

A Social & Affordable Housing Policies Review in a Global Context; Does the Segmented Greek Economy Stand a Chance?

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SUMMARY

This paper focuses on reviewing the social & affordable housing planning policies in global context in order to address housing pressure and informal development. Affordable housing refers to specified eligible households whose needs are not met by the market. In a global framework, many countries have structured their planning policies regarding social housing on the basis of need subject to their political, historical, socioeconomic and cultural conditions. This research aims to explore policies and practices such as tools for subsidies, grants, construction of new housing, early planning focused on social inclusion, affordable rental, PPPs in housing etc. Many world leading economies and representative European countries are examined. It should be noted that the first part of the research describes and analyzes the policies and practices and how they developed before and during the credit crunch for each country of the study sample separately. Afterwards, the second part of the research refers to Greece. Greece, had traditionally provided governmental policies and practices since 1920 in order to meet the needs for affordable housing due to its historical, political and social circumstances and transformations. The Greek Economy continues in the dawn of 2016 the 9th year of recession due to credit crunch of 2008. Greece's social and economic crash is reflected in its property slump. The main key characteristics of this recession are the further decrease in household's disposable income, the contraction of investment activity, and the uncertainty regarding the tax environment as well as the rising unemployment. As a result, due to the austerity measures adopted by Greek governments from 2009 till now, social housing policies have almost or completely diminished. So it is easily conceivable that it is imperative for Greece to restructure its "obsolete" planning

system and to implement initiatives regarding social and affordable housing in order to relieve the continuously increasing number of suffering households by taking examples of successful practices from other countries. Moreover, the development of new social policies and the consecutive delivery of housing settlements and dwellings is going to act as the necessary boost for recovery, given the fact that, historically, real estate is the one or maybe the most significant pillar of the Greek economy. In conclusion, both the contribution and the expected outcomes of this research are the possible proposals for strategic objectives to promote effective supply, choice and quality in terms of social and affordable housing policies. This is achieved by conducting a thorough review and analytical combination of other countries practices that could be successfully adjusted in the Greek reality.

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1. INTRODUCTION

Nowadays, in Greece, with a segmented economy and a turbulent society due to the credit crunch and the recession, the implementation of affordable and social housing policies and practices is considered most imperative than ever. This research focuses on reviewing the social & affordable housing planning policies in global context in order to address housing pressure and informal development by suggesting practices that could be successfully adjusted in the Greek reality. In a global framework, many countries have structured their planning policies regarding affordable and social housing on the basis of need subject to their political, historical, socioeconomic and cultural conditions. Below in section 2, the main countries along with their policies and practices are represented.

2. INTERNATIONAL SOCIAL & AFFORDABLE HOUSING POLICIES

2.1 Methodology

A thorough research of representative countries in global scale on their social/ affordable housing policies is conducted in this paper. The paper is based on literature and bibliographical research, as well as on data derived by national sources. The countries are chosen randomly covering all continents of the world. Afterwards, the research points out the Greek lack of policies on social/ affordable housing before and during the economic recession. The scope of the paper is the proposal of possible implementation of successful policies from other countries on the Greek reality.

2.2 Australia

The foundations of the social housing system in Australia are dated in the mid-1940. The states charged a historic cost rent which was related with the capital cost of providing housing. In order to social housing being self-financed the rebated rents were provided to households which historic costs exceeded 20% of their income. The weakness of not raising rents in accordance to historic costs made this system unsustainable as the outgoings overcome the rental income (Wilson et al., 2010). In 1973, income criteria were introduced and the social housing policy was distributed in accordance to need. Later, rebated rents were calculated based on market rents and not on historic costs. By 1990, the 85% of tenants in social programs received rebated rents (Yates, 2013).

From 2003 until 2008 the Commonwealth State Housing Agreement (CSHA) provided affordable housing for indigenous Australians in order to meet their needs for housing. This agreement aimed to provide affordable and secure housing for the Australians most in need. Specifically, in 2007-2008 the program provided 1.35 billion dollars in the form of funding to states in order to deliver different types of social housing. The housing programs funded

under the CSHA are the following: Public rental housing; State owned and managed Indigenous housing (SOMIH); The Crisis Accommodation Program (CAP); Mainstream community housing; Indigenous community housing (ICH); Commonwealth Rent Assistance (CRA) (Australian Institute of Health and Welfare, 2010).

The role of governments in supporting social housing was expanded after the commencement in 1 January 2009 of the National Affordable Housing Agreement (NAHA). This was an agreement between the Australian Government and all States having a more extended role in order to ensure that “All Australians have access to affordable, safe and sustainable housing that contributes to social and economic participation” (Australian Institute of Health and Welfare, 2010). The NAHA provides funding of 1 billion per year (Yates, 2013). Additionally to NAHA the National Rental Affordability Scheme (NRAS) was introduced in 2008 with 10 years duration. This scheme is based on the US model and aims to provide 50000 dwellings over 5 years with rent 20% lower than the market rents and meets the demand for affordable housing. Furthermore, it provides opportunities to the private sector to expand their operations and built and rent houses to low income households by receiving grant and tax incentives (Yates, 2013; Australian Institute of Health and Welfare, 2010). Apart from NAHA and NRAS which were pre-election promises of the government, an important boost was provided in 2009 in the form of Social Housing Initiative and was the government fiscal strategy in order to deal with the Global Financial Crisis (Yates, 2013).

In Australia the growth in housing prices has continued to overcome household income growth increasing housing affordability. Particularly, 65% of low income households is facing a housing stress (Wilson et al., 2010). Long tenures in social housing and lack of growth in the sector have as a result more household in the waiting list (Australian Institute of Health and Welfare, 2010; Wilson et al., 2010). It has to be noted that in 2008 there were over 177000 households waiting for a dwelling 14638 of which were considered in crisis situation (Wilson et al., 2010).

The role of the private sector in social housing is important for the sustainability of the whole strategy. However, there are some prerequisites to be satisfied before private financing enters the game. In the literature six barriers are pointed which limited the private involvement: Low returns; High management costs; High illiquidity of the investment; High risk attached; Limited property data; No track record (Yates, 2013).

2.3 Canada

Canada is one of the few countries in the world without a national housing strategy and a coordinated policy framework on affordable housing as the federal, provincial, territorial and municipal governments, along with civil society organizations (including the charitable sector) have applied a series of one-time, short-term funding housing initiatives (United Nations, 2009). In February of 2012, the Bill C-400 as a draft of the “Act to ensure secure, adequate, accessible and affordable housing for Canadians” was introduced in the Commons that required from the the federal government to convene a process that would engage provincial, territorial, municipal and aboriginal governments, along with the community and private sectors, to create a comprehensive national housing plan for Canada (LEGISinfo - Private Member's Bill C-400 (41-1), 2016). However, the Bill was defeated at second reading in 2013 and no further development has taken place.

Canada Mortgage and Housing Corporation (CMHC) is the federal Crown Corporation

responsible for administering Canada's National Housing Act. The CMHC is concerned with providing housing for low-income people and meeting the special needs of the elderly and disabled. The corporation administers programs to encourage provinces, cities, and nonprofit and cooperative societies to provide housing for Canadians (McAfee, 2006). Below indicatively, some policies and tools implemented by the CMHC are presented.

Since 2001, the federal government, through CMHC, has invested over \$1.2 billion under the Affordable Housing Initiative (AHI) 2001 – 2011, a multilateral housing framework, which changed the landscape for affordable housing programs across the country, by establishing the broad parameters for bilateral agreements between CMHC and all provinces and territories, in order to increase the supply of affordable housing in Canada (Affordable Housing Initiative (AHI) 2001 to 2011 - CMHC, 2016). More than 52,200 units were funded under the AHI. Moreover, in July 2011, federal, provincial and territorial ministers responsible for housing announced a combined \$1.4 billion investment under a new Affordable Housing Framework 2011 – 2014 to extend the existing delivery arrangements for the AHI (AHI Background - CMHC, 2016). Furthermore, since 2011, new federal funding for affordable housing has been provided through the Investment in Affordable Housing (IAH) and is used by provinces and territories through initiatives like new construction, renovation, homeownership assistance, rent supplements, shelter allowances etc. (Investment in Affordable Housing (IAH)- CMHC, 2016).

2.4 China

In China, the affordable housing is delivered either through subsidizing housing purchases or by providing low-rent housing for low income households. Furthermore, the state established the Housing Provident Fund to provide assistance to employed homebuyers in the form of subsidized loans (Man, 2011).

After the massive nationalization of the housing units in late 1950, housing was considered as a right provided by the state and not as a traded commodity. At the dawn of 1980, china reformed its housing policy and introduce a market oriented system (Shi, Chen and Wang, 2016; Chen et al., 2013). During the Asian financial crisis in 1997 China introduced the housing reform in response to the economic pressure. More than 60% of urban public housing was privatized in less than two-year time. In terms of value the privatized stock was approximately equivalent to 32% of Chinas GDP. In 1998 the Cheap Rental Housing (CRH) and Economic Comfortable Housing (ECH) were introduce as a dual public housing system. From 1998 to 2011, 9.3 billion square meters of housing were build (Chen et al., 2013).

The central government committed in August 2007 to provide social housing for low income households. Additionally, in December 2008, the government promised to provide housing for 7.47 million low-income households through housing programs. This particular plan is part of a 4 trillion RMB economic support of government's strategy to deal with the 2008 Global Financial Crisis. In 2009, the Ministry of Housing and Urban-Rural Development intended to double the target and meet the housing needs of 15.4 million low income households (Chen et al., 2013).

In recent years, lack of affordable housing stock and high housing prices are keep pressing the low and middle-income households. For that reason the Chinese central government decided to expand its operations regarding social housing construction. During the “11th Five-Year Plan” 11 million units of social housing were constructed from 2006 to 2010. Additionally,

the government is committed to complete 36 million units of social housing during the “12th Five-Year Plan” from 2011 to 2015. The new dwellings are managed by local governments in partnership with private developers (Chen et al., 2013). During the “12th Five-Year Plan” the ECH will be replaced by Public Rental Housing (PRH). The PRH benefits the low and middle-income households. Apart from rental programs the Capped-Price Housing (CPH), the Economic Comfortable Housing (ECH) and the Shantytown Renovation Housing (SRH) are sold below market price and around 70% of the market price (Chen et al., 2013).

China is facing a continuously increasing demand for affordable housing especially in cities where the population grows about 10 million every year (Man, 2011). Affordable housing in recent years in China become a social issue after the dramatic increase of housing prices. In fact, housing prices rocketed from 1854 RMB per square meter in 1998 to 5932 RMB per square meter in 2014 in a national average level (Shi, Chen and Wang, 2016). For example, in Shenzhen, the ratio of annual salaries to house prices is 34:1 than the national average of 6:1 (Sing et al., 2015).

2.5 Cyprus

In Cyprus, the housing policies and practices has been formed based on the historical and political conditions due to the illegal Turkish invasion and occupation, of the north - east part of the island. As a result, the main housing policies are separated into two groups on the basis of those who target: a. housing policies addressed to the whole population and implemented by the Cypriot Land Development Corporation (CDLD) and by the Housing Section of the Department of Town Planning and Housing (DTPH), b. housing policies addressed to displaced and suffering persons and implemented only by the Housing Section of the Department of Town Planning and Housing (DTPH). It should be noted that all the weight of housing provision policies bears exclusively to the national government, and carried out through official government institutions, whereas private capital has zero obligation and contribution to provision of affordable housing.

The most updated Housing Policy, PIO 84/2011 includes several measures and tools as the single housing plan in terms of grant of economic assistance for purchase of a dwelling/flat, rental subsidies etc. (Public information office, 2011).

However, and due to the austerity measures that were implemented in the republic of Cyprus by the European Union during the last 4 years, the Ministry of the Interior announced (on 07/2014) that in view of the difficult financial situation of the state, at this stage it is not possible to receive further applications for the Single Housing Plan (Housing Policy - Ministry of Interior, 2016). Meanwhile, it is stated that the procedure for examining applications, which have already undergone the District Administration Offices has been suspended and will start again when economic conditions allow.

In the end, it should be noted that the Republic of Cyprus is not a member of the Cecodhas - Housing Europe, the European Federation of Public, Cooperative & Social Housing.

2.6 Denmark

Denmark also had strong social goals for housing but not as pronounced as in Sweden. More weight has been put on the market and less on state control. Denmark is the only country completely without any individual subsidies or supply subsidies for homeowners. Only economic general support via the tax system is available. (Andersson, 2010). The Danish

nonprofit social housing sector comprises 540.000 dwellings or early 21% of the total housing stock. A little less than 1.000.000 Danes live in nonprofit housing. This reflects the underlying ideology that nonprofit social housing is intended for everyone regardless of income or social status. Dwellings are allocated via waiting lists on a “first in line” principle. However, municipalities can dispose of up to 25% of vacant dwellings for social purposes thereby “jumping” the queue (Nygård, 2008). More than half of all direct housing subsidies consists of individual allowances, in the form of a housing benefit scheme and a rent rebate scheme (Engberg, 2002). It is not possible to determine whether national policy favors rented housing or housing ownership, because both rented housing and housing ownership are subsidized in many different ways (Juul-Sandberg, 2015). The sector is subsidized through tax exemption and a financial acquisition combination of state subsidized loans (84%), interest free loans from local governments (14%) and a tenant contribution (2%). The rent is fixed according to the costs. This means that the rent is kept affordable by balancing it with the costs of the housing estates’ ordinary activities (Nygård, 2008). Housing is not a social right by law in Denmark. But the local authorities are in principle obliged to provide dwellings for people that are homeless. This includes refugees. Afterwards Social housing in Denmark is in principle affordable for everyone. However, the reductions in welfare benefits for newly arrived immigrants during the years 2002 to 2012 made it very difficult for this group to survive financially. Like many other European countries Denmark had an increase in property prices during the economic boom from the middle of the 1990s followed by a decline after 2007. However, the fluctuations have been large. Because of this development the prices became very high (Andersen, 2012).

2.7 France

France has always been a country where the right to a decent housing for everyone constitutes a key social issue. Historically, incidents like the two cholera epidemics in 1832 and 1849 and the industrial/ colonial expansion during Napoleon III years, have forced France to implement the first low cost housing policies. In 1890, the Société française des habitations à bon marché (SFHBM) gave tax incentives, even up to tax exemptions, to non-profit organizations so that they would invest in low-cost houses mainly for wage earners. As years passed, three new laws, the Loi Strauss Law in 1906, the Loi Ribot Law in 1908 and the Loi Bonnevey in 1912, were introduced to facilitate even more the creation of affordable housing (Wong & Goldblum, 2016). After both World Wars, the problem of housing was dealt with the “grands ensembles”, which were large concrete blocks of tall buildings with shared facilities and open spaces built between 1950-1970 (Tomas , Blanc, & Bonilla, 2003) through the Zones à Urbaniser en Priorité (1958) and the Zone d’Aménagement Concerté (1967) and the private sector was encouraged to participate (Lévy-Vroelant, 2013). In 1977, a program called “Habitat et Vie Sociale scheme” (HVS) was introduced but it was the victory of François Mitterrand in 1981, who was the first to implement a territorial, social and urban development policy through the Zones à urbaniser en priorité (ZUP) and the national commission Développement Social des Quartiers (DSQ), which implemented urban renewal projects in problematic areas (Chaline, 2011). Three new laws followed: the Right to Housing (1990), the Financial Solidarity between the Communes (1991), which obliged the wealthiest citizens to help the poorest and the Orientation Law for the City (LOV) (1991), which aimed at the ‘harmonious coexistence’ of different social groups in different urban districts (Wong &

Goldblum, 2016). The Habitation à loyer modéré includes the creation of housing stock, some of which is for sale to anyone and some for social housing. Previous problematic zones are integrated in the Law of solidarity and urban renewal (SRU), which is reinforced by the “Orientation and Programming Law” in 2003 (Scanlon & Whitehead, 2011).

2.8 Finland

Finland is one of the first countries to provide public housing. In 1909 wooden houses were built in Helsinki for the city’s workers. On other hand private real estate market in Finland is relatively young comparing to other European countries (Forss, 2013). In Finland, housing policy has to a greater extent been seen as social policy for the weaker groups in society. The aim of the policy has been to provide affordable, decent standard housing for all residents. The level of subsidies has, however, been lower than in the other Nordic countries, especially tax subsidies (Andersen, 2012). Presently the main form of state support to housing is the granting of low interest loans to specific buildings or on a personal basis. These loans are administered by the National Board of Housing. The second form of government support is the granting of housing allowances for needy families with children and for the elderly. Rental dwellings supported by government loans are constructed by local authorities, insurance companies and corporations, and they are mainly built for low income families. The proportion of government subsidized rental dwellings constructed in recent years has been very large. The purpose of these allowances is to reduce the share of rent in monthly income (Kouri, 1975). Private renters in Finland can also get housing allowances. The upper income limits that determine eligibility are rather low and vary according to family size and region. The amount of a monthly allowance is calculated according to housing costs, the size and age of the dwelling, family size, and the household’s income and assets. In any case, (Andersen, 2012). In addition, the favorable tax treatment of existing dwellings was phased out by 1966, and of all dwellings by 1973. Since 1972 profit from the sale of a dwelling has been tax exempt provided the owner has occupied it at least for a year and buys a new dwelling within a year (Kouri, 1975).

2.9 Germany

The social housing market of Germany is considered to be a submarket with special rent and eligibility limits accounting up to 1-2% of the national GDP. It must be noted that social housing was never provided for the very poor, but it refers to high quality housing for “decent people”. Due to the two World Wars, two of the highest peak periods of demand were documented in 1919 and 1945. Those first policies were included in general planning systems as they focused on building neighborhoods and not individual houses. Rental subsidies, such as rent assistance according to income and region, were provided until the 2000s, whereas land allocation with land reserves started to be used in the 2000s. Rental is given extra priority with special benefits that can account up to 100% rent assistance. Meanwhile, home ownership tax allowances and interest rate subsidies were introduced in 1996 for first time byers, while families with children are eligible for higher tax deductions. It must be noted that according to the laws and policies living in a social dwelling does not exclude anyone from social benefits. Since 2006, the states were solely responsible for such policies. According to researches, 1 billion €pa is spent on social housing, focusing on families and disadvantaged groups, on owner-occupied housing, on the creation of new rental social houses and on the

modernization of older estates (Kofner, 2011; Hegedüs & Teller, 2004). Nowadays, the organizational and business model of Germany is undergoing a drastic change through the shift from state ownership to private of housing companies.

2.10 Iceland

Homeownership in Iceland is one of the world's highest and it seems set to go on being the dominant tenure (Sveinsson, 2004). After the 2008 bank collapse and the ensuing economic crisis, the rate of home ownership fell sharply due to the fact that many Icelanders lost their homes, and prospective buyers had difficulties entering the market. Also, with new funding available the proportion of rental housing has increased over the last few years, and now represents 23–25% of all households. The social housing sector consisted mainly of owner-occupied flats, called workers' dwellings. These flats were sold via means tests to low income groups with state-assisted financing, and could not be sold on the free market. The worker's dwellings program was abandoned in 1999 and from 2002 these flats could be sold on the open real estate market, de facto ending social home ownership in Iceland as a specific housing tenure. Instead, the state-run Housing Financing Fund after the year 2000 increased its lending towards social rental housing and on a smaller scale to other rental housing. Thus, the rental market started slowly to grow again, after the turn of the millennium. This development was encouraged by a new system of housing allowances to tenants (Hammar, 2013). One of the housing benefits is the interest rebate (IR), a refundable tax credit. Subsidizing mortgage interest, especially in the absence of imputed rent taxation, can encourage taxpayers to assume excessive leverage in purchasing a home and/or to purchase a significantly larger home than they otherwise would. In addition to the interest rebate, the government of Iceland offers at least two other programs to support housing affordability: rental benefits and Housing Financing Fund (HFF) loans as already mentioned. Like the IR, rental benefits are an important means-tested housing subsidy with a very complex formulation that depends not only on rent amount and income but also net wealth, marital status and the number of children. The HFF is a government agency providing low-cost mortgage loans to households, municipalities and developers with a goal of ensuring affordable housing (Matheson et al., 2015).

2.11 Italy

Although Italy has had provision on social housing for many years before 2008, it was not until then that an official definition was provided. Historically, the former Istituto Autonomo Case Popolari (IACP), which was created in 1903 and is now transformed into autonomous public agencies, regulated the social housing sector. The institute played major role after the two World Wars targeting in mainly low income households or households with severe difficulties. Social housing is divided in three categories: subsidised housing (edilizia sovvenzionata), assisted housing (edilizia agevolata) and agreed housing (edilizia convenzionata). The Edilizia Residenziale Pubblica (ERP) was the traditional public housing sector organization which was followed by the Edilizia Residenziale Sociale (ERS). Law 118/2005 was the first to recognize that social housing as a way of development for social enterprises (Fondazione Housing Sociale & Fondazione Cariplo, 2010). The Act No. 244/2007 and the Ministerial Decree of 04.22.2008 placed new additions. This Degree is the first to recognize the importance of public and private participation in the social housing

sector. A crucial step in social housing legislation was the Degree of the Prime Ministers of 16/07/2009 on the “National Plan for Housing”. Apart from clearly defining the categories of disadvantaged people and the importance of partnerships, the Degree establishes that social housing can only be planned, organized, managed and fulfilled with urban plans. Social housing in Italy is co-financed by the municipalities and the Regions through the rental aids or land allocations. It must be mentioned that social housing is incorporated within the National Housing Plan, which sets the basis for partnerships, funding and urban planning of social housing (Pittini, Ghekiere, Dijol, & Kiss, 2015). Nevertheless, social housing development projects are extremely popular and imperative in Italy, especially in eras of economic instability (Cittalia, 2010).

2.12 Netherlands

Netherlands have one of the most advanced, organized and integrated social housing systems which rightfully acquires an international reputation. Having approximately 2.4 million social dwellings, a stable number for the last 10 years, the share of social housing reaches 50% in the largest cities. Historically, social housing was first introduced by the 1901 Housing Act, but it was after the 1920s that social housing was built in large scale (Grinberg, 1982). Housing associations started to be set up in the 19th century for the development of dwellings for industrial workers. The World Wars injured Netherlands resulting in large housing shortage. Between 1945-1975 social housing increased from 12% to 41%. In 1989, the “nota Heerma” introduced a new approach in the role of the government, which started to step back. In the 1990s the share of social housing reached 44% (Dolata, 2008). In 1997, the white paper on urban renewal focuses on the renewal of the old stock and of many urban areas. Nowadays, less than 500 housing associations operate. According to 2005 studies, they own 35% of the total housing stock, when 11% is private owned and 54% is owner occupied. They are all regulated by the Ministry of Housing. Simultaneously, housing associations are backed by the Social House-building Guarantee Fund (WSW), which is backed by the government making it more stable and reliable. In Netherlands, living in such dwellings gives no stigma, as houses are of great constructive and environmental quality, while the areas themselves are incorporated within the whole urban complex (Van Kempen & Priemus, 2002; Hoppe, 2012).

2.13 Norway

A main ideology within the Norwegian housing policies has been that everyone should be able to own their own home and Norwegian State Housing Bank -Husbanken has an important role in reaching these goals (Størvold, 2006). Norway has become a country of owner-occupiers. Housing represents the most important investment for Norwegian households. Only 25 per cent of the housing units are rented, for the most part for shorter periods by individuals pursuing educations or moving. Public housing rentals comprise only four per cent of all dwellings. It is very difficult to obtain access to these dwellings. In order to qualify, an individual must either be a homeless person or be in imminent danger of becoming one, with very low income and capital (Nystad, 2004). Norway has both individual support, supply support and tax support for homeownership. All the support given is needs tested and dependent on housing costs and incomes. Some of the support is provided as loans with lower interests. Also in Norway there is a special support scheme for first time buyers (Andersen, 2012). Economic assistance such as start-up loans and rental allowances are

designed to help young people enter the housing market (Jen Nystad, 2004). Nevertheless, all rent regulations in the private rented sector in Norway were abolished by 2010 (Andersen, 2012). There is no supply support or financial support for private renting, but residents can get housing benefits. Lending to rented housing has been supported for special groups like the elderly and students (Størvold, 2006).

2.14 Russia

The housing stock in the Soviet Union was predominantly owned by the state. This situation was consistent with the socialist ideology while rents and housing costs were highly subsidized by the state. After the sanitary norm introduced in the 1920s which allocated approximately 9 square housing meters per person, in 1950 a plan of housing construction was introduced in order to deal with the housing shortage. The new five-storey buildings were built in a short amount of time, with minimum expenses and intended to provide a separate apartment to each family. Additionally, the cooperative laws were introduced in 1958 for further development activity offering low interest rates and providing infrastructure. The reform of the housing market started in 1991 with the privatization of the housing stock. Through this initiative, the housing service transferred to the local governments and the tenants were allowed to claim ownership of their houses free of charge. As a result the ownership rate was increased from 15.4% in 1990 to 61.1% in 2003. However, local governments were not able to bear the burden of the housing administration and they were not able to be financially independent from the central government. For that reason the rents and tariffs for rents and services in municipal housing have been increased. In order to help low income families to cope with high expenses the central government introduced a housing allowance program in 1994 which is considered as a commencement of the new housing policy in Russia. According to this program, the low income households have been provided with subsidized houses. (Vihavainen, 2005).

The new housing legislation came into effect in 2005 and consists of 27 laws. The new policy intends to provide social housing for the poor and affordable housing for the middle-class households. Additionally, the new legislation intends to encourage one third of Russians to take a mortgage by lowering interest rates by 7% to 8% and extending the payment period by 10 to 25 years (Vihavainen, 2005).

In any case the housing market still lacks housing stock. It was estimated that there is a need for a 46.1% increase in housing stock to deal with the relative demand. Moreover, the reform created a group of households that are either not enough “poor” to receive assistance or financially capable to afford buying a house. In general, the new housing policy is aimed to provide social housing to the low income households and simultaneously to encourage citizens to actively operate in the housing market. Finally, the stimulation of the development is considered as a vital part of the whole system as it will create jobs and have a positive income in the overall economy (Vihavainen, 2005).

However, housing in Russia remains highly unaffordable as for a typical 70 square meter apartment Russians need to save 10 annual salaries in order to afford buying it (Filatova, 2013).

2.15 Scotland

In contradiction with the previous case of Cyprus, in the case of Scotland, as representative of

UK, both the public and the private sector are involved in the provision of affordable housing. Scotland's planning system regarding housing provision focuses at an increasing rate on the cooperation and the involvement of local councils, housing associations, private investors and developers. Moreover, the economic crisis on 2008 did not affect its economy to such a degree, to suspend the affordable housing policies, but on the contrary, acted as a stimulus, the cause for the Scottish government to implement new initiatives regarding the planning for and provision of housing. Below some of the most representative policies are presented:

At first there is in 2011 the policy paper *Homes Fit for the 21st Century: The Scottish Government's Strategy and Action Plan for Housing in the Next Decade: 2011-2020* that sets out the Scottish Government's vision for housing to 2020 and actions and proposals to realize that vision with a focus on strategic objectives to promote effective supply, choice and quality (Scottish Government, 2011). The policy includes several programs such as the National Housing Trust (NHT), the New Local Housing Strategy (LHS) guidance, the New Supply Shared Equity Scheme (NSSSES), Homelessness & Housing Support (HHS), the Housebuilding Infrastructure Loan Fund (HILF), the Affordable Housing Supply Program (AHSP) etc.

The National Housing Trust (NHT) program leverages in private sector funding and council borrowing to support the delivery of homes for intermediate rent (Original NHT model for councils and developers - Scottish Government, 2016). Developers build the homes to agreed standards and timescales. Limited Liability Partnerships (LLPs) are set up to oversee progress on each developer's site within a council area. The LLP pays between 65% and 70% of an agreed purchase price to the developer up-front. This contribution is funded by participating councils who provide loans to the LLPs in their area. The remaining 30% to 35% of the purchase price is contributed by the developer as a mixture of loan funding and equity investment. Homes are expected to be available to tenants at an intermediate rent for five to 10 years.

Nowadays through this program, agreements have been secured with 17 developers for the delivery of over 1,600 homes across 10 council areas through this version of the initiative - this supports around 2,000 jobs in the construction industry and wider economy (National Housing Trust - Scottish Government, 2016). Moreover, another action, the Affordable Housing Supply Program (AHSP) has already completed the delivery of 33,490 affordable homes for social rent in last five years as response to economic crisis and now with a budget of over £3 billion of investment aims to increase and accelerate the supply of affordable housing (target over 60% increase in affordable housing supply) by delivering at least 50,000 affordable homes, of which 70 per cent will be for social rent, by March 2021 (Affordable Housing Supply Program- Scottish Government, 2016).

However, it should be noted that by reviewing the Scottish Planning Policy of 2014 (Scottish Government, 2014) regarding the provision of housing it is pointed out the necessity of considering the current economic climate when deciding the percentage of affordable housing to be delivered. More analytically the Scottish Planning Policy 3: Planning for Homes that included in the new SPP 2014 indicates that a contribution from a developer should "generally be no more than 25% of the total number of houses" and where a development is for specialist housing – e.g. housing for older people – a "contribution to affordable housing may not always be required".

In the end, Scotland is a member of the Cecodhas - Housing Europe via the Scottish

Federation of Housing Associations (SFHA) in order “to support the work of housing associations and cooperatives through positive influence on Government policy and promotion of the work of our members”. (Scottish Federation of Housing Associations, 2016)

2.16 South Africa

The housing policy in South Africa underpins the housing as a “basic need”. The right for appropriate housing was first established through the Reconstruction and Development Program (RDP) in 1994 and made a step further in the 1996 Constitution (Huchzermeyer, 2001). The housing market of South Africa was characterized by housing shortage mainly due to rapid urbanization, lack of affordability and fragmented housing policy. The formation of the National Housing Forum, a non-governmental body with members from community, government and development organizations, was the starting point of the housing market policy reform (Hopkins, 2006). The housing subsidies program has subsidized 1323205 households since 1994 with the 36% of them to women-headed household. This program provides housing subsidies in accordance to household income while eligibility criteria begin for households with less than 3500 per month income. The National Housing Finance Corporation founded in 1996 has provided capital to banks for social housing. Consequently, through this funding the NHFC has provided 1.5 billion to financial institution for housing (South Africa info, 2016).

With the housing Act, 1997 (Act No 107 of 1997) the South African Government introduced a variety of programs for helping poor household to access sustainable housing. The current housing policy include the following programs: Integrated Residential Development Program; Upgrading of informal Settlements; Housing Assistance in Emergency Circumstances; Social Housing Program. Through this program housing institution are able to benefit funding grants in order to develop, hold and manage affordable rental housing; Individual Subsidy Program. Through this program eligible household acquire access to state assistance in order to purchase an existing house (National Department of Human Settlements, 2010).

From 1994 to 2004 the South African Government invested 27.6 billion which is translated into a delivery of 1.6 million houses. This massive development has positively affected the lives of 6.5 million residents. In late 2004, the government introduced the “Breaking New Ground” strategy which aimed to lead housing development, promote affordable housing, upgrade settlements and generally influence the economy positively (Hopkins, 2006).

By December 2008, 959415 housing subsidies supporting home ownerships were approved. The 82% of them were project-linked subsidies which was the most common version of capital subsidy (Huchzermeyer, 2001). Moreover, the ownership rate increased from 66% to 77% in the past 8 years (South Africa info, 2016). An important issue for government to address is the “Gap Housing”. Gap Housing refers to those households with income more than 3500 per month and less than 15000 per months. The former are not eligible to receive housing assistance and the latter are not financially capable to enter into the private housing market (South African Government, 2016).

2.17 Spain

Social housing in Spain is defined as “Protected Housing (Vivienda Protegida)” and is considered as a residual social housing model. Approximately 4 million units were built during 2000-2008, whereas rented dwellings accounted up to 16% of new social houses in

2008-2009 (CECODHAS, 2012). Income criteria and the absence of residential ownership are the basic eligibility criteria. One of the most organized set of policies was the Plan de Vivienda 1992-95, which targeted in fighting the problem of under-financing which occurred in 1992-1995 and 1996-1999 and in promoting the building sector towards the enforcement of the Spanish economy (Pareja-Eastaway & San Martin, 1999). In recent years, the Spanish Government has implemented a set of policies which are included in the State Housing Plan 2009-2012. This Plan describes housing needs and determined measures so that adequate and decent housing is provided to every citizen, as stated in the article 47 of the Spanish Constitution. Additionally, article 148.1.3 of the Spanish Constitution gives Spanish Communities exclusive competences over social housing issues, who also play a significant role (López Ramón, 2009). Spain's investment in the sector is only 0.79% of GDP. The fact that the state is the most important player in the sector is backed by the Judgment 152/1988 of the Constitutional Court, which was incorporated with the State Housing Plan 2009-2012. At the same time, Spain is experiencing a steady shift from the public sector being the sole provider to the involvement of private and public cooperation too. Social housing in Spain is not very cheap. The design of social houses is promoted towards energy, air and thermal efficiency and is conducted according to modern means (Fernández-Agüera, Domínguez-Amarillo, José Sendra, & Suárez, 2016; Terés-Zubiaga, Martín, A. Erkoreka, & Sala, 2013). Important issues for the social/affordable housing in Spain is the reduction of funding due to the increased VAT and the economic crisis and the fact that social housing is not so cheap.

2.18 Sweden

Swedish housing policy has played an important role in the construction of the Swedish welfare state. Through housing policies, the aim has been to promote family formation, increase growth, improve living conditions, facilitate population transfer and keep rents low and stable (Baath, 2014). Since the late 1990s, the state budget for housing actually gives a net income to the State instead of being a substantial expenditure item. Despite less generous housing allowances, they continue to be the most influential policy on affordability, partly because other subsidies have been totally abolished (Andersson et. al., 2010). Both families with children and young people aged between 18 and 29 with a low income and person who has activity or sickness compensation can be entitled to housing allowance. There are no special housing policies that target special groups, except for housing for the elderly (Baath, 2014). All households are eligible to live in the Municipal housing companies (MHC). Dwellings are allocated on the basis of waiting lists. There is no upper income limit, but it may be complicated for vulnerable households - for example, those with rent debts - to be accepted as tenant. In such cases, the municipality may step in as a guarantor. Although the MHC is available to all households, the social profile of MHC tenants differs from the overall Swedish average. Immigrant families occupy an important share of MHC dwellings -- they make up over 30% of MHC residents in metropolitan areas, but only about 15% in small towns and rural areas (Whitehead & Scanlon, 2007). The current taxation system in Sweden tends to push up house prices. Sweden applies the highest incentives in the tax system for home ownership while taxation of properties in Sweden is below the EU average (Sahlin, 2015). So the Swedish tax system encourages house purchase over other investment options. Tenants do not pay taxes on their tenancies. The only effect is for homeowners who can deduct their costs for interest. For owner occupiers, 30% of the mortgage interest can be

deducted. For both tenures it is possible to get a tax rebate of 50% of the cost of repair, renovation and extension work. In 2008 both the national real estate tax and a wealth tax were abolished, with the national real estate tax being replaced by a lower property fee. These recent tax changes have helped to sustain the buoyancy of house prices. In conclusion the Swedish economy, and especially the housing market and housing construction, was significantly affected by the recession in the context of the financial crisis in autumn 2008. The lengthy rise in home prices began to slow down during the course of 2007, and in the second half of 2008 home prices began to fall. Between 2006 and 2009, housing construction decreased by 65% and interest rates have remained at a historically low level (Baath, 2015).

2.19 United States of America

Social and affordable housing policies in the United States are implemented in a federal, state, local and private level by several authorities and agencies. Peppercorn and Taffin (2009) by describing the financing tools for affordable rental housing in the United States, they identify three basic schemes; actual provision of social housing in public housing developments run by public housing authorities, mortgage insurance and direct lending by the Federal Housing Administration (FHA) and rental subsidies where the eligible tenant pays a portion of his or her rent. By going through the history of U.S. affordable housing policy, a lot of changes have taken place in the policies - approaches to housing provisioning that finally enable U.S. to embark a “hybrid” model, which is based on private and non-profit sector partnerships with government (Rosan, 2014).

The first governmental initiatives of U.S. for the provision of housing took place little after the Great Depression during the 1930s, in 1933 by the Housing Division of the Public Works Administration (PWA) and afterwards during 1934-37 via the Public Housing Program. These public housing authorities were quasigovernmental organizations regulated by the federal government but managed by authorities at the local level (Boadu et al., 2014) and their role was to fund, develop, own, lease and manage apartments for people of limited incomes on a permanent basis (Hoffman, 2016). However, it should be noted that since the mid-1960s, there has not been no new investment in public housing (Peppercorn & Taffin, 2009). At the same time, the U.S. government adopt a new perspective and made a transition from public housing to public-private arrangements in which private companies, both nonprofit and for-profit enterprises, would build and manage social welfare housing (Hoffman, 2016).

Since then there have been numerous programs that involve private and non-profit sectors as partners such as Low-Income Housing Tax Credit, HOPE VI, Housing Choice Vouchers Fact Sheet, Project Based Vouchers and Rental Assistance Demonstration.

The Low-Income Housing Tax Credit (LIHTC) is the most important resource for creating affordable housing in the U.S. It was Created by the Tax Reform Act of 1986, the LIHTC program gives State and local LIHTC-allocating agencies the equivalent of nearly \$8 billion in annual budget authority to issue tax credits for the acquisition, rehabilitation, or new construction of rental housing targeted to lower-income households (U.S. Department of Housing and Urban Development’s Office of Policy Development and Research, 2016). The LIHTC provides developers/investors with ten years of tax credits and in exchange, the housing must remain affordable to the targeted low-income population for at least 15 years (Silverman & Patterson, 2011).

The HOPE VI program, by using public funds has as a purpose to eradicate and regenerate

severely distressed public housing in terms of physical improvements, management improvements, and social and community services to address resident needs (HOPE VI, public and Indian housing - HUD, 2016).

The Housing Choice Voucher program is the federal government's major program for assisting very low-income families, the elderly, and the disabled to afford housing by subsidizing rents paid in the private market. Housing choice vouchers are administered locally by public housing agencies (PHAs), which calculates the maximum amount of housing assistance allowable. The maximum housing assistance is generally the lesser of the payment standard minus 30% of the family's monthly adjusted income or the gross rent for the unit minus 30% of monthly adjusted income (Housing Choice Vouchers Fact Sheet - HUD, 2016). Project-based vouchers are a component of a PHAs housing choice voucher program. A PHA can attach up to 20 percent of its voucher assistance to specific housing units if the owner agrees to either rehabilitate or construct the units, or the owner agrees to set-aside a portion of the units in an existing development. This program is related specifically to subsidies to particular developments owned by eligible Limited Liability Corporations, Limited Liability Partnerships, non-profit and for-profit organizations, cooperatives, and joint ownership arrangements (Rosan, 2014).

The Rental Assistance Demonstration (RAD) program enables the PHAs to leverage public and private debt and equity in order to reinvest in the public housing stock in terms of preserving and improving public housing properties and addressing the \$26-billion-dollar nationwide backlog of deferred maintenance (Rental Assistance Demonstration - HUD, 2016). PHAs are allowed to attach their Housing Choice Vouchers to public housing so that they can demonstrate a guaranteed income stream based on fair market rents (FMRs) (Rosan, 2014).

Moreover, as it is being noted, in U.S. there are also homeownership policies in terms of mortgage insurance provision. The FHA acts under the authority of Department of Housing and Urban Development (HUD) and provides mortgage insurance on loans made by FHA-approved lenders throughout the United States and its territories and it is the only government agency that operates entirely from its self-generated income (U.S. Department of Housing and Urban Development, 2016). The proceeds from the mortgage insurance paid by the homeowners are captured in an account that is used to operate the program entirely. The FHA and HUD have insured over 34 million home mortgages and 47.205 multifamily project mortgages since 1934.

However, and after the subprime mortgage crisis in U.S. in 2008 there was a great debate whether or not the U.S. government's "affordable homeownership" policies were the major cause of the financial crisis in 2008.

In response to revive the affected economy due to the aforementioned recession, the U.S. government took measures to strengthen the LIHTC program. With the Housing Economic Recovery Act of 2008 (HERA) and the American Recovery and Reinvestment Act (APRA) of 2009, increased the amount of tax credits allocated to each state from \$2.00 to \$2.20 per capita (by setting set the larger of the two tax credits at a minimum of nine percent) and provided \$2.25 billion in grants to state housing finance agencies (Schwartz, 2011).

In conclusion, there is quite evident that in U.S. there is a tendency to stimulate more and more the private market by giving incentives into involving in affordable housing provision related primarily with rental subsidies and secondarily with homeownership.

2.20 Resuming International Policies

Country	Main Housing Programs		Policies During Financial Crisis
	Title	Actions	
Russia	New housing legislation	The new legislation provides social housing for the poor and mortgage incentives.	-
Australia	Commonwealth State Housing Agreement	Affordable housing for the Australians most in need. This agreement provided several housing programs in order to cover different types of need.	Social Housing Initiative
	National Affordable Housing Agreement	This agreement intends to include all Australians in the programs of social and affordable housing. The funding is 1 billion per year.	
	National Rental Affordability Scheme	This program aims to provide 50000 dwellings over 5 years' duration.	
China	11th Five-Year Plan	During this plan 11 million units of social housing were constructed.	4 trillion RMB economic support
	12th Five-Year Plan	This plan aims to provide 36 million units of social housing. Additionally, there is cooperation with private developers.	
South Africa	National Housing Finance Corporation	Capital provision to banks for social housing.	-
	Housing Act, 1997	The new Act help poor households to access sustainable housing.	
USA	Low-Income Housing Tax Credit (LIHTC)	Provides developers/investors with ten years of tax credits and in exchange, the acquisition, rehabilitation, or new construction of rental housing targeted to lower-income households (the housing must remain affordable to the targeted low-income population for at least 15 years)	2008 (HERA), 2009 (APRA) increased the amount of tax credits allocated to each state from \$2.00 to \$2.20 per capita (by setting set the larger of the two tax credits at a minimum of nine percent) and provided \$2.25 billion in grants to state housing finance agencies
	Housing Choice Voucher program	Maximum housing subsidizing rent assistance calculated as the lesser of the payment standard minus 30% of the family's monthly adjusted income or the gross rent for the unit minus 30% of monthly adjusted income.	-

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Stefanos GIANNOULAKIS, Nikolaos KARANIKOLAS, Agapi XIFILIDOY, Linos PERCHANIDIS and Eleni TSAKIRIDOU, Greece A Social & Affordable Housing Policies Review in a Global Context; Does the Segmented Greek Economy Stand a Chance?

Workshop on

Sustainable Real Estate Markets – Policy Framework and Necessary Reforms

Athens, Greece, 19 – 20 September 2016

Country	Main Housing Programs		Policies During Financial Crisis
	Title	Actions	
	FHA- mortgage insurance provision	Provides mortgage insurance on loans made by FHA-approved lenders throughout the United States and its territories.	-
Canada	CMHC - Affordable Housing Initiative & Affordable Housing Framework 2011 – 2014	Over \$1.2 billion under the Affordable Housing Initiative (AHI) 2001 – 2011	Combined \$1.4 billion investments under a new Affordable Housing Framework 2011 – 2014 to extend the existing delivery arrangements for the AHI
Cyprus	Housing Policy, PIO 84/2011	Includes several measures and tools as the single housing plan in terms of grant of economic assistance for purchase of a dwelling/flat, rental subsidies etc.	Due to the austerity measures and the difficult financial situation of the country, the Single Housing Plan has been suspended (on 07/2014) and will start again when economic conditions allow.
Scotland	Homes Fit for the 21st Century: The Scottish Government's Strategy and Action Plan for Housing in the Next Decade: 2011-2020	Actions and proposals to promote effective supply, choice and quality such as National Housing Trust (NHT), the New Local Housing Strategy (LHS) guidance, the New Supply Shared Equity Scheme (NSSSES), Homelessness & Housing Support (HHS), the Housebuilding Infrastructure Loan Fund (HILF), the Affordable Housing Supply Program (AHSP) etc.	17 developers for the delivery of over 1,600 homes across 10 council areas. 33,490 affordable homes for social rent in last five years. A new budget of over £3 billion of investment aims to increase and accelerate the supply of affordable housing y delivering at least 50,000 affordable homes for social rent, by March 2021
France	Habitation à loyer modéré	Creation of housing stock for sale to anyone and for social housing. More than 12 million people have been housed.	New National Program for Urban Redevelopment 2014–2024.
Germany	Shift from state to private housing companies	Public and private housing companies, with a budget more than 1 billion €pa.	Germany keeps the same policies with the economic crisis.
Italy	National Plan for Housing	Integration in urban plans and establishes partnerships on social housing creation.	Economic crisis reduced the number of actions within the National Plan but did not nullified them.
Spain	Plan de Vivienda	Financing and promoting the building sector to create decent social housing.	State Housing Plan 2009-2012
Netherlands	Social House-building Guarantee Fund	Funding of housing associations which is backed by the government reinforcing their security.	Housing associations must strictly keep rents at certain limits, 80% of their production must be provided to the lowest income families, 10% to middle income families and 10% to higher income families.

Country	Main Housing Programs		Policies During Financial Crisis
	Title	Actions	
Sweden	The Municipal Housing Companies (MHC) Act.	The public housing sector is competing on the same terms as the private sector and housing allowances are given to fewer households (low-income households and pensioners) and are less generous. Homeowners can use an interest deduction for rebuilding their homes.	In 2008 both the national real estate tax and a wealth tax were abolished, with the national real estate tax being replaced by a lower property fee.
Denmark	The Social Housing Act	The Danish housing policy can be characterized as more general and universalistic than in other countries in the sense that it to a greater extent are pointed at housing for the whole population and not only for vulnerable low-income groups.	
Finland	The National Board of Housing	In Finland, housing policy has to a greater extent been seen as social policy for the weaker groups in society. Presently the main form of state support to housing is the granting of low interest loans to specific buildings or on a personal basis. The second form of government support is the granting of housing allowances for needy families with children and for the elderly.	
Norway	Norwegian State Housing Bank - Husbanken	Norway has both individual support, supply support and tax support for homeownership. Moreover, there is no supply support or financial support for private renting, but residents can get housing benefits. Also in Norway there is a special support scheme for first time buyers.	
Iceland	Workers' dwellings	These flats were sold via means tests to low income groups with state-assisted financing, and could not be sold on the free market until 1999.	After the 2008 bank collapse and the ensuing economic crisis, the rate of home ownership fell sharply due to the fact that many Icelanders lost their homes, and prospective buyers had difficulties entering the market. Also, with new funding available the proportion of rental housing has increased over the last few years, and now represents 23–25% of all households.
	Housing Financing Fund (HFF)	The state-run Housing Financing Fund after the year 2000 increased its lending towards social rental housing and on a smaller scale to other rental housing.	
	Interest rebate (IR)	A refundable tax credit	

3. SOCIAL/ AFFORDABLE HOUSING IN GREECE: BEFORE AND DURING CRISIS

Greece, since the dawn of the 20th century, had always applied several types of social and affordable housing policies and practices based on its political and historical conditions. By the establishment of the Greek state, in Greek Constitution there is provision (Article 21, paragraph 4), which ensures state's obligation for social housing by stating that "The acquisition of a home by the homeless or those inadequately sheltered shall constitute an object of special State care" (The constitution of Greece - HR-Net, 2016). In this context, the Greek government attempted to provide a variety of housing options for weaker social groups such as primarily land parcels provision, and dwellings for home ownership provided at low cost, and secondarily rental subsidies, rent control policies over the private property market in the whole territory, the introduction of a tax-free "first" residence law, low interest loans/mortgages for acquiring a first residence, housing ownership lottery, and so on (Filippakopoulou, et al 2014). The first actions regarding housing and land provision were taken early in 1920s after the Asia Minor Catastrophe and continue with several reforms but always with the prime aim to support home ownership.

Greece, unlike the rest of EU countries does not have social rental sector and the social housing sector in the country consists of dwellings for home ownership provided at low cost to workers and employees by the Workers Housing Organization (OEK) (CECODHAS Housing Europe, 2011). OEK is the only body implementing social housing policies in Greece and was founded in 1954 by the Decree 2963/54 as a tri-party organization operating under the auspices of the Ministry of Labour and Social Security, with its own financial resources. OEK was financed through contributions by workers and employees of the private sector (1% on salaries) and by their employers (0.75% of their wage bill) (CECODHAS Housing Europe, 2011). More analytically, the funds came from assessments on workers, employees and their employers, the amortization installments of the beneficiaries, income of OEK assets and an annual grant of the public budget, although the latter came only during the first three years of its operation and then was discontinued (Filippakopoulou, et al 2014). Dwellings built by OEK were ceded to beneficiaries at cost, which represents approximately 1/2 of their commercial value in the free market (CECODHAS Housing Europe, 2011). OEK beneficiaries were workers and employees (including financial immigrants) in the private or public sectors who were insured for wage in a main social security organization and who made contributions into OEK, as well as pensioners of all these categories (CECODHAS Housing Europe, 2011). About 1500 housing units on average were delivered annually by OEK, constructing throughout its course a total of 574 projects and comprising a total of 50,004 residences (Filippakopoulou, et al 2014). Until 2009, OEK was responsible for about 95% of the total annual building activity of the public sector (CECODHAS Housing Europe, 2012). Moreover, OEK played an active role in the organization of the 2004 Olympic Games, by constructing the Olympic Village; that was a development of 2.300 new housing units which after the games were used to shelter families with multiple children, and low-income workers (UK Essays, 2016).

However, and due to the austerity measures that were implemented in Greece by the European

Union during the last 6 years, OEK was abolished as a public entity in 2012, despite the fact that it was the one and only organization responsible for the provision of social houses in Greece with a constant flow of income. This decision consequently led to the end of the end of the social and affordable housing sector in Greece. Unfortunately, after 4 years the situation remains the same and no further actions have been taken that would set OEK again operative.

4. COCLUSIONS

In conclusion, it is obvious that the global economic crisis and moreover the Greek debt crisis have terminated every effort for social and affordable housing provision in Greece. By revising many countries and their response to the economic crisis, the majority of them increased the budget invested for social and affordable housing. In the case of Greece, it is quite obvious that this action cannot be implemented due to segmented Greek economy and the lack of liquidity. The State funding is simply not existing, there is total absence of any reaction plan and the demand for social housing is keep rising considering the households which are in crisis situation. Having this context as given, there is absolute need for a number of initiatives and actions which should be implemented.

First of all, Greece needs primarily to restructure its planning system by applying a new and innovative national housing strategy to meet the needs for housing provision during the economic recession. In addition to the planning system, it is essential the land administration and registry systems to be finally fully implemented.

Given the fact that the Greek Government is incapable to financially support a social housing system, it is undisputable that what Greece should do is to focus mainly on involving actively the private sector (local councils, housing associations, private investors and developers) in housing provision by giving the necessary motives such as tax credits, land provision, improved building permissions etc., in exchange for acquisition, rehabilitation, or new housing construction, housing subsidizing rent assistance etc.

More specifically, and by taking into account similar practices from US, UK, Netherlands etc. Greece could grant free public land to potential developers and investors for housing development with the prerequisite that a specific percentage (as 30 %) of the gross lettable area would be used for social housing. Moreover, rental subsidies could be grant to median and low income families in exchange for tax credits to aforementioned developers. This particular initiative will not only provide delivery of new social housing units but will act as a stimulus in the Greek economy by strengthening the segmented construction sector and providing a large number of new job positions.

Moreover, as far as public estates are concerned, there are many unused public estates that could be used as incentives to developers. They could restructure or renovate them in order to be habitable, so that, in second face, they could be rented with favorable conditions to vulnerable households. The developer might receive a percentage (i.e. 80%) of the income for a certain period of years (i.e. 10 years) and then, the contract could be re-evaluated. It should be noted that similar policies are applied in US and Sweden.

Additionally, there is a majority of properties, new or nearly new, that during the economic

crisis cannot be sold either due to the lack of buyers or because the owners are not willing to sell their assets in lower value. Public authorities could provide tax credits to those owners in order to rent their properties with favorable conditions to vulnerable households. More precisely, a developer with vacant houses in his/her possession could be provided with property tax/income tax exemption and other incentives in order to rent the subject houses to low and middle income household receiving a rebated rent either as a part of household income (as 30%) or as a percentage of the market rent (as 70%) by taking example from similar practices in US and Australia.

In the end, all the above could be achieved, only with the total reform of the planning system regarding social and affordable housing policies and practices and the subsequent creation of housing associations and local councils that would enable the government to effectively manage and apply such policies and practices. Greece by establishing this mechanism in its planning system that will define, provide and manage a certain percentage for affordable houses in every housing development will be able to promote effective supply, choice and quality in terms of housing provision.

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