Region 2014–2020]. 05 February 2014.

Stoker G (1998) Governance as theory: Five propositions. *International Social Science Journal* 50(155): 17–28.

Tijdelijke Commissie Huizenprijzen (2013) Kosten Koper. Een reconstructie van twintig jaar stijgende huizenprijzen [A reconstruction of two decades of rising house prices]. In: *The Parliamentary Inquiry Report on House Prices (Vergaderjaar 2012–2013, 33194, nr. 3)*. Den Haag: Tweede Kamer der Staten-Generaal.

Van Kersbergen K and van Waarden F (2004) 'Governance' as a bridge between disciplines: Cross-disciplinary inspiration regarding shifts in governance and problems of governability, accountability and legitimacy. *European Journal of Political Research* 43(2): 143–171.

Van Straalen FM, Janssen-Jansen LB and van den Brink A (2014) Delivering planning objectives through regional-based land-use planning and land policy instruments: An assessment of recent experiences in the Dutch provinces. *Environment and Planning C: Government and Policy* 32(3): 567–584.

Vermeulen W and van Ommeren J (2009) Does land use planning shape regional economies? A simultaneous analysis of housing supply, international migration and local employment growth in the Netherlands. *Journal of Housing Economics* 18: 294–310.

Vitnarae Kang is a PhD researcher at the Faculty of Architecture and the Built Environment, TU Delft, The Netherlands. Her research focuses on municipal land policy, urban development strategies, local government, public accountability and regional planning.

Daniëlle A Groetelaers is an assistant professor at the Faculty of Architecture and the Built Environment, TU Delft, The Netherlands. Her research centres around land economics and land policy instruments.