Management of Privatised Housing:

International Approaches and Challenges

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Abstract
The sale of public and social housing has been a major aspect of housing policies in the past decades. In all countries, privatisation has led to new challenges for housing management. Many estates are now in a state of mixed (public and private) ownership, which raises questions about the division of responsibilities between public and private owners, tenant involvement and concerns about the maintenance of the housing stock. This paper presents the results of an international research project in eleven countries that focused on the sale policies pursued by governments and landlords, the management problems in privatised housing and the emerging strategies to deal with housing management.

Findings demonstrate that in different cultural settings similar processes and policy interventions can have different outcomes and implications in the area of housing management. Housing management institutions in different countries have shown surprising stability, even in the context of rapid policy reforms. Understanding the path dependent nature of these institutions maybe critical in terms of addressing existing technical, financial and legal challenges in privatised housing and is a central tenet of a much-needed reform to improve its quality in the future.
1. Introduction

In the last two decades, sale of homes from the existing non-profit housing stock has been a wide-spread phenomenon. In many formerly communist countries, massive privatisation of public housing has occurred, mostly at a price far below what would be the price in a developed, stable market. In Western countries sale took place at a more moderate pace, but even in these countries the absolute numbers of homes can be considerable. The large-scale sale of rented homes has created a new group of owner-occupiers, who differ from their traditional counterparts with respect to income. This sale has also increased the share of mixed-tenure buildings. Both developments entail issues concerning management and maintenance that hardly played a role in the past, but are much more prominent today.

Sale of non-profit housing has been subject of several international studies (e.g. Forrest and Murie, 1984; Clapham et al., 1996; Struyk, 1996; Lowe and Tsenkova, 2003; Forrest and Lee, 2003). However, only little attention has been devoted to the consequences for the management of this housing stock. Jones and Murie (2006) could be seen as a possible exception, but they paid their attention mainly from the perspective of the British ‘right to buy’. In a recently concluded study we investigated how management of formerly social/public homes sold to owner-occupiers is regulated and how it runs in practice. Special attention has been paid to multifamily buildings, because there the issue of collaboration between different parties is of particular importance. The central questions of the research were:

- Which sale/privatisation policies have been pursued by governments, public and private landlords?
- What approaches have been developed to deal with management in such estates?
- Which management problems occur in (partly) privatised estates?
- What differences and similarities can be found in approaches and problems between countries?

This paper presents an overview of the results of the research. Particular attention is devoted to the way in which privatisation influences institutional arrangements in housing management.

The research included 11 countries, traditionally capitalist countries as well as (formerly) communist countries. These countries were Australia, France, the Netherlands, the United Kingdom, Switzerland, China, the Czech Republic, Moldova, Russia, Serbia and Slovenia. We invited (mostly native) scholars to write a contribution according to a fixed format. Each contribution dealt with the national context, the general sale policies in the respective country, and one or more case studies. To facilitate international comparison, we used an analytical framework for the identification of the most significant management issues. This framework is based on the work of Waterman et al. (1980) and contains organisational aspects which are relevant for this study (see Figure 1), namely:

- \textit{policy/strategy}: the way in which (and the means by which) the management is being stimulated or carried out by government, landlords and/or individuals;
- \textit{legal framework}: legislation and procedures to regulate housing management;
- **organisational structure**: The institutional and/or organisational structure, formal and/or informal division of tasks and responsibilities relating to various functions of housing management (allocations, maintenance, renewal, sales);
- **financial resources**: finance available and/or used for housing management;
- **culture**: common values, standards and behaviour of people and organisations involved in housing management;
- **human resources**: available manpower, knowledge and skills.

**Figure 1** Analytical framework

![Analytical framework diagram](image)

Adapted from Waterman *et al.*, 1980

The design of the analytical framework is informed by the institutionalist approaches to comparative housing research (Hall, 1986; North, 1995). Peterson and Shackelton (2002) define institutions as arenas where power and influence are exercised, regardless of the precise legal status of the organizations or bodies that preside over them, and that institutions are viewed not just in terms of people and premises but also as rules and practices that influence and constitute human behavior. Institutions constrain certain behavior or promote rational behavior and certain results (North 1990; March and Olsen, 1989). That institutions matter in shaping behavior and economic performance is a central tenet of this approach to our comparative research, as is the recognition that institutions themselves change over time, often within the limits of their path dependent nature.

The structure of this paper is as follows. After a general discussion of privatisation policies, we present the results of our research into practices and problems in housing management following the elements of our analytical framework. Then, we discuss the implications of
our research from the perspective of some of the main questions of the conference, referring among others to the benefits and dangers of policy transfer, the role of institutions in comparative research and the extent of institutional change. Finally, we summarise our conclusions.

2. Privatisation policies

The later part of the 20th century marks a turning point in both Eastern and Western European housing policies as well as in other continents. As, for example, Forrest and Lee (2003, p. 264) point out that “Europe, Australasia and the USA were characterized by a receding involvement in public housing and a general instability within different housing systems in the 1980s and this trend has continued through the 1990s and into the new century”. As part of these changing policies, a significant share of social rental housing has been sold to tenants during the past decades (Forrest and Lee, 2003; Jones and Murie, 2006). In formerly communist countries the transition to markets and democracy rapidly introduced new housing systems in which the role of government was considerably reduced. The main instrument used to achieve this transformation was the massive privatisation of the public housing stock. This has reduced the size of the public/social housing sector significantly (see Struyk, 1996). Many of the dwellings in this sector were sold to tenants, resulting in a rapid increase of home ownership in Eastern Europe (Tsenkova, 2000).

The extent of sales has varied considerably both within and between countries. The low-price strategy, typically at less than 15 percent of the real market value of the dwelling unit, has created a flood of sales. Despite its late start in Bosnia-Herzegovina and Latvia, more than half of the socially owned housing has been privatised. The privatisation policies were pursued with a different pace across the region creating two groups of countries. The first group (e.g. Albania, Estonia, Hungary) has a small residual public housing sector (less than 5%), which targets low-income households. At the other extreme, there is a group of countries where the sector is of considerable size (e.g. Czech Republic, Russia and Latvia) (Tsenkova and Turner, 2004). The differences between the countries can also be found in Tsenkova’s study (2009) on South East Europe (see Figure 2).
Regarding the size of ownership transformation since 1990, the “fore-runners” in privatisation are Albania, Croatia and Romania, followed by Moldova and Serbia. The figure also shows the differences in the share of the public housing sector in 1990, before the massive sale of homes began. In Bulgaria, the stop-and-go privatisation resulted in temporary increase of public housing by local governments, which was subsequently privatised.

Public or social housing has not developed in Western Europe and Australia to the extent it has in Eastern Europe. Although also ‘Western’ policies can be generally characterised as neo-liberal policies of government deregulation, decentralisation, cut-backs in expenditure for (semi)public services and an overall increasing market-orientation in the public sector, the reduction of direct government is not only materialised in the transfer of dwellings to individual households, but also in the transfer of government owned and operated institutions to private institutions. Nevertheless, in this study, privatisation refers to the sale of social or public rental dwellings to private persons.

The sale of social rented dwellings has taken place at a relatively slow pace in Western countries. In many Western European countries, it is even non-existent and sometimes prohibited by the government. Nevertheless, sale of social rented dwellings has become a significant phenomenon in some countries, and can be seen as part of the wider neo-liberal policies with which privatisation is associated. Such countries are the United Kingdom, the Netherlands, France and Australia (see Gruis and Nieboer, 2004).

When we look at the countries involved in our project, it cannot be stated that all former communist countries in the research have experienced a massive housing privatisation, nor can it be said that housing privatisation has been modest in all traditionally capitalist coun-
tries. In the Czech Republic, privatisation has taken place at a relatively modest pace (although still about half of the public housing stock has been privatised between 1991 and 2001). The United Kingdom has witnessed a substantial privatisation, primarily through the introduction of a statutory ‘right to buy’ for tenants in public dwellings. It must be noted, however, that sale of local authority dwellings has also occurred before, particularly during periods of Conservative regimes (Forrest and Murie, 1984). Privatisation in the United Kingdom has also occurred through the transfer of housing stock from local authorities to private not-for-profit housing associations. The latter phenomenon was also widespread in the Netherlands, where in the 1990s many municipal housing organisations were transformed into housing associations by changing their legal status, reducing their number from 213 in 1990 to 23 in 2000. Apart from the Czech Republic, the number of privatised homes has also been relatively low in Switzerland and France. In Switzerland, the share of owner-occupied dwellings in the total housing stock rose from 31% in 1990 to 35% in 2000, but this growth was mainly administrative. In France, around 4,000 public homes have been sold to households yearly from 1994 to 2004, only 0.1 to 0.2% of the public housing stock. For comparison, this share was approximately 0.5% in the Netherlands (between 10,000 and 20,000 homes per year) in the period 1996-2003, and in Australia between 0.4 and 1.2% per year in the period 1980-1995. An overview of the pace of privatisation is presented in Table 1.

### Table 1  Pace of privatisation

<table>
<thead>
<tr>
<th>Country</th>
<th>Remarks</th>
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<tbody>
<tr>
<td>Australia</td>
<td>0.4-1.2% of total stock per year privatised in period 1980-1995, increased percentages afterwards</td>
</tr>
<tr>
<td>France</td>
<td>around 4,000 per year in the period 1994-2004 (0.1-0.2% of the social housing stock)</td>
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<tr>
<td>The Netherlands</td>
<td>10,000 and 20,000 homes sold per year in period 1996-2003 (around ½% of the total social housing stock per year)</td>
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<tr>
<td>United Kingdom</td>
<td>More than 2 million council homes have been sold to sitting tenants since 1980. The public housing sector has declined from 6.3 million homes in 1981 to 2.8 million homes in 2005, whereas the private not-for-profit sector has been quadrupled from 0.5 to 2.1 million homes in the same period.</td>
</tr>
<tr>
<td>Switzerland</td>
<td>Share of homeownership rose from 31% in 1990 to 35% in 2000</td>
</tr>
<tr>
<td>China</td>
<td>pilot sale in 1979-1987, mass sale 1988-1993, more selective sales 1994-1997; over 80% of public housing has been sold to individuals by the end of 2002</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>Share of public housing decreased from 36% in 1991 to 17% in 2001, mostly as a result of privatisation</td>
</tr>
<tr>
<td>Moldova</td>
<td>90% of all state and municipal housing has been privatised with nearly 2/3 of the sales completed from 1993-1996</td>
</tr>
<tr>
<td>Russia</td>
<td>63% of eligible dwellings were privatised in 2003, 12 years after the start of the privatisation program</td>
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<tr>
<td>Serbia</td>
<td>75% in private ownership in 1991; in 2002 this was 98%; privatisation started in 1990</td>
</tr>
<tr>
<td>Slovenia</td>
<td>Public housing dropped from 33% before privatisation to 11%</td>
</tr>
</tbody>
</table>
3. Application of the analytical framework

Policy
In all countries, management is primarily the responsibility of the joint homeowners. To facilitate management, all countries have developed legislation for the division of rights and responsibilities between the owners. In the United Kingdom and in Russia adequate management is further stimulated by central government by emphasising and enforcing the role and responsibility of the local governments. The Czech Republic has introduced subsidy programmes to finance repairs (mainly targeted at prefabricated housing). The implementation of the policies is often problematic, particularly when it comes to enforcing the legal stipulations concerning maintenance. The review of these issues in Moldova, Slovenia and Serbia highlights many challenging aspects of this process. In many of the countries in our study, the central government has not implemented a specific policy to stimulate the management of privatised estates. In the Netherlands, France and Switzerland this could be explained from the relatively small scale of privatisation as well as the fact that management problems are, generally speaking, relatively modest. Furthermore, general legislation for the management of estates with multiple owners already existed in these countries and is applied to privatised housing as well.

Legal framework
In all of the countries involved in our study, legislation exists regarding the rights and responsibilities of the joint owners, including procedural and organisational requirements for the management structure and voting rules. The level of detail differs from country to country. In many formerly communist countries, legislation is underdeveloped, which can be, among others, illustrated by the lack of guidelines for the management of common facilities, urgent repairs and finance of maintenance. Furthermore, an effective system to enforce the legislation is often missing, particularly in Moldova, Russia and Serbia. The Swiss regulation at this point is worthwhile to consider. In shared ownership, it distinguishes between essential maintenance, beneficial maintenance and upgrading. As for activities belonging to ‘essential maintenance’ individual home-owners have the right to carry out these measures at the cost of all owners of the property. Although there are disputes if activities have to be classified as essential or as beneficial, this has not led to major problems.

Organisational structure
In almost all countries studied, an assembly of owners decides over general management policies. Sometimes a chair or board is elected to bear operational management responsibilities. Day-to-day management and maintenance is generally carried out by (professional) housing managers, appointed by the assembly of owners. In most cases, the (former) landlord (often the municipality) carries out this function, particularly when they still hold the majority of the dwellings within the estate (UK, the Netherlands, France, and the Czech Republic). In Serbia, Moldova and Russia, municipal maintenance companies have a monopoly over the management of privatised housing, partly because the ownership of the buildings has not been transferred to homeowners’ associations. In the United Kingdom, for example, flats are sold under the ‘right to buy’ as ‘leasehold’, meaning that the (local authority) landlords retain the responsibilities regarding common facilities. The leasehold
owners must be consulted and are often involved in management through residents’ associations or forums. When blocks have become predominantly leasehold, the landlords may sell their ‘freehold’ or subcontract management to residents. Private companies can be selected to carry out management in some cases as well (the Netherlands, France, and Australia). In China, the assembly employs a property management company (of which most of the staff used to work in public housing management offices). In Australia, pilot projects have been started to contract large-scale redevelopment and management out to private investment companies.

In many countries, problems are reported relating to the organisation of management. There are decision-making problems due to the absence of a dominant owner and the relatively low frequency of assemblies. Furthermore, in many cases, homeowners’ assemblies or associations are absent or are too weak to act as the principal manager. Even in countries with a relatively favourable context, such as the United Kingdom and the Netherlands, it is recognised that the management of privatised housing requires different institutional structures to adequately combine the interests and participation of homeowners, tenants and landlords.

**Financial resources**

In all countries, management and maintenance costs are financed by fees charged to the owners, whether they live in the property or not. In some cases, grants are available from local and/or central government for major repairs (Czech Republic, Serbia, Slovenia, and Russia). In the Netherlands and France, the landlords’ accessibility to own or private finance creates a relatively favourable context for management of privatised estates. Nevertheless, in almost all countries, management budgets are restricted and often insufficient to finance adequate maintenance. These problems are caused by the inability and/or unwillingness to pay (adequate) management fees on the part of the individual homeowners as well as the lack of funding available to the landlords/municipalities – often, the proceeds from privatisation have not been used to build up a maintenance fund. Central government policies are often inadequate to deal with these problems and sometimes even hamper the finance of management. In Moldova, municipal maintenance companies manage privatised housing under contractual obligations with the new owners at fixed prices for services per square meter. Politically motivated municipal councils refuse to adjust these prices to reflect real costs, thus contributing to further decline in much-needed investment. In China, the price cap on management services discourages improvement of the quality of services. In the United Kingdom, local authorities’ maintenance budgets are heavily restricted. Therefore, stock transfers from local authorities to new or existing private housing associations are seen as an alternative way of privatisation as well as a way for the landlord to gain more flexible access to private funds. In Australia, the government has taken initiatives to generate a mix of public and private finance for the large-scale redevelopment and management of public housing estates.

**Culture**

There are substantial cultural differences in the management of privatised estates between the traditionally capitalist and the formerly communist countries. Many households in the latter countries seem to have a low level of awareness of their management responsibilities and the potential benefits of adequate maintenance. They still regard the former landlord or,
more generally, the government as responsible for the maintenance of their properties. This ‘tenant mentality’ is wide-spread in formerly communist countries, but also appears, although to a lesser extent, in traditionally capitalist countries such as the United Kingdom and the Netherlands.

Furthermore, there are problems stemming from a lack of tradition on the side of the landlords as well. They are not always sufficiently aware of their new relationship with the (new) homeowners which requires different approaches towards residents’ participation and delivery of services. The research indicates that bottom-up attempts to change this culture are more effective than top-down attempts. The successful examples in the research show that the presence of one or more active residents can be decisive. So, it seems important to identify and to support such champions.

**Human resources**

In most countries, management is carried out by professional companies. In many cases, these companies are either (departments of) the landlord/municipality; in some cases, private management companies are hired. Nevertheless, in many countries problems are identified regarding the lack of specific competences that are necessary for the management of multi-family housing, particularly in mixed ownership. The problems mentioned vary from lack professional staff in the management companies (e.g. Russia, China) and specific expertise related to resident participation (France) to lack of skilled people who can act as representatives of the owners’ associations (Czech Republic and Moldova). Furthermore, the landlords’ or municipal management departments often have a quasi monopolistic position and (thus) few incentives to improve their level of service (see the chapters on Moldova and Serbia). Overall, homeowners’ associations in the post-socialist countries under review seem to lack adequate resources and capacity to deal effectively with financial and technical issues.

Table 2 contains a summarised overview of approaches and related problems and challenges that we have found in the eleven countries in the research.

**Table 2** Summary of approaches and related problems and challenges per organisational aspect

<table>
<thead>
<tr>
<th>Aspect</th>
<th>Approaches</th>
<th>Problems and challenges</th>
</tr>
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<tbody>
<tr>
<td>Policy</td>
<td>A minority of the researched countries has an explicit national policy for stimulating the management of privatised homes.</td>
<td>The most important challenge seems to get the management issue on the political agenda. This is particularly important in formerly communist countries, where housing quality is low and suffers from a lack of financial resources and an adequate decision-making structure.</td>
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<tr>
<td>Legal framework</td>
<td>In most countries a legal framework has been developed for the management of the common parts of a property.</td>
<td>There is usually no specific legislation for mixed-tenure buildings, creating unclarity about the division of responsibilities between tenants and owner-occupiers. In addition, enforcement is weakly regulated in several countries.</td>
</tr>
<tr>
<td>Aspect</td>
<td>Approaches</td>
<td>Problems and challenges</td>
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<tr>
<td>Organisational structure</td>
<td>In most researched countries, decisions about management and maintenance are to be made in a homeowners’ association.</td>
<td>Although there is often a formal structure, it does not always work out well. Many countries are still in search of an appropriate structure for collaboration of tenants, owner-occupiers and the respective landlord.</td>
</tr>
<tr>
<td>Financial resources</td>
<td>In almost all researched countries homeowners have to pay in proportion to the value/number of properties that they own. In some countries there is also financial support from the government for low-income groups.</td>
<td>Financing is a big problem, especially in formerly communist countries. The reason is not only the lack of financial means as such, but also a small willingness of homeowners to invest in their homes and in common facilities in the building.</td>
</tr>
<tr>
<td>Culture</td>
<td>Strong differences in culture, particularly between traditionally capitalist and formerly communist countries.</td>
<td>New owner-occupiers do not always feel themselves responsible for the management and maintenance of their properties. The market for management and maintenance services in formerly communist countries is (still) underdeveloped and, partly as a consequence, not very client-friendly.</td>
</tr>
<tr>
<td>Human resources</td>
<td>Management and maintenance activities are usually carried out by (professional) companies, commissioned by representatives from the homeowners.</td>
<td>There is a lack of knowledge and skills with the (new) owner-occupiers to adequately fulfil the commissioner’s role. In some countries there is also a lack of professionalism with the (former) landlord.</td>
</tr>
</tbody>
</table>

### 4. Implications for housing policy and comparative housing research

The understanding of differences and similarities in housing policies and practice following the privatisation of housing in the East and the West compels a deeper exploration of the housing reform path and the emerging challenges. This comparative research project contributes to this process in two particular ways. First, it demonstrates that in different cultural settings similar processes and policy interventions can have different outcomes and implications in the area of housing management. Second, it broadens the focus of current debates in comparative housing research beyond a predominant occupation with neoliberal housing policies, privatisation, and housing inequalities. This is achieved through explicit emphasis on housing management and the relationship between housing policies, organisational structures, human and financial resources and housing quality. The emerging view is that housing management in privatised housing is embedded in the specific institutional and cultural contexts, and operates in distinctive ways to influence housing quality. The link between housing policy intervention and housing management in the conceptual framework for this comparative research establishes a good basis for policy comparisons, learning and diffusion of good practices.
In addition, the comparative research project highlights the importance of institutions on the evolution of housing management systems in privatised housing. It also emphasizes the importance of interrelated outcomes, which need to be considered systematically in policy transfer: effective implementation of a legal framework, adequacy of financial and human resources, the specifics of cultural norms influencing the operational aspects of housing management, and overall housing quality achieved through the operation/implementation of the integrated aspects of a housing management system.

Nationally specific strategies and policies pertaining to legislation, organisational structures, financial and human resources of housing management in privatised housing map a diverging experience across countries, also confirmed in other studies (see Jones and Murie, 2006; Tsenkova, 2009). This is particularly evident between countries where governments have adopted a cautious approach to privatisation (The Netherlands, France), compared to the ones where privatisation polices are the flagship of change in the last decade (Serbia, Russia, China). In the first group of countries privatisation has taken place with little adjustment to management structures and financial arrangements, while in the latter—the policy framework has attempted to transfer these responsibilities to the new owners, albeit with limited success. Incremental policies through ‘trial and error’ continue to reshape the legal framework and organisational structures for housing management, focusing on problems to be remedied rather than strategic options. In the spirit of incrementalism, the policy evolution outlined in the comparative research project does not imply fundamentally new approaches to the way housing management is financed and/or resources for major repairs and renewal is mobilised. It also points to the growing challenges of mixed ownership in housing estates where technical, organisational, financial and social problems place competing demands on housing management.

Despite the diversity of national, country-specific practices, findings point to the limited institutional change in terms of housing management. It is indeed surprising that organizations and individuals across the East and the West have responded to exogenous change in housing policies or even external shocks in an incremental way, reluctant to switch to new housing management providers. This surprising institutional stability, particularly in the context of rapid economic and political transformation in Eastern Europe, is difficult to predict. Despite changes in the formal rules, procedures, and standard operating practices that structure the relationship between individuals (homeowners, tenants) and housing management entities, the path dependent nature of institutions affects outcomes. In the case of well established institutions for housing management, operating in a more stable economic and political environment, the influence on patterns of behavior and even navigation of policy development according to set rules, results in more rational and strategically appropriate outcomes.

Housing management institutions in the Netherlands and France, despite the transfer of ownership to sitting tenants, continue to operate under standard procedures and conventions of behavior to ensure quality of services and better decision-making, mobilizing funds and carrying substantial housing improvements. In Eastern Europe, the operation of established housing management organizations, often public entities with constrained budgets, has
created a hybrid system based on the socialist model of operation with low costs and limited services. The limited competition in the market for housing management providers, coupled with the reluctance of new owners to assume responsibility for common areas/building envelope, has resulted in rapid deterioration of privatised multifamily housing. In Moldova and Russia, housing policies have shaped and reproduced patterns of relationship between institutions, policy actors and the institutional representation of new owners that surprisingly resembles the old Soviet model.

The research project, while highlighting mechanism of change and pace of different transformations, emphasizes the importance of housing management institutions and the “logic of action” in responding to institutional change. Abrupt changes occur in institutions, however, the overwhelming majority of change is simply incremental and gradual (North, 1995; March and Olsen, 1989). Understanding the sources of institutional path dependence and actively promoting adequate institutional transformation might be the answer to successful housing policy transfer. On the other hand, adopting of western style of housing management in the Eastern European countries might not lead automatically to more efficient housing markets for maintenance services and better quality in housing. The nature of path dependence, the characteristics of housing management institutions, and the mental constructs of the new homeowners suggest fundamental obstacles to successful transformation of privatised housing.

5. Conclusion

The sale of public or social rented homes to individual owner-occupiers has created a relatively new class of ownership that differs from the traditional homeownership in two respects. First, it mostly concerns homes in buildings with mixed ownership in the rented sector. In these buildings, often developed for collective ownership and management by the public sector, decision-making regarding management and maintenance has become relatively complex due to the different types of homeowners. Second, the household income of the new homeowners is, on average, lower than that of traditional homeowners. This is exacerbated by the fact that a large share of the homes have been sold under market price to make them affordable to lower-income groups. This, however, has created a new problem in the sense that many of these buyers are not able to sufficiently bear future expenses for the maintenance of the property. In addition, the reluctance of these homeowners to invest in their homes and in common services is an issue of concern. This phenomenon is widespread in formerly communist countries, but also appears in Western European countries.

None of the countries included in the research is able to offer an adequate response on alternatives to leverage private investment. It seems that a whole series of policy strategies must be introduced to encourage homeowners to take on responsibilities and invest in their properties. Legislation alone is not sufficient. One could, for example, consider to oblige homeowners to hand over their management activities to a professional organisation, but this is not helpful if homeowners cannot afford the costs of such an organisation. Moreover, mandatory obligations about the management of homes could be in conflict with other regulations, for instance with regard to property rights. This can, for instance, reduce the
legal possibilities to impose on the homeowner a certain level of maintenance at the moment of purchase.

All in all, the results of the research do not support an optimistic view about the possibilities to tackle the existing problems in the management of privatised housing. Rather do we encounter the limits of owner-occupation, often advocated and promoted in housing policies in the last two decades. Assumptions that owner-occupation gives individual households more freedom of choice and an opportunity to build up equity, and that it increases the responsibility of residents for their immediate residential environment, resulting in an improved liveability of the neighbourhood, may be incorrect. This research does not draw conclusions on equity and liveability, but does make clear that maintenance problems have not disappeared and, in some cases, have grown. It appears that an increased freedom of choice must be paired with the ability and the willingness to take an increased responsibility. For an adequate management, the former does not go without the latter. If this ability and this willingness are insufficient, one could raise the fundamental question if further sale of rented homes has to be abandoned or at least has to be treated with much more reservations than in the past.


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