Housing in Norway
Public and private responsibility

By Inger Vold Zapffe, Ass. General Director
Some facts

- About 5.2 mill inhabitants
- About 2.4 mill dwellings
- 80% own their dwelling
- About 5% social, rental housing
- New dwellings average 124 m²
- About 17% of housing accessible for wheelchairs
- Only 7% fully usable for wheelchair-users
- 428 municipalities
Who does what - in Norwegian Housing Policy?

<table>
<thead>
<tr>
<th>The state</th>
<th>The municipality</th>
<th>Private sector</th>
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<tr>
<td>Policies</td>
<td>Planning- and building authority</td>
<td>Finance</td>
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<td>Legal framework</td>
<td>Landuse-regulations</td>
<td>Build</td>
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<tr>
<td>Financial means</td>
<td>Land- and housing supply</td>
<td>Manage</td>
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<td>Public institutions</td>
<td>Housing for the needy</td>
<td>Own</td>
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<tr>
<td>Initiate research</td>
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<td>Trade</td>
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</table>
"The Norwegian Housing Model"

- Shared responsibilities between public and private partners
- High degree of homeownership
- Deregulated housing market

- In Norway the state:
  - does not build, manage or own ordinary dwellings
  - but facilitate that municipalities, private co-operatives, private builders, and –later also the private credit market and NGOs, fill their roles in the social, housing policy
Political goal: «Good housing for all»

Financial means: loans, grants and housing allowance

Knowledge

Co-operation and dialogue

- Municipalities
- Private building sector
- Knowledge "industry"
- NGOs, etc
The Norwegian State Housing Bank

An agency under
The Ministry of Local Government and Modernisation

The main goals of housing policy are now:

• Ensuring a properly functioning housing market
• Increasing housing supply for disadvantaged groups
• More green and universally designed housing, and buildings in attractive locations
• In addition, the Housing Bank has the following general goal:
• Efficient and user-oriented management systems
Why a Norwegian State Housing Bank?

- Institutional history from 1946
- Long term commitment and system-stability important for policymaking
- The first 35 yrs strong focus on increasing numbers of dwellings
- Now Norway has a deregulated and liberalized housing market
- Private banks finance the majority of housebuilding
- However: recognized need to correct market deficiencies
- The bank’s activities adapted to the market – flexible structure over time
- High cost efficiency
- Transparent and well developed control systems
HB – a decentralised organisation: 350 employes, a small hq and 6 regional offices:
Number of dwellings

New dwellings 1953 - 2014

- Started building
- Financed by the housing bank

Year

- 1953
- 1955
- 1957
- 1959
- 1961
- 1963
- 1965
- 1967
- 1969
- 1971
- 1973
- 1975
- 1977
- 1979
- 1981
- 1983
- 1985
- 1987
- 1989
- 1991
- 1993
- 1995
- 1997
- 1999
- 2001
- 2003
- 2005
- 2007
- 2009
- 2011
- 2013
The present Housing Bank measures

• Traditionally to enable entry to the market
• Modestly priced prime loans – no direct subsidies
• Top up with start-up loans- through the municipalities
• Grants to establish special housing solutions
• Help the vulnerable to stay in a good house
• Consumer support to purchase/ pay housing costs
• Grants to research, capacity building and information
## KEY FIGURES FOR THE HOUSING BANK’S ACTIVITIES

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
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<tbody>
<tr>
<td><strong>Programmes</strong></td>
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<td><strong>Housing allowance</strong></td>
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<tr>
<td>Amount disbursed in NOK million</td>
<td>2,701</td>
<td>3,121</td>
<td>3,177</td>
<td>3,087</td>
<td>2,919</td>
<td>2,964</td>
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<tr>
<td>Number of recipients during the year</td>
<td>136,708</td>
<td>149,700</td>
<td>155,500</td>
<td>152,600</td>
<td>148,300</td>
<td>144,740</td>
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<tr>
<td><strong>Targeted grants for first-time buyers</strong></td>
<td></td>
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<tr>
<td>Amount awarded in NOK million</td>
<td>309</td>
<td>266</td>
<td>301</td>
<td>319</td>
<td>379</td>
<td>333</td>
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<tr>
<td>Number of housing units</td>
<td>1,431</td>
<td>1,064</td>
<td>1,454</td>
<td>1,242</td>
<td>1,352</td>
<td>1,224</td>
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<tr>
<td><strong>Targeted grants for rental housing</strong></td>
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<td></td>
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<tr>
<td>Amount awarded in NOK million</td>
<td>805</td>
<td>411</td>
<td>391</td>
<td>432</td>
<td>521</td>
<td>794</td>
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<tr>
<td>Number of housing units</td>
<td>2,426</td>
<td>1,151</td>
<td>1,002</td>
<td>1,002</td>
<td>974</td>
<td>1,166</td>
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<td><strong>Investment grants for sheltered housing and nursing homes</strong></td>
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<tr>
<td>Amount awarded in NOK million</td>
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<td>448</td>
<td>1,178</td>
<td>1,099</td>
<td>1,424</td>
<td>3,603</td>
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<td>Number of housing units</td>
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<td>819</td>
<td>1,128</td>
<td>1,165</td>
<td>1,378</td>
<td>2,463</td>
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<td><strong>Targeted grants for student accommodation</strong></td>
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<tr>
<td>Amount awarded in NOK million</td>
<td>351</td>
<td>192</td>
<td>235</td>
<td>242</td>
<td>350</td>
<td>359</td>
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<tr>
<td>Number of housing units</td>
<td>1,486</td>
<td>845</td>
<td>1,054</td>
<td>1,039</td>
<td>1,483</td>
<td>1,259</td>
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<td><strong>Start-up loans</strong></td>
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<tr>
<td>Amount awarded in NOK million</td>
<td>4,422</td>
<td>5,248</td>
<td>6,075</td>
<td>7,028</td>
<td>6,895</td>
<td>6,069</td>
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<td>Number of housing units</td>
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<td>7,076</td>
<td>10,913</td>
<td>12,512</td>
<td>11,309</td>
<td>8,770</td>
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<td><strong>Basic construction loans</strong></td>
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<tr>
<td>Amount awarded in NOK million</td>
<td>12,420</td>
<td>6,043</td>
<td>10,529</td>
<td>9,922</td>
<td>14,233</td>
<td>10,700</td>
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<tr>
<td>Number of housing units</td>
<td>7,554</td>
<td>3,932</td>
<td>5,697</td>
<td>5,287</td>
<td>8,151</td>
<td>5,843</td>
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<td><strong>Basic renovation loans</strong></td>
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<tr>
<td>Amount awarded in NOK million</td>
<td>1,306</td>
<td>613</td>
<td>583</td>
<td>881</td>
<td>1,422</td>
<td>1,483</td>
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<tr>
<td>Number of housing units</td>
<td>4,440</td>
<td>1,874</td>
<td>2,138</td>
<td>2,946</td>
<td>3,601</td>
<td>3,345</td>
</tr>
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</table>
The HB loans – high cost efficiency

- Low losses – sensible security
- Customers payments reflect the state borrowing costs, + a margin
- Interest rate june 2015:
  Floating 2,080%

Fixed rate agreements:
- 3 years  1,884%
- 5 years  2,080%
- 10 years 2,374%
- 20 years 2,667%
The Housing Bank increasingly focus on

• Disadvantaged in the housing market
• Environmental and quality concerns of building sector
• Inclusion –universal design
A major challenge right now: Housing for refugees

- 33,000 refugees coming in 2015?
- 7,800 refugees were settled in 340 municipalities in 2014
- 18,000 need housing in 2016?
- The municipalities report dramatical lack of adequate dwellings
- Political debate on short and long term solutions
Universal design
- useful for all, necessary for some

- Strong public focus on improved accessibility
- Starting point: equality for all
- Ageing population increases need for more accessible housing
- A long time perspective; inexpensive if planning long term (as for environmental thinking-)
Government goals for environment and energy

- Reduce energy use in construction
- Increased density
- Reduce use of harmful substances and emissions
- Reduce waste
- Environmental building processes, management and maintenance
- Save energy costs
The Housing Bank and energy goals for 2020

- Halved energy requirements in all housing built or rehabilitated
- At least half of all supply of energy shall be from renewable energy sources

How:
- Pilot projects
- Bridge knowledge and market
- International co-operation
- Research
- Development of standards
Legislation
Thank you!
www.husbanken.no
The Housing Bank 1946-2015
- from bank to a welfare agency

• Welfare and quality focus;
• Municipalities, individual builders, NGOs, professional builders
• Focus on research and development; and knowledge among partners
• Handles considerable financial incentives
Alle skal bo godt og trygt