MASTERARBEIT / MASTER'S THESIS

Titel der Masterarbeit / Title of the Master's Thesis

verfasst von / submitted by

angestrebter akademischer Grad / in partial fulfilment of the requirements for the degree of

Master of Arts (MA)

Wien, / Vienna,

Studienkennzahl lt. Studienblatt / degree programme code as it appears on the student record sheet:	A 066 664
Studienrichtung lt. Studienblatt / degree programme as it appears on the student record sheet:	Masterstudium DDP Urban Studies
Betreut von / Supervisor:	

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Urban History Matters: An Investigation of Social Housing Models in Two European Cities Running Along Divergent Lines

4Cities Erasmus Mundus Joint Master Degree In Urban Studies 2018-2020 [MA Thesis]

9th November 2020

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Abstract

The unprecedented rate of urbanisation across the globe has created a constant and increasing demand for good quality affordable housing. It is a challenge faced in nearly every city. Housing systems in every country and city have developed their own distinct character and have their own distinct histories with social housing. History is very important to the development of social housing as it can explain why countries and cities have very different (or similar) housing models. The purpose of this research is to examine the social housing systems in two European cities; Dublin and Vienna. Historically, social housing policies in Dublin and Vienna shared many similarities. However, over time they have diverged leading to two very different systems today. The thesis addresses exactly this, its objective being to identify how and why the two cities diverged. A number of policy reforms, changes in the funding methods, and promoting owner-occupation as the best tenure caused Dublin's sector to contract. Whilst at the same time Vienna's sector increased at a steady pace. The theoretical position adopted in this research is that social housing systems and housing policies are influenced by wider policy decisions and they are heavily path-dependent. Information obtained is through literature review combined with quantitative secondary data analysis.

Kurzfassung

Das beispiellose Tempo der Urbanisierung auf der ganzen Welt hat zu einer konstanten und steigenden Nachfrage nach erschwinglichem Wohnraum von guter Qualität geführt. Dies ist eine Herausforderung, der sich fast jede Stadt stellen muss. Die Wohnsysteme von Ländern und Städten haben ihren eigenen Charakter entwickelt und ihre eigene Geschichte in Punkto sozialem Wohnungsbau. Geschichte ist für die Entwicklung des sozialen Wohnungsbaus sehr wichtig, da sie erklären kann, warum Länder und Städte sehr unterschiedliche (oder ähnliche) Wohnmodelle haben. Ziel dieser Forschung ist es, die Systeme des sozialen Wohnungsbaus in zwei europäischen Städten, Dublin und Wien, zu untersuchen. Historisch gesehen weisen Dublin und Wien viele Ähnlichkeiten bezüglich der Politik des sozialen Wohnungsbaus auf. Im Laufe der Zeit haben sie sich jedoch auseinander entwickelt, was sich heute in zwei sehr unterschiedlichen Systemen manifestiert. Diese Masterarbeit geht speziell auf diese Entwicklung ein und setzt sich zum Ziel, herausfinden, wie und warum diese in beiden Städten auseinander gedriftet ist. Eine Reihe von politischen Reformen, Änderungen in den Finanzierungsmethoden und die Förderung der Eigennutzung als bevorzugtes Wohnverhältnis führten dazu, dass der Sektor in Dublin schrumpfte, während er in Wien zur gleichen Zeit stetig wuchs. Die These, die in dieser Forschungsarbeit vertreten wird, lautet, dass Systeme des sozialen Wohnungsbaus und Wohnungspolitik von weiterreichenden politischen Entscheidungen beeinflusst werden und sehr wegabhängig sind. Die Erkenntnisse werden durch eine Literaturrecherche in Kombination mit der quantitativen Analyse von Sekundärdaten gewonnen.

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Chapter 1: Introduction

Housing is a very unique phenomenon, it is a tradable commodity, a 'lumpy' asset, part of social status, a source a wealth, yet it is a basic human right. Almost every developed country has some kind of support for low-income households who cannot afford housing on the free market. The unprecedented rate of urbanisation across the globe has created a constant demand for good quality affordable housing. It is a challenge in almost every city. Housing supply is not keeping up with demand and housing costs are increasing faster than income. This problem is not only present in cities indeed it is an issue in rural areas too. However, the rapidly growing and constantly changing nature of cities creates a concentration of housing challenges - Housing is deeply rooted in the economic, political and social structures in society. In order to understand the social housing models in different cities it is necessary to understand the processes that have shaped the systems at present and the factors that have influenced the evolution throughout time.

Housing systems in every country have developed their own distinct character. Every country and city have their own distinct histories with social housing. History is very important to the development of social housing as it can explain why countries and cities have very different (or similar) housing models.

In a number of European cities social housing sectors were established by the state and by non-profit housing providers as part of the national welfare state to manage the severe housing shortages at the beginning of the twentieth century. Welfare states and housing are facing new challenges with market deregulation and reduced government spending from neoliberal pressure. Causing growing inequalities and polarisation between income groups, and an increasing demand for social housing. At the same time, governments have cut back public spending affecting the social housing supply.

The definition for social housing is problematic, as there is no universal definition that is applied across all nations. There is huge diversity internationally in the level of social housing in each country, the social housing systems itself and the housing providers internationally. Social housing is typically housing for low-income households provided by the state or non-profit housing bodies. In Ireland the term used is "social housing support" which refers to a variety of low-income housing but also includes government support in the private sector. In Austria, social housing is cost rental. Haffner et al. (2009) definition of social housing is broad encompassing both Ireland and Austria's interpretation of the sector, it is housing that is allocated according to need and explicitly not market forces, including municipal/council housing, limited profit housing and any other forms of affordable housing under this definition.

Different terms are used internationally for social housing dwellings and providers. *Public housing* is rental housing provided by the national or local government referred to as municipal housing in Austria (in German 'Gemiendewohnungen'), and council housing in Ireland. *Social housing* is rental housing at below market or subsidised rents by the state or limited-profit housing providers. Affordable housing can be interpreted in different ways, the term is used more often in Austria to describe rental housing provided by private companies known as non-profit or limited-profit housing associations (LPHA), in Ireland these are called approved housing bodies (AHB).

This thesis is an international comparative study of social housing systems in two European cities. Dublin and Vienna are well suited for a comparison as they are both capital cities in relatively small European countries, with a similar population size, similar economic performance, in addition to early housing policies established at the end of the nineteenth century / early twentieth century.

Historically, social housing policies in Dublin and Vienna shared many similarities; both cities began tackling the severe housing shortages in the early twentieth century, as a result both cities had a defined municipal housing sector before WWII; the sectors were both financed using tax revenues and issuing bonds on the stock market and the poorest households in both cities received government support via subsidies. Despite these parallels, over the decades the cities have diverged and the situation today is very different. The frameworks are organised very differently reflecting very different state-market relations towards the social housing models.

	Dublin	Vienna
population of capital city	1.3 million (2016)	1.9 million (2018)
operational area under investigation	Dublin City Council	Municipality of Vienna ('Stadt Wien')
population of operational area under investigation	553,165 (2016)	1,893,779 (2018)
surface area	117.6 km^2	414.9 km^2
welfare regime	Liberal	Conservative
social housing (% of housing stock)	13%	42%
income limits for social housing	yes, but rather low. Highly residual	yes, but rather high 80-90% of population is eligible
total housing stock	209,858 (2011)	837,617 (2011)
city-owned housing stock in use or available for use	23,949	220,380
households renting from voluntary	2,728	134,185

Table 1: Summary profile of Dublin and Vienna, source: (Central Statistics Office, various years; Stadt Wien, various years; Dublin City Council, NA)

However, as more recent housing policies have developed, the two cities have diverged, pursuing very different paths, and the relationship between the state and the housing markets have changed over time. The institutional arrangements between the national and subnational have been an important feature in the development of the sector. In both cities the relationship between the state and the market have changed over time. The state has an influential role in the market and a crucial role on the development of the social housing sector in the cities.

Referring to Esping-Andersen (1990), Hall and Soskice (2001) Ireland and Austria are typically classified as being part of two very different economic and welfare state institutions. Ireland and Austria have different housing market characteristics. Austria has a well-developed rental market sector, with low home-ownership rates and conservative lending standards which are considered to be the reason for the lasting housing market stability. As a result, Austria has managed to sustain a stable sector that was not particularly affected by the Financial crisis in 2008. In contrast, Ireland has a very long tradition in homeownership providing policies and generous subsidies in favour of this tenure. Ireland views the rental market as a steppingstone to eventually purchasing a dwelling for owner-occupation. As a result, Ireland has a much smaller rental market and a highly residual social housing sector. Ireland's financing model is prone to booms and busts making it vulnerable and unstable, thus Ireland experienced one of the worst impacts of the financial crisis (Norris & Byrne, 2017).

Vienna is an excellent example mirroring the Austrian traditions of supporting large scale affordable housing through limited-profit housing associations. Where policies are in place to maintain the "de-commodified" (Esping-Andersen, 1990) sector. Similarly, Dublin is an excellent case study mirroring the Irish situation of a much smaller residual social housing sector base on national policies that are not productive. Where policies aim to get residents on the housing ladder by selling council housing to tenants, turning the dwellings into a commodity and privatising the sector. Consequently, the national frameworks have shaped the social housing sectors visible in the cities today.

This thesis provides an in-depth study of the development of social housing systems in these two European cities. A comparison of the two cities' sectors in terms of output, size and financing models is examined in order to discover how two cities started with poor housing conditions, building up a large social housing sector and eventually diverging to the two systems present today. The two models have achieved very different social outcomes with very different organisation structures and funding arrangements.

1. 1. Research Question

As Dublin's social housing economy is susceptible to boom and bust, can it learn from the Vienna model to balance social housing output?

1. 2. Aims and Objectives

The primary aim of this thesis is to contribute to the academic debate on international comparative research by providing a clear insight into the social housing systems in two European Cities. Comparative housing research has predominantly been conducted at the level of the nation state. This is probably because housing is part of national welfare systems. In this thesis I move away from the national-level to the subnational level of comparative housing research. Housing responsibilities in many European countries has moved away from the national and delegated to the local. Even in Ireland where it has been highly centralised for decades, in comparison to Austria where the nine Länders (regions) hold their own power towards housing policies.

This thesis aims to investigate the development of the social housing sectors in Dublin and Vienna and how they diverged over time. With reference to the different welfare regimes of the nation states, different economic systems and different housing providers. The objective is to answer the research question - can Dublin learn from the Vienna model to balance social housing output?

1. 3 Research Methodology and Approach

The methodology underpinning this research is based on the research question can Dublin learn from the Vienna model to balance social housing output? The theoretical position adopted in this research is that social housing systems and housing policies are influenced by wider policy decisions and they are heavily path dependent. Path-dependency can help to explain how a system was established, developed and how it changes. It helps to explain how a system can be stable for long periods of time and then abruptly disrupted.

Different scholars have applied different definitions to the term 'comparative research'. For the purpose of this thesis, the international comparative analysis is cross-country research in which societal factors have effects on the variable being researched - for example national political systems affect aspects of housing (Pickvance, 2001). The international comparative analysis presented in this paper investigates societal factors; national welfare system and social housing, and how they are used to explain differences between two cities.

One of the most important decisions when conducting an international comparative research concerns the choice of countries or in this case cities. I chose two relatively small European capital cities with similar GDP, similar population size and who's social housing sectors started at the end of the nineteenth century / early twentieth century.

For a theoretical review of the topic, a comparative literature analysis was conducted by accessing the historical development of Dublin and Vienna's social housing sectors. After reviewing the literature, a gap was identified, and the research question was chosen. The literature review is structured in chronological order.

By using the path dependency theory, I examined the social housing timeline in both cities identifying key events in the past that have shaped the models today. By providing a detailed account of events in chronological order to provide a rich source of information to answer the research question—why and how did they diverge? Given the nature of the development of social housing systems a long-term historical case study is necessary. I can then identify shifting state structures making the housing market either more vulnerable or protected.

To gain more understanding of a topic and establish the overall output and size of the social housing sectors in Dublin and Vienna over time; to answer the research question and inform my research I needed to source historical housing figures from the beginning of records throughout the timeline up to the present. Quantitative secondary data research was conducted by gathering secondary data available on the national census for Ireland and Austria and other government documents where census data was not accessible. I isolated the local operational areas of Dublin City Council and the Municipality of Vienna and collected data from each census year for all types of housing tenure listed. This allowed for the best comparison of social housing sectors from similar time period. The data was prepared using Excel to create graphs and tables making it easier to visualise how the two cities have progressed along divergent lines. In addition, the data was manipulated to produce percentages to make the cross-country/city figures more comparable. Comparative output and investment trends from both cities were analysed to draw conclusions. Census data is conducted every ten years in Austria and every five years in Ireland. Census data for the breakdown of housing tenure only became available in Dublin in 1961. This methodology allowed me to focus on the output and size of the social housing sectors in the two cities to answer the research question.

The methodology is designed to address the social/ affordable housing sectors, by analysing the tenure structures in two cities, the different developers, financing methods and the output and size. The subsequent chapters of the thesis show how these two cities have diverged.

1. 4. Outline

This thesis is divided into six chapters. The first chapter introduces the background to the topic, identifying the problem statement and describes the methodological approach used to answer the research question. Chapter 2 embeds the research question into an academic framework, placing the nation states into welfare regimes and introducing path-dependence theory. Chapter 3 discusses how the social housing systems developed in each case study through a descriptive timeline in chronological order. Chapter 4 explores and analyses the different financing models and social housing providers in both cities. Chapter 5 provides a comparison and discussion answering the research question. The final chapter of the thesis draws on the main conclusions on the basis of the result.

1. 5. Research Constraints / limitations

I had intended to conduct a number of expert interviews with government ministers and policy makers as part of my research methodology. Due to the international comparative nature of my thesis I was hoping to do interviews both in Dublin and Vienna.

However, I was unfortunately unable to do this as there have been a number of changes to government departments in Ireland due to a change of government. In addition, access to government officials has been curtailed due toCOVID-19 Global Pandemic restrictions.

Chapter 2: Theoretical Background

2. 1. Introduction

In order to understand the social housing models in Dublin and Vienna it is necessary to understand the processes that have shaped the systems at present and the factors that have influenced their evolution throughout time. Good quality affordable housing is in constant demand and it is a challenge faced in nearly every city. Housing is deeply rooted in the economic, political and social structures in society. Housing policy decisions relate to broader policy decisions.

Since the 1990s, comparative housing studies have engaged with broader comparative politics and comparative capitalism studies, coming to various conclusions of overlap (or not) with typologies of the broader society and economy. Esping-Andersen's "Three Worlds of Welfare" (1990) is a key publication, that has developed further how national housing systems are related and embedded in their national welfare regime, be it a liberal, social-democratic, or conservative. Although Esping-Andersen omitted housing from his study it remains an inevitable part of the social welfare system. It is described as the "wobbly pillar" (Torgersen, 1987) of the welfare state. Housing policy decisions relate to broader policy decisions; thus, it is necessary to place the nation-states of Ireland and Austria within welfare regime typologies.

When investigating the welfare state and housing policies it is important to pay close attention to the early origins and subsequent changes in a particular country. All state policies and housing policies are dependent upon earlier paths in history, that are still relevant today (Matznetter, 2002). This analysis fits well into path-dependence theory and framework discussed in this chapter.

This chapter sets the scene by placing the nation states of Austria and Ireland into welfare regime typologies. In addition, it sets the theoretical framework for the thesis.

2. 2. Welfare States and Housing

Esping-Andersen's (1990) typologies should be taken for exactly what they are - classification of social welfare systems, with most of the research data from the 1980s. The indicators selected measure decommodification, stratification and the state-market relationship in pensions. Although, Esping-Andersen does not directly link Three Worlds of Welfare to housing, his typologies have been a valuable framework for international comparative housing research and they are still relevant to the field today (Matznetter, 2002).

Applying a general welfare state regime theory, such as Esping-Andersen to the housing discourse only makes sense if housing is considered part of the welfare state. According to Harloe (1995) the welfare state is built on four pillars; social security and pensions, education, healthcare and housing. Of the four pillars, housing is the least obvious — known as the "wobbly pillar" (Torgersen, 1987)— with different characteristics to the other three pillars, as housing is a tradable commodity and ingrained in the capitalist economy. In addition, housing differs from the other three pillars as it is usually, but not always provided by the private sector; and housing provided by the public sector —such or non-profit organisation— tend to be a minority (Hoekstra, 2010). However, housing is a crucial part of the welfare state, this is evident when looking at the effects that housing has on other welfare sectors, how it influences spatial and societal structures (Kemeny, 2001). Therefore, for the purpose of this thesis I am considering housing as an important element to the welfare state.

Esping-Andersen's welfare states differ from one another due to three crucial dimensions: 'decommodification', the degree to which an individual can sustain a socially acceptable standards of living independent of the market; 'stratification', relates to the way in which the welfare state distributes welfare services, and this can cause consequences for the hierarchy in society (Hoekstra, 2003); and how the state, market and family provide welfare also known as the welfare triangle (Esping-Andersen, 1990; Hoekstra, 2010).

Esping-Andersens (1990) describes this field of research as an analysis of who and how social risks are managed. Esping-Andersen (1990) explains how different class struggles led to three welfare regimes: liberal regime, conservative regime and a social democratic regime.

Liberal Welfare Regime

Liberal welfare regime, is market orientated and the market is the means of allocation. It is where welfare is limited to the poor, promoting "residualism". The state does not protect against the market, instead it maximises the functions of the market while minimising state intervention. As a result, the majority of pensions, health care systems and unemployment are based on private provisions. This regime type has a low degree of de-commodification and a high level of stratification. The paramount example of liberal welfare regime is the US and to a lesser degree the UK and Ireland (Clapham, 2010; Esping-Anderson, 1990; Schröder, 2013).

Social Democratic Welfare Regime

Social democratic welfare regime is egalitarian, committed to extensive risk coverage, and generous benefits. Rather than limiting benefits to the poor like liberal regimes, social democratic countries provide benefits universally to all citizens as a "universal social right" (Esping-Andersen, 1990). This regime type is highly de-commodified, low stratification and little market dependency. Social benefits are not based on absolute need but rather citizenship. Private provisions tend to be unnecessary, as public unemployment, pensions and health care schemes are universally accessible to the citizens. In addition, good public childcare and other high-quality public services are usually provided free to citizens. Social democratic countries usually pay the highest taxes but enjoy the social benefits. Social democratic countries tend to be the Scandinavians such as Denmark and Sweden (Clapham, 2010; Esping-Anderson, 1990; Schröder, 2013).

Conservative Welfare Regime

The conservative welfare regime is not limited to the poor or totally universal, it is based on the concept of insurance. The distribution of social rights is often based on class, status and occupation or wage earnings. By contributing to social security schemes, citizens earn entitlements in case of illness, unemployment or retirement. Citizen benefits are related to prior contributions, welfare insurance stabilise social hierarchy. Conservative welfare regimes ensure a measure of de-commodification and a high level of stratification. The regime is often influenced by the church and committed to the traditional role of the family. The paramount conservative example is Germany and to a lesser degree Austria (Clapham, 2010; Esping-Anderson, 1990; Schröder, 2013).

Identifying the Nation States

Ireland - Liberal

Ireland is classified as a having a liberal welfare state. However, Schröder (2013) argues that it is a “hybrid” capitalist country. This is due to two main influences, liberal forces from the UK and conservative forces from the Catholic Church. When Ireland became independent from the UK in 1922, it had inherited the UK’s social policies such as the liberal Poor Law and policy in public health, education and housing (Schröder, 2013). The opposing influence came from the Catholic Church, at the time the vast majority of the Irish population was Roman Catholic. Schröder (2013), describes Ireland as “not only liberal; it is liberal in a deeply conservative way”. This unusual combination, coupled with poor economic performance, led to a scarcity in social legislation and provision. Ireland’s conservative legacy lasted into the 1970s when it joined the European Union.

Austria - Conservatively Coordinated

The development of the State in conservatively coordinated countries was complicated, as it had to emancipate itself from the strong influences of the Catholic Church. Schröder (2013) argues that the Catholic political mobilisation was a reaction to the threats of socialism and liberalism. The Catholic Church ultimately wanted to stabilise social structures, and this is reflected in conservatively coordinated countries. Fundamentally, the goal is stability, security and to preserve social order, rather than freedom as in liberal countries or solidarity as in social democratic.

Austria is an example of conservatively coordinated. Due to influences in the past, the nation organised in an organic hierarchical social order, social solidarity and strong social cleavages, which divides society but unites members of social groups. Austria was heavily affected by the Catholic Church and by wars. Austria is a predominantly Catholic country and was historically multi-ethnical, but with deep social division.

Although Austria is considerably conservative, it has begun to liberalise its welfare and production systems. However, it is still far off being considered liberal. Austria's policies aim to stabilise social order by keeping individuals within their social groups and cleavages, resulting in a conservative welfare state.

2. 3. Path Dependence & Housing

Historical events do not take place randomly. Instead they can be perceived as an emergent property of interrelated circumstance. Path dependence is a well suited tool of analysis for the provision of housing and the policy decisions that have long-term effects on the sector. Bengtsson and Ruonavaara (2010) outline the evolution of path-dependence as a sociological tool for housing. Housing stock take numerous decades, even up to centuries, to produce the kind of models seen today. Government and policy makers have had to and continue to make important housing decisions, as the state can act as a 'corrective to the housing markets' (Bengtsson & Ruonavaara, 2010). Bengtsson and Ruonavaara (2010) developed their definition of path dependence when comparing the historical development of the housing regimes in the Nordic countries; the definition was defined as "*a historical pattern where a certain outcome can be traced back to a particular set of events on the basis of empirical observation guided by some social theory*" (Bengtsson 2008:5). A typical case of path-dependence is where actors make policy decisions at point A (the 'critical juncture' where they choose one path and not the other) and point B is where the effects of point A become visible and further decisions are made.

Effectively "writing history backwards", where a certain outcome today can be traced back to a particular point in history where a set of events or decisions were made that influenced change (Bengtsson & Ruonavaara, 2010).

Path dependency explains how institutional changes in society are partly influenced by the decisions and developments in the past even if the circumstances of the past are not seen as being particularly relevant today. The weaker more open-ended version of path dependence theory refers to "historical pattern where one event, which is more or less contingent, considerably changes the probability of subsequent alternative events or outcomes" (Bengtsson & Ruonavaara, 2010). This weaker definition is used in this research in order to make a meaningful comparison between the social housing sectors in two cities. The social housing sectors are rooted in the early state housing in Dublin and Vienna and the political environments they were built on and how this has shaped the nature of the path that has led to the housing system today. Path dependence can be used as a means of the explaining why change happened. Concepts such as 'critical junctures' are used to describe this unexpected disruption in continuity or acute crisis or policy redirection (Nowlan, 2018; Bengtsson & Ruonavaara, 2010; Norris, 2014; Lévy-Vroelanta et al., 2014)

This model of analysis is particularly suited for housing studies as it examines the history and the evolution of social housing, the particular decisions and choices made over decades that have created the models visible today. Norris (2014) used path dependency theory to explain the changing nature of the Irish rental system using Kemeny (1995) typologies from a distinctly dualist system to developing into a unitary system in the 1980s. She carefully identifies the 'critical junctures' in the Irish policy development that have led to a redirection.

Path dependence theory is used in this research to examine the evolution of housing systems over time, tracing back to decisions and policy changes to understand how Dublin and Vienna diverged. It is used as a framework of analysis for much of this thesis. The institutional network that makes up social housing systems is complex and it has occurred over a long period of time. By pin pointing events in history as certain junctures it will help me answer the research question.

2. 4. Conclusion

In concluding, the theoretical framework for this thesis identified the complex network of institutions involved in social housing. The chapter places the nation state of Ireland as having a liberal welfare regime and Austria as having a conservative regime. Housing systems are heavily path-dependent, it is important to pay close attention to the early origins and subsequent changes in the system. All state policies and housing policies are dependent upon earlier paths in history, that are still relevant today. Path-dependence is the framework of analysis for much of this thesis. The institutional network that makes up social housing systems is complex and it has occurred over a long period of time. By identifying critical junctures in history it will help me understand why the situation today is the way it is and it will help me answer the research question.

The subsequent chapter will provide a historical account of housing policies in both cities, identifying the critical junctures in history that have created the housing models visible in Dublin and Vienna today. By applying the path-dependent framework to examine the evolution of social housing and the historical development I will be able to identify why and how the two models diverged.

Chapter 3: Case Studies

3. 1. Introduction

This chapter considers the history of social housing in Dublin and Vienna from around the end of the nineteenth century; as the beginning of public or philanthropic housing developments for the poor and the working-class began. These are the earliest forms of the emergence of modern day "social housing" in both cities and therefore it is an appropriate starting point.

Industrialisation in the nineteenth century attracted a great number of people to urban areas for work across Europe. However, cities were not well equipped for this massive influx of labourers. This caused social problems such as overcrowding, disease and slum-like living conditions. Factory owners and philanthropists started housing initiatives to house the workers at the beginning of the twentieth century. However, this was relatively small scale and the majority were still living in unhygienic housing conditions. This initiated state intervention and the first housing Acts were passed in most European countries at the turn of the century. This period is referred by Bengtsson (2008) as the 'establishment' phase of social housing, when housing was transformed from a crisis to a part of the policy agenda. This subsequently led to the 'construction' phase in the 1920s (Norris, 2016; Bengtsson, 2008).

The construction phase in Ireland and Austria started around the same period in the 1920s. This period was the beginning of the Golden Age of social housing for both nations. Construction of social housing accelerated in Ireland between the 1930s and 1950s. Due to the strong rural character of Ireland, social housing in urban areas was slower to develop. By the 1960s, as people moved from rural to urban areas, the share of households living in social housing provided by local authority increased to an all-time high (Power, 1993). Similarly, in Vienna, its golden age for social housing was during the inter-war period known as 'Red Vienna'. Strong government intervention and social housing reform programmes under the Social Democratic government constructed thousands of council houses for the working class and the poor. Construction in Vienna was interrupted by war and a vast majority of the pre-war residential buildings were destroyed. After World War II there was a growing need for affordable housing, this led to the second phase of large-scale municipal housing construction, which gained momentum again in 1947. Limited-profit housing associations were also adding to the city's stock. This phase is referred to as the 'saturation' phase, when housing needs have been largely met (Bengtsson, 2008).

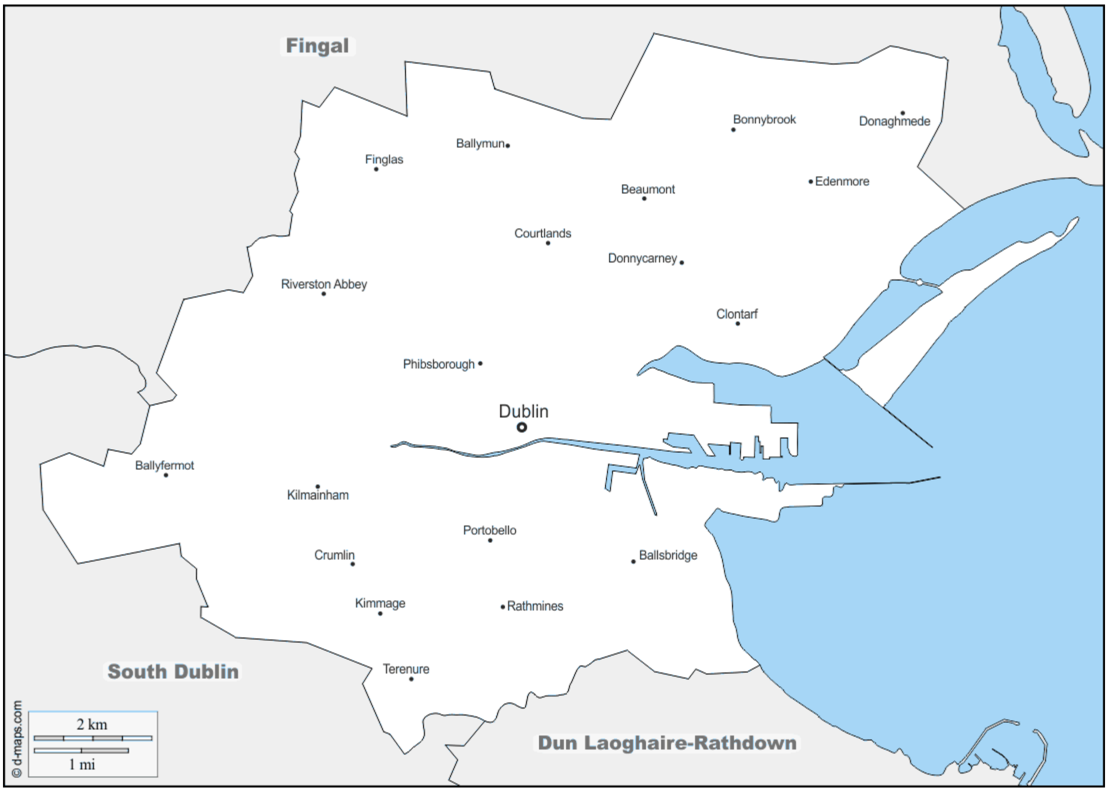
This brings us to the 'retrenchment' phase, now that housing needs have been met the government starts to cut back on the housing subsidies (Bengtsson, 2008). This is where Ireland and Austria begin to diverge. As the Irish government began to cut back state subsidies and the social housing stock was contracting, Austria was out-sourcing more of the new construction to limited-profit housing associations. Although, the Austrian government was building less the overall output of affordable housing never contracted - in fact quite the opposite, it was on a steady incline.

Norris (2016) tailors Bengtsson (2008) by adding in an additional phase - 'marketisation' - capturing the more recent developments in Irish social housing. The redistribution of capital that occurred in the mid-1980s that led to residualism. The period of economic boom called the 'Celtic Tiger' from the 1990s that witnessed excessive public spending, to the financial crisis that proceeded in 2008 causing severe spending cutbacks. Again, this period was very different in Austria as affordable housing continuously grew. However, Vienna has experienced wider pressure from market forces causing more recent policy changes. Austria was not nearly as affected by the global financial crisis as Ireland was.

This chapter provides an outline account of the historical development of social housing in chronological order, paying close attention to policy changes, government incentives, financial support and so on. The aim of this section is to identify 'critical junctures' that have led to the situation at this present day in both Dublin and Vienna.

Dublin

The Republic of Ireland is made up of 26 counties, Dublin being the largest and the capital of the Republic. County Dublin is divided into four local authorities: Dún Laoghaire-Rathdown County Council, Finglas County Council, South Dublin County Council and Dublin City County Council. For the purpose of this research I am investigating the Dublin City County Council operational area. It would not have been feasible for this thesis to cover all four county councils as each operational area has its own distinct issues and management. In addition, funding is quite different in suburban authorities as it is in the city centre, as the city receives business rates etc.



Dublin City Council operational area. Source:d-map.com

3. 2. Establishment

Dublin, during the 1800s was represented by the wealthy landowners and ruling class of Ireland, while the rest of the population of Ireland were living in rural areas in densely populated communities. Dublin, at the time was an important symbol for the rest of Great

Britain (Power, 1993). As the nineteenth century progressed, and a famine struck Ireland, tenants who could not pay rent were evicted. A mass of rural population made their way to Dublin in search of a better life in the booming industrial city. Dublin's population was slowly increasing throughout the nineteenth century from roughly 170,000 at the beginning of the century to 382,000 by 1901. This had a detrimental impact on housing conditions all over the country but particularly in the urban areas, like Dublin. Despite overcrowding issues and slum-like conditions in Dublin, Britain showed no incentives to build working-class housing (Power, 1993).

Attempts were made to try and improve the conditions in the city by the passing of the Artisans' and Labourers' Dwelling Act in London in 1876 which started initiatives in working-class housing. After the passing of this law, the Dublin Artisans' Dwelling Company (DADC) was established, with support from large companies such as Guinness. Guinness became a major builder in Dublin to house its workers and ultimately laid the land for later development by local authorities. In 1890 the Guinness (later Iveagh) Trust was founded, a Trust entirely philanthropic with a strong sense of social welfare. DADC had built 3,000 working-class units and Guinness (Iveagh) Trust had built 600 by 1914. The houses built by the Trust largely housed the Protestant 'aristocracy' of the working class. Dublin Corporation (local authorities) was therefore forced to step in to help solve the problem for the very poor Catholics and Nationalists (Powers, 1993; McManus, 2002).

In 1908, the Housing of the Working Class Act (Ireland), also known as the Clancy Act was passed. The Act is marked as a milestone in Irish housing policy as it included the first subsidies. The subsidies were given to local governments to encourage building. Housing developments were mostly out in the peripheries of the city, weakening incentive by the Corporation to tackle the housing problems in the city. Under the Act, local authorities took over from the DADC as builders for low-income rental housing. After a failed attempt by Dublin Corporation to raise its own monetary bonds it did not have the financial resources to cope with the worsening conditions (McManus, 2002; Power, 1993; Nowlan, 2018).

Plans for Dublin's developments and improvements were eventually interrupted and overshadowed by war, the Easter Uprising of 1916 and by Irish independence in the 1920s. The Rising resulted in a considerable amount of destruction in the city, parts of the centre were reduced to rubble (McManus, 2002). Ireland became a republic in 1921 and a new Irish government was formed. There was a strong rural bias in Ireland that was rooted in the farming tradition, making the countryside the national priority where much of the population still lived. This left Dublin neglected (Power, 1993; McManus, 2002). It was not until the new Free State Government was in power that housing the urban poor became a national concern. The new Irish government had a deeply conservative outlook (Nowlan, 2018). However, the major political change in the Irish Government helped shape the housing policies (McManus, 2002).

3. 3. Construction

In 1922, a new housing program was established, generating some new construction. Two Housing Acts were passed in 1924 and 1925 giving grants to private individuals, encouraging owner-occupation and rural development (Power, 1993; Blackwell, 1988). The 1924 Act, extended state grants to local authorities (Power, 1993). The 1925 Act also encouraged semi-private organisations known as Public Utility Societies to help finance construction (McManus, 2002). The 1924 Act, extended state grants to local authorities (Power, 1993).

Dublin was still building in the suburbs, building its first 'garden city' estate at Marino. In the 1930s and the lead up to World War II, Dublin Corporation built several large outer area, low density estates in Dublin; including Crumlin which had 4,000 cottages. A further 25,000 local authority houses were built between 1927 and 1940. However, inner-city Dublin was still virtually untouched and continuing to decay (McManus, 2002).

In 1931 a new Housing (Miscellaneous Provisions) Act was introduced for slum clearance, and an attempt to rectify the conditions in Dublin. Dublin Corporation played a very important role in the evolution of Dublin's housing -responsible as landowner, developer, financial provider of grants and lending. Between 1887 to 1931, Dublin Corporation had built 7,246 dwellings (McManus, 2002). Despite these efforts the housing needs were not being met due to limited finances, recession, emigration and inevitably the outbreak of war, there was a twenty-year time lag in implementing the proposal. The initiatives to build large inner-city flats was undermined by opposition. It was not until the 1940s and 1950s that inner-city rebuilding actually began to take place on any scale (McManus 2002; Power, 1993).

By 1937 the total capital housing indebtedness of the City of Dublin was £5.6 million. Dublin Corporation carried much of this financial burden. The Corporation acquired its money through mortgage loans, stock issues, Government contributions and revenue transfers (McManus, 2002).

The inter-war period was dominated by economic and political problems leaving the Irish housing situation no better off than before independence. However, there were two important post-war developments in Ireland: the first was the spread of suburban and rural owner-occupation; and the second was the strong growth in local authority building. By 1940, local authority dwellings made up 11 per cent of the total Irish housing stock at the time (Power, 1993).

After the war, due to many social and economic factors, the pace of emigration increased, and the Irish population declined right up to the 1960s. Between 1947 and 1957, Dublin Corporation provided 15,822 residential units, mostly around the periphery of the city. Dublin Corporation had been opposed to building flats (multi-storey apartments) for a number of years, to counter any tendency towards Communism at the time, they were also considered an 'unnatural' way to live (McManus, 2002; Brady, 2014). However, the slum clearance for the relatively neglected city-centre led to new building experiments, giving Dublin 8,000 new balcony block flats. The flats became intensely crowded and caused many social problems. Cottage dwellings were also being built at a fast rate, with over 60,000 council houses built between 1940 and 1960 (McManus, 2002).

The 1960s was a new era of effort in the Irish housing sector with bigger housing programmes. In 1963 the Irish government set up the National Building Agency to stimulate local authorities to build on a much bigger scale. One of the first projects completed by the National Building Agency was the large high-rise tower block estate in Ballymun in the northern outskirts of Dublin city. The estate known as Ballymun Flats consisted of twenty-three high-rise blocks with 3,000 units. The aim of this development was to build the maximum number of units, as fast as possible, to the highest standard, in order to house the former residence of the inner-city slums. The unpopular landmark towers became an unrepeated experiment. Community workers were appointed to the estate to help with 'high-rise blues' and the overwhelming problems of segregation (Rowley, 2019; Brady, 2014).

Ballymun Tower Blocks, source: The Irish Times (2015)

By 1960 the tenure pattern of Ireland had changed, with local authority housing increasing from 11 per cent in 1940 to 20 per cent in 1960 and private rental decreasing by 16.5 per cent and owner occupation continuing to increase, accounting for 62 per cent in 1960 (Power, 1993).

3. 4. Saturation

A Consolidated Housing Act was formed in 1966 which created the basis of the main housing developments up until the 1980s – leading to a significant increase in construction. The 1966 Act brought in a number of impactful policy milestones. The first, was reaffirming the role of local authorities in providing and managing housing; central government was still responsible for funding public housing via grants. The second policy was a more generous financial assistance for home purchase to individuals via loans, grants and subsidies that accelerated owner-occupation. In addition, it facilitated financial assistance to sitting tenants in local authority housing to buy their own house. The Act also shifted the rent determination from cost-based rents to what is called a 'differential rent' scheme, effectively rents are set according to tenants income, the more a tenant earns the higher that tenant's rent (Nowlan, 2018; Power, 1993; McManus, 2002; Norris, 2016; Brady, 2016). Overall the Act favoured owner-occupation, and as a result, this tenure increased from an already high figure at 62 per cent in 1960 to 71 per cent by 1970 (Central Statistics Office, various years).

Under the 1966 Act, council housing had to be made available to the most vulnerable, who could not afford to provide for themselves. However, at the time the income limits for council housing were relatively high, at above average. This meant that the majority of Irish citizens were eligible for the tenure. Priority cases did take precedence. To be eligible for housing in Dublin, citizens must have been a resident for two years if not originally from Dublin (Power 1993).

Between 1950 and 1970 Ireland's local authorities built double the number of units from before the war. By the 1960s Dublin Corporation owned 34,000 units (Power, 1993). Ireland's economy gained momentum and began to grow, and emigration started to slow in the 1970s. The growing population brought new demands for housing, creating a new sustainable housing building programme. Throughout the 1970s Ireland invested heavily in housing; it was the decade of the greatest increase in public building. The private sector also experienced a construction boom, with almost a quarter of a million new houses built (Power, 1993). The 1970s saw the largest increase to the total housing sector of any decade, and construction continued right into the 1980s; the majority of which became owner occupation. By 1981 the level of owner-occupation in Ireland was 74.4 per cent of the total stock (Central Statistics Office, various years).

3. 5. Retrenchment

In the early 1970s, tenant purchasing schemes were further enhanced and explicitly promoted homeownership as the preferred tenure. Sales to sitting tenants was extended in 1973, with higher incentives through subsidies, loans and grants. Even more local authority housing was sold as a result (Nowlan, 2018). Over 202,000 local authority housing units were sold as a result of this policy, almost two thirds of all local authority housing ever built (Power, 1993). Owner-occupation increased to 71 per cent of the total share in Ireland in 1971 and 74 per cent in 1973 (Central Statistics Office, various years). In spite of the large construction built by local authorities during this decade, the number of houses owned by local authorities was declining.

A lack of social housing in the public sector, affordability problems in the private sector and high competition led to the development of the Rent Supplement. Rent Supplement was introduced in the late 1970s and consists of a short-term emergency cash allowance for recipients of social security benefits in the private rental sector who cannot afford to pay the rent from their own resources (Memery, Kerrins & Browne, 2002). It added an important component to the social housing sector for low-income households. However, the payment was problematic as it prohibited full-time work. As the economy took a turn, the demand for rent supplement rose rapidly (Nowlan, 2018).

This period is what Norris (2016) refers to as the collapse of the property-based welfare system and reduced government spending. By the end of the 1970s an economic crisis was looming creating policy instability. In 1978, local authority rates were abolished. This meant that all funding for housing was generated by the central government capital grants. Tax subsidies were extended to all homeowners. The revenue stream into local authorities was weakening (Norris, 2016).

One of the most controversial initiatives introduced in the 1980s was the local authority £5,000 surrender grant. This grant was given to local authority tenants to move out of their units and find new houses they were prepared to buy in more promising areas, freeing up low-cost units for the more vulnerable. However, this caused a number of problems, as local authority tenants were leaving the worst estates for the £5,000, these estates had a growing stigma of impoverished, neglected and difficult to re-let. The scheme was abolished in 1987 (Threshold, 1987; Norris 2016; Power, 1993).

In 1984, for the first time, direct government financial help was introduced for non-profit housing associations. Subsidised loans for up to 80 per cent of the total building costs, with delayed repayment were made available, as long as housing associations supplied housing for the most vulnerable. However, due to the high rents— that contributed to the repayments of the leftover 20 per cent loan— the minority groups were priced out. As a consequence, the government, increased the subsidised loans to 95 per cent of the costs in 1988. Although, housing associations play a small role in the housing sector and they have had very little impact, building only 250 units in 1980, they are a growing importance to the sector (Power, 1993).

The funding system for local authority housing was completely redirected in the late 1980s. The century-old model of borrowing to fund the provision of housing was changed to the full costs being funded by capital grants in 1987. This new model was unsustainable as paying for the capital costs of housing upfront, in a high interest environment was expensive, , made it unaffordable and inefficient (Norris, 2016; Norris & Fahey, 2009).

By 1989, the share of socially owned housing in Dublin had dropped to only 12 per cent - a very low share for a capital city. This reflected a very high level of owner occupation as well as the growth in sales to sitting tenants, meaning a large number of tenants became owners. The majority of council dwellings built before 1970 were sold to tenants, reinforcing the view that owner-occupation was the preferred tenure (Power, 1993).

3. 6. Marketisation

Housing output began to slow as a result of the economic crisis and generally supply was meeting demand. Local authority housing output dropped from one-third of all completed units in 1975 to 10 per cent in 1988 - Dublin Corporation only completed 14 housing units in 1988 and zero the following year. By the end of the decade, council / public building was brought to a virtual standstill. By 1990, demand for low-income council housing began to increase again, the wait-list began to grow and vacancies were filling up (Power, 1993; Norris, 2016).

The Irish economy improved dramatically throughout the 1990s giving birth the 'Celtic Tiger' economic boom lasting until 2008. In addition, the country's population was growing fast due to inward migration. This brought new housing demands and output began to increase again. House prices began to rise significantly.

In 1991, the Irish government issued a new Plan for Social Housing to tackle the emerging problem. One of the features of this initiative included the purchase of new social housing units from the private sector scattered around the city to encourage social mix. Non-profit housing associations would also receive more funding to build and provide social housing. In the 1990s all forms of rental housing began to increase again, while owner-occupation reached its peak in 1991 and plateaued. The majority of the most popular local authority stock had already been sold to tenants (Power, 1993).

The Planning and Development Act 2000 introduced 'Part V' as a new planning tool. Part V states that planning applications for residential development of 10 dwellings or more must release a percentage of the units for the provision of social housing. Before 2015, it was a total of 20 per cent and after this date it was reduced to 10 per cent. Thus, new municipal housing stock was provided by private developers (Nowlan, 2018).

Due to the increasing lack of social housing and a rise in the number of people on rent supplement in the private rental sector the Irish central government developed a number of different leasing schemes that support low-income households in the private rental sector. These schemes were for long-term support. The Rental Accommodation Scheme (RAS) was introduced in 2004, Social Housing Current Expenditure Programme (SHCEP) (formerly Social Housing Leasing Initiative SHLI) introduced for AHBs in 2009 and Housing Assistance Payment (HAP) in 2014.

Under the Housing (Miscellaneous Provisions) Act 2009, Ireland switched from using the term 'social housing' to 'social housing support' as this now included the state support for low-income households in the private sector. Under Haffner's et al definition of social housing, 'social housing support' remains applicable, as housing support is a form of social housing for low-income households in need. Through government leasing schemes the private rental market effectively became a form of social housing (Nowlan, 2018).

The property market began to slow in 2006. Ireland's economy was vulnerable and was not prepared for the global financial crisis that commenced in 2008. Thus, the pressure became too much for the Irish economy and it all began to fall apart (Byrne & Norris, 2018). The construction bubble burst along with a collapse in tax revenues. By 2010, Ireland was forced to seek an emergency loan from the EU and the IMF to fund the state and bank recapitalisation (Byrne & Norris, 2018). As a result of the Financial Crisis public spending on housing plummeted, shrinking by 94 per cent between its peak in 2008 to the lowest in 2013. Local authority housing output also contracted falling by 92 per cent between 2008 and 2018 (Norris & Hayden, 2020).

Massive spending cuts, effectively coming to a complete standstill, as well as a slow recovery are the primary reasons why Dublin is experiencing a chronic housing shortage and the number of people in homelessness has accelerated (Norris & Byrne, 2017; Norris & Hayden, 2018; Norris & Hayden, 2020; Byrne & Norris, 2018).

The National Asset Management Agency (NAMA) was established in 2009 to manage assets and debt associated with property after the crash. The agency established the National Asset Residential Property Services Ltd (NARPS) in 2012 to accelerate social housing delivery during a period of depression and almost no capital funding. NARPS directly leased the properties to AHB and local authorities for social housing use (Nowlan, 2018). By the end of March 2020, NARPS had delivered 415 properties for social housing in Dublin City Council area, in addition to the properties leased to AHB in County Dublin (National Assets Management Agency, 2020).

The Residential Tenancies Bill 2015 brought protection for AHB tenants. They now have the same protection as tenants in the private sector. AHB became regulated under the

2014 voluntary code. Although they had gained approval status, prior to this they were mostly unregulated until 2014 (Nowlan, 2018).

Two housing strategies have been put forward; Social Housing Strategy 2020 (announced in 2014) and Rebuilding Ireland (announced in 2016). Both strategies aim to manage housing supply and increase social housing output. However, the plans are hindered by not providing any radically new mechanisms for the provision of housing, and the cost rental models they do propose are vague, failing to take the opportunity to make a future supply of housing more sustainable and affordable (Rebuilding Ireland, 2016; Social Housing Strategy, 2014).

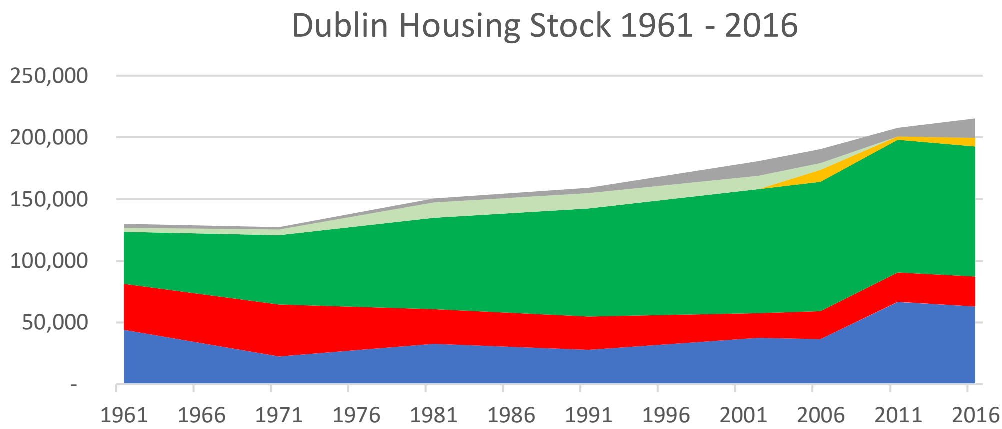
Looking more closely at Dublin's housing stock, it is striking that the homeownership is over half the stock, only 45 per cent of the total stock consists of rental housing. The following table shows that social housing makes up a very small percentage of the stock at 13% and only 1% is contributed by AHB (Central Statistics Office, various years).

Dublin's housing stock (2011)			
owner-occupied	107,552	52%	HOME OWNERSHIP 52%
private rented	66,613	32%	RENTAL SECTOR 45%
rented from municipality	23,949	12%	SOCIAL HOUSING 13%
rented from LPHA	2,728	1%	
other **(including occupied free of rent)**	7,005	3%	OTHER 3%
total	207,847	100%	100%

Table 2: Dublin's housing stock 2011, source: Central Statistics Office (2011)

The following figures show a comparison of the housing stock in Dublin City Council from the 1961 to 2016. 1961 was the first census year that the housing by occupancy was divided into tenure. A noticeable aspect of the graph is the relatively large local authority stock that has gradually contracted. Between 1961 and 2011 the sector contracted by

17%. 2006 was the first census year that voluntary housing bodies were recorded. It is clear from the graph that owner-occupation is the favoured tenure increasing by 20% between 1961 and 2011 (Central Statistics Office, 2011).



	1961	1971	1981	1991	2002	2006	2011	2016
Other	3,008	1,666	3,079	4,313	11,756	11,732	7,005	15,525
Tenant purchase scheme	3,302	4,661	12,695	12,157	10,817	5,470	-	-
Rented from voluntary	-	-	-	-	-	9,297	2,728	7,033
Owner occupied	42,005	56,381	73,855	87,538	100,639	105,034	107,552	105,273
Rented from local authority	37,381	41,819	28,243	26,980	19,586	22,597	23,949	24,654
Rented from private owner	44,089	22,548	32,692	27,928	37,863	36,581	66,613	62,865

Figure 1: Dublin housing stock from 1961-2011, source: author based on Central Statistics Office (various years)

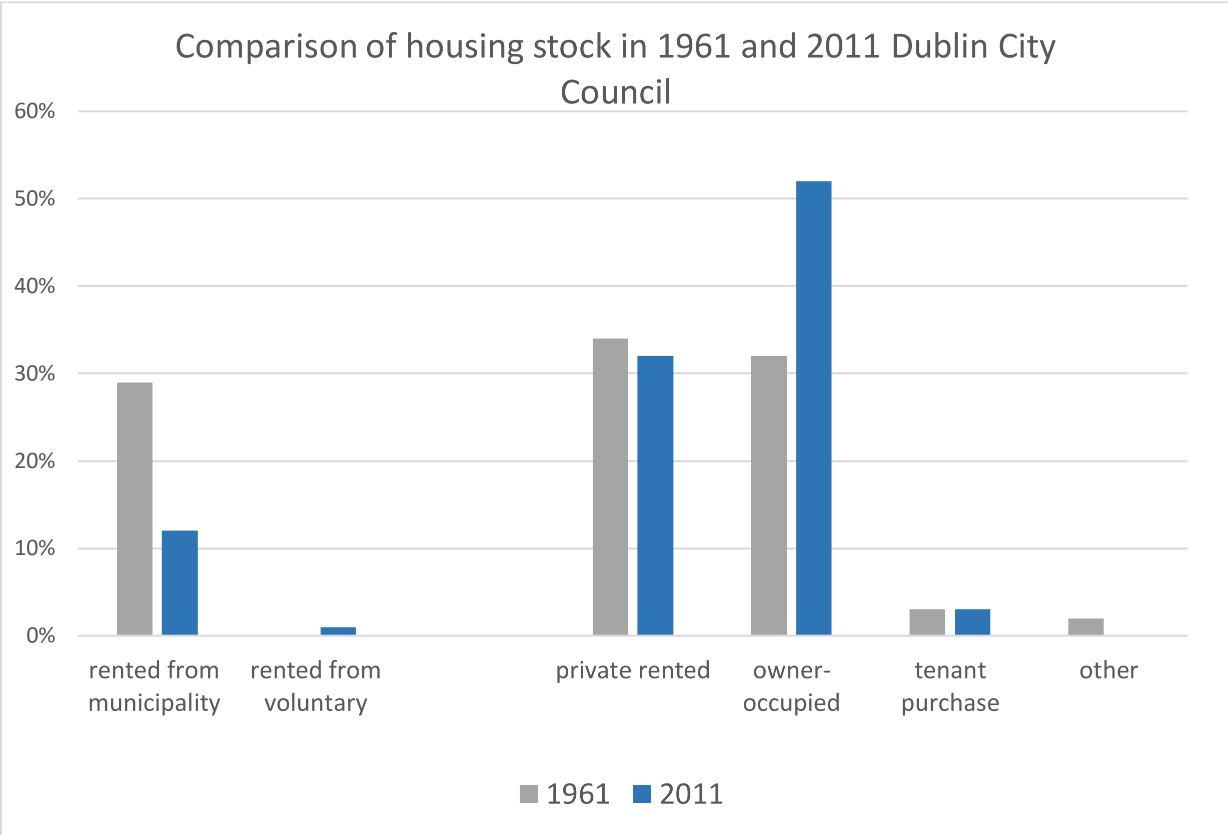
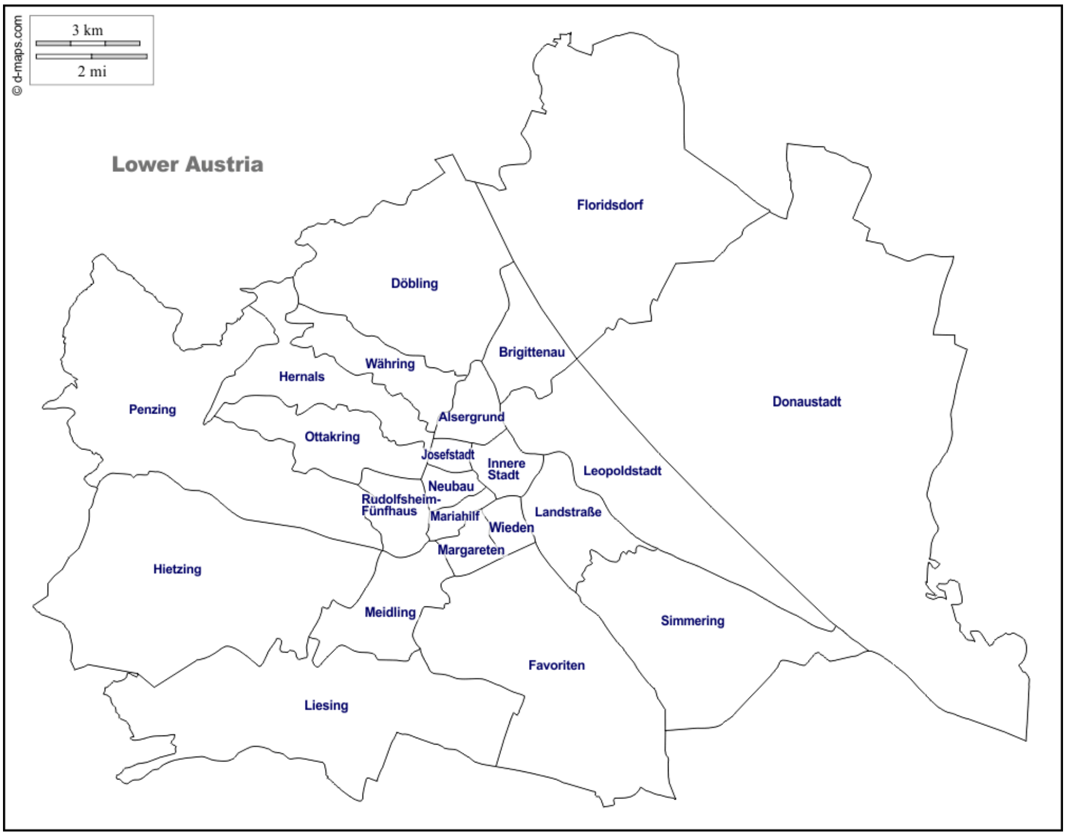


Figure 2: Dublin housing stock 1961 and 2011, source: author based on Central Statistics office (various years)

Vienna

Austria is a federal republic made up of nine states/provinces known in German as Länder. Vienna is the capital city, but it is also a federal state. As a result, the legislative and executive powers are shared by all states and their regional governments. Municipal housing in the city is entirely owned by the City of Vienna ('Stadt Wien') and it is maintained and managed by the Housing in Vienna ('Wiener Wohnen'). For the purpose of this thesis and material available I will be examining the City of Vienna ('Stadt Wien').



Municipality of Vienna. Source:d-map.com

3. 7. Establishment

In the late nineteenth century and the early twentieth century Vienna had a dense population of more than 2 million inhabitants. At the time, the city had one of the worst housing sectors in Europe and like many other European cities it had miserable living conditions, unhygienic housing, over-crowding, problems with disease and insecure tenure laws.

During the pre-war years, there was a strong political position in favour of landlords, no tenant rights and no rent restrictions. Tuberculosis became known as the Viennese disease because a huge number of residents contracted the disease and died from it. During this period Austria was part of the Austro-Hungarian Monarchy. In 1917 the emperor implemented the first tenancy law (Tenancy Act 1917) which introduced rent caps and security for tenants until after the war. The Austro-Hungarian Monarchy was dissolved after World War I and Austria became an independent republic. However, after WWI the living conditions in Vienna became even worse (Stadt Wien, n.d.; Verlic, 2015).

Efforts to improve the situation in Vienna began via strong government intervention and social housing reform programmes that began in the 1920s. The 'Red Vienna' movement emerged under the Social Democratic government which proposed to build thousands of Gemiendewohnungen (council houses) for the working class and the poor. The new ideology for housing in Vienna is that it is a universal social right and it should not be fully left to the free market, this formed the foundations for the construction of new industrial housing production (Förster, n.d).

3. 8. Construction

Vienna is the capital city of Austria, but it is also a federal state known as Länders. In the 1920s, Austria was ruled by the Conservative Christian Socialist Party, in comparison to Vienna where the Social Democratic Workers' Party achieved an absolute majority. To introduce Social Democratic reforms, it was necessary for Vienna to gain constitutional independence from the national tax legislation. Vienna became a federal state, 'Bundesland' in 1922 which made Red Vienna possible (Förster, n.d). As a federal state Vienna had the freedom to introduce its own policies and taxes.

As a result of the terrible conditions after the war and the growing population from returning soldiers and refugees, the Socialist government began making great efforts to improve the housing situation. Two policy measures made Red Vienna feasible: the reorganisation of the city's finances and the introduction of housing taxes against housing shortages and speculation. Strong progressive luxury taxes on goods were put in place by Hugo Breitner to help achieve social balance. These tax reforms funded the residential construction programmes built by the municipality and lay the foundations for the high-quality affordable housing of Red Vienna (Stadt Wien, n.d.; Verlic, 2015). After the War when land prices were very low the municipality of Vienna bought most of the land in Vienna on the open market. This land was then used for construction.

After the War a number of strict policies were introduced in the private sector to make housing more affordable. A consequence of these tight policy interventions meant that there was very little construction in the private sector due to the minimal profit to be made. The municipality of Vienna was forced to intervene to deal with the emerging housing crisis. Red Vienna's construction program was launched in 1923 for a proposed 1,000 units to be built that year. The construction exceeded 2,500. As a result, the following year the first five year building program was launched for 25,000 units (Verlic, 2015).

The approach by the socialist government was that housing is a universal social right and that the working class should live as well as the rest; this outlook was incorporated into building 'palaces' for the working class. Some of the best architects participated in building these co-operative housing programmes, this was part of the support by the city for these new co-operatives (Kadi, 2015; Stadt Wien, n.d.).

Most of the social housing construction in Europe during this period was in the form of garden cities (like Dublin), however in Vienna it was rather so-called super-block developments. The most symbolic building of Red Vienna is Karl-Marx-Hof which has 5,000 residents. The apartments themselves were kept very small in order for them to remain affordable, they included communal facilities such as public laundry, playgrounds, inner courtyards, dental and other health services. Some of the best architects participated in building these co-operative housing programmes, this shows the support and commitment by the municipality for these new co-operatives. The municipality built more than 65,000 city-owned public housing dwellings distributed across the city in the following years (Kadi, 2015; Stadt Wien, n.d.).

Karl-Marx-Hof, Vienna. Source: bwm.at

The historic old city of Vienna was surrounded by walls which were eventually demolished and replaced with the Ringstrasse (ring road). The Ringstrasse was surrounded by 'suburban' districts numbered 3 to 9. Vienna's second ring road, Gürtel was much bigger, spanning much further into the second ring of 'suburbs', districts 10 to 19. During Red Vienna, the Gürtel became a popular area for the construction of council housing estates, it was nicknamed the "Ringstrasse of the proletariate" (Förster, n.d).

Red Vienna produced outstanding municipal housing projects, but it also produced policy interventions in the private rental stock that has had a lasting effect. Two noteworthy policy interventions were introduced in 1922 for the private sector at a national level. The first, Federal Rent Control Act, cut rents to half of what the pre-war 1914 annual rents had been. By increasing affordability, it decreased the housing cost burden for the working class. The second policy intervention was the Expropriation Law from 1922, this allowed for the compulsory acquisition of units under specific conditions. These conditions included; vacant or unused units, when the number of people living in a unit had double apartments or the number of rooms exceeded the people living in the apartment. From 1922 to 1925, 60,000 units had been redistributed in Vienna (Kadi, 2015; Stadt Wien, n.d.; Förster, n.d).

Next to the social rental sector, is the regulated for-profit rental sector which has also had a de-commodifying role on the city. This sector accounts for around one third of the housing stock in Vienna. About two-thirds of this sector was built before 1945 and falls under rent regulation. Rent regulation is a national law that was introduced as part of the post-war welfare strategy and is very relevant in the Viennese housing market. Under this law, any for-profit housing built before 1945 is subject to rent control. All units built after 1945 are exempt, including the recent attic extensions that have been built on top of buildings pre-1945. Often in a single building it can be subject to different rents, creating segregation and hierarchies under the one roof (Kadi, 2015).

The quality standard of these apartments has traditionally been lower than that in the public sector. The financing system of this sector was based on the apartments equipment standards; category A being most equipped with own bathroom and heating and D being the lowest with no water inside individual units. Rent regulation offered unlimited contracts making it difficult for tenants to be evicted and for landlords to increase rent, rent regulation gave tenants strong protection. The strong protection made private rental housing unattractive for landlords. The for-profit, unregulated sector is competing against the large stock of public housing and rent controlled/ regulated sector, forcing rents to remain low (Kadi, 2015).

Red Vienna ended in 1934 when housing construction was interrupted by the emerging fascist regime. During World War II 87,000 flats had been destroyed (Apostolovski & Möstl, 2017). After the War there was a growing need for affordable housing, this led to the second phase of large-scale municipal housing construction, which gained momentum again in 1947. Smaller apartment complexes were built during this time. From the end of the war to 1954, 28,000 new social apartments were constructed, essentially eliminating the most urgent housing shortage (Stadt Wien, n.d; Förster, n.d.). The population of Vienna had been decreasing as people moved West due to the city's close proximity to the Iron Curtain.

The national political situation had also changed after the war, a coalition government was formed between the Social-Democrats (SPÖ) and the Christian-Socialist (ÖVP). A strong system of corporatism was formed. At the city level, the SPÖ had an absolute majority once again (Matznetter, 2002).

Large scale municipal building continued into the 1950s and 1960s to fulfil the needs for housing in the city. Between 1960s and 1970s, 4,500 flats were being built annually. Housing was the top priority for the city administration, spending approximately 15.5 per cent of taxes used for public housing (Apostolovski & Möstl, 2017).

The quality of the post-war council estates was different to that built in Red Vienna, due to a combination of reasons one being that tax revenues was significantly lower. In an effort to improve the quality, the 1960s saw the construction of prefabricated high rise industrial buildings. During this decade city expansion started with new residential areas being constructed at the fringes of the city. The higher land prices in the city and free space in the suburbs made it attractive for developers. Between the 1960s and 1970s, Vienna built approximately 10,000 new units per year (Stadt Wien, n.d).

3. 9. Saturation

In parallel with social housing construction by the municipality, subsidised housing based on non-profit/ limited profit principals have added considerably since the end of the War. Since the 1960s this sector has been credited with building the majority of new social housing. These schemes are operated by non-profit co-operative housing associations and are governed by the Limited-Profit Housing Act. This system is based on subsidised housing in the form of direct subsidised loans from the federal state of Vienna to the limited profit housing associations (LPHA). These organisations are legally required to draw from the city's existing pool of applicants for public housing. The organisations enjoy tax-reliefs; they must charge cost-rents to all tenants and re-invest any revenue into new housing construction. Allocations for LPHA are subject to income-limits, however limits are generous securing access for 80 per cent of citizens (Marquardt & Glaser, 2020). Tenants in this housing tenure are required to produce very large security deposits as a down payment to move in, the deposit is paid back at a depreciated rate when tenants move out. However, this can be a barrier to access to this tenure for low-income households (Amann & Mundt, 2005; Reinprecht, 2014; Verlic, 2015; Förster, 2013; Marquardt & Glaser, 2020). The maximum monthly rent for a LPHA apartment in Vienna is €4.50/m2, or €6-7/m2 in total (Förster, 2013).

At present there are over 200 LPHA in Austria, managing 650,000 apartments and contributing 15,000 new apartments annually. In Vienna, LPHA own and manage 136,000 apartments (Förster, 2013).

These building companies built about 25 per cent of all new apartments in Vienna from the period of 1956 and 1965, this rose to one third by 1970 (Apostolovski & Möstl, 2017). In the 1980s the municipality of Vienna increasingly transferred this task to non-profit companies, that now develop thousands of residential projects, subsidised apartments in the city of Vienna. Construction by the municipality slowed (Kadi, 2015).

3. 10. Retrenchment

Having alleviated the urgent housing shortages of the earlier decades, in the 1970s and 1980s the city of Vienna concentrated on soft urban renewal of the older housing stock. In 1984 Vienna launched its first Urban Development Plan (STEP). Due to the continually declining population, the plans were focused on a shrinking city, infrastructural upgrading and 'soft urban renewal' using public funds to refurbish the private housing stock and avoid demolition of historical buildings (Antalovsky & Löw, 2019).

Vienna is far ahead of the field when it comes to housing refurbishment. The quality of the old apartments built in the 1920s, 1950s, 1970s needed to be modernised and rehabilitated. Starting in the 1980s, the city (Weiner Wohnen) began the largest housing rehabilitation programme to regenerating its private housing stock, much of which had become degraded over time (Kadi, 2015; Förster, n.d.). These programmes improved the quality of apartments without displacing the low-income tenants living in them, improvement such as the installation of private bathrooms, central heating, elevators etc. The conversion of attics or attic expansion was also part of this rehabilitation programme. The financing behind these programs included low-interest loans from the public sector to private landlords, in exchange for low rents in the renovated apartments for 15 years. A significant contribution was made under this program between 1991 and

2001. Regeneration programmes are ongoing: each year, the city subsidises the modernisation of some 10,000 flats (Stadt Wien, n.d. Förster, n.d.; Verlic, 2015).

In Austria, in the late 1980s, as markets relaxed, housing policies and legislation were decentralised. Housing policy progressively disappeared from the federal states' agenda but not from the national budget. It was transferred to the nine Austrian Länders (local state/ province) in 1987/88. Therefore, the Länders became the main organisers of housing policy but not the main financiers. This division of responsibilities across the nine Austrian regions, with their different political and administrative nature, is still the case today (Matznetter, 2002; Weinzierl et al., 2016; Reinprecht, 2014).

After decades of Red Vienna's legacy, the political situation began to change in the 1980s and 1990s. After the fall of the Iron Curtain in 1991 and Austria's membership in the EU in 1995, the political agenda became more internationalised. Vienna became the centre of foreign direct investment in Austria and privatisation, investment in real estate and large-scale urban developments financed by public private partnerships all accelerated (Verlic, 2015).

Vienna's next Urban Development Plan 1994 focused on its growing population from the fall of the Iron Curtain and EU membership; and the city's growing international competitiveness in the centre of Europe. The city created two new operational bodies operated by Wohnfonds Wien under this development plan, the Land Advisory Board; and public property development competitions (Antalovsky & Löw, 2019).

3. 11. Marketisation

Starting in the 1980s, new waves of demand forced Vienna's housing policy to evolve. All welfare states have experienced neoliberal pressure and global capitalist trends. Housing policies have gradually been altered in favour of the free market, homeownership, individual responsibility and state housing has lost momentum. Some of the existing stocks have been sold off to private developers and owners and greater reliance on the private market in housing provision and asset-based welfare has put the private sector in a more central position, in comparison to the past. This process of re-commodification has made it more difficult for lower income households to access affordable housing.

In more recent times, since the mid-1990s, Vienna has experienced pressures from market forces and two market promoting policy changes at both a national and subnational levels that have impacted the housing stock. The first policy initiative, local governments stopped providing council housing in 2004 leaving it entirely up to the non-profit housing associations for the provision of social housing. Secondly, the national government has gradually liberalised rent regulation in the private rental sector, increasing property prices (Kadi, 2015).

The public housing sector experienced a fundamental change in 2004. Municipal housing construction decreased slowly from the 1960s, coming to an end in 2004. Since then, the city has built no new council houses with the only exception of attic expansion in existing estates (Kadi, 2015). Unlike most other European cities, the municipal housing sector was not privatised, the reason the city stopped constructing was because it began outsourcing construction to non-profit housing associations and cooperatives which have, since 2004, shouldered the cost of Vienna's entire subsidised housing building programme (Stadt Wien, n.d.). Another important change in regulation in the social housing sector was the introduction of tenants 'Right-to-Buy' (1994) in the non-profit housing sector, resulting in the privatisation of some of the sector (Amann & Mundt, 2005; Reinprecht, 2014; Verlic, 2015).

Vienna's political environment changed in 1996 to a new coalition government between the Social Democrats and Conservatives, lasting four years. In 2001 it returned to being governed by a single party, the Social Democrats. In 2010, the Social Democrats lost their majority and a coalition with the Green Party was formed (Antalovsky & Löw, 2019).

Population growth predictions in the city were too modest, the city's residents grew by 55,000 new residents between 2005-2009. In addition, the expansion of the EU brought new waves of migrants. The high levels of immigration created new affordable housing challenges. After the fall of the Eastern Bloc, the city boosted the construction for new affordable housing from 4,000-6,000 per annum to 8,000-10,000 to alleviate the pressure on housing. The costs of construction were high, and the city had to explore new financing options. In 2000, Vienna received support from the European Investment Bank (EIB) for social/ affordable housing (Antalovsky & Löw, 2019). A number of new subsidised housing schemes were constructed during this decade. In addition, the upgrading of social rental stock continued, improving quality standards (Antalovsky & Löw, 2019).

Vienna was not as affected as many other European countries by the Global Financial Crisis in 2008. Housing prices in Austria did not start to rise until 2008, due to acute housing shortage and rising population (Marquardt & Glaser, 2020).

Vienna continues to provide and plan for new social housing projects into the future. Plans are underway for the largest urban expansion development in Europe known as the Aspern Seestadt in Vienna's 22nd district. International competitions took place for the masterplans of this new area. Before any residential building began, the city extended the U2 underground line by two stops to ensure new residents have access to high quality sustainable public transport. The development will be built in stages, eventually creating 10,500 new apartments for over 20,000 residents by 2028. Approximately 60 per cent of apartments are reserved for Vienna's public housing programme as subsided rental housing (City of Vienna, Administrative Group for Housing, Housing Construction and Urban Renewal, 2018).

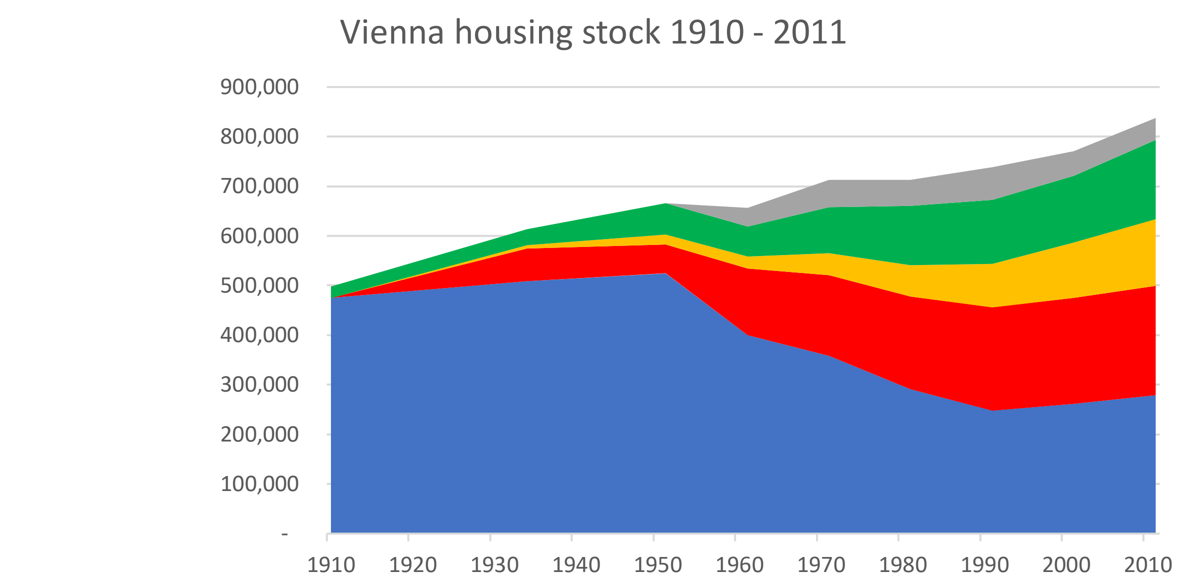
Affordable housing remains an important topic in Vienna throughout this period. Due to a large influx of refugees in 2015 and 2016, more fast-track urgent housing solutions have been needed. These new residents have caused new demands for affordable housing. As mentioned previously the municipality of Vienna stopped constructing new council housing in 2004, in 2015 Vienna decided to start building once again (Antalovsky & Löw, 2019).

Vienna's housing stock (2011)			
owner-occupied	159,542	19%	HOME OWNERSHIP 19%
private rented	279,292	33%	RENTAL SECTOR 75%
rented from municipality	220,380	26%	SOCIAL HOUSING 42%
rented from LPHA	134,185	16%	
other	44,218	5%	OTHER 5%
total	837,617	100%	100%

Table 3: Vienna's housing stock 2011, source: Statistik Austria (2014)

Looking more closely at the most recent census figures of the Viennese housing stock there are around 220,000 municipal flats in the city, housing around a quarter of the population. In addition, 16% of the stock is provided by limited profit co-operative housing. Housing provided by LPHA has increased to almost 200,000 by 2016 Stadt Wien (various years). Only 19% of Vienna's stock is owner-occupied (Statistik Austria, 2014). In addition to the city's large publicly funded housing stock, there are strong rent controls in the private sector. Overall, this lowers the pressure on the housing market. However, Vienna has witnessed the effects of financialisation, in more recent years it has not had a massive impact of the sector (Antalovsky & Löw, 2019).

The following figures show the housing stock from 1910 to 2011. A noticeable aspect is the steady increase in the social housing sector, never contracting.



	1910	1934	1951	1961	1971	1981	1991	2001	2011
Other	-	-	-	37,690	55,118	52,414	66,409	49,619	44,218
Owner-occupied	23,030	32,834	63,662	59,805	91,736	119,337	128,751	134,615	159,542
Rented from non-profit	-	6,000	19,551	24,762	45,225	63,873	87,957	111,952	134,185
Rented from municipality	-	66,270	58,292	134,164	162,639	185,586	208,107	212,621	220,380
Rented from private owner	474,519	508,332	524,375	399,849	357,752	291,715	247,738	262,148	279,292

Figure 3: Vienna housing stock from 1910-2011, source: author based on Statistik Austria (2014)

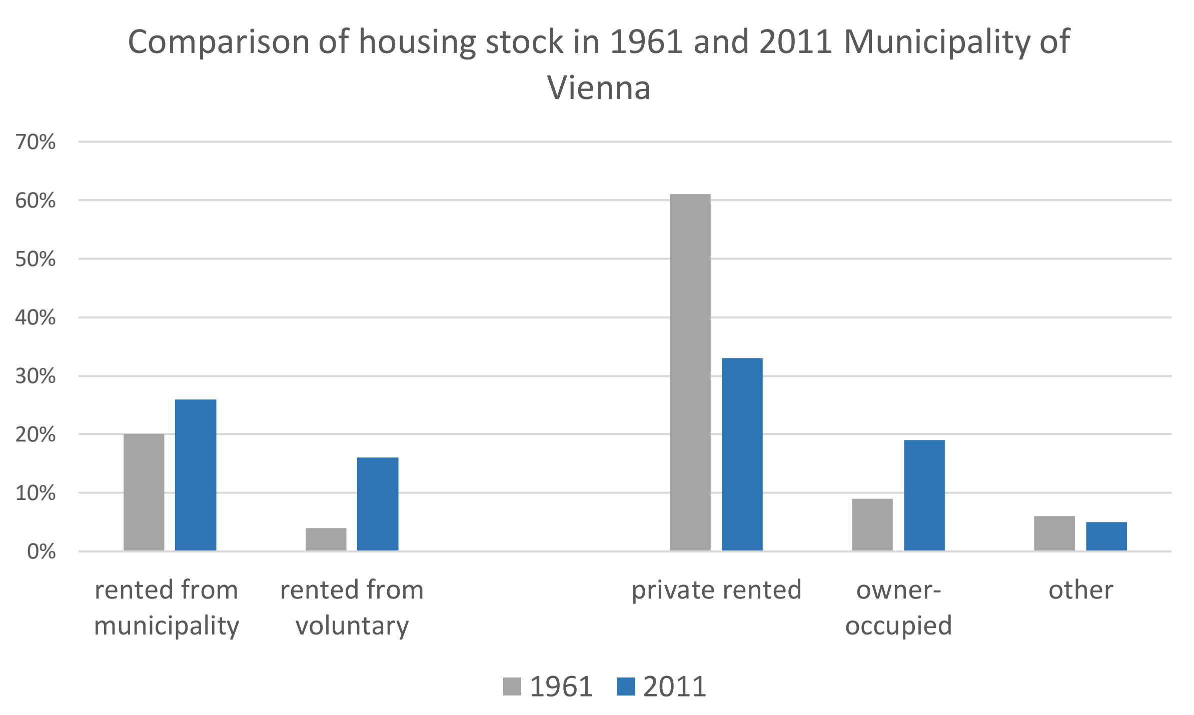


Figure 4: Vienna housing stock between 1961 and 2011, source: author based on Statistik Austria (2014)

3. 12. Conclusion

This chapter provided two outlined accounts of the historical development of social housing in chronological order in Dublin and Vienna. The capital cities are perfect case studies to analyse as they mirror the wider national systems. The cities have been victims to the strongest effects of policy change. The historical accounts brought policy changes, government incentives, financial support to the surface, establishing 'critical junctures' that have gradually redirected the housing systems.

This chapter shows the importance of path dependence in understanding how the particular characteristics of the housing system have developed, evolved and changed overtime eventually forming the housing models in Dublin and Vienna today. The historical analysis is necessary to help understand why certain decisions have been made.

Both cities have a number of similarities, their social housing sectors started during the same period, with the same motives, both nations became their own republics in 1918 and 1922, the 'golden era' for social housing construction was during similar times and financing methods were similar. However, from the 1960s the cities slowly began to diverge creating stark differences in their models. Several decisions had long unforeseen consequences. When Vienna shifted the task and outsourced social housing construction to limited-profit associations, the Irish government ramped up the financial burden for housing by abolishing rates and covering the entire costs with capital grants. In addition, Ireland heavily promotes owner-occupation as the best tenure with very generous grants and subsidies and as a result the majority of local authority housing has been sold to tenants.

The next chapter provides a closer analysis of the social housing 'models' in Dublin and Vienna with close attention to the financing methods adopted by each city/ nation.

Chapter 4: Financing Social Housing

4. 1. Introduction

In order to build and maintain social housing dwellings a flow of capital is required. The government has a major influential role in the organisation of the social housing sector. It is difficult to separate housing policies from housing financing as the government is responsible for the market's involvement in the sector. Housing systems are made up of a network of interactions between different key players. The methods by which social housing is financed and provided is very different from country to country and city to city but typically involves some form of subsidies and loans from central and local governments, in addition to other forms of private finance in order to make housing more affordable. As financial markets have opened up more complex forms of housing finance have been introduced. There are three universal methods of funding social housing:

1. Income from tenants' rent.
2. Other forms of payment, equity finance from past tenants, landowner, tax revenue, the government etc.
3. Borrowing, debt finance, loans and subsidies (Whitehead, 2014)

The relevant importance of each of these methods depends on factors such as, how the rent is determined and the availability of government funding etc. The availability of subsidies plays an important factor in determining costs. Most European countries provide assistance for lower-income households in the form of subsidies to provide housing without a severe financial burden. There are two distinct forms of subsidy; demand-side and supply-side. Demand-side subsidies effectively tries to enhance a household's ability to pay by offering a sum of money (subsidy) directly to the individual/household, these are typically in the form of; capital grants, a one-time lump sum to use for the purchase of a dwelling; housing allowance, an ongoing sum of money that covers part of the housing costs of rent for example; rent supplement, income support towards housing (Whitehead, 2014).

Supply-side subsidies or 'bricks and mortar subsidies' are attached to the structure they reduce rents by subsidising the constructions costs. These subsidies are typically in the form of subsidised finance, contribution of land, tax credits and deductions (Galster, 1997). Post-war municipal housing was typically financed by supply-side subsidies. However, due to the increasing pressure on public finance there was a shift in many European cities to demand-side subsidies. Austria is an exception where they have maintained supply-side subsidies, facilitating the cost rental system (Cahill, 2014; Amann & Mundt, 2005).

In addition to the subsidies for social rented accommodation, Ireland has generous subsidised mortgages for tenant purchasing schemes. An alternative source of supply subsidy is the availability of land for social housing provision. Free and inexpensive land has been a key factor in the delivery of affordable housing in Vienna. Housing associations in Vienna are increasingly self-funded by reinvesting funding from past subsidies. Dublin and Vienna have very different funding models, below I will discuss the different public subsidies available for both cities.

4. 2. Social Housing Providers

There are a number of mechanisms for the delivery of social housing. Using Haffner et al. (2009) definition of social housing, where housing is allocated according to need and explicitly not market forces, including municipal/council housing, AHB and any other forms of affordable housing under this definition. There are three main channels in which social housing is delivered across Europe.

1. Local authorities
2. Approved Housing Bodies (AHB) or Limited-Profit Housing Associations (LPHA)
3. Private sector

1. Local Authority/ Municipal Housing

In Ireland, local authorities are the largest providers of social housing and Dublin is the local authority with the largest stock. As of 2018, Dublin City Council (DCC) had a council housing stock of 25,000 (Dublin City Council, 2018). Local authorities operate under the Minister for Housing, Planning, Community and Local Government who make the regulations and guidelines for housing support. All social housing schemes and programmes are administered through local authorities. Local authorities have gained more housing responsibilities over the decades. They now play a key role as liaison with AHB and the private sector in providing housing and managing central government funding and policies. A defining feature of the social housing sector in Ireland is centrality. However, local governments have an important role in distributing housing including housing from the AHB sector and in some cases the private sector (Nowlan, 2018).

Municipal housing ('Gemeindewohnungen') in Vienna is entirely owned by the City of Vienna ('Stadt Wien') and it is maintained and managed by the Housing in Vienna ('Wiener Wohnen'). Vienna is a federal state, as a result the regional government is responsible for the housing administration of each region. Public/ municipal housing has a long tradition in Vienna however, the sector experienced a fundamental change in 2004. Municipal housing construction decreased slowly from the 1960s, coming to an end in 2004. Since then, the city suspended building any new council houses with the only exception of attic expansion in existing estates (Kadi, 2015). The city outsourced construction to non-profit housing associations and cooperatives. Due to the massive influx of refugees in 2015 and 2016, more fast-track urgent housing solutions were needed. In 2015, the municipality of Vienna began building once again (Antalovsky & Löw, 2019).

2. Approved Housing Body/ Limited-profit Housing Association

Approved Housing Bodies (AHB) and Limited-profit Housing Associations (LPHA) are voluntary housing organisations that operate on a non-profit or limited-profit basis that contribute to the provision of social housing, also known as the 'third sector'. This sector is relatively small in Ireland and Dublin. Tenants for this tenure come from local authority waitlists and are charged in accordance with the relevant differential rent scheme, similar to rent paid in local authority housing (Stanely, 2019 Dáil Debates). To date AHB have constructed approximately 5,500 units in Dublin City Council (Dublin City Council, NA). AHB were unregulated until recently, in 2013, the government published a voluntary code for AHB; it was not until 2015 that the government gave approval for the drafting of the Housing Bill for the regulation of AHB. The Bill was passed by the government in 2019. The Act provides key governance, management and financial principles for the sector (Housing [Regulation of Approved Housing Bodies] Act 2019). The sector is heavily reliant on state funding.

In Austria, LPHA are now the primary provider of new affordable rental housing in Vienna. LPHAs are regulated by the Limited Profit Housing Act also known as the Common-Good law (1948) to provide housing at cost-rent aimed at low to middle-income households. The Limited-profit sector uses a mix of funding methods to expand the sector; public subsidies, developer or landlord equity, tenants' equity, and capital market loans. In addition, the housing associations also benefit from corporate tax exemptions (Amann & Mundt, 2005; Reinprecht, 2014; Verlic, 2015; Förster, 2013; Marquardt & Glaser, 2020).

3. Private Sector

In Dublin the lack of social housing in the public sector and the growing affordability problems in the private sector led to a rise in the number of people renting from the private sector with supports from the government. These supports will be discussed in this chapter.

In recent times Vienna has seen private rentals through private landlords as a means to providing affordable housing. In addition, private developers are collaborating with the municipality of Vienna through competitions for the provision of affordable housing. Private finance also plays a big role in Vienna. Subsidies are available for private developers on the terms that they comply with the conditions, such as cost rent etc. (Deutsch & Lawson, 2012).

Dublin

4. 3. Rent Determination

'Differential rent' is the rent determination model used in Dublin for both council housing and AHB. Under the 1966 Housing Act, council housing rents must be related to tenants' income or commonly known as 'differential rent'. This means the lower a tenant earns the lower they pay in rent, and the higher a tenant earns the higher the contribution to rent. The Irish government had introduced a 'differential rent' scheme in Cork City in 1934 as an experiment. Predicting that a differential rent system would make rents more affordable for the poorest families and the long upward trend in income inflation would generate more revenue from income-related rents than fixed cost rent. The idea was that the higher paying social housing tenants would subsidise the lower paying tenants (Norris, 2016). Under the 1966 Housing Act, 'differential rents' for council housing was introduced nationwide.

The Act requires that both the principle household earner and the subsidiary household earners contribute to the rent. Each local authority in Ireland has the responsibility of setting the income-based rent divisions within their county council. Different rent determination systems are in place in each county council. As a consequence, there is no connection between the rents charged locally and the costs of running the dwelling. Council housing rents are reviewed annually by the local authorities (Norris & Hayden, 2018; Nowlan, 2018; Dublin City Council, 2019a). There have been a number of discussions with regards to changing the rent determination system to a more unified national framework for rent setting. However, since the first acknowledgment of this in 2009, no changes have been made (Norris & Hayden, 2018).

Dublin City Council's current rent determination system has been in place since 2019. It requires the household's principle earner to pay rent equal to 15 per cent of their assessable weekly income—taxable income, such as wages—as long as it exceeds €32 for a single principle earner and €64 for a principle earning couple. In addition to the principle earners' 15 per cent, each subsidiary earner in the household must also pay 15 per cent of their assessable income (Dublin City Council, 2019a). The minimum rent payable by tenants in DCC is €25.65 per week, this is based off the €203 Social Welfare payment. The maximum rent depends on the dwelling size - for example the maximum rent for a one-bedroom dwelling in DCC is €301 and for three or more bedroom it is €423. Additional heating and waste charges may apply (Dublin City Council, 2019a). Tenants must inform Dublin City Council if any changes are made to their income or household circumstances, such as a change in the number of persons living in the household. If a tenant falls on hardship and cannot afford to pay due to exceptional circumstances a reduction of up to 50 per cent of their rent assessment can be made for up to six months (Dublin City Council, 2019a). In 2015 the average annual rents paid by council housing tenants was €2,638 per household (Norris & Hayden, 2018).

4. 4. Equity Finance

The Irish example of 'other' forms of equity finance experienced by Dublin is through the sale of homes to sitting tenants - and generally at a large discount. Tenant purchase was popular in rural Ireland, but only took off in urban areas in the 1960s when incentives were increased. The idea was to enable tenants to become owner occupiers, simultaneously generating revenue for local authorities to reinvest. In theory, the sale to tenants always generates a 'profit' for local authorities, even though they are always sold at a loss for the central government. Income from tenant purchase is the only source of revenue for local authorities that is reinvested into new housing developments, because social housing rents do not generate enough income; local authorities would have no internal capital.

Land

Access and availability to land is also an important prerequisite for the provision of social housing. In many countries it is a form of equity finance. However, in Dublin the acquisition of land for social housing is bought on the open market at market value. The purchasing of these plots is funded by the Housing Finance Agency, which borrows on international markets and from European Union lenders to fund council housing. These loans are repaid in full by central government grants for social housing provision when dwellings have been constructed on these sites. This model of funding struggled after the financial crash in the late 2000s, when grant funding reduced and land values declined, leaving loans outstanding and a difficult market to dispose of sites. In response to this, the 'Land Aggregation Scheme' (LAGS) was established by the Department of Housing, enabling loan transfer to the Housing Agency (Norris & Hayden, 2018).

Today, DCC does not have much of its 'land bank' left. The land it does have is in areas that already have a large concentration of social housing such as Ballymun where it would create increased social issues if it built more council / social houses due to over saturation. Land acquisition is therefore left to the open market, where the public sector is competing with large private corporations for land. In addition to this, Ireland's pro-cyclical housing market means that the country builds more when the economy is booming and land prices are most expensive and investment is withdrawn when the economy is struggling and prices have fallen (Dublin City Council, 2019b).

The Land Development Agency was established to help deal with such land issues and to begin to get cost rental pilot schemes off the ground. The Land Development Agency (LDA) was introduced by the government in 2013. It is a commercial State sponsored organisation that coordinates land under the State control for more optimal use, with a focus on residential property. The LDA coordinates with local authorities and the State. The Government is committed to provide funding for the LDA. The policy framework for the LDA states that all public land disposal must deliver at least 40 per cent of any housing potential in the form of 10 per cent social and 30 per cent affordable housing (Department of Housing Planning and Local Government, 2018).

4. 5. Public Loans and Subsidies

Council Housing Subsidies

In Ireland, local authorities are the largest providers of council housing and Dublin is the local authority with the largest stock. The provision of council housing in Ireland is funded by 100 per cent central government capital grants and to a lesser extent by local authorities' own budgets. Local authorities' revenues are generated from internal capital receipts, from the sales of social housing. Under the Department of Housing's rules, any revenue made from the sales of social housing to sitting tenants must be entirely reinvested into the provision of new housing or the refurbishment of existing council housing within that county council. The general management and maintenance costs for local authority housing is generated from tenant rents. In addition, a contribution from local property and commercial taxes also helps fund the management of social housing (Norris & Hayden, 2018). According to Norris and Hayden (2018) and available data, local authority contributions to the capital costs of social housing is between 10 - 30% of the total costs and the rest is contributed by the central government.

Approved Housing Body Subsidies

AHB are reliant on speciality state funding through capital loans. The Capital Assistance Scheme (CAS) and Capital Loan and Subsidy Scheme (CLSS) provides loan finance of up to 100 per cent to AHB to meet the costs of construction for the provision social housing for local authority waitlists. Local authorities distribute the funding to AHB as non-repayable loans over a 30-year period, under the conditions that AHB comply with the terms and conditions of the loan. Local authority loans are then covered by the Department of Housing, Planning and Local Government. At the end of the mortgage term, AHB gain full ownership. AHB rely heavily on Government funding in return for local authority control. There is very little evidence of private sector funding in the AHB sector. The majority of the funding is supplied by the Housing Finance Agency (HFA) which is an organisation affiliated with the Government (Central Statistics Office, 2017).

After the 2008 financial crash which reduced the available funds for AHB, a range of new financing options had to be explored. The growing demand for new units increased the pressure on the sector. Funding for AHB moved away from CAS and CLSS to a combination of capital subsidies via soft loans from the State of up to 30 per cent with the remainder from private finance through the Housing Finance Agency (HFA) or commercial banks. The Payment and Availability Agreement (PAA) was responsible for servicing AHB's loans. Local authorities contribute annually to the repayment of the loans and the Department of Housing Planning and Local Governments reimburse the local authority (Nowlan, 2018).

Effectively, the funding method for AHB moved away from 100 per cent public funding to a public-private partnership. It has forced the sector into a revenue-based system and moved away from the traditional voluntary sector - building for the common good - to a property investment business. A new source of rental housing finance is needed for the future of the sector (Nowlan, 2018).

Rent Supplement

Rent Supplement was introduced in the late 1970s and it consists of a short-term emergency cash allowance for recipients of social security benefits in the private rental sector who cannot afford to pay the rent from their own resources. It has been a question whether Rent Supplement can be recognised as a form of social housing, despite falling under Haffner et al. (2009) definition of allocation according to need. For the purpose of this thesis I am including it as 'social housing'. It is a demand-side payment in the form of income support to assist tenants who do not have access to social housing. In the past, citizens could receive Rent Supplement if they qualified for social housing however, households in this situation should now apply for Housing Assistance Payment (HAP). Rent Supplement claimants contribute a flat rate towards their rent and local authorities contribute the rest. The rent supplement is determined by the amount of rent payable, tenants income and households circumstances. It is calculated to ensure the eligible tenant has a minimum income after rent is paid. Households on Rent Supplement for more than 18 months will be transferred over to HAP. Rent Supplement is stopped when the recipients resume full-time employment (Central Statistics Office, 2017; Department of Employment Affairs and Social Protection, 2020; Department of Public Expenditure and Reform, 2017; Norris & Hayden, 2018).

In Ireland there are approximately 44,500 households receiving Rent Supplement making it the second largest type of low-income housing support across the country and the largest government alternative housing support. It accounts for approximately 20 per cent of the entire private rental sector.

It is important to note that census data in Ireland does not distinguish between tenants in the private rented sector who receive help from the government in the form of Rent Supplement and those who do not receive any subsidies. However, in most other countries these figures are included under the social/ affordable housing sector. Thus, it is difficult to include this in the total social housing figure in Dublin and Ireland (Redmond & Norris, 2014). According to Redmond and Norris (2014), in 2011 there were approximately 96,800 people claiming Rent Supplement, this would bring the total number of citizens receiving social housing support for that year from 7.8 per cent to 18 per cent.

4. 6. Social Housing in the Private Sector

Social Housing Leasing Schemes

The private sector does play an important role towards social housing in Dublin however it is in the form of a partnership model with the public sector. The lack of social housing in the public sector and the growing affordability problems in the private sector led to a rise in the number of people renting from the private sector. The Irish central government developed a number of different leasing schemes that support low-income households in the private rental sector. Each local authority is responsible for the administration and regulation of each scheme. The local authority rents the dwelling from a private landlord, the unit is then sub-let to an individual on the waitlist. As a consequence, partnerships between the public and private sector have brought private finance into the social housing sector.

Under the Housing (Miscellaneous Provisions) Act 2009, Ireland switched from using the term 'social housing' to 'social housing support' as this now includes the state support in the private sector. Under Haffner et al definition of social housing, 'social housing support' remains applicable, as housing support is a form of social housing for low-income households in need. Through government leasing schemes the private rental market effectively became a form of social housing (Nowlan, 2018).

Rental Accommodation Scheme (RAS)

Rental Accommodation Scheme was introduced in 2004 in response to the very high take up of Rent Supplement. It is for people who are in need of long-term housing and have been a claimant of Rent Supplement for a minimum of 18 months. In effect, it is a long-term leasing agreement (typically four years) between local authorities and private landlords, and the dwelling is then sublet to the tenant. Recipients transfer from Rent Supplement under the Department of Social Protection to RAS under responsibility of the DCC local authority (Redmond & Norris, 2014). Claimants of RAS remain on the housing waitlist and are eligible for council housing when it becomes available (Nowlan, 2018). Local authorities are responsible for the management and administration for these schemes and they are responsible for sourcing the accommodation. The scheme is funded by the Department of Housing, Planning, Community and Local Government. This scheme is due to be phased out (Dublin City Council, 2018).

Housing Assistance Payment (HAP)

Housing Assistance Payment was introduced by a pilot scheme in 2014 and became accessible to all local authorities by 2017. HAP is a similar scheme to RAS however it allows claimants to be in full-time work. It is a form of social housing support for people with long-term housing needs who cannot afford to pay rents in private rented housing. Tenants receiving HAP pay income related rents to the landlord, similar to households in council housing; the local authority pays the difference. HAP is available to any household that qualifies for social housing. It gives households the ability to choose their accommodation (within the criteria) at a more affordable rent. A motivation behind HAP was to transfer long-term claimants of Rent Supplement into the social housing system. HAP is a flexible housing support allowing recipients to work full-time, unlike Rent Supplement (Dublin City Council, 2018). HAP also provides housing for the homeless (HHAP) which is considered cheaper than providing emergency accommodation for the homeless (Kilkenny, 2019). As of 2018 there were 1,325 receiving housing through HAP, and 1,179 through homeless HAP (Dublin City Council, 2018).

Social Housing Current Expenditure Programme (SHCEP)

Another long-term leasing scheme is the Social Housing Current Expenditure Programme (SHCEP) (formerly Social Housing Leasing Initiative SHLI) introduced in 2009. This scheme was introduced in response to the dramatic fall of capital funding due to the financial crisis. It was funded by revenue rather than public sector loans. It provides funding to local authorities and AHB for the long-term leasing (minimum of 10 years, maximum of 20) of empty dwellings and then sub-let to households on local authority waitlists. It absorbed some of the abandoned and vacant dwellings from the Celtic Tiger. The programme is operated by the Department of Housing, however Local authorities are responsible for the allocation of tenants (Department of Housing Planning and Local Government, 2017). While the leasing contract is in effect, the dwellings are included in the social housing stock (Redmond & Norris, 2014). There are four different leasing models in operation:

1. AHB lease from a private owner. The leasing agreement can last between 10 and 20 years.
2. AHB leasing from NAMA, NARPS. This leasing agreement started in 2013.
3. AHB constructed and/or purchased units using finances under Capital Advance Leasing Facility (CALF) schemes.
4. AHB Mortgage to Rent (MTR). This scheme was introduced in 2012, to reverse tenant purchase, when a household owner becomes a social tenant of AHB. It is for households with mortgage arrears from tenant purchase that wish to become tenants

again. AHB become the landlords and household can rent from them (Central Statistics Office, 2017)

National Asset Management Agency (NAMA) & National Asset Residential Property Service Ltd (NARPS)

After the economic crash of 2008 the National Asset Management Agency (NAMA) was established in 2009. It is considered a "bad bank" that took on the debts primarily associated with property assets and manages these assets by maximising credit for the State. The agency established the National Asset Residential Property Services Ltd (NARPS) in 2012 to accelerate social housing delivery during a period of depression and almost no capital funding. NARPS directly leases the properties for up to 20 years to AHB and local authorities for social housing use (Nowlan, 2018). At the end of March 2020, NARPS had 415 properties delivered for social housing in the Dublin City Council area, in addition to the properties leased to AHB in County Dublin (National Assets Management Agency, 2020)

The private sector has become a key supplier of housing for low-income households. However, the nature of the private rental market in Ireland allows landlords to administer short-term rental contracts with a lack of tenant security. Landlords have the ability to increase rents at an unsustainable level when demand is high. The Irish private rental market is also very susceptible to boom/ bust cycles.

Planning Policies and initiatives

Zone Planning

Dublin City Council releases a development plan every number of years, the most recent is the DCC Development Plan 2016-2022. It is an integrated plan that provides a spatial framework for the city, using strategic development zones (SDZ) and land-use zoning. These strategies set out the zoning for the local authority area and the associated land-use for each area. The zoning is in place to ensure the overall goals of the Development Plans are met and that there is a mix of facilities distributed across the city. The development plan has an overall 30-year vision for the city. Land-use planning can create restrictive zoning regulations as some areas are in higher demand for certain functions, such as residential or commercial than others (Dublin City Council, NA).

Part V

The Planning and Development Act 2000 introduced 'Part V'. Part V states that planning applications for residential development of 10 dwellings or more must handover a percentage of the units for the provision of social housing. Before 2015, it was a total of 20 per cent and after this date it was reduced to 10 per cent. Thus, new municipal housing stock was provided by private developers. According to DCC Annual Reports (various years), in 2016 25 units were delivered from Part V acquisition, 56 in 2017, 105 in 2018 and 119 in 2019. This is a significant drop compared to the figures in 2008, where 483 units were provided by Part V for social and affordable housing (Dublin City Council, various years).

Social Housing Strategy

A policy initiative launched in 2014 in Ireland called Social Housing Strategy 2020: Support, Supply, Reform. The goal of the strategy was to deliver more social housing and increase capital allocations of housing. The strategy has a three-pillar model for social housing, to summarise, ultimately increase social housing supply, increase private sector involvement and funding and for reform and innovation in the sector (Social Housing Strategy, 2014).

Rebuilding Ireland

Rebuilding Ireland was a strategy launched in 2016. The primary goal of the strategy is to accelerate housing supply to overcome the country's housing shortage. It considers the wider housing market including both social and private. The strategy has a five-pillar approach in addressing housing and homelessness that includes; addressing the homeless, accelerating social housing; building more homes; improving the rental sector;

and utilising existing houses. An important angle to the strategy is the commitment to deploying State land for mixed tenure developments (Rebuilding Ireland, 2016; Nowlan, 2018).

Social Housing Demand & Waitlist

The demand for council housing in Dublin is very high. DCC's current housing waitlist can take up to 7 years before a person is offered housing, depending on the household's need. As of 2018 there were 17,445 citizens on the DCC waitlist and a housing stock of 25,000 in council housing. Of this figure, 1,494 received housing through social housing allocation including local authority council housing stock and AHB, 1,325 received housing through HAP, and 1,179 are homeless HAP claimants (Dublin City Council, 2018).

Allocation & Eligibility

In Ireland under the Housing (Miscellaneous Provisions) Act 2009, Dublin City Council is required to assess a person's eligibility for social housing and the type of support they should receive. Two main criteria are assessed to determine a household's eligibility for social housing support; the household's income; and availability of alternative accommodation. Citizens must be 18 years or older to qualify for social housing in DCC. There are maximum income limits on net disposable income for each local authority. The maximum limit for DCC is € 35,000 for a single person, € 36,750 for a couple with no children and up to €42,000 for a household with three adults and four or more children (Dublin City Council, 2018).

DCC also allocates housing according to urgency, using a three-category system. Band one includes all priority cases such as citizens already on social welfare, with medical conditions, homeless or travellers. Band two includes overcrowding cases and citizens with prior medical conditions in recovery or citizens with welfare points. Band three includes all other remaining households that qualify for social housing (Dublin City Council, 2018).

4. 7. Accounting & Auditing Finance

Under the Local Government and Reform Acts 2014 the National Oversight and Audit Commission (NOAC) was established. NOAC is an independent organisation providing oversight for local authorities in Ireland. NOAS covers all local activities monitoring and evaluating financial performance (NOAC, 2020)

It is important to note, in Ireland when council housing units are sold to tenants, the value of the fixed assets are accounted for in local authorities' capitalisation account, therefore the asset is removed from the central government's balance sheet with no gain or loss recorded. The revenue from the sales goes into the local authorities' accounts to be reinvested into new or existing social housing within that city council. In theory, the sale to tenants always generates a 'profit' for local authorities, even though they are always sold at a loss for the central government. Furthermore, this loss is never reported (Norris & Hayden, 2018).

As previously mentioned, the costs for the management and maintenance of social housing is funded by tenants' rent. However, in Ireland and Dublin City Council, tenants pay rents related to their income rather than related to costs. Due to the residual nature of the tenure rent, revenues only funds part of the entire budget for running the services for local authorities. Any shortfall has to be made up by local authorities or the central government.

In comparison to limited-profit housing bodies in Vienna, where they charge cost rents that cover all of the costs for the service in addition to a sinking fund for any future maintenance. The Irish model, in general does not generate adequate funding for management and maintenance (Norris & Hayden, 2018).

Vienna

4. 8. Rent Determination

Austria has created a highly regulated and stable rent system by determining rents using a cost-based rental model. Providing housing at cost-rents, means that there is a direct relationship between the costs of production, maintenance and management of social housing. In Vienna, cost-rents are regulated by the Limited-Profit Housing Acts, which outlines the national legislation for rents. Developers are able to keep the overall cost of production low by obtaining land from the municipality of Vienna at a low rate. In addition, low land costs developer-competitions and low cost loans and subsidies also keep other costs down (Deutsch & Lawson, 2012). Profits made from rents are then reinvested into new affordable construction projects.

4. 9. Equity Finance

In Vienna, tenants in limited-profit housing co-operatives must contribute a portion of their own equity finance to move in. Tenants in this housing tenure are required to produce very large security deposits that is a quasi-loan covering 12.5 per cent of the construction costs and 100 per cent of the land costs. It is essentially a down payment to move in, and the deposit is paid back at a depreciated rate (1% each year) when tenants move out. This can be a barrier to access for low-income households. The municipality of Vienna offers individual low interest rate loans for households who cannot afford these deposits (Deutsch & Lawson, 2012; Marquardt & Glaser, 2020).

Land

Another form of equity finance important for housing in Vienna is the availability of land reserves. It can also be considered as an indirect subsidy. The disposal of available sites of land in the city plays an integral role in the provision of affordable housing. This is particularly relevant to Vienna where there has been a long tradition of purchasing land at affordable prices; the municipality owns majority of the land in the city. In the 1920s the city started to buy most of the land in Vienna on the open market. This was financially possible, as land prices were very low from the tight rent regulations after WWI. Vienna is still the owner of large underdeveloped land and has a strong influence on the open market. This helps to reduce the production costs and speculation for new developments. Much of the city's co-operative housing is built on municipal owned land. The city gives land to LPHA in a special leasing agreement that lasts between 80 - 100 years, where the land remains the property of the city and the housing built on it belongs to the housing associations. 2012 was the first year that these leasing agreements began to expire, since then, the city has renewed the contacts but at higher fee. The new contracts are for 60 years and unlike the previous contracts they cannot be passed on through inheritance (Verlic, 2015).

4. 10. Public Loans & Subsidies

Vienna has a long tradition in supply-side public subsidies by directly subsidising 'bricks and mortar' with non-repayable grants and public loans. Because social housing is not targeted at the lower-income bracket in Vienna, public subsidies are also available to non-profit and for-profit developers. One of the main forms of housing support for affordable rental housing in Austria is through government loans and grants. The Austrian public housing assistance fund known in German as 'Wohnbauförderungsmitte' (WFB) helps finance housing construction and renovation. The largest share of money is generated from the division of common taxes, the second largest share comes from the repayments of outstanding loans and a small contribution from the regional budget (Amann & Mundt, 2005). If there is excess demand for housing the regional authorities adjust the assistance to the expected demand (Deutsch & Lawson, 2005). Each region in Austria has a different subsidy scheme reflecting local policies and conditions, however, all loans are long-term and low interest. Loan repayments and interest are reinvested into revolving funds for housing in each region. Commercial housing developers and LPHA can also avail of these loans. However, they must comply with stipulations of the Viennese Housing Construction Subsidy Law (1989 and renewed in 2017). These conditions include; rent restrictions and income limits to tenants during the period of the loan term (Deutsch & Lawson, 2012).

Typically, when large developments are planned under these schemes, they go through a competition stage where different bodies come together with a proposal for the development. An interdisciplinary jury of experts then judges these programs with particular reference to the four-pillar model; architecture, ecology, economy, and social sustainability. Only if a project is good enough in all four of these criteria will it be accepted. Then the city will usually sell the plot of land to this developer and provide the object-subsidies for the construction. These competitions help reduce the costs of the overall project (Amann and Mundt, 2005; Reinprecht, 2014; Verlic, 2015).

An example of a typical financial breakdown of a LPH project in Austria

Funding	Typical share of project
Public loan	30 – 40%
Commercial loan	40 – 60%
Tenant equity	0 – 10%
Landlord/ development equity	10 – 20%

Source: adapted from Amann & Mundt (2005)

In addition, Vienna favours indirect subsidies such as tax incentives and virtually free municipal land. LPHA social objective is providing affordable housing according to cost-rent for the common good. Any revenue produced must be reinvested into further limited-profit housing activities. In return for these social obligations, LPHA are exempt from corporation tax (Deutsch & Lawson, 2012).

4. 11. Private Finance

Since the late 1980s, housing policy progressively disappeared from the federal states' agenda and was transferred to the nine Austrian Länder's (local state/ province). The Länder's became the main organisers of housing policy. This led to territorial fragmentation of social housing policies; the division of responsibilities across the nine regions, each with different political agendas has allowed the regional governments to allocate revenue towards non-housing expenses. However, this has not been the case in Vienna, it has created an increasing role for private finance to meet affordable housing demands. For this reason, the support of the HCCB loans and other types of private low-interest loans, have become more important (Deutsch & Lawson, 2012).

Housing Banks and Bonds (HCCB)

Since 1993, Vienna has issued bonds via special purpose vehicles through the establishment of special housing banks. Housing banks were established in response to the falling deposits and rising loan obligations by banks across Europe. A source of long-term capital was needed, which brought about the Housing Construction Convertible Bonds (HCCB). These bonds are now an integral part of the Viennese affordable housing finance, providing medium to long-term low-interest loans (Deutsch & Lawson, 2012; Mundt & Amann, 2018)

The bonds are directed at private investors for large-scale affordable residential construction and refurbishments to older buildings. The bonds have helped mitigate house price fluctuation and stabilises mortgage markets. This initiative attracts regulated private capital into the development of affordable housing, in return for tax advantages for a minimum of ten-year bond terms. The banks have to ensure that loan customers are complying with regulations such as rent setting (Deutsch & Lawson, 2012; Mundt & Amann, 2018).

Six specialist housing banks were originally established called 'Wohnbaubanken', under a 'mother bank' by the banking sector. These banks issue the bonds (HCCB) to raise funds to finance loans for residential housing. Limited-profit housing associations are the largest customers of these housing bank loans. These banks have been highly successful in generating low cost funds to meet affordable rental housing demands (Deutsch & Lawson, 2012; Mundt & Amann, 2018).

Since the introduction of these housing banks and bonds there has been a steady take up, peeking in 2004 and 2007. However, after the Global Financial crisis there was a slight disruption, this has since been overcome. These bonds create a circuit of capital, by selling the bonds the money can be reinvested into new housing. Much of Vienna's newer subsidised housing was financed by these banks and bonds (Deutsch & Lawson, 2012).

4. 12. Public Private Partnership

'Wohnbauinitiative' (WBI) Subsidy Scheme

Vienna's traditional subsidy scheme was recently expanded by the municipality in 2011 by a new scheme called Wohnbauinitiative (WBI). WBI is an innovative financing method for affordable rental housing encouraging co-production between public, private and non-profit developers (van Bortel & Gruis, 2019). The program was first initiated in response to a year of reduced subsidy expenses and housing output in addition to the growing demand for affordable rental housing due to strong population growth and increasing pressure on the rental market. The city of Vienna has been growing at a pace much faster than previously predicted from internal and external immigration into the city. The scheme has an easier access criterion with income limits much higher than other subsidy schemes at €44,700 annual income. The WBI program added a new layer of subsidies to the city rather than replacing the already existing ones. In addition, it provides a new tier of affordability targeting a middle-income household (Mundt & Amann, 2018).

The WBI program was first initiated in 2011 to quickly increase affordable housing construction to meet demands. The municipality of Vienna was the main intermediary for these schemes; the idea was proposed by the city, the city initiated the invitation for tender, and the municipality financed the scheme with subsidies and below market plots of land (Mundt & Amann, 2018). A consortium of associations was formed by limited profit and/or for-profit housing developers, and financial institutions/ investors to co-finance the provision of new social housing. The investors receive low-risk, highly rated loans in return for these privileges during the loan term (10 years) tenants enjoy cheaper rents and secure long-term rental contracts. The city evaluates the WBI projects with a special advisory board using the previously discussed four-pillar model. Due to the scheme's success, the program was continued again in 2015. An example of a WBI project in the city is 'Seestadt Aspern' (Mundt & Amann, 2018).

Seestadt Aspern is one of Europe's largest urban expansion project under construction in the 22nd district the north-eastern part of the city. The development will be built in three stages, eventually creating 10,500 new apartments for over 20,000 residents by 2028 (Mundt & Amann, 2018).

1. The first stage was completed between 2009 - 2017. This phase built technical infrastructure including the extension of the U2 underground by two stops. In addition, the first residential building phase saw 2,500 units and 300 student homes built around a centrally located lake.
2. The second stage is under construction (2017 – 2022). This phase includes the further development of residential units on the northern side of the lake.
3. The third stage will begin from 2022. This stage will increase the density and urbanisation of the area (Mundt & Amann, 2018).

The project has a mix of funding methods and subsidy schemes to attract a mix of income groups. The project prioritises public transport as the most ideal form of transport, with access to Vienna by metro and Bratislava by train. A large part of the dwellings has been funded by the WBI subsidy scheme (Mundt & Amann, 2018).

Planning Policies and Initiatives

The general concept of housing policy in Vienna is not to leave housing development completely up to the free market and to provide comfortable contemporary housing to the majority of its residence at an affordable price. Vienna's urban strategy planning policy promotes affordable rental developments. The aims of the Strategic Plans; to have a wide variety of housing types in Vienna; create and maintain a balance between supply and demand and affordable prices; urban renewal and enlargement; providing secure jobs through the construction sector; adequate supply of affordable housing (Deutsch & Lawson, 2012).

Vienna has a City Development Plan that is revised by the City Council every ten years. The plans include housing as part of the social-orientated city planning defining the conditions for housing projects. Ensuring development around sound infrastructure, amenities and public transport. In addition, Vienna has the Land Use Plan developed by the City Planning Department defining the use for each plot of land and zones (Förster, 2013). Competition between developers helps achieve city goals such as improvements in the energy rating of dwellings, quality standards and cost efficiency (Deutsch & Lawson, 2012).

Social Housing Demand & Waitlist

Although LPHA add a considerable share of new dwellings in Vienna each year, the supply could not keep pace with demand. Due to the massive influx of refugees in 2015 and 2016, more fast-track urgent housing solutions were needed. At the beginning of 2016 the waitlist for council housing in Vienna was approximately 29,000 people long (Aigner, 2018). The City of Vienna had stopped building social housing units in 2004 outsourcing this task to LPHA, however in 2015, the municipality began adding to the stock once again (Antalovsky & Löw, 2019).

Allocation & Eligibility

In general, there are differences in who benefits from the subsides and social housing more generally in Vienna and Dublin. In Ireland and in Dublin social housing is residual, meaning that it targets the poorest households. By contrast, in Austria and Vienna social housing is open to a wider scope of the population with higher income limits including the majority of the population.

To be eligible for affordable housing in Vienna an individual must be 18 years and older, from Austria or another EU country who has had a residency permit for five years. In addition, the person's income must be below the income limits (approximately €45,000 for a single person) set by the Vienna Housing Promotion and Rehabilitation Act.

Municipal housing and LPHA are legally required to draw from the city's existing pool of applicants for public housing, using a score system for the most urgent households (Förster, 2013).

Eligibility for Vienna's limited-profit housing is exceptionally broad in comparison to other European cities. Income limits are much higher, thus making the housing accessible for majority of the population, approximately 80 per cent (Marquardt and Glaser, 2020; Deutsch & Lawson, 2012). LPHA's business model is based on the principle of serving the common good (GBV, 2018). These broad eligibility criteria prevent social housing from becoming residual.

4. 13. Accounting & Audit

Most new construction in Vienna is influenced by the availability of supply-side subsidy schemes. The subsidy schemes vary across each Lander in response to the regions local needs and policies (Deutsch & Lawson, 2012). All LPHA must be members of an umbrella organisation that provide compulsory audits and regulation. These organisations are known as; The Austrian Federation of Limited Profit Housing Associations - Audit Association (GBV). All LPHA must be audited annually. The audits ensure housing associations are compliant with regulations such as cost-rent and tenant protection (GBV, 2018).

In order to better understand the case studies, the following chapter provides a comparison and discussion of the similarities and differences between the two cases.

Chapter 5: Comparison & Discussion

Ireland once had a very similar social housing financing system to Austria. From around the 1880s, and for much of the twentieth century, the Irish government funded housing using property tax revenue called residential rates and subsidised loans. In addition, Dublin City Council used to issue bonds on the stock market as well as charging cost-rent (Deutsch & Lawson, 2012; Norris, 2016; Nowlan, 2018). These methods of financing spread the housing costs out over an extended period and drew on several sources of funding, making the provision of social housing very affordable for the government. This funding arrangement played an important role in enabling the government to build large numbers of socially rented dwellings even during times of economic crisis; in the first half of the twentieth century social housing was a counter cyclical economic intervention.

Over the decades this model broke down as a result of social-political pressure, coming to an end in the late-1980s when it was replaced with a new model. A number of policy changes were responsible for this. In order to better understand the case studies this chapter discusses the differences and similarities analysed in the research, answering the research question.

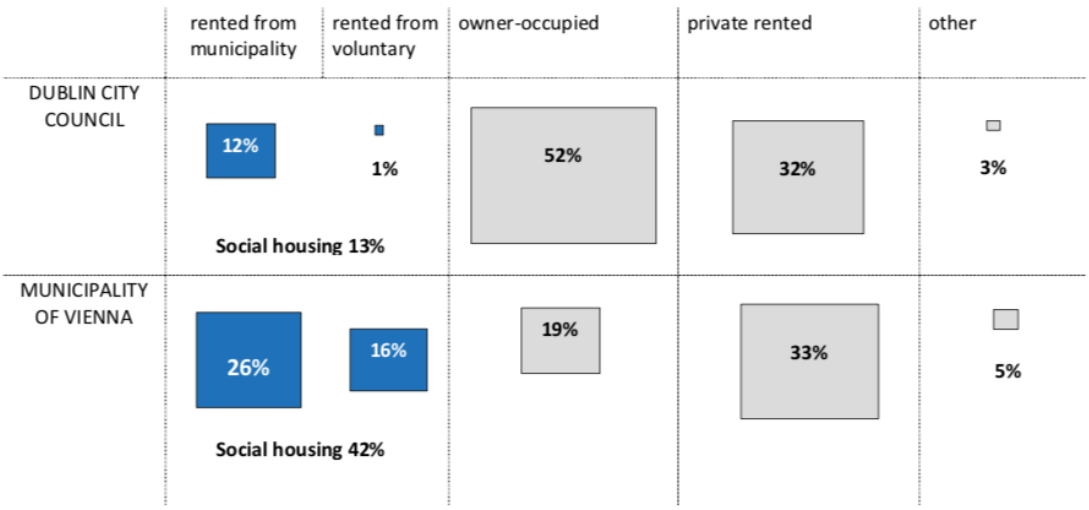


Figure 5: Comparison of tenure structure in Dublin and Vienna 2011, source: author

5. 1. Rent Determination

The first major policy reform occurred in the 1960s. In Ireland up until the 1960s, council housing rents were related to costs. Tenants' rents were one of the main sources of revenue for local authorities to reinvest into the construction and maintenance of new council housing. Under the 1966 Housing Act, 'differential rents' for council housing were introduced nationwide. Over time, social housing in Ireland became more residual as allocation was based on need, thus the socio-economic profile of the tenants was mostly disadvantaged groups either on social welfare payments or with very low income. This rent determination system is beneficial to the individual but not the system as a whole. As a result, differential rents have created a system that does not have the capacity to generate enough revenue, making it difficult to provide loans for further development. The central government was forced to step in and make up the difference, this eventually led to the replacement of government loans to 100 per cent capital grant finance in the 1980s (Norris, 2016).

Overall, the 'differential rent' scheme has proved to be inefficient. Since the introduction of the rental system in the 1960s it has not generated enough revenue to cover the costs and general maintenance of the current stock let alone contribute to the costs of new construction. This is in comparison to the highly regulated and stable 'cost-based' system in Vienna and Austria. Providing housing at cost-rents, means that there is a direct relationship between the costs of production, maintenance and management of the tenure. Any profits made from rents are reinvested into new affordable construction projects, creating a sector that is effectively self-funded as profits are recycled through a revolving fund.

In the case that a tenant cannot afford to pay their rents or if paying rent would leave the tenants' income below living standard, a rent allowance/ supplement is provided (Reinprecht, 2014). By contrast in Dublin, rent allowances are only available for social housing tenants in the private sector.

The revenue costs for the general management and maintenance of DCC social housing stock is intended to be funded by tenants' rents. However, the insufficient funding generated by rents in Dublin undermines the maintenance of the stock. DCC is usually at a loss from a build-up of rent arrears weakening the local authority's revenue stream. Norris and Hayden (2020) suggest that the very low rental income generated by each council house creates a diminished attitude by local authorities towards the dwelling. They do not see the dwelling as a valuable asset on their books until it is sold at a loss and turned into local authority capital.

An inefficiency to cost-based rental system is that costs are stagnant even when there has been inflation, creating a disconnection between housing values and historic costs (Whitehead, 2014). However, this inefficiency does not out-weigh the problems that the income-based system has caused for social housing in Dublin, generating insufficient funding.

5. 2. Sales to Sitting Tenants

The sale of local authority housing to tenants has a very long history in Ireland. The Small Dwellings Acquisition Act (SDAA) was a piece of British legislation that remained in Ireland and has been renewed over the decades. It was designed for local authorities to provide people with cheap mortgages for houses below market value for owner occupation. The Act paved the way for a uniquely Irish policy favouring home ownership for the next century (McManus, 2002).

During the 1960s and 1970s the percentage of households renting from local authorities dropped - a number of factors were responsible for this. However, the most impactful was the acceleration of privatisation of public housing via tenant purchase. Under the 1966 Housing Act, social households in urban areas were eligible for the right-to-buy tenant purchasing schemes. The generosity of the schemes increased throughout the 70s and 80s. By the 1980s in Ireland, two thirds of all local authority construction were privatised and sold to tenants. Private housing output began to increase during this period which meant that the overall percentage of social housing stock began to fall. Ireland now has one of the highest rates of homeownership in Western Europe.

Homeownership is pursued as the preferred tenure in Ireland and these generous grants and subsidy schemes allowed better-off low-income households access to the property ladder, leaving behind the poorer tenants that could not afford to buy. Thus, there was a concentration of the poorest households left in the tenure, this was the beginning of the residualisation of Irish social housing sector. This occurred in Dublin because of the reducing size of the sector from privatisation and lack of available funding. The allocation for housing is also based on need; this meant that the households most in need were offered housing. The sector has become the tenure of last resort.

Although Dublin is not known for having 'ghettos' similar to other large cities, the residual nature of the social housing sector has led to a higher proportion of low-income households in certain neighbourhoods causing social segregation and stigma. The social housing tenants that could afford to buy, bought the dwellings that were in high-demand neighbourhoods. Leaving behind the less popular stigmatised neighbourhoods for social renting such as Ballymun and Fatima Mansions (Norris, Byrne & Carnegie, 2019). Vienna has managed to avoid any residualising tenancies as it has a much larger public and affordable housing stock with mixed income households creating a more balanced social mix in the tenure. In addition, Vienna favours rental accommodation rather than homeownership, the sector accounted for 75 per cent of the stock in 2011.

In the mid-1990s a tenant purchasing scheme was introduced in Vienna for sitting tenants who have lived in the LPH dwelling for a minimum of ten years. However, the scheme did not receive nearly as much take up as it did in Ireland. Vienna has never sold a large part of its accumulated social housing stock, whilst Ireland has sold two thirds of its.

An obvious issue with the sales to tenants is that the local authority is selling off its housing stock. Using public funding to cover the costs of building social housing units and then privatising the gains thus making it unavailable for the households in need. At the same time, the DCC social housing waitlist is growing and the demand for housing is increasing and local authorities have to replace what they have sold. Local authorities are then trying to find new sites in the city to build new units and the cycle begins again.

In addition, in Ireland when council housing units are sold to tenants, the value of the fixed assets are accounted for in local authority's capitalisation account, therefore the asset is removed from the central governments balance sheet with no gain or loss recorded. The revenue from the sales go into the local authorities accounts to be reinvested into new or existing social housing within that city council. The revenue from sales to tenants is an essential source of income for DCC to reinvest into the sector. In theory, the sales to tenants always generates a 'profit' for local authorities, even though they are always sold at a loss for the central government. Furthermore, this loss is never reported (Norris & Hayden, 2018). DCC views tenant purchase as more valuable than the actual property.

5. 3. Financing Reforms

From around the 1880s, and for much of the twentieth century, the Irish government funded housing using property tax revenue called residential rates and subsidised loans. In addition, Dublin City Council used to issue bonds on the stock market as well as charging cost rent (Deutsch & Lawson, 2012; Norris, 2016; Nowlan, 2018). These methods of financing spread the housing costs out over an extended period and drew on several sources of funding, making the provision of social housing very affordable for the government. This funding arrangement played an important role in enabling the government to build large numbers of social rented dwellings even during times of economic crisis -in the first half of the twentieth century social housing was a 'counter-cyclical' economic intervention (Deutsch & Lawson, 2012; Norris, 2016; Nowlan, 2018).

Over the decades this financing model broke down, as a result of social-political pressure, coming to an end in the late-1980s when it was replaced with a new model as a result of a radical policy redirection. Like most European countries, government spending slowed in the 1970s and 1980s and there was a shift from supply-side to demand-side subsidies, this caused an increase in non-government finance from commercial loans and bonds and public-private partnerships to fund the sector. In Ireland there was a shift in the other direction.

In Ireland property taxes (domestic rates) were abolished in 1978, leaving a gap in revenue, and no income to pay back loans. As a result, the government was forced to abolish this financing system, replacing it with 100 per cent non-repayable central government grants for the provision of social housing. Because income-based rents do not generate any profits for reinvesting the only funding option available for Dublin City Council are these government grants. This changed the way social housing was funded into a 'pro-cyclical' intervention. From this point to date, the central government has paid all of the costs for new social housing. The Irish government borrows from European banks to cover the costs of buying sites for development as well as the construction costs. However, these are short term loans, that have to be paid back by the government in full once the project is complete.

Vienna's financing model is very similar to the old model in Ireland. It is based on national taxes which are distributed across the nine Länders (provinces) and regional taxes contributed from municipalities own budgets in addition to non-government commercial loans and bonds from specialist housing banks. As financial markets were deregulated, there was a strong shift towards private finance in many European cities. This shift occurred in Vienna as they began issuing bonds through special purpose vehicles via the establishment of special housing banks. These bonds create a circuit of capital, by selling the bonds the money can be reinvested into housing. These methods of funding not only make housing more affordable for the Viennese but also directly influence the production of new housing as profits are re-invested. LPHA provide most of the social and affordable housing in Austria, due to their strong financial position (from cost-based rents) and the tightly regulated sector, they can borrow at rates very similar to the State. Ireland lacks any substantial role for non-profit developers, who are the main source of new affordable housing in Vienna.

The Irish financing model is effectively 100 per cent 'socialised', whereas the Viennese has a mix of funding methods, but the majority is from non-government private capital (Norris & Hayden, 2020; Förster, 2013). Because the Irish methods of financing social housing is 100 per cent funded by government subsidies, it gives no incentive for any private investment. Due to the very high upfront costs of the current funding model in Ireland the provision of local authority housing output has remained relatively low. State funding for public housing in Austria is much lower than it is in Ireland, however the social housing figures in Austria are much higher. In Austria, the government pays smaller subsidies towards projects, approximately 20 per cent of the costs. By contrast in Ireland the government covers 100 per cent of the costs. The model used in Austria makes it much more affordable and sustainable for the government.

The high cost arrangement of funding for the Irish government is very different to Vienna, where non-government debt finance is the norm. The Irish system has proven to be unsustainable and susceptible to booms and busts.

5. 4. Pro-cyclical Vs Counter-cyclical

The financing reforms in Ireland also changed the pattern of investment from a counter-cyclical to a pro-cyclical pattern. When the Irish economy is flourishing investment and public expenditure in housing tends to increase, and when the economy contracts, public expenditure contracts with it. This is borne out in a saying in Ireland, "when the global economy sneezes, the Irish economy catches the flu".

From the mid-1990s in Ireland, public expenditure on the provision of council housing increased significantly and continued to grow into the first half of the 2000s. The economy overheated and a very severe economic depression commenced in the second half of 2008. As a result of the Financial Crisis public spending on housing plummeted and output contracted. Spending had been cut too far, effectively coming to a halt and the recovery after has been far too slow. This is one of the primary reasons why Dublin is experiencing a chronic housing shortage and the number of people in homelessness has accelerated (Norris & Byrne, 2017; Norris & Hayden, 2018; Norris & Hayden, 2020).

Ireland's boom/bust pattern of investment means that the country builds affordable housing when the economy is booming, and inflation is high so the overall costs of production are much higher and investment in housing is withdrawn when the economy is struggling and prices have fallen. In addition, when there is more demand for housing and waitlists dramatically increase it is typically during the period when the government is vulnerable and not able to respond (Norris & Byrne, 2017; Norris & Hayden, 2018; Norris & Hayden, 2020).

The financing model for social housing in Vienna is the opposite, it has a 'counter-cyclical' economic intervention. A defining feature of a counter-cyclical system is that it promotes stability. Vienna draws on a mix of funding methods from the government, commercial loans, private and LPHA equity making the provision of social housing much more affordable. This funding arrangement plays an integral role in enabling public and private developers in Vienna build large numbers of social rented dwellings even during times of economic crisis. It also allows Vienna to provide an adequate supply of housing to help meet growing demands. Social housing also plays a counter-cyclical role in the housing market because social rental housing is competing with private rental housing.
Over time these different models have achieved different outcomes. Dublin's boom/ busts cycles have left gaps in the housing sector, whilst in Vienna the sector has been steadily increasing creating the large stock visible today.

5. 5. Government / Governance

In the late 1980s in Austria housing policies and legislation were decentralised. Delegation of housing policy and legislation was transferred to the nine provinces. This provides Vienna with the legislative and executive powers to create local policies for local problems, ensuring that housing is a top priority for the city.

Even though the national government has changed in Austria, the Social-Democrats have managed to stay in power in Vienna ensuring that housing is a top priority for the city. The Social-Democrats have received an absolute majority since the beginning of the 20th century, thus the local residents support their policies. As defined by Esping-Andersen

(1990) social democratic regimes aim to provide benefits universally to all citizens as a "universal social right". This universal thinking is visible in Vienna where income limits for affordable housing are very high, including almost 80 per cent of the population (Marquardt & Glaser, 2020; Deutsch & Lawson, 2012)

The Republic of Ireland is centrally governed where the national government holds all of the power. Dublin City Council used to have more control over housing project finance. When DCC was in urgent need of housing they issued bonds on the stock market to generate funding to cover costs. This changed in the mid-1980s when the financing model changed to capital grants. Ireland is heavily centralised this means that local authorities have very little power. This causes inefficiencies in decision making, as everything has to go through the central government's triple check system. This affects the distribution of funding for potential projects causing delays.

Local authorities should be given more control over the spending on social housing in their operational area. Local governments could then also take on more responsibility and associated risks. Housing problems faced in Dublin city are very different to housing problems in suburban and rural local authorities. The centralised decision making for local problems creates inefficiencies in the capital.

To develop a model like Vienna a long-term investment strategy is needed. The Irish system and policies have been subject to constant change, inappropriate interventions and short term thinking by policy makers. It is very difficult to promote anything that creates long-term change in the Irish system. Austria has managed to sustain its system over the past 100 years. In Vienna, policy makers do not have to 'flog it off' to buy votes which seems to be the case in Dublin. It is a vicious cycle in Ireland, no radical policy decisions can be put forward such as raising taxes to fund new housing projects – such suggestions would be unpopular and would not get votes. Irish citizens want the benefits without necessarily wanting to make the investment.

Dublin is heavily dependent on the Irish central state, and Vienna has localised power allowing for social democratic policies within a conservative welfare state.

5. 6. Land

The disposal of available sites of land played an integral role in the provision of affordable housing. Vienna's long tradition of providing land for the provision of affordable housing, sets it apart from Dublin. The municipality of Vienna owns the majority of land in the city and it still has a large share of underdeveloped sites. In addition, the municipality has a strong influence on the open market, this helps to reduce the production costs and speculation for new developments. Much of the city's co-operative housing is built on municipal owned land. The city gives land to LPHA in a special leasing agreement that lasts between 80 - 100 years, where the land remains the property of the city, but the housing built on it belongs to the housing associations (Verlic, 2015).

On the other hand, in Dublin the acquisition of land for social housing is bought on the open market at market value. DCC must compete with other large commercial developers for land causing inflation when land is in prime location, pricing DCC out. As the government pays for 100 per cent of the costs of social housing this method of land acquisition is unsustainable and far too expensive making it very difficult to produce housing at affordable rates. In addition to this, Ireland's pro-cyclical housing markets means that the country builds more when the economy is booming and land prices are most expensive and investment is withdrawn when the economy is struggling and prices have fallen. The Land Development Agency was established to help deal with the land issues and get cost rental pilot schemes off the ground.

5. 7. Tenant Security

The 1917 Tenancy Act, has remained part of the national law in Austria until the present day. The Act was the first tenancy law, which regulates the maximum amount of rents and provides tenant security through contracts. Much of the Viennese population have these indefinite rental contracts that can be passed on through inheritance to their children. This high security for tenants may explain why the majority of the Viennese population are renters and not homeowners (Förster, 2013).

Tenants in council housing in DCC sign a Tenancy Agreement between the tenant and the landlord (DCC) this sets out the terms and conditions of the tenancy. Tenants' rights and obligations are covered in the Residential Tenancy Act 2004 (amended 2019).

Until recently, local authorities could evict tenants without giving reason as long as they followed the valid procedure, which involved applying for court order. However, eviction without reason has very seldom occurred. Typically, if a tenant is evicted it is due to very large arrears and even so this rarely happens as the tenant will likely become homeless and remain the responsibility of that local authority. In 2012, the Supreme Court decided the legal repossession under the Housing Act 1966 was not compliant with the European Convention on Human Rights. This Act was replaced in the Housing Act 2014 with new procedures allowing repossession if there is a recurring breach of conditions such as anti-social behaviour, not paying rent, if the dwelling has been abandoned by the tenant and if the tenant has died. Tenants are given a warning if any conditions are breached, if the problem continues the local authority can apply to the District Court for possession. DCC evicted their first tenant due to arrears in 2019. Housing associations can evict tenants without reason within the first six months, after this, tenants get security of tenure under Part 4 of the Act (Citizens Information, 2015).

The following chapter draws the main conclusions on the basis of the results.

Chapter 6: Conclusion

Good quality affordable housing is in constant demand and it is a challenge faced in nearly every city. Housing is deeply rooted in the economic, political and social structures in society. Housing policy decisions relate to broader policy decisions. In order to understand the social housing models in Dublin and Vienna it is necessary to understand the processes that have shaped the systems today and the factors that have influenced the evolution throughout time.

Esping-Andersen's welfare state typologies helped to set the scene by placing the nation states of Austria and Ireland into welfare regimes. Although, housing is considered the "wobbly pillar" of welfare Espings-Andersen's typologies have been a valuable framework for international comparative housing research and they are still relevant to the field today (Matznetter, 2002). Both countries were strongly influenced by the Catholic Church, thus identifying Ireland as having a liberal regime in a deeply conservative way; and Austria as conservatively coordinated.

When investigating the welfare state and housing policies it is important to pay close attention to the early origins and subsequent changes in a particular country. All state policies and housing policies are dependent upon earlier paths in history, that are still relevant today (Matznetter, 2002). Therefore 'history matters', path dependence theory is used in this research to examine the evolution of housing systems over time, tracing back to decisions and policy changes to understand how Dublin and Vienna diverged. The institutional network that makes up social housing systems is complex and has occurred over a long period of time. By "writing history backwards", a certain outcome today can be traced back to a 'critical juncture' where a set of events or decisions were made that influenced change (Bengtsson & Ruonavaara, 2010).

Until the 1950s Dublin operated a system very similar to the Viennese; the provision of social housing was funded by long term loans paid for by property taxes, and the output and size of the sector was much greater. Sales to tenants in urban areas was introduced in Ireland in the 1960s. From this point on, the sector slowly changed and shrank. In the

1980s the Irish government abolished the system of loans completely and instead local authorities began to receive government grants. Capital for social housing was now competing with all of the other funding priorities.

The social housing sector started to decline early in Ireland, from the 1960s the size of the sector in Dublin started to contract. This is in comparison to Vienna, where the sector grew at a modest but steady rate year on year never contracting. The government has never had large privatisation, they have always managed, despite the fact there has been a change in government at national level—that could be sympathetic to or against social housing— Vienna has always managed to keep the sector stable or growing slightly.

Since the 1980s, Ireland's funding model has been prone to booms and busts. When the Irish economy is flourishing investment and public expenditure in housing tends to increase, and when the economy contracts, public expenditure contracts with it. Dublin has experienced a higher amount of privatisation, a total of two thirds of the entire local authority stock built has been sold. Central government funding in Ireland makes the provision of housing far too expensive for the government and because income-based rents do not generate any profits for reinvesting the only funding option available for Dublin City Council are government grants.

Central government funding present in Ireland is very prone to booms and busts in a way that the Austrian's are not. The financing model for social housing in Vienna is the opposite, it has a 'counter-cyclical' economic intervention, promoting stability. Vienna draws on a mix of funding methods from government, commercial loans, private and LPHA equity making the provision of social housing much more affordable. In Austria, since the 1960s the limited-profit sector has provided the majority of the new social housing. The sector is essentially self-funded by constantly reinvesting profits in a revolving fund, removing any financial burden from the government.

Two recent newspaper articles promoted the development of this thesis "Dublin Turns To Vienna For Affordable Housing Solutions" (Thompson, 2019) and "Dublin will take 10 years to copy 'Vienna model' for housing, says expert" (Donnelly, 2019). It has taken a very long time to build up the kind of Vienna model which has only materialised and could only be upheld under very specific circumstances. In order to draw lessons from the Austrian model, it is important to abstract the qualities of the Austrian system that have made it so successful.

The Viennese social housing system has managed to maintain the traditional role of social housing, by providing for a large portion of the population through a cost rental system. The Vienna model shows the need for public bodies to drive urban development. The model shows that affordable rental requires both public and private sources of funding. Vienna relies on smaller long-term loans which spreads out the cost of provision over a longer time. In addition, Vienna has a much more diverse funding model drawing on a mix of funding methods with a much lower reliance on government funds, thus avoiding that very Irish problem of the boom bust cycle. While in Dublin the billions of public funds is spent annually on supporting low-income tenants in the private sector via housing allowances; the Viennese spend their money building and they do not then sell the publicly funded stock.

Vienna's steady output of permanently affordable housing annually is what makes it stand out from Dublin. Vienna is more successful at promoting its social housing stock in addition to attracting both public and private investment into the sector. Vienna's affordable housing stock also generates revenue that can be reinvested into future housing stock. This creates a sustainable financing model that can plan long-term strategies for the future of the sector.

The Vienna model proves that housing needs cannot be completely met by the market and it emphasises the importance of having a separate sector operating independently from the market and the government providing permanent affordable housing. Austria's state regulation has created a framework that the public, private and non-profit sector can conform to that make the Vienna model.

Can the Vienna model be transferred to Dublin? It has taken over 100 years to build the kind of Vienna model which has only materialised and could only be upheld under specific circumstances. The Vienna model is historically and institutionally embedded. However, Dublin's social housing sector once operated very similarly to Vienna's. Dublin and Ireland would have to change their housing policies, financing methods, federal tax legislation; Dublin would have to start thinking long-term orientated strategies supported by innovative planning and land-use policies. Dublin needs long-term perspective and the political commitment behind it that promotes the provision of permanent affordable social housing, ensuring housing is not entirely left to the free market.

Dublin does not have 100 years to create what Vienna has. However, I would recommend a diversified social and affordable housing system. The promotion of homeownership is a big issue in Ireland, whereas in Vienna 75 per cent of the population are renters. A move towards an in-between system is required in Dublin and this could be the co-owned co-operatives run by LPHA popular in Vienna.

The challenges Dublin City face in providing cost rental affordable housing is that they do not have the land in the best locations. Private land is needed, and the Irish land system is dysfunctional and highly speculative - making permanently affordable housing unaffordable. In Vienna, affordability has to be engineered from the beginning by the cost of land, production and finances.

Cost-based rental projects are badly needed in Dublin; the severe housing shortage is affecting the most vulnerable households who are already receiving social welfare payments, in addition to moderate-income households who do not qualify for social housing and they are priced out of the private rental market. Cost-based projects would help to alleviate some of the pressure in addition to offering a more stable, secure and sustainable model of housing. Low-cost, stable sources of finance that are paid back over a long period of time, partly funded by state contribution would help to achieve this.

Vienna's ability to raise funds across a diverse funding model allows it to continually construct and develop social housing through boom and bust periods/ cycles. Dublin should learn from this.

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