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NIBR Summaries 2009

Preface

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Oslo, June 2010

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Small dwellings

– current state of knowledge

By Lene Schmidt (ed.)
NIBR Report 2009:1

Purpose and background

The project aims to establish current knowledge status and assess the need for research on small unit housing.

Informing the project is a concern about the way in which small dwellings marketed as urban and trendy, as expressed in, i.a., the white paper on the Oslo metropolitan area (Stortingsmelding nr. 31 [2006-2007]), generally known as the Capital City White Paper (Hovedstadsmeldingen):

The Government will therefore monitor developments and consider means to facilitate good housing for the young.

A premise of the Housing White Paper (St.meld.nr 23 [2003-2004]) is that a well-functioning housing market should supply housing of the desired standard at the lowest possible cost to society.

The Oslo daily *Dagbladet* ran a report on Oslo's "cheapest" flat (August 16 2006). Floor space measured 11m² and it was valued at NOK 670,000 (c. 108,000 USD at the time). According to the report the estate agent expected it to fetch more than a million kroner.

Selling a 11m² home would probably have been unthinkable only a few years ago. Which situation raises the question: What counts as a home? How small can a residential unit be? Which raises another question: Are small homes a problem or the mark of a well-functioning market?

Definitions and development of a minimum standard

For the purpose of this project a small residential unit is one that is smaller than the Norwegian State Housing Bank's former minimum standard of around 55m². We decided to use floor space rather than room number as the distinguishing factor. A three-room unit measuring 50m² falls into the "small" category, while one of two rooms but with a floor space of 70m² does not. We consider this a reasonable definition given the increasing pressure on apartment size.

Tracing the development of the minimum standard, *Jon Guttu* finds wide variation in the characteristics attributed to the term *dwelling* according to the purpose of the definition and how it is applied in practice. To meet the minimum standard requirements of the building code (byggforskriftene), a dwelling must consist of one habitable room of 15m³ (i.e., in excess of 6m²), a damp room and closed-off storage space. In practice, it is the Property Unit Ownership Act (Eierseksjonsloven) that defines what the term *dwelling* can be applied to for purposes of buying and selling on the market.

As history shows, it was necessary to limit the building of small unit housing throughout the twentieth century by stipulating a minimum room standard. The changes in minimum standards and specifications show a pattern of expansion alongside increasing levels of general prosperity. In the 1970s, the Standing Committee on Municipal and Environmental Affairs in the Norwegian Parliament (Storting) concluded that two rooms and a kitchen represented a reasonable minimum standard for a single adult. Both the Housing Bank and Oslo City Council had banned the building of single-room apartments for several years in the 1970s and '80s. Until 1983, the Housing Bank operated with a set of detailed specifications for home construction. With the deregulation of the housing market in the 1980s, the Housing Bank abandoned these criteria, opting instead to publish guidance on good housing planning practices. In due course, the Housing Bank concluded that housing standards had been undermined during the guidance period and introduced in 1992 a minimum standard with layout specifications and an incentive system to promote certain features in housing. The minimum standard was abandoned in 2005, and the requirements, according to the Housing White Paper, were to be synchronised with the building code's technical housing standards. We have no studies on the actual effect of the Housing Bank's minimum standard. One can hardly use the market if one wants to avoid the building of (overly) small homes.

Research needs

Legislative inconsistency and absence of quality specifications suggests a need to examine the situation with a view to realising the intentions of the Housing White Paper (St.meld.nr 23 [2003-2004]). It is necessary to bring clarity to definitions and find ways of incorporating quality specifications in the building code and Property Unit Ownership Act. We know little about the subdivision of small dwellings, including for instance plans to create a separate rental unit in what are known as flexible dwellings. Are these rental units independent of or still part of the original housing unit? The Housing Bank's increasing tendency to approve the financing of small residential units is clear, and there is a need to find out whether such accommodation comes with provisos attached and who moves into them. It will also be necessary to monitor levels of compliance with Oslo City's new floor space norms on size distribution, and which housing solutions are chosen.

Who lives in small apartments?

Dag Juvekam found overcrowding to be a mainly urban phenomenon, not least a city phenomenon. Nearly every fifth single-person household has less than 50m² to its disposal; i.e., these units are smaller than the Housing Bank's former minimum standard. In Oslo, it is true of every third single-person household. Immigrants are

over-represented as occupants of small apartments. There is largely parity between male and female occupants, though age does make a difference.

How one assesses small residential units will depend in part on the degree to which they, on the one hand, represent the first or intermediate stage of a housing career, or on the other whether people live in them more or less permanently. As a permanent option, the size of the problem will depend, not least, on the size of the household, and lack of resources to address the situation will have consequences far beyond the problem of small unit housing.

Research needs

There is a need to conduct analyses of housing careers in a life cycle perspective. Statistics Norway and NIBR have together developed a migration history database, the interlinked migration history data, which links a wide range of attributes of all residents in Norway to household size allowing the grouping of individual life cycles for different birth cohorts. This material has so far not been linked to housing information. When accomplished, it would make it possible to analyse housing careers in a lifespan perspective for all municipalities. Work is progressing to put in place the same capacities for basic spatial units. It should also be possible to link up with GIS, allowing the delimitation of a specific geographical area according to analytical needs. Without this link, it will be impossible to run real lifespan analyses and shed light on residents and resident changes in the Norwegian market.

Market for small homes

According to *Rolf Barlindbaug*, the ratio of small units to overall house building rose between 1984 and 2007. The ratio of single-room apartments rose from 2 per cent in 1984, peaking in 2007 at around 7 per cent of the total supply of new housing.

A 2005 housing study found the number of small-scale apartments had increased rapidly. Fifty per cent of single-room homes measure less than 30m², and nearly 50 per cent of two-room apartments are under 50m². Almost half of new small units are significantly smaller than the Housing Bank's former housing norms.

More than half of the smallest apartments are constructed in urban locations with large numbers of pre-existing small units.

The price of small apartments has risen faster than other types of housing. The need of the constructors to optimize profitability results in the building of many small apartments, especially in central urban locations.

Most small apartments are let. Of the total housing stock, almost eight in ten homes under 30m² are for letting. The percentage of rental units of small homes up to 50m² is about 70.

Research needs

There is a need to learn more about the reasons why developers choose certain apartment types in central urban projects. There is a need to examine the consequences of various regulatory policies affecting the mix of housing units. There is also a need to learn more about the people who demand and buy large apartments in central locations in the big cities – do they include young families? Finally, we note

a need to obtain information on sales price in relation to the size of the property, and analyse price patterns in the small and large apartment market in various regions and city districts.

Layout

Lene Schmidt reviewed in chapters 5 and 6 the research on apartment layouts and discovered a rapid fall in apartment size during the period since ca. 1985. She also found increasing pressure on housing standards. We have attempted to extract certain themes and tendencies from the literature by comparing current standards with what the Housing Bank recommended in 1985 and with the bank's minimum standard.

Basement apartments make up a sizeable proportion of the housing stock. Lappegård and Nordvik (1998) conclude in their study that basement apartments should be considered relatively "spacious" accommodation options.

The size of homes built after 2000 is significantly smaller, it appears, and standards lower than homes built in the 1980s and '90s. At that time, critics were already warning of declining standards in new homes. Given the sharp fall in size, a lifespan standard is no longer possible. The standards of most of the homes that were studied are significantly lower than what used to be recommended by the Housing Bank in 1985 as a suitable option for one or two people, and would not meet the Housing Bank's former minimum requirements. The dwellings do not satisfy requirements of a decent dwelling as prescribed in post-war housing policy and supported by politicians and planners, see for instance, Gulbrandsen and Hansen 1978.

It seems then that developers circumvent the building code's standard specifications in some cases. The bedrooms of some of the studied homes do not meet the standards of habitable rooms. We lack adequate information on whether the dwellings have sufficient storage space. And it is an open question whether they satisfy the building code's specifications on usability with regard to storage space and space for furniture etc. There are problems of a more specific nature in respect of satisfying accessibility standards in small dwellings, including the requirement in the technical regulations to adapt WC for use of disabled persons. We do not know how many residences are affected, nor therefore the magnitude of the problem.

Research needs

There is a need to study more new housing projects, including urban housing and basement apartments, built after 2000, to supplement and enhance the quality of the data. There would seem to be a need for better statistics, by including attributes and features of housing construction in, for example, the GAB register, in population and housing censuses and living standards studies. Is the home accessible for the disabled and acceptable in terms of life cycle standards? Does it have a private balcony/outside area etc.?

There is a need to chart trends in overall layout and the individual rooms with regard to space and standards, and the degree to which regulatory specifications meet with compliance.

We also see a need to study whether and how far the tendency to save space and reduce quality has spread to the layout of larger units in apartment buildings.

There is a need to study project flexibility, to understand whether small units can be enlarged at a later point in time, and if so the ease with which this can be done.

There is a need to look at a new definition of overcrowding (“cramming”) which allows for the number of rooms, floor space, and usability.

User studies – what do residents say?

Chapter 7 presents a review of the small number of user surveys to have been undertaken on the subject. Residents are largely satisfied with their homes despite the shortfalls noted by researchers. Residents are conscious of the deficiencies, but view the property as a sound investment and the first step in a housing career. The prospects of moving up the property ladder in terms of housing career do affect resident opinions. An older survey indicated a slightly higher level of dissatisfaction, the explanation for which was reportedly that residents felt trapped in their present housing situation with no prospect of making headway in their housing career.

Building more single-room apartments is by definition to invite overcrowding, more dissatisfaction and higher migration rates because it is the shortcomings of the one-room apartments that cause the dissatisfaction, i.e., they are oriented in one direction only; they have little floor space; they are less flexible in use; and they probably also lack a balcony. Many new two-room apartments would appear to share the same problems.

Research needs

There is a need to conduct a broader investigation into the use of housing and resident satisfaction with the new small units. As several studies show, people are more likely to express satisfaction. Future studies should therefore also include questions concerning intentions to move because a desire to move can be just as important an indicator of dissatisfaction as of satisfaction. We know little about how homes are fitted out and used. There is therefore a need to study living habits, the use of homes, the practical implications of apartment design, and how overcrowding makes itself felt.

Ideology production and discourse

In chapter 8, *Lene Schmidt* seeks to capture the prevailing discourses and relate them to the growth of small unit housing. We found very few attempts to bring discourse analysis to bear on the use of concepts associated with housing.

Freedom of choice appears to be a staple of the public debate and a reason to renounce prescribed statutory standards. The use of the positively charged word “simplification” to name a committee which the government set up in connection with public sector reforms, suggests that the goal is not necessarily good homes, but rather to simplify procedures. And the use of the term “norm-free” housing suggests that taking liberties with standards and specifications is positive, and standards a constraint on freedom. One could just as easily have said “normless”: in practice the implications would be the same, but it is of course negatively loaded. There also

seems to be heightened focus on aesthetics. Size doesn't matter anymore, what counts is quality.

Guttu (2003) points to a historical point when the housing discourse nudged the idea of the "good dwelling" to one side in preference for "manageable dwelling". The current professional/academic discourse on housing among planners lacks soundness, Guttu remarks, as other stakeholders, not least estate agents and salespersons, increasingly set the agenda.

A simple analysis of the three guidance leaflets published by the Housing Bank reveals less emphasis in the discourse on minimum standards and floor space and more on layout, design, aesthetics and smart solutions. The size of the dwelling is no longer the springing point, but the clever idea. Small dwellings are described with positively loaded words like "compact homes" or "space efficient". The reasons given for building small units include freedom of choice; the environmental friendliness of saving space and resources; and that they will be used as more or less provisional accommodation for the young.

Research needs

There is need to study in more detail how small housing is discussed in government documents, sales and marketing publications. What are the arguments for building small homes, who advocates small homes and in what terms?

Small dwellings – the sign of a well-functioning market or symptom of a problem?

We asked initially whether the building of small homes is a problem or evidence of a well-functioning market. It is a question that cannot be easily answered under the terms of this project. We will here summarise some of the points of such a discussion and future research needs.

If small homes offer an easy entry to the housing market for young adults, both single and couples, and they live in them for a limited time, and if the units are integrated with the ordinary housing stock and are of a reasonable size and standard, one could say that small dwellings express the workings of a well-functioning market. If small dwellings are expensive in relative terms, are clustered in specific locations in the town or city, and residents find it difficult to get their foot on the next rung of the housing ladder, and the apartments are moreover small and of poor standard, small residential units represent a problem.

Small homes, generally speaking, cost more per square metre than larger homes. Barlindhaug found a sharper rise in the price of small home than larger homes over the period. The price of an average five-room home in 2002 is 3.2 times the 1991 price. One-room apartments rose 4.5 times their 1991 starting point. So small does not necessarily translate into lower prices.

Small housing units could represent a sensible adaptation to the market if the residents are happy and in a position to move their housing career forward. We have few user surveys, and there is a need for more studies of how residents perceive their home, and what they do. The data we have are too elementary to say anything about

moving and housing career in a life cycle perspective, and the degree to which residents do move up the housing ladder.

The few user surveys that have been conducted indicate a general sense of satisfaction among residents. Buying the apartment is considered a sound way of investing assets and they are happy to be in the housing market. Satisfaction is qualified, however, by prospects or lack of them of making progress in their housing career.

The majority of small apartments are rental units, not ownership properties. Out of the total housing stock, 80 per cent of homes under 30m² are rental, likewise for nearly 70 per cent of homes under 50m². Tenants are more likely to express dissatisfaction.

It would seem that small dwellings are constructed in central locations in towns and cities, areas with a preponderance of small housing units already. Amassing many small apartments in circumscribed urban locations could be problematic in view of the general political commitment to promote a mix of housing and population groups. While there are few fresh studies of living environments, a living conditions study from Stavanger, which used eighteen living conditions indicators, rated the centrally located housing project known as Badedammen very low indeed. The number of small apartments rose with single and double-room apartments accounting for 65 per cent of the units. Badedammen and Sentrum have the highest scores on turnover rates. Badedammen grew significantly after 2000, with the addition of many new units. High turnover rates can be a problem in light of the commitment to ensure secure, good housing environments, because high turnover slows the development of social networks. The decision of Oslo City Council to impose floor space criteria and require a certain mix of housing options is a concrete expression of a desire to facilitate good, stable neighbourhoods.

For the individual concerned, moving is considered positive if it means improving their housing situation.

Small homes are gaining ground in percentage of total house construction. One-room studios accounted for 2 per cent in 1984, rising to 7 per cent in 2005. To build more single-room apartments is tantamount to inviting overcrowding. This in opposition to specifications adopted as early as 1974 which defined two rooms and a kitchen as the minimum standard for single adults.

Guttu shows in his historical investigation how housing standards, specifications and expectations grew alongside growth in prosperity. It is thought-provoking to witness the building of so many small units of frequently significantly reduced size and standards in a situation of mounting prosperity.

Whether the building of small units is a problem or not, it concerns more than the satisfaction or dissatisfaction expressed by the resident, and becomes a question of what will benefit society in the long run. It is a paradox to note how urban regeneration, financed partly by the public purse, invested significantly in combining small units into family-size units, and it can be questioned whether it is a socially sound to build a large number of small units in central urban locations where there are too many small apartments already.

Do we need a new definition of overcrowding?

The definition used by Statistics Norway of overcrowding is based solely on room number. As we have seen, floor space of single and two-room apartments has decreased, and they were small already. There are instances of three-room apartments around 50m² and less. Cramped conditions tend to induce a sense of dissatisfaction and a desire to move. We would recommend a definition of overcrowding which, in addition to the number of rooms, took account of minimum floor space. It would mean, for instance, that a three-room apartment of 45m² occupied by two persons is overcrowded because of inadequate living space.

Ethnic Minorities and the Rental Market

– Equal Opportunitites?

By Susanne Søholt and Kim Astrup
NIBR Report 2009:2

The aim of Norwegian housing policy is that every citizen is provided with adequate housing. However, according to various surveys, we know that housing is distributed very unevenly throughout the population.

Population and housing census, as well as statistics on the living conditions of the immigrant population show systematic differences in housing conditions. These differences vary according to ethnic background. There exist dividing lines between the majority and the minority population, as well as between ethnic groups. An important issue is whether these differences are due to personal preferences, economic and social resources, or social exclusion. This report elaborates on the latter issue.

Statistics on living conditions (2005/2006) among the immigrant population stated that 27 percent of tenants with such background were sure and 11 percent believed they had been rejected from a rental because of their background. There were big differences between ethnic groups. More than 40 percent of Somali and Iraqi tenants thought they had been rejected because of their ethnic background.

This report focuses on experiences of discrimination in the rental market. Self-experienced discrimination is understood as rejections that house-hunters with minority background interpret as discrimination. Statistics on living conditions, as well focus group and individual interviews, are data sources on self-experienced discrimination.

The study reveals that the rental market has sorting mechanisms that results in different access to different segments of the rental market, dependant on the tenants' ethnic background. In order to get insight into these sorting mechanisms, we have gathered data from both the demand and supply side. Various kinds of landlords and tenants with different ethnic backgrounds are interviewed. The vast material and the different approaches resulted in surprisingly convergent results.

The summary focuses on the requested inquiries commissioned by the State Housing Bank.

Barriers for prospective tenants with ethnic minority background hunting for a house to rent

In order to get insight into the ethnic minorities own experiences in the rental market, statistics on living conditions among the immigrant population, as well as interviews with four ethnic groups, are analyzed. The four groups are tenants with Bosnian, Chilean, Iraqi and Somali background.

According to statistics on living conditions, 44 percent of Somali and 42 percent of Iraqi tenants, claim that they have met discrimination in the rental market. Tenants with Bosnian and Chilean background, on the other hand, reported discrimination less frequently from the rental market.

Barriers experienced by the tenants.

Tenants with Somali background experienced that colour of skin indeed were a barrier to the rental market. National background was a hinder for both Somalis and Iraqis. In addition, some landlords in the study made clear that tenants with Muslim affiliation were not wanted. Chileans as well as Bosnians, reported to a small extent to have encountered such hindrances.

Actual barrier

Informants from both the Somali and the Iraqi groups frequently experienced that the rental dwellings they could afford, did not match space requirements for their actual household size. However, the majority of the Somali households are small or medium sized, though the landlords thought all Somalis lived in big households.

How can unequal treatment be explained across different ethnic minority groups?

Firstly, Bosnians and Chileans have, to a larger extent, household sizes that suit the supply side in the rental market, compared to Somalis and Iraqis. Moreover, Bosnians and Chileans have lower unemployment levels, and are relatively more socially integrated. Somalis and Iraqis on the other hand, experience great difficulty in integrating in the Norwegian labour market. This can partly be explained by shorter time of residence and the fact that refugees from these countries are still arriving. Unfavorable media publicity is possibly a contributing factor. The latter probably entails that it is more difficult for landlords to regard house-hunters from these groups as attractive, even when economic merits are satisfactory. Usually house-hunters from these groups are rejected on the first encounter on the basis of presumed group characteristics, before they had the chance to present themselves as individuals.

Another aspect of importance is how the persons that get rejected interpret the rejection. Every Somali and Iraqi gets a lot more rejections than Bosnians and Chileans. Somalis and Iraqis have a tendency to interpret the multitude of rejections as discrimination, while the Bosnians and Chileans are less inclined to interpret their fewer rejections as discrimination.

How do the landlords account for their choice of tenants? To which degree is any unequal treatment explained by the landlords understanding of ethnic minorities or by the landlord's priorities?

Somalis and Iraqis often experience being rejected at their first housing enquiry. Some private landlords express openly that they don't want tenants that are foreigners (with a non-western background). Other landlords make the rejection more subtle, by holding the opinion that the foreigners don't fit their notion of suitable tenants. Suitable tenants, according to their view, are working or studying, and capable of paying the rent. They also stress the importance of tenants' ability to take care of the dwelling and otherwise not causing any concern. In addition, the landlords prefer tenants that they believe they can communicate with.

Another important aspect is that small households are often preferred, because the dwellings also are small. In addition few or no children cause less wearing and tearing. When the landlords make their choice, using their intuition, it seems like it is easier for the landlord to find suitable tenants amongst tenants with a Norwegian or Western background. They are more recognizable. Thus, conscious or unconsciously, notions of immigrants in general and of specific ethnic groups, influence their choice. The exception is the commercial landlord who makes his or her final choice by drawing lots.

Are there structural characteristics connected to the way in which the housing associations and municipalities implement and organize their letting, which leads to unequal treatment and possible discrimination of ethnic minorities?

A limited selection of housing associations and municipalities with rental housing, within the same municipalities, are included in the study. A relatively high percentage of the population within these municipalities has a non-western background. The housing associations and the municipalities have criteria for selecting tenants which are intended to be neutral. Ethnic background should not be relevant when it comes to the possibility for renting a dwelling. In the municipalities, disadvantaged households get priority. In the housing associations, young households which are members, get priority. The question is if the general criteria, procedures and housing supply is adapted to the diverse group of tenants, facing different disadvantaged situations in the housing market.

We have found that a considerable part of tenants that get municipal dwellings have immigrant background. However, when assessment is used, in addition to criteria, it might seem that households with a specific immigrant background are more often excluded.

Some of the criteria are however to a lesser degree adjusted to the situation of the disadvantaged with a minority background. Requested residence time in a municipality to be permitted to apply for a dwelling is an example of such criteria. The criteria affect the immigrants, because they move more often than the native population. Other criteria, such as age and limitations on time of residence in housing associations, don't consider the fact that households with a minority background can settle down at any age during their lifetime. In addition, some households prefer to stay as permanent tenants in the housing associations. Their

ambition is not to become homeowners, which is the common housing career in Norway.

Beyond this, there was a need for municipal, non-discriminating housing services which could strengthen the household's ability to compete in the private rental market. One example is assistance in finding housing for households with their own income. Another example is economic arrangement that doesn't make the landlord aware of the fact that the household received housing allowances. The reason for this is that landlords prefer tenants with their own income.

Neither the municipalities nor the housing association have adjusted their supply to a more diverse group of tenants. The supply mostly consists of small dwellings, which are not adapted for household with several children. Contracts and information material are mostly in Norwegian. There are limited efforts to strengthen households and neighborhoods in the multicultural housing areas where people are tenants.

Is there unequal treatment in the contractual relationships?

It was difficult to get access to the tenants' contracts in the rental market, except for a few that lived in municipal dwellings.

These households had ordinary, municipal contracts, but they were assigned to substandard dwellings. Based on the study, it is difficult to say whether this was arbitrary or systematic.

However, the study indicated that tenants with Somali and Iraqi background in the private rental market often experienced that they had to pay more than was stated in the contract in order to get the contract. They also experienced frequent changes in the rent and unfair dismissals. These kinds of experiences were also known in the Chilean community, but to a far lesser extent.

When should unequal treatment of ethnic minorities in the rental market be denoted as discrimination?

When tenants with an immigrant background are instantly rejected as possible tenants when they first encounter the landlord, this should be categorized as direct discrimination. It is also discrimination when tenants with a specific immigrant background are allowed to rent under the condition that they pay more than what is stated in the contract. In addition it should be regarded as discrimination in the rental market when tenants with an immigrant background systematically are offered worse dwellings in less attractive areas than tenants with a Norwegian background.

However, discrimination is complex, and it can be difficult to establish its occurrence. On the other hand, different indicators can together play a part in indicating the extent of discrimination, and in detecting areas in the rental market where tenants with an immigrant background systematically get worse results compared to ethnic Norwegians. Worse conditions can be the result of conditions and mechanisms that are discriminating. But it is important that the results are interpreted in a proper way. The advantage of indicators that are based on statistics are that they also give information about the areas in which tenants of different ethnic backgrounds possibly are not discriminated.

Descendents of immigrants

– housing status and residential distribution

By Susanne Søholt and Kim Astrup
NIBR Report 2009:3

A good, secure place to live promotes integration and participation in society, according to the latest white paper on housing. A home is the basis of a decent life, it says. It is therefore essential to the success of immigration and integration policy to pursue these objectives in relation to every group of the population.

This view sets the tone of this study which asks whether the descendents of immigrants stand a real chance in the housing market as society is organized today.

We looked at the first cohort of immigrants old enough to enter the housing market. They are the descendents of job-seeking immigrants who arrived in Norway prior to the government's closing the doors on immigration in 1975, and after the first influx of refugees in the 1980s.

These children of newcomers are naturalised Norwegians and born and bred in the country. Unlike their parents, they were born to the language and way of life, but remain a minority group all the same. If the housing market does not work as well as it should for them, it would incriminate the government's handling of housing and integration.

The research questions were designed therefore to establish living conditions and residential or geographical distribution. We explore the types of housing occupied by descendents of immigrants, whether living conditions are adequate or likely to improve in the foreseeable future. We wanted to find out where descendents live and whether they are concentrated in areas with large ethnic minority communities. Do they live with or near their parents? Or have they chosen to live further away?

The study cross-tabulated information on individuals obtained from several registers. By 2005, around 20,000 second generation immigrants aged 18 or over resided in Norway. Most are young. We looked at the six largest groups whose parents originated from Asia, including Turkey, Africa and Latin America. The individual countries are Pakistan, India, Turkey, Morocco, Vietnam and Chile. We compared each category internally and externally with descendants of Swedish and Danish nationals residing in Norway. These Nordic descendants provide a control category since we assumed high levels of similarity between them and ethnic Norwegians in

the same age-group with no history of immigration. The age of the descendants ranged between 18 and 40 in 2005.

Half live with their parents

As most of the descendants are quite young, they are still in the process of acquiring qualifications, starting a career, a family and setting up a home. Over 50 per cent live with their parents, a far higher proportion than the similarly aged Nordic group, only 20 percent of whom lives at home. Descendants are more likely to live apart from their parents if their incomes are higher or they get married. Nevertheless, some high earners with affiliations to Turkey, Morocco, India, Pakistan and Vietnam are more likely to share accommodation with parents.

Less space per individual

Descendants have less floor space per capita than the general population. In other words, they are more likely to live two to a room. Crowding is higher among parent and children households than if the descendants have their own place. The differences between the groups are significant, however. While only 20 per cent of ethnic Moroccan descendants live in spacious accommodation, 70 per cent of ethnic Indian descendants do. Rising income among the parents reduces crowding tendencies among descendants living at home.

Living space per capita is highest among ethnic Chileans who live apart from the parental home, similar in fact to the Norwegian population as a whole. Least living space was found among Pakistani, Turkish and Moroccan ethnic minorities living away from home. Only a tiny minority of the Nordic descendant group lives in crowded conditions, irrespective of whether they live with their parents or not.

Housing benefit helps reduce crowding among descendants with a place of their own.

Descendants become homeowners

Norway has designed its housing policy to encourage wide home ownership. In that light, we let homeownership among descendants act as a benchmark of a successful policy. Most of those included in this study are between 18 and 25, with around 70 per cent in the under-30 age group. But while they are still young, we wanted to see whether they step onto the property ladder after leaving home.

Of the descendants of Turkish ethnic immigrants, 22 per cent owned a place of their own. At the other end of the scale are the Vietnamese and Chilean descendants, of whom only 7 per cent are homeowners. Since they constitute the youngest groups, there is doubtless a connection here. Homeownership is higher among people in work, compared to students. And advanced qualifications co-vary with higher homeownership as well. The homeownership situation among those of Nordic descent and, to a point, those of Turkish origin, is not affected significantly by educational achievement. Homeownership rises with rising income and for married couples on two incomes. Homeownership among the parental generation also has an effect on the likelihood of homeownership among the offspring. Most surprisingly of all, we found that the descendant's sex affects chances of homeownership: female descendants – whatever their marital status – are more likely to own their own home.

This may have something to do with immigration criteria, which require those intending to marry an alien, i.e., usually a person from their parental country of origin, to document their ability to support a spouse. There is therefore pressure on ethnic minority women to get qualifications and a job. It is also the case that loan institutions require the household breadwinner(s) to be listed as the owner(s) of the property. Equality of homeownership and of capital invested in property is more widespread among women whose married partner is from the same country of origin. In this case, it means those of Pakistani, Turkish, Moroccan and Indian descent. Of the Nordic descendants, the opposite is true, especially if they are married. Within the latter group, the male partner is much more likely to be listed as the homeowner than the female partner.

Descendants tread in their parents footsteps

In 2006, nearly 6 per cent of people living in Norway had family connections with Eastern Europe, Asia including Turkey, Africa or Latin America. Most resided in Oslo and the greater metropolitan area. In other words, the ethnic minority percentage in most municipalities is much lower than 6 per cent. Overall, descendants and their parents are unlikely to live in municipalities where the ethnic minority is below 3 per cent. Families coming to Norway seeking work tend to live in Oslo and the greater metropolitan area. Refugee status, on the other hand, common among Vietnamese and Chilean immigrants, is more likely to indicate dispersed residential distribution in Norway as a whole and in Oslo in particular. Nationally, descendants are more geographically dispersed than their parents. Some live in Northern Norway, though the number is very small. Residential dispersion of those of Nordic descent is much higher than of other ethnic minorities in Norway as a whole and in Oslo.

We constructed a match model to establish distances between the homes of descendants living away from home and their parents. Between 8 (Moroccan) and 44 per cent (Vietnamese) of descendants living away from home live in a different county from their parents. Between 47 and 92 per cent live in the same municipalities. Both ends of the scale are the same ethnic groups mentioned above. Of those residing in Oslo, between 31 (Vietnamese) and 56 per cent (Indian) live in the same city district as their parents, and of these, there is a 50 per cent chance they will be living in the same basic spatial unit (BSU). According to other studies, descendants may do this because they enjoy living near their parents, want to maintain contact and give and accept mutual help (Ruud 2001). There is also the benefit of knowing the area, socially and in other ways.

Most of the descendants living in Oslo reside in block of flats in the suburbs and in the inner city east area. These are places with the highest proportion and widest diversity of ethnic minorities. There are about 150 different ethnic backgrounds. Nevertheless, the majority ethnic population is in a majority in all of Oslo's city districts. Overall, we can say that descendants make a home for themselves in parts of the capital where the ethnic minority presence is already high. They are multicultural areas, where diversity rather than a particular ethnic group or groups prevail. This describes the situation in the two areas of Oslo where the Pakistani ethnic community accounts for about a 10 per cent of the population. This study of

registry data does not say whether geographical diversity promotes social integration on the street and in the neighbourhoods, or whether people lead separate lives.

The main trend in our study is not geographical assimilation, or that geographical dispersion is more likely among descendants than the parental generation. For the majority of the descendants, residential distribution largely reproduces that of their parents. But there are differences between groups. For instance, those of Moroccan descent, practically all of whom live in Oslo, are not likely at all to reside in the same BSU as their parents.

What accounts for the geographical outliers?

The residential distribution of some descendants (belonging to different ethnic groups), exhibit what we term unconventional traits. They live, in other words, in municipalities where the percentage of descendants with a similar ethnic background is below 4–5 per cent. Or, if they live in Oslo, they reside in one of the five western districts with a tiny ethnic minority presence. Those of Indian descent are more widely dispersed than any other ethnic group; those of Pakistani descent are the most concentrated. We did not include people of Chilean ethnic origin because they are highly geographically dispersed wherever they live. They also make up the smallest group of descendants and reside across the highest number of municipalities. The likelihood of deviation from the geographical distribution norm increases sharply if the parents are equally dispersed geographically. Put differently, the geographical outliers tread in their parents' footsteps. A further point, deviation from the residential norm also increases with increasing age and marriage with a person whose ethnic background differs from one's own. Country affiliation affects people of Indian descent most, less people of Turkish and Moroccan descent. Country background has no effect on where members of the other groups live.

Municipal mental health work

Organization, cooperation and coordination

By Trine Monica Myrvold and Marit Kristine Helgesen
NIBR Report 2009:4

This is the final report from the project “The Impact of the National Action Programme on Mental Health on the Organization of Local Authorities’ Mental Healthcare Efforts”.

The report is written on commission of the Norwegian Research Council within the evaluation of The National Action Programme on Mental Health running from 1999 through 2008. The project started up in 2001 and has been executed in several phases comprising three separate surveys of all local authorities in Norway and two in-depth studies of a small number of local authorities.

The main purpose of the project is to study the development of involvement and cooperation within the mental health work during the period of the National Action Programme. We compare data from three surveys, conducted in 2002, 2005 and 2008. We also analyze information from two rounds of case studies in six Norwegian municipalities.

The municipalities’ organization of mental health work

During the period of the National Action Programme the municipalities have developed separate units and separate services aimed at citizens with mental health problems. Mental health work has come to be a defined policy area in many municipalities. The establishment of a separate municipal mental health service has, however, been developed hand in hand with spreading competence on mental health work also in the ordinary municipal services. Our analyses indicate that the municipalities strive to find an ideal mode of organizing mental health work. Mental health work has many considerations and functions to attend to, and different modes of organization imply strengths and weaknesses in the pursuit of these considerations.

What measures do the municipalities use to coordinate services to citizens with mental problems?

Most Norwegian municipalities have established several measures to coordinate services to people with mental problems: for instance coordinators, responsibility groups, primary contacts. Very few municipalities have separate measures aimed at

coordinating services for children and youth. Most coordinating measures for this group also comprise adults with mental problems.

How is the use of “individual plans” developing?

The use of individual plans for people with mental illnesses has increased considerably the past years. All municipalities participating in our study report to use individual plans for some or all citizens in need of such a plan. The estimated coverage has increased, for adults as well as for children. Coverage is lower among children and youth than among grown-ups.

Attitudes towards using individual plans have changed in a favourable direction the past few years. Even if the use of plans has increased, and the attitudes in general are positive, many municipalities still lack experience in working out individual plans for their citizens, especially for children and youth. Many municipalities have no idea of the need for such plans among inhabitants.

Do the municipalities manage to provide wide-range services for people with mental health problems?

The municipalities have to a certain degree managed to mobilize the ordinary services to participate in mental health work. The cooperation between different services appears to improve over the years. Local medical practitioners are more included in the municipal work. We also observe that kindergartens, schools, public health centres and school medical services are more involved in local mental health care work. Generally, services aiming at helping “all” citizens are more heavily involved now compared to six years ago, whereas services meeting more marginalized groups are somewhat less involved. Some municipal services, for instance within the cultural sector, are still in many municipalities to a very little degree mobilized in local mental health work.

How is the cooperation between municipalities and services provided by the state?

Municipalities and the state hospitals must cooperate to secure coordinated services to people with mental illnesses. Problems in cooperation with state services have been perceived as one of the main obstacles for the municipal implementation of the National Action Programme on Mental Health. In recent years the cooperation is seen as gradually improving, and the municipalities judge their citizens’ access to hospital services as better in 2008 compared to six years earlier.

The past years have witnessed a clear increase in the proportion of municipalities which have a formal collaboration agreement with the hospital sector when it comes to mentally ill citizens. Such formal agreements seem, however, to have only limited impact on the relationship between the municipalities and the hospitals: municipalities with agreement do not evaluate their cooperation with the hospitals better than municipalities without agreement, nor do they consider their citizens’ access to hospital services to be better.

The municipalities’ cooperation with user organization within mental health work has developed positively throughout the National Action Programme period.

The importance of organization and leadership for involvement, cooperation and workplace environment

The general tendency for the municipalities to organize their services according to a “unit model”, with more or less self governed service units, has probably contributed to the establishment of separate units or distinct services within mental health work. Many municipalities have introduced several mechanisms for securing cooperation and coordination between services, but our impression is that the municipalities still find it challenging to make these mechanisms function as intended.

How is the development of services to children and youngsters with problems relating to mental health?

Since the Norwegian government in 2004 put a demand on the municipalities to reserve 20 per cent of the earmarked grant to work among children and youngsters, the municipalities’ focus on the mental health of this group has increased. The increase was strongest up to 2005, and has been less pronounced after 2005. The involvement of the school medical services, public health centres and local medical practitioners in mental health work for young people is somewhat stronger in 2008, whereas the positive trend for the involvement of schools that we observed in 2005, now appears to have halted.

During the 10 year National Action Programme period many municipalities have established defined services for children and youngsters with mental problems, whereas the hospitals’ services – as judged by the municipalities – are not substantially better. Still the services to young people are considered poorer than services to adults.

What are the main challenges for the smallest municipalities?

Even though the past few years have experienced that large and small municipalities in many aspects tend to converge when it comes to mental health work, we can still observe differences depending on the size of the municipal population. Small municipalities have established fewer mechanisms for cooperation, but they are more satisfied with the cooperation with other municipal services regarding mental health work. At the same time many small municipalities acknowledge that their competence on mental health is meagre. The smallest municipalities more often than others report problems in recruiting professionals in this field of work.

The central government advises municipalities to cooperate in giving good services to people with mental health problems. Our informants in the small municipalities assert that contact with professionals in other municipalities is of great advantage for them. Still, many small municipalities do not engage in any cooperation with other municipalities on mental health work.

Whereas larger municipalities earlier had a larger tendency to have agreements on collaboration with the hospitals, the differences between large and small municipalities are now more marginal. The small municipalities’ agreements seem, however, to cover fewer issues than the larger municipalities’ agreements. A higher proportion of small municipalities also report that they are not consulted when citizens are discharged from mental hospitals. On the other hand, small municipalities are much more satisfied with their citizens’ access to hospital services.

Small municipalities also judge their own achievements within mental health work as good, and smaller municipalities perceive the *improvements* of their services as larger than other municipalities do.

”Costs of Centralisation”

Is Centralisation a Problem?

By Steinar Johansen (editor)
NIBR Report 2009:5.

Over time, an increasing proportion of the population lives in the central parts of the country while a decreasing proportion of the population lives in the non-central parts of the country. In this sense, centralisation might be defined as a geographical and demographical process.

Centralisation is, by many, thought to have been a necessary process in the development of a modern society. The rate of urbanisation is highly correlated with productivity and economic growth, and thus with the materialistic well-being or welfare of the population. However, certain negative impacts or costs might also be linked to centralisation. These costs might also be interpreted as external effects of centralisation. The costs might be experienced by individuals or by the society, and at the local, regional or national level.

This report sums up the results from a set of studies that have looked into the process of centralisation in Norway and considered its potential negative impacts. The studies were all carried out within the framework of the same project, called “Costs of centralisation”. Within this framework, the following themes were studied:

– *What is centralisation?*

Here, the term *geographical centralisation of the population* was applied as the definition of centralisation within the project. Centralisation was also limited to being the aggregated result of individuals’ location behaviour, and as such a macro phenomenon. However, structural conditions (the industrial structure, the structure of the labour market, the structure of the demographics, the location of schools and universities etc.) are very important for the individuals’ location behaviour, and centralisation cannot be viewed independently of these conditions. Some structural causes of centralisation have therefore also been discussed. *The Empirical Evidence.*

Karlstad and Lie (2008) show that centralisation of people has been strong in Norway during the past decades, but the process might have been slower than in other parts of Europe (Aalbu et al 2007). They have also shown that the employment growth has been higher in the central parts of the country than in the peripheries. Gundersen (2009) shows that generic growth within existing companies is significantly more important than the (net) migration or the (net)

establishing of companies in explaining the employment growth in all regions. The empirics of centralisation are discussed in the report

- *Regions are Growing.*
Engebretsen and Vågane (2008) found that the accessibility from place of residence to regional centres has increased in all parts of the country during the past decades, especially due to road investments and increased usage of cars. It has, in other words, become easier to travel to the working place and to the place of shopping and consumption of services from the place of residence. Increased accessibility has also led to regional concentration of services and work places. People who do not own cars do not benefit from increased accessibility. The growing regions are discussed in the report.
- *Impacts for individuals.*
Wiborg (2008b) conducted a limited empirical survey, trying to depict the impacts of centralisation on individuals in the central and non-central parts of the country. Since centralisation is a relatively slow process, most individuals do not experience its impacts on a day-to-day basis. Attributes of the places they live in are much more important for their well-being. People are generally happy with their living environment irrespective of the locality (central or non-central) of these places. In certain places in the periphery population is very limited, and further de-population might crucially reduce the number of public and private services provided. In this case, other research (for instance Anvik et al 1998 or Aasbrenn 1989, 1995) suggests that the remaining population's well-being might be significantly diminished.
- *Centralisation and personal incomes*
Sørli (2008) shows that people who migrate on average have higher incomes than people who do not. This applies both to people migrating from the peripheries to central areas, and vice versa. Since the average income levels are higher in central areas than in the peripheries, centralisation through migration contributes to increasing the regional income gap..
- *Housing and centralisation*
Medby and Barlindhaug (2008) discuss the relationship between centralisation on the one hand and housing prices and housing quality on the other hand. Norwegians tend to own, not rent, the houses they live in. Therefore, a considerable amount of a household's total assets is normally placed in housing. The prices of houses are higher, and tend to increase at the faster pace, in the central than in the non-central parts of the country
- *Centralisation and the Municipal Economy*
Medby and Karlstad (2008a) discuss the relationship between population change and municipal costs and incomes. They find that the economies of small municipalities in the peripheries tend to be negatively influenced by centralisation, as expenditure of providing services measured per inhabitant tends to increase while income (municipal taxes) per inhabitant tends to decrease. The economies of larger, centrally located municipalities do however tend to be positively influenced, because municipal taxes per inhabitant increase while the impacts of increased population on municipal expenditure per inhabitant are close to zero.

- *Centralisation and Infrastructure*

The infrastructure of providing municipal services are normally balanced to existing population structures. Population change will contribute to reduce this balance. In peripheral municipalities, centralisation can lead to excess capacity in municipal infrastructures. Centralisation can lead to lack of capacity in municipal infrastructures in central municipalities. These processes are discussed by Medby and Karlstad (2008a). In addition, we have found that centralisation might lead to under-investments in network infrastructures in the peripheries *if these infrastructures over all are financed in the market.*
- *Urbanisation and the Environment*

Foss and Milbert (2009) have made a brief literature review on how urbanisation processes influence the physical environment and discussed these relationships based on German data. They conclude that the literature in this field is limited. The German data suggest that there is no clear relationship between the population pattern and the environment, and that local conditions seem to be more important environmental factors than centralisation.

Finally we have found no real evidence that centralisation has considerable negative impacts on the variables analysed. However, we do find that high speed of centralisation might increase the imbalances between the infrastructure and the population, both in central service provision by important institutions negatively, especially in areas which are threatened by de-population. and peripheral regions. In particular, we find that the economic balances of the periphery municipalities might be influenced negatively by centralisation. We also find that centralisation might lead to under-investment in network infrastructures in the peripheries. Finally, we find that centralisation might influence the level of

”Centralisation and the dynamics of firms”

By Frants Gundersen
NIBR Report 2009:6.

Over time, an increasing proportion of the population lives in the central parts of the country while a decreasing proportion of the population lives in the non-central parts of the country. In this sense, centralisation might be defined as a geographical and demographical process.

This report sums up the results from a study that has looked into the process of centralisation in Norway and considered its potential impacts on the dynamics of industries (moving, establishing and closing firms), and vice versa. The study was carried out within the framework of the main project, called “Costs of centralisation”.

Centralisation is, by many, thought to have been a necessary process in the development of a modern society. The rate of urbanisation is highly correlated with productivity and economic growth, and thus with the materialistic well-being or welfare of the population. However, certain negative impacts or costs might also be linked to centralisation. These costs might also be interpreted as external effects of centralisation. The costs might be experienced by individuals or by the society, and at the local, regional or national level.

When we look at the development in the last ten years, it seems that the primary industries and manufacturing have lost some employees to the service sector. And these changes have a clear geographical pattern; the service sector experience growth in the central area of the country, while the primary industries are reduced in the periphery. The changes are clearest in years with high economic growth and almost non-existence in times with economic decline.

The number of jobs moved is 18–20 000 each year. We find a peak in the year 2000, with 32 000 jobs moved, which is closely related to the moving of Oslo Airport from Fornebu to Gardermoen. The moving of jobs, establishments of new jobs or lay offs have no clear pattern when it comes to centralisation. Even when we look into specific industries, such as knowledge intensive industries, we find no clear proof of that these dynamics causes centralisation. Firms are moving out of central regions to the periphery in just as high numbers as they are moving to the central region of Norway, and the rates of establishment or lay-offs are at the same level in most parts of the country.

Moving firms out of or into a municipal follows two main patterns. Most of the movements are over a short distance, such as to/from neighbour municipalities. If the movement is over a longer distance, it is almost always to or from a big city centre, with Oslo as a main target for moves. Earlier work indicates that this is due to lack of general knowledge of different places for localisation, which means that some of the localisation of firms will not be ideal.

We find however, that the organic growth, i.e. the job creation inside an existing firm, is larger in central areas. This is the main source of centralisation of industries. The growth is largest in years with high economic growth, and almost absent in years with economic decline. This means that centralisation is a process that accelerates in “good” times.

The main findings implicate that it is almost just as easy to establish a firm in any parts of Norway, regardless of how central the region is. The possibility of survival seems also just as good, and it seems to move as many firms/jobs into periphery regions as it moves out of such regions. However, if you establish a firm in the periphery, you cannot expect the same growth in years with economical prosperity as in central regions. This also seems to be the case for most kinds of industries.

With significant dynamics of firms, and with a pattern of this dynamics that is just loosely connected to the centre–periphery dimension, it seems that there are some degrees of freedom when politics for regional development is made. The development of the populations of firms is not locked to a strict pattern, and some of the moving of firms is also made on a weak knowledge base. But together with the possibilities to make relevant politics, challenges follow. Regardless of region type, it takes good insight to make the right politics for firm establishments, avoiding lay offs, avoiding firms moving out or building an image of the place/region that is attractive (and well known) both for localisation of new firms and for external firms moving in.

Low deposit dwellings

- a trap for home buyers?

Rolf Barlindhaug, Kim Astrup and Berit Nordahl
NIBR Report 2009:7

The reasons for the study

For a sustained period, Bank of Norway raised its key interest rate. Financial institutions followed suit and put up mortgage rates. The media got hold of stories about people's problems with debt and a slow market for low deposit dwellings in housing cooperatives. The media were curious about marketing practices in connection with these developments; the sort of information prospective buyers were given; purchasers' ability to penetrate the hype and work out what the house was likely to cost everything included; likely housing expenses under different mortgage rate scenarios; and what private credit institutions had done to gauge the mortgagor's solvency before releasing a down payment loan.

The problems arose because some of the dwellings in the housing cooperatives were being sold with high levels of joint debt and low deposits. Jointly held loans or debts often provide an instalment free period for the housing cooperative. Those who bought low deposit dwellings when interest rates were low, faced a sharp increase in outlays joint costs and other expenses associated with repaying the deposit loan as the interest rate grew.

The Minister of Local Government and Regional Development set up an inquiry in June 2008 to investigate the situation and devised a plan of action. One of the resulting measures involved asking the State Housing Bank to investigate the prevalence of problems related to low deposit dwellings. This is that report.

The Housing Bank were interested to ascertain what the dwellings were sold for, how they are financed, how joint debts are repaid, whether housing cooperatives are insured against default on joint costs, who sold the dwellings and whether the real estate agencies adhered to their code of practice.

They were also interested in whether low deposit dwellings are expensive, whether the marketing material presents them as less expensive than they are, whether promotions targeted the young segment of the market at a time of low interest rates and, therefore, low joint costs.

Another important issue concerned the incidence of default on joint costs in housing cooperatives, whether defaulting is likely to increase or subside over the next three years, and what sort of prices are obtained in the market for existing dwellings.

According to our findings, the recent upswing in interest rates created payment problems for some residents, but they are not concentrated in the low deposit housing segment. While problems are not necessarily caused by the low deposit model, before we can reliably identify those causes, the practices of financial institutions vis-à-vis home buyers, particularly of low deposit dwellings, should be investigated.

Some general remarks on low deposit dwellings

The current The Housing Cooperatives Act was passed on June 6 2003, and entered into force on August 15 in 2005. In addition to housing associations, the Act permits other developers, including organizations and public undertakings, to own some or all of the shares of a housing cooperative. Previously, stakeholders other than the housing associations were obliged in law to set up the cooperative as a joint venture, that is, prospective share-holders in the cooperative had to convene and draw up a foundation document. In the new law there are no constraints on who could create a cooperative or how long the shares should remain in their hands. The amendments to the law provided an incentive for developers to adhere to the housing cooperative model.

One of the features of buying a dwelling in a housing cooperative is the lower risk, compared with owner-occupied dwellings because a major part of the credit is in the form of a jointly held loan. If the sale price of the unit falls below the value of the jointly held load, the resident may terminate his right of residence with six months' notice, after which he will no longer have responsibility for the jointly held loan. But he will have lost his deposit. The low deposit housing cooperative therefore reduces the risk of loss for *the individual member* but the risk to *the housing cooperative as an entity* grows.

In other words, residents of housing cooperatives are jointly responsible for the jointly held loan. NBBL (Norwegian Federation of Co-operative Housing Associations) have a loan insurance scheme that insures against the risk of default on joint cost payments. Membership of the scheme requires deposits to be at least 20 per cent in housing cooperatives affiliated to a housing association, and 25 per cent for independent housing cooperatives. Further to this, an overall assessment is made of the financial structure and price per square metre. The cost of membership of the guarantee fund is 0.35 per cent of the budgeted joint costs. 3590 housing cooperatives of some 7,000 have signed up to the fund. Some housing associations have their own guarantee schemes.

If the sale price per unit on a cooperative estate falls below the jointly held loan, the unit will not be transferable on the market. This applies equally to foreclosure sales. The housing cooperative must repossess the unit, increasing the jointly held loan costs for the remaining members of the society. The housing cooperative may decide to let the unit in anticipation of a better economic climate when it can be sold. The rent they can charge may be lower than the cost of paying the jointly held loan and managing the estate, adding additional strain to members' expenses. Going into

administration is one strategy if a large number of members terminate their right of residence when the units are effectively unsellable.

Registering sale prospectuses on housing cooperative units

Eiendomsverdi AS runs a database of sale prospectuses and prices in new housing projects. It covers year 2004 to the present. NIBR has taken this as its point of departure and registered prospectuses put on the market between July 1 2006 and end of September 2008. Arntsen et al. (2006) used the database and registered low deposit unit prospectuses from 2004 to July 1 2006. NIBR was given access to this database.

Housing cooperatives must fulfil the following criteria before registering with NIBR's database. The criteria were set up beforehand by the study's commissioner.

- All new housing cooperative projects with an average deposit share lower than 25 per cent
- Projects with at least one unit with a deposit share equal to 20 per cent or less
- Projects with "high prices"
- Projects with only single-room and two-room units
- Projects aimed at the young segment of the market
- Projects with an instalment free period on the jointly held loan longer than ten years
- Projects with a more than 30-years' term on the jointly held loan

According to Eiendomsverdi's database, about 630 housing cooperatives advertised units on the market between July 2006 and September 2008. Prospectuses which lacked information on prices, floor space, payment terms on the jointly held loan or information on marketing directed at young adults were not registered in NIBR's register.

Some of the projects were erroneously registered as housing cooperatives, some had been taken off the market, some were counted more than once because they were entered anew at every stage of the construction as a unique housing cooperative, and others failed to provide sufficient information enabling us to determine whether they were low deposit housing cooperatives or not.

NIBR registered 183 housing cooperatives on the basis of the criteria noted above. These low deposit housing cooperatives comprised 43 per cent of all housing cooperatives on which we had sufficient information to determine whether they were low deposit housing cooperatives or not. It is important to remember here that the terms and constitutions on the jointly held loan were a criterion for inclusion in the low deposit unit category in this connection.

A survey about payment problems

As a point of departure for selecting housing cooperatives for a survey on defaults on jointly held loans, we had two databases of registered housing cooperatives, that held by NBBL on low deposit housing cooperatives and NIBR's own register. The two populations provided basis for the selection process. We selected 150 housing

cooperatives for further investigation. Only housing cooperatives with deposit of less than 25 per cent were considered. We selected as the same number of housing cooperatives from each population. The gross sample were cut to 106 due to overlaps between housing cooperatives in the two databases and because the housing cooperatives were either not established or had been cancelled. We received responses from 91 housing cooperatives that we could use in the analysis.

The original idea was to call the chairman of the board of each housing cooperative for answers to questions posed in the questionnaire. After a time, however, we decided that the business manager would probably know more about current payment problems, the issue we were most concerned to investigate. Some of prospectuses failed to indentify the business manager, so we used information on the housing cooperatives at the Brønnøysund Register Centre to locate these business managers. Business managers, it turned out, were highly knowledgeable and more than ready to answer our questions in considerable detail.

Default on payment of jointly held loans

Many of the housing cooperatives built in the first part of the study period are beginning to make payments on their jointly held loan following an instalment-free five years. Anticipated drop in interest rates in 2009 and the assumptions informing estimates of the interest rate movements in the foreseeable future will, however, reduce housing costs for most of them. If problems do arise in connection with repaying loans in low deposit dwellings or other residential arrangements, it will not be due to housing costs per se. The price of low deposit units from 2004–2006 grew so much, prices would have to plummet before the jointly held loan exceeded the sale price.

The survey of business managers of a selected group of low deposit housing cooperatives, 2004–2006, shows that 105 of 2,424 residents or 4 per cent have found it difficult to pay, and have defaulted on jointly held loan repayments. Prevalence of these problems is not tied to construction year, but is slightly higher in housing cooperatives with the lowest deposits.

Sale prices and mortgage interest rates were lowest in the first part of the period, and many home buyers have since experienced a sharp, and unexpected, rise in joint costs, especially on housing estates with a privately financed joint debt. Buyers at the end of the period had to pay more for the dwelling, but the higher mortgage rate at the time meant that housing costs would not rise to unanticipated heights than buyers should have been prepared for.

Is the prevalence of payment problems higher among members of low deposit housing cooperatives than other housing schemes? It is not easy to say. In 2003, 5.4 per cent of people granted a start-up loans in 2000 in Oslo were in arrears by 60 days or more. A review of some randomly selected proceedings opened in 2008 at Drammen City Court to consider applications for a foreclosure sale found in 75 per cent of the cases that the residential units in question were on housing developments built before 1990. Two of ten cases concerned units on estates built 2004–2006. Not many foreclosure petitions lead to actual eviction or a foreclosure sale. In brief then, while the rise in interest rates in recent years did cause repayment problems for some, they were not overly concentrated in the low deposit housing cooperative segment.

Our findings also remove any suspicion that the low deposit housing model in itself might be to blame for the problems. Before we give a fuller answer as to the causes of payment problems, one should, however, take a closer look at finance institutions' credit practices in connection with the purchase of dwellings, particularly low deposit dwellings.

Deposit percentage and identifying developers

A survey of new dwellings constructed in 2005 found that the deposit paid by 9 per cent of the residents of new housing cooperative dwellings was below the 20 per cent mark, while 77 per cent paid 25 per cent or more (Barlindhaug & Ekne Ruud 2008). Our study of the prospectuses and the business manager survey both indicate declining numbers of housing cooperatives offering deposits at less than 20 per cent since 2005.

Private developers built 70 per cent of housing cooperative properties registered at NIBR as low deposit dwellings on the basis of the criteria listed above. The housing associations accounted for 20 per cent, while the remaining projects were joint ventures between housing associations and private developers. The housing associations were responsible for half of the projects where deposits were set at less than 20 per cent.

Resident mix and guarantee schemes

Roughly every third low deposit dwelling on a cooperative estate are occupied by young adults, while 40 per cent of housing cooperatives have occupants across all age groups. The lower the deposit, the younger the household.

About half of low deposit housing cooperatives are affiliates of a housing association, with the likelihood of such affiliation growing with diminishing deposits. According to the surveyed business managers, eight out of ten low deposit housing cooperatives are insured against joint cost-incurred losses. Affiliated housing cooperatives are insured more often than the independent housing cooperatives.

Sales process, estate agency practice and the projects' "young image"

Good estate agency practice is defined under the 2007 amendment to the Estate Agency Act. Many of the projects were on the market before the amended law came into effect from January 1, 2008. According to the testimony of the business managers, good estate agency practice was observed by six out of every ten housing cooperatives, though our investigation found that to be the case in only 14 per cent under prevailing law. Only 6 per cent of the projects target the young adult segment of the market, in our estimation, increasing to 13 per cent for projects with deposits lower than 20 per cent.

Financing and economy

Many of the prospectuses lack adequate information identifying the originator of the joint debt. When the housing cooperative is established and financing arranged, funding of the joint debt in 44 per cent of the projects is by the State Housing Bank, say the business managers. Of housing cooperatives with deposits below 20 per cent, the State Housing Bank finances the joint debt of 6 out of 10 housing cooperatives.

Our review of the prospectuses found only three of the registered housing cooperatives offering a joint debt at a fixed rate. But more than 119 of the 183 projects failed to specify whether the rate was fixed or adjustable. Most housing cooperatives operating with deposit levels below 25 per cent had an instalment free period of less than ten years and a 20–30 year repayment term. Of the housing cooperatives with deposits above 25 per cent, but which had not been registered, 38 per cent had a 50-year repayment term on the joint debt. About half of the prospectuses say that the housing cooperative has or will provide an individual repayment scheme (IN-ordning), i.e., the possibility to repay part the joint debt individually because borrowing needs are less than the joint debt.

The State Housing Bank financed low deposit housing cooperatives

The State Housing Bank financed a greater percentage of low deposit housing cooperative projects built in the early part of the period 2005–2008 when prices were lower than at the end of the period and there was less focus on guarantee or security schemes. Since the proportion of low deposit units with deposits below 20 per cent was higher early in the period, the State Housing Bank financed more of these housing cooperatives than private banks, according to our survey of business managers. The geographical location of the development varied little according to whether it was financed by the State Housing Bank or by private finance institutions. There appears to be a lower proportion of young people and a relatively higher proportion of mixed age groups in housing cooperatives financed by the State Housing Bank. Residential units in the latter were also more likely to be sold by the developer than an estate agency, and developers were also more likely to adhere to the code of practice.

Sale prices of new and existing housing

A comparative study of sale prices obtained for projects registered with NBBL in 2005 and sale prices obtained for new housing constructed in 2005, registered in Barlindhaug & Ekne Ruud (2008), was unable to say conclusively that the sale price of low deposit dwellings in 2005 was higher than that of similar housing.

On the basis of sale prices of low deposit housing registered with both NBBL and NIBR, we provide information on sale price movements during 2005–2007. Sale price movements are compared with Statistics Norway's construction price index for multi-dwelling housing and sale prices for existing cooperative dwellings in the same period. The result of this comparison does not allow us to say that the sale prices of low deposit dwellings constructed in 2006 and 2007 were higher than other comparable housing.

Data obtained from finn.no were used to estimate the effect of joint debt on total prices obtained in the market for existing housing cooperative dwellings in 2003 and 2008. Both years showed that house prices rose when joint debt per square metre floor space rose. We cannot say on the basis of these data that low deposit housing obtains lower prices in the market for existing dwellings compared with similar dwellings.

After reviewing the project costs, revenue from sales and contribution margins of four expensive projects, developments in central areas are expensive, but attain a

higher sale price in this segment of the market. Rising interest rates, financial collapse and speculators unable to weather the storm in a sinking market have undermined normal profit margins and two of the projects should expect a negative contribution margin.

On the low deposit dwelling model

There appears to be a general pull-back from the low deposit housing segment, partly due to stories in the media, but also because of developers' experience with the model.

Although defaulting on joint costs is not concentrated in housing cooperatives with high levels of joint debt, prices fetched in the market are no higher than for similar dwellings. The low deposit model is nevertheless under some stress.

The new Estate Agency Act together with a branch norm and reports on improving guarantee schemes for housing cooperatives could mitigate some of the adverse press given low deposit housing cooperatives. In addition, steps should be taken to examine financial institutions' practice as regards loans given for deposits; at high joint debts in need of repayment; and at the situation that arises when a buyer has no need to borrow from a financial institution to buy a low deposit dwelling. Where, in this latter situation, does the onus lie to advise against the purchase?

Developers are calling for action in connection with housing market speculators, and banks, guarantee funds and developers are conscious of the dangers of having a system of differentiated deposits in the same housing cooperative project.

Residential quality and municipal planning

The record of the municipal planning system in promoting universal design

By Siri Nørve
NIBR Report 2009:8

Background

This project stems from divergent observations concerning government policy on qualities in housing and construction on the one hand, and closely corresponding municipal tasks and responsibilities on the other. The past decade saw policy change in the municipalities' housing policy from a focus on supplying general purpose housing, to one on social housing and welfare. In a similar fashion, residential quality is now a subcategory of municipal housing policy in connection with policy initiatives and issues related to social housing.

Research questions

This project focuses at municipalities which have prepared social housing action plans. We asked:

- Do the social housing action plans routinely include housing quality standards?
- Has social housing planning created a space for discussions about residential quality?

Social housing planning got under way in 2003, and many of the plans studied by us date back to this early period. Municipalities have since worked on rotating the social services and land use sections of the master plan. What we wanted to learn was whether quality standards are ultimately incorporated into the master plan. We asked:

- What happens in municipalities whose social housing policy includes statements on residential quality – does it have an impact on planning within other services etc.? Are the quality statements reproduced in land use plans?

We were not sure of finding zoning provisions concerning “universal design” in the municipalities, so we looked at some of the municipalities where we could expect a particular focus on these issues: municipalities resented in the Pilot Municipality Project, BU-13, i.e., the Government's programme to ease accessibility for people with disabilities (see *Regjeringen handlingsplan for økt tilgjengelighet for personer med nedsatt*

funksjonsevne. En plan for universell utforming innen viktige samfunnsområder). Municipalities have worked across a broad front, with inter-municipal brainstorming and learning sessions during which cross sectoral projects were hammered out and formed into sub-projects. Municipal planning under the provisions of the Planning and Building Act met with a great deal of interest at these meetings. Several municipalities took steps to incorporate universal design in the drafting stages of the master plan, and a subproject under BU 31 was created (BU 31-3) to investigate how universal design could be integrated effectively and sensibly. We wanted to study what happened in these municipalities:

- When municipalities have formulations on residential quality standards in their zoning plans, what standards do they have in mind? What is their experience of the zoning plan as a policy instrument to promote residential standards based on universal design? Has it made any difference to development plans or the handling of building permits?
- Do the municipalities use other ways of promoting integration of the desired housing quality standards? If the answer is yes, how do they work?

Methodology and data

The project relies mostly on document studies of plans and policy objectives posted on the websites of the municipalities or contained in material they provided for us. We also obtained information from interviews.

The first task was to look at the social housing plans from municipalities in one particular county to see whether housing quality criteria were included on a routine basis. We then assessed social housing plans from two of the municipalities that we knew had adopted quality criteria to see how they fared as planning progressed.

Secondly, we assessed the three pilot municipalities and studied their planning documents. The output from this assessments was written together, for each municipality, and sent back to them as background material to form the basis for in-depth interviews.

Thirdly, we studied Stavanger City Council's preferred model of integrating the housing qualities of choice. The city council provided information on their use of technical regulations and administrative procedures in quality assurance work, information that was supplemented with interviews.

Findings

We studied eight plans from municipalities in Østfold County but found little mention of housing quality. Most expressed a commitment to purpose-built housing for disabled and disadvantaged people, and to adapting existing housing to these residents' needs. Adaptations tend to address the needs of elderly residents. Municipalities take advantage moreover of the State Housing Bank's housing grants for this purpose. Insofar as the Østfold municipalities are concerned about universal design, it appears to be limited to making municipal housing more acceptable to residents in terms of location, floor space and quality.

Zoning plans and manuals

We studied two municipalities which had included quality assurance mechanisms in their social housing action plans. One of the municipalities made sure that the housing quality standards were included in the preparatory work for the new master plan. A provision was also included in zoning plans, instructing developers and builders to take universal design as a starting point for the design of developments and the common outdoor areas. Here, however, work seems to come to a halt, possibly because universal design is an unclear concept from which to derive definite criteria, requirements and standards etc. Its vagueness also makes it difficult for planning authorities to translate universal design into practice.

The problem is similar to that facing the pilot municipalities, i.e. whether it is possible to integrate the universal design principle in plans and other policy instrument: Trondheim City Council worked hard on a manual intended to flesh out the bone of the principle. But there is no compulsion on anyone to abide by either manuals or standards – signing up to them is entirely voluntary. Several municipalities, including Trondheim, have attempted to make their guidelines/project design tools compulsory by including references in zoning plans. This they were told, however, was illegal. Trondheim City Council is pursuing the matter further, but now in terms of a project design tool.

Stavanger found a “safe” route through conditional sale and an appurtenant quality programme, a strategy most municipalities would struggle to follow. Also for Stavanger City Council this will be an increasingly difficult path, given the shortage of municipal owned land for building.

New law – new possibilities for implementing quality measures and universal design?

Norway has a new planning law. Under the new law, zoning provisions can be given for fourteen categories of land use, out of which some are related to housing standards. Some municipalities nurture a hope of being able to subsume housing quality standards under the zoning provisions. But we ask whether this is wise? Should municipalities define quality standards themselves and use municipal policy tools to realize them?

Standardised construction – a challenge

We have reflected over this issue in light of developments in the housing manufacturing sector. Houses are not manufactured locally but by leading national and Scandinavia-wide enterprises. To ensure quality and reduce costs, a lot of work has been done on industrializing and standardizing housing construction, and the project design depends on a greater degree of standardization. Conceptual drawing should be preferred when it comes to designing flats, shell constructions, facades, details and technical installations etc. Many standards associated with universal design is found in the layout plan, including room size and service areas, inter-room connections and passages. Further systemization and modular housing production is desired by the industry, though the municipal need for controlling of residential quality could in effect become a regulatory barrier. In other words – it is a mismatch between the construction sectors’ increased standardised building and municipal efforts of imposing quality measures through locally made regulatory means.

Family Medicine in Russia

Swedish reform support evaluated

By Jørn Holm-Hansen
NIBR Report 2009:9

Primary health care used to be one of the Russian health system's strong sides. During the Soviet period basic health services were made accessible to the population at large, including rural dwellers. Easy access to specialists was a particular feature of the system as it developed. Correspondingly, the gate-keeping functions of the generalists were weakly developed.

Not treating patients at the "lowest possible" level proved to be cost-inefficient. Therefore, during the perestroika period in the second half of the 1980's, economic incentives were introduced to reduce over-referrals to specialists. General medicine was made a recognised specialisation in 1992, but the practical follow-up has been lengthy. Still today, the number of general practitioners in Russia is under 5000.

Since 1998, the The East Europe Committee of the Swedish Health Care Community (SEEC) has been supporting the ongoing Russian reforms of primary health care and family medicine in the regions of North West Russia. SEEC is a non-profit NGO representing almost the entire Swedish health sector. SEEC aims at promoting public health in adjoining parts of East and Central Europe.

The Evaluation Report goes in-depth on three Swedish-Russian projects aiming at promoting family medicine in Russia. With the aid of the concept of "programme theory", the Report identifies the assumed mechanisms leading to the desired goal of stronger general and family medicine services in Russia.

The projects are carried out in co-operation between the regions of Jämtland and Vologda, Gävleborg and Leningrad and Stockholm and St. Petersburg. Vologda and Leningrad are pilot regions for primary health care reform, and St. Petersburg used to be forerunner in the field at the time the project co-operation with Stockholm started up.

The belief in making regional authorities in the two countries co-operate on health reform is one of the characteristic features of the operation's programme theory. The second pillar of the programme theory is the belief in training. The bulk of the project activities consists in training and education. Thirdly, there is the emphasis on

model units. Equipping model units in order to show the merits of the GP system by the power of example has formed an important element all three projects.

The Report concludes that the projects have been well-thought out with a logical programme theory. In general, the projects follow sequences in which one activity is followed up by an activity that makes use of the achievements from earlier phases.

The project leaders on Swedish side are all experienced medical personnel and health managers. The projects have drawn extensively of Swedish personnel currently working in the primary health care which allows their Russian colleagues to get acquainted with fresh inputs from the field. On the Russian side the day-to-day project leaders have been experience health care personnel with a strong will for reform.

The knowledge-intensity of working in Russia has been underestimated, and very little has been done to systematically compensate for this lack. Although SEEC has been useful as an advisory and structuring element, the projects seem to have been less well prepared to cope with obstacles. Although having an intention of being system-oriented the Swedish project owners have lacked the necessary insight in Russian realities to cope with them. Sadly, the Russian side has not done enough to explain – or sort out – the problems. Concrete knowledge about and understanding of each others specificities and realities is probably the single variable that could have raised project efficiency most effectively.

Russia is a country where reform support is welcome, but where “donor-driven” policy transfer is of little relevance.

Project activities having their origins in the 1990’s, when Russia was a quite chaotic place with representatives of the health sector open to almost any suggestion to cooperate, have had to adapt quickly to a situation of more efficient streamlining from above and more selective approaches on the part of relevant Russian authorities. This latter factor has to do with the considerable improvement of public finances since the early 2000’s.

Immediate project results, or *outputs*, are the strong side of the projects. Outputs, like the establishment of model units, seminars and study trips, are produced efficiently, and they are carefully and pedagogically reported.

The next step – *outcomes* – however, is clearly more problematic. Since the projects’ main intervention consist in training, looking for outcomes equals investigating how the newly acquired knowledge is being put into practice. Really to account for changes on outcome level requires insight in the Russian system that the Swedish side does not possess, and the Russian side does not share. Nonetheless, it is evident that family medicine is being practiced in model units established by the project and/or by medical personnel trained through the project.

When it comes to *impacts*, more has been achieved on the personnel side than on institutional change. Where family medicine is being practiced as a result of the project, there are fewer referrals to specialists. The model units have attracted some attention from health authorities in neighbouring districts. Large-scale impacts are contingent upon factors beyond project level, most importantly the degree to which Russian regional health authorities push the reform.

The projects have been expensive, not least because man-hours spent are considerable. Project leaders and assistants on the Swedish side have part-time positions to run the projects. On the Russian side the project leaders also have part or full time positions.

Cost-efficiency is likely to increase if the co-operating partners are the most suitable implementers. In order to assist Russian reforms in the field of primary health care, the Russian authorities in charge are at regional (federation subject) level as well as municipal level. Health care is the one policy field that dominates among the responsibilities of Swedish county councils. Therefore, basing the co-operation on regional authorities enhances the chances of cost-efficiency.

The Report presents four basic recommendations for use in ongoing or future projects, in Russia or elsewhere:

1. Projects established in chaotic periods of a county's history should take care not to misinterpret the lack of initial resistance to the project idea as a sign the project is well thought out.
2. All projects should be carefully linked up to domestic reform agendas.
3. The knowledge-intensity of carrying out projects in a foreign country should not be under estimated. All projects should be preceded by a consequence analysis carried out by external experts.
4. Project holders are advised to restrict the number and complexity of activities going on simultaneously. Keeping project activities simple (yet challenging) and few in numbers makes it possible to make sure results are verified before moving on.

Introducing Occupational Therapy in Russia

Swedish efforts evaluated

By Jørn Holm-Hansen
NIBR Report 2009:10

Russia has a strong tradition of rehabilitation and recovery, which among others manifests itself in a fine-meshed net of sanatoriums all over the federation. The professional subdivisions within Russian rehabilitation does not coincide with those of, say, Sweden. For instance, occupational therapy as a profession does not exist in Russia. Introducing occupational therapy was the main objective of the project evaluated in this Report, and the main intervention to reach this goal consisted in establishing education in occupational therapy.

The project was carried out by the Swedish Association of Occupational Therapists (FSA) and the Mechnikov State Medical Academy in St. Petersburg in four consecutive phases between 1998 and 2008.

The main objective of the project was not reached despite efforts throughout ten years and grants amounting to almost ten million SEK. Occupational therapy has not been introduced during the project period.

Nonetheless, as a result of the project, a small group of medical doctors have received the basic training recommended by the World Association of Occupational Therapy. Some of them are qualified as trainers. A number of medical institutions function as model units where students can practice. In other words, in case Russian authorities in the near future decide to introduce occupational therapy, there is a certain critical mass of skilled personnel in St. Petersburg.

The project suffered from a weak programme theory (assumed links between the project activities and the results). From carrying out training to introducing a new profession there is a long way to go, and the project owner hardly looked beyond the training stage. In fact, at times the project owner referred to training as the projects main goal.

The project might have gained from distinguishing between varieties of introducing occupational therapy. The aim was to introduce it as a standardised *specialisation* for medical doctors, but it could also have been based on nurses, physiotherapists or other health professions. Introducing it as a profession is but one among several

varieties. Alternatively, occupational therapy could be established not as a fully-fledged profession, but rather as *a field of activity* applicable for specialists within various medical professions.

The project met serious problems at an early stage. The Russian partner clearly showed signs of loosing interest as the project periods passed by. The Russian project partner seems to have got second thoughts already during the first project period, but was apparently not ready to discontinue the project formally.

Since the project started on the initiative of a superior decision-maker in St. Petersburg's health system at the time, the FSA made little further investigation into the actual need and wish for occupational therapy in Russia. The Swedish partner was not very attentive to – or knowledgeable about – the set-up of the medical sector, and worse, they do not seem to have got much help from the Russian side in acquiring such insight. The project had very few links to the recent reform of recovery medicine in Russia that took place during the project. In fact, the reform went unnoticed by the Swedish partner. The lacking links to an overall reform strategy explains some of the difficulties in securing Russian funding of project activities (refurbishing training premises; paying Russian lectures among others).

Apart from small technical and pedagogical adaptations, the project methodology and approach were not changed. In stead the project owner repeatedly applied for funds to replicate the previous project. In fact, there is reason to ask why the project was not discontinued at the end of project 2 or 3.

The report contains a set of recommendations of a general character for use in ongoing or future projects. These are:

5. *Be ready for normalcy.* Prepare for project implementation in stable, well-structured countries, and link up with reform agendas in the target country.
6. *Do not underestimate the knowledge-intensity of the project.* Carry out an in-depth appraisal or pre-feasibility study before starting up the project.
7. *Use Russian in Russia.* Translate basic literature into Russian as early in the process as possible, and make use of Russian-speaking trainers as much as possible.

Commercial and centre analysis for Municipality of Trysil

By Vidar Vanberg
NIBR Report 2009:11

Mandate

This analysis of the retail market for the municipality of Trysil assesses the customer basis, purchasing power, retail coverage and trade leaks. The importance of tourism to business is considered along with the options available to encourage a wider selection of retail businesses. Also included are strategy and impact analyses regarding the structure of centres in the municipality and its commitment to commercial growth. The mandate for this study prescribed the type of data to be used, i.e., publicly available statistics. No data were therefore solicited from local businesses. A survey of consumers was, however, conducted under the municipality's auspices. To underpin the business data, we did meet with local businesses, members of the tourism industry and council officials.

Trade leaks and trade coverage in the retail market

To estimate the scale of the trade leakages and trade coverage in the retail market, we analysed the trade coverage in the municipalities that make up the south-east Østerdal region. These analyses showed the success with which Trysil and the municipal centre of Innbygda had consolidated their position in recent years as retailing centres. Concealed within these positive coverage figures we find evidence of trade leakages to Elverum, among other places. Tourism accounts for much of the high coverage rate, so if we correct for the business generated by tourism in the municipality, the picture that emerges is very different indeed. Elverum, naturally, is the leading retail centre in the region. We found some significant trade leakages from other areas as well, including Åmot, Stor-Elvdal and Engerdal.

Spending power

A study of factors affecting spending power in Trysil found both positive and negative features with regard to historical changes in spending power. A projected fall in the population size towards 2020 of about 300 residents and average income levels well below the national and country averages are not conducive to growth. The retail sector is also in a period of stagnation. Since it is likely to persist it will probably

cause rising unemployment and loss of custom for most types of business. The situation will deteriorate in other words, and will clearly represent a significant challenge to Trysil's retail sector. Again, however, help may be at hand from the tourism industry. Expansion in the tourism sector in Trysil should encourage growth also for the retail sector and centre development in the municipality despite the uncertain prospects in the consumer market and retail trade.

Sales

Our study of business in Trysil's retail sector found evidence of steady growth in the municipality over the past few years. This is corroborated by the figures for 2007 and first half of 2008. Sales per capita are high, indicating a significant custom from non-residents, i.e., visitors, cabin dwellers and tourists, who avail themselves of Trysil's assortment of retail businesses.

Consumer survey

As the consumer survey indicates, many retailers are losing trade to competitors elsewhere. Not surprisingly, the main attraction to customers in the municipality is Elverum. The sector where we find a high degree of trade leakage is the clothing retail market. The most important factor affecting consumer decisions about where to buy items in the specialized market is price, followed by access to a shopping centre. The last time respondents shopped outside the municipality, 79 per cent said that shopping was done in connection with other business (holiday, visiting relations, appointment with a doctor, and travel in connection with work or school). Asked which type of shops they missed most in Trysil, respondents clearly wanted a wider selection in the clothes and footwear area. Institutions of higher education were mentioned by 24 per cent when asked about which services they missed, followed by care services (20 per cent). Asked for "other comments on the range of stores in municipality", people mentioned "cheaper shops" "more clothing shops", "wider selection in the shops", and "longer opening hours in the south of the area".

Shopping centre

The Trysil Centre is one of four shopping centre included in the figures published annually on the Elverum region (south Østerdal region with Municipality of Våler). Shopping centre in Norway saw business grow by 6.4 per cent from 2006 to 2007. In the same year, shopping centre accounted for 31.8 per cent of retail sales overall. Business in the shopping centre sector in the region has grown steadily as well, with sales per resident growing by 19 per cent between 2004 and 2007 in the Elverum region. In 2007, shopping centre sales per capita for the country as a whole added up to NOK 24,034 before VAT, and sales per unit area (i.e., square metre) by the centre to NOK 30,604. The corresponding figures for the Elverum region were NOK 23,221 and NOK 23,891 respectively.

Importance of tourism to business

The importance of tourism to business in the retail sector can be extrapolated to a degree from the monthly retail statistics (interim statistics with data on 6 reporting periods per year). We can do this by comparing sales during tourist season months with typical non-tourism months. The figures for 2007 for the retail sector excluding motor vehicles remained relatively stable through the year, with the exception of

November and December and May and June. May and June sales were lowest (20–22 per cent below periods 1, 2, 4 and 5) and seem to be the months during which tourists spend least in Trysil. A business peak around Christmas is usual in many municipalities. What is more intriguing is that the sales for the period May and June are so clearly below sales for the rest of the year. These are the months during which tourism generates the lowest sales figures in Trysil, throwing into perspective the proportion of sales generated by residents of Trysil themselves.

According to calculations, tourism seems to account for well over NOK 100 million of Trysil's retail sales. Plans to increase the current number of tourist beds from 20,000 or so to about 33,000 should stimulate growth in the retail sector as well. The challenge will be to exploit the potential in the best possible way.

Uncertainty prevails in the Norwegian retail sector

The Federation of Norwegian Commercial and Service Enterprises (HSH) published prognoses for the retail market for the years 2008 and 2009. Following a good year for retailers in 2007, 2008 will show a levelling off and the prognoses for 2009 indicate stagnation/downturn for many retail categories, apart from the food-category. An unpredictable finance market affects the situation, but lower interest rates, tax breaks for households and reduced employers' social security contributions for business are measures that are likely to affect the picture somewhat. In Trysil, which attracts a large number of foreign visitors, 2009 will also be marked by fluctuations in the currency market, with a weaker Norwegian krone likely to induce more foreign tourists to visit the municipality.

Exciting challenges ahead

Looking forward, there are some exciting challenges facing Trysil in the municipality's efforts to turn Innbygda into a municipal centre with greater appeal. Ideas of how to progress here are discussed in chapter 10 on centre strategies for Trysil. There are several elements to the approach: right type of business in the right place; applying a holistic philosophy to the entire development; concentrated centre development. At the same time, Mosanden Commercial Park (Mosanden Næringspark) should double for the municipal centre for the more space-demanding retailers. It will also be important to proceed in close dialogue with the tourism industry with regard to growth and locating businesses which can strengthen the infrastructure and encourage a varied retail presence in the years to come. The smaller centres, neighbourhood centres in the municipality, should be included in a strategy for neighbourhood services. Where neighbourhood services exist already, they should preferably be retained. This could be done under the Mercury Programme, a programme supervised by the Ministry of Local Government and Regional Development and aimed at promoting the interests of local communities in terms of service provision.

The statistics we have presents should facilitate an assessment of the strengths and weaknesses of the range of businesses in the service sector in every municipality in the south Østerdal region, measured by number of provisions and number of employees in 61 businesses in the service sector as of 1 January 2003 and 1 January 2008. It would be advisable to pursue a more structured plan to promote new business establishment in the service sector and highlight Trysil's particular features

and advantages. It will be important to communicate with the public by means of consultations and participation in decision processes by ensuring good accessibility to the services; by encouraging niche development and investment areas across conventional approaches, and encouraging innovatory marketing solutions. These are some of the themes that are considered in the chapter on centre strategies and ways of strengthening centre services.

The Practice of Neoliberalism

Responses to public sector restructuring across the labour-community divide in Cape Town

By David Christoffer Lien
NIBR Report 2009:12

The contested politics of municipal work and service delivery in Cape Town, South Africa illustrates many of the dilemmas facing organised labour in times of state restructuring. Parallel processes of democratisation and neoliberal reform have reconfigured the City of Cape Town as a municipal institution, and this has fundamentally transformed the workplace of municipal employees – as well as restructuring service delivery systems in the city. In particular, this study examines the processes of casualisation of work, commercialisation of services and depoliticisation of industrial relations. Conceptualised as *neoliberal restructuring*, the research conducted has focused on how different groups of workers have been affected by these reforms and, importantly, how they have responded as organised labour.

This theoretically informed case study links ongoing debates around labour, space and capitalism with a particular context where workers have been challenged by state restructuring. A review of recent conceptual advances in labour geography is coupled with a discussion of the relevance of state theory approaches to the politics of public sector work. This thesis also asks whether this Anglo-American academic framework is applicable to the post-apartheid context. Making use of qualitative methods, different political actors have been interviewed and various sources of documentation have been analysed in order to give an in-depth understanding of the contested restructuring processes in the City of Cape Town (CoCT) since 2000. Attention is directed to the strategies and reflections of employee representatives and senior management in the municipality.

Several key insights flow from this thesis. Firstly, it addresses the need for developing labour geography as an analytical framework to understand the challenges of workers in the world economy. More specifically it offers some conceptual tools to better explain the impacts of neoliberal state restructuring on public sector workers. Secondly, it explores the scalar dilemmas posed to local government actors, when political crises at other spatial scales are displaced to the local labour market. Thirdly, it sheds light on the concept of fragmentation, as experienced by workers in their workplaces and communities. By so doing, this case exemplifies how neoliberalism threatens worker solidarity and shuts down spaces for progressive community

politics. Fourthly, it highlights one of the key contradictions of neoliberalism in local government: namely, how the potential for union-community mobilisation against commercialised service delivery is jeopardised by the concomitant casualisation of municipal jobs, a process that pits different groups of workers against each other in competition for employment opportunities in a neoliberal labour market.

Demographics and Business Development in the Sogn og Fjordane County

Frants Gundersen og Kjetil Sørli
NIBR Report 2009:13

Sogn og Fjordane is a county where bigger cities and urban areas are few, but access to natural resources is great. Agriculture, fisheries and aquaculture are important industries, and access to energy and a long marine tradition have supported the growth of smelting plants and shipyards. Personal and business services are under-represented. The developments in the last ten years indicate, however, that the county slowly approaches the national distribution of employees among industries.

The county has a large share of youths that moves out of the county. It is only the municipal of Førde that has a positive net movement of people between 20 and 30 years old.

85–90 percent of those who complete a higher education moves out of their origin municipal. Of those who moves, only 12 percent live in another municipal in the county when they reach the age of 40. But it is the low number of people moving in that is the main problem for those municipals with biggest losses related to movement.

Sogn og Fjordane is the county in Norway with the largest share of old people. This is also the case for most of the municipals within the county. The reason is that the county has low mortality rate, combined with a high share of young people moving out of the county.

This report has its main focus on the years 2004–2008. This has been a period with prosperity and economic growth. We know that people move more under such conditions, and for reasons that is less connected to employment. So for Sogn og Fjordane, which has net losses from movement as a starting point, prosperity is not all good. Last years development, with downturn in the economics, can of course alter this picture.

Knowledge, innovation and development of cities and districts of the inner parts of Norway

By Knut Onsager
NIBR Report 2009:14

The report opens with a review of the theoretical perspectives on regional innovation and development, and the characteristics of territorial innovation and growth patterns described in current international research literature. This is followed by a description of regional structures, innovation resources and processes, innovation and growth patterns in the city regions and the small community regions in Innlandet (Hedmark and Oppland counties).

Following this, the report synthesises innovation and growth patterns of city regions and small community regions in Innlandet, and gives some explanations of this pattern. Towards the end the structures and patterns from Innlandet is compared with theories and patterns described in international literature. In concluding we present some of the challenges facing city regions and small community regions in Innland attempting viability in the knowledge economy.

Population and employment growth has been slower in Inland than the country as a whole in the past decade mainly due to overall slower natural growth (due to an aging population) and slower in-migration rates than the national average, as well as slower private sector growth than the national average. If we exclude the major cities, growth in Inland is roughly the same as growth rates nationally.

In spite of less R&D-intensity and formal education level, Innlandet has higher innovation rates than the national level. However, the new firm formation rates are somewhat under the national level.

Innlandet comprises thirteen city regions and small community regions which are specialised in different types of resourcebased industries, high-tech industries and service provision. The regions have expanded the industrial base particularly through growth in knowledge-intensive and experience-based services, as well as in public sector. The growth rates of jobs in small community regions has been faster than in the city regions (and equivalent regions nationally). The success of the small community regions comes from the dual effect of a substantial public sector growth (rights-based growth driven by demographic structures and increased governmental redistribution), in combination with increased private consumption and investments

togheter with a substantial local innovation capacity related to unique natural and cultural resources. This decentralised job creation in Innlandet has happened during a period which in international literature has been described as a periode of a reinforced "urban turn" where innovation and growth capabilities have been concentrated to major city regions and high-tech clusters. The report conludes that these international patterns and growth models have limited relevance for the regions of Innlandet.

The value households place on lifts in apartment buildings

By Per Medby
NIBR Report 2009:15

The report analyses the value households place on lift facilities in existing apartment buildings. The value placed by households is one aspect of the socio-economic utility of the lift installation. In addition there are savings to the public purse from, among other things, less demand for institutional elderly care.

The value of a lift from the household's point of view can be estimated by examining the difference in price between apartments in buildings with and without lifts. Corrections need to be made for other characteristics of the apartment which could affect the price difference. This is done with the help of hedonic regression analysis.

For the purpose of the project we obtained data on the features of apartments located in central Oslo west (Majorstua) which changed hands between November 2007 and May 2008. We then obtained data on the price achieved for the same apartments from the The Association of Real Estate Agency.

We employ hedonic regression models with two different function forms and on different sub-samples. Irrespective of model, a lift in a building always has a positive effect on the apartment's square metre price.

A lift generates an increase in square metre price of NOK 2,675 in the linear model with a fixed krone effect. In a sub-sample without dwellings on the ground floor, the square metre price rises to NOK 2,806. We also tried running the models without the smallest apartments. Leaving out all apartments of or below 60 square metres, the effect of the lift variable grew stronger, reaching NOK 3,022.

We also tried a log linear function form (a model with a fixed percentage effect). The impact of the lift variable in this version is a price increment of 5.04 per cent. When apartments of and below 60 square metres were excluded, the effect of the lift variable rose to 7.41 per cent.

This would seem to indicate that the larger the apartment, the higher the value of a lift. In other words, households in areas with more (relatively) large dwellings will have on average greater use of a lift than in the area we studied.

We attempt to illustrate how the value placed by households on a lift affects the socio-economic profitability of installing the lift. We find that the effect on

apartment price together with saved outlays for institutional elderly care make a lift installation in the project socio-economically profitable.

Norwegian Party Assistance in Tanzania

By Erik Henningsen and Einar Braathen
NIBR Report 2009:16

The Norwegian Centre for Democracy Support was established by the Norwegian Parliament (*Stortinget*) in 2002, as a politically neutral non-profit organisation with the aim of strengthening the Norwegian foreign policy goal of securing good governance through the promotion of multiparty democracy and free elections in other parts of the world. More specifically, the objective of NDS has been to facilitate the use of the experience and competence of Norwegian political parties in the development of strong and stable democracies in countries in the South.

This report is an evaluation of three projects of international party assistance that are implemented in Tanzania with funding from NDS. Two of the projects which are considered in the report are carried out in Magu district in the Mwanza region in the North-Western part of Tanzania. *Haki na Demokrasia* (Rights and Democracy) is a cooperation project between the Norwegian Senterpartiet (Centre Party) and the local branches of Chama Cha Mapinduzi (CCM), Civic United Front (CUF) and Chama cha Demokrasia na Maendeleo (CHADEMA) in Magu district. *Vijana na Ushawishi* (Youth and Influence) is a cooperation project between Senterungdommen (Centre Party Youth) and the youth wings of the CCM, CUF and CHADEMA in Magu. The third project considered in the report, *Democracy in Tanzania*, is a cooperation-project between the Norwegian Conservative Party (Høyre) and CHADEMA.

The projects that are implemented in Magu district by the Senterpartiet and senterungdommen are described and analysed in chapter 2 of the report. *Haki na Demokrasia* has been running since 2005. The project targets the members of the district branches of CCM, CUF and CHADEMA in Magu and employs the study circle methodology to impart knowledge about issues of rights and democracy to project participants. The long term objective of the project is to strengthen civil society through capacity building of grassroots leaders from the party organisations, youth and women organisations in order to enhance unity, democracy and sustainable development in Magu district. *Vijana na Ushawishi*, which started in 2006, target the young membership of the political parties. The long term objective of the project is to strengthen the position of youth within political parties and in Tanzanian democracy.

The core activity in both projects is the study circle groups with local members from CCM, CUF and CHADEMA. The study circle groups are established by facilitators

who have received training at seminars with the Norwegian project partners. The groups meet on a continuous basis at the facilitator's home location. At the end of 2008 120 facilitators have received training as a part of the *Haki* project and 40 persons have received similar training in the *Vijana* project. Apart from the activities of the study circle groups, project activities consist of seminars with the Norwegian project partners, production of study material for the study circle groups and study trips to Norway. The report notes that the frequency of visits to Tanzania by the Norwegian project partners is high and points out that, given the overlaps in objectives and target groups, the creation of two projects in Magu district was unnecessary.

The projects seem to be well known to representatives of the political-administrative system in Magu. In group interviews with project participants it was reported that the projects have affected local communities in Magu positively in three ways. *Firstly*, the projects are reported to have improved the working relations between the political parties and made it possible for members of different parties to discuss matters of community development in a constructive atmosphere. *Secondly*, the projects are reported to have increased the political participation of women and youth. *Thirdly*, the projects are reported to have improved project participants understanding of matters of good leadership and good governance.

In Magu it is common to expect payment for participation in development projects. According to the study circle group facilitators interviewed for this study, it is difficult to recruit members to a project for educational purposes only. As an incentive for recruitment, most of the study circle groups interviewed for the evaluation engages in economic activities, such as micro-credit funds. These activities contribute to the sustainability of the project, but may also give study circle groups an exclusive character.

An important incentive for participation in the project is the allowance payment participants receive for attending seminars with the Norwegian project partners. Reflecting on the issue of allowances, the report notes that this may create unrealistic expectations about the material rewards of project participation, that it creates problems of free riding on project resources, which in turn enhances the need for monitoring activities, and that it elevates actual or perceived gate keepers of project resources into positions of power. The report notes project participants' interest for the study trips to Norway, which seems to be an important incentive for recruitment to the project, and that the projects seem to have promoted a glorification of Norway as a socio-economic ideal. The report further notices that there is rivalry and suspicion between project participants with regards to the distribution of these rewards in the projects.

The *Haki* and *Vijana* projects are administered locally by an NGO which is owned by an MP from Magu district. The MP has a central role in the projects, formally as the project coordinator and symbolically as a provider of the project. In Tanzania, development projects are common vehicles for the dispensing of political patronage to the poor. Reflecting on this circumstance, the report points out that the use of the NGO in the projects is unfortunate. The report further notes that the second largest opposition party in Magu district and a rival to the MP, United Democratic Party (UDP), has to a large extent been excluded from the project.

The study circle approach is potentially a low-cost method of education that can be appropriated by people with little formal education, but the *Haki* and *Vijana* projects have taken on a character as parallel structures and are not sustainable in their present mode of operation. If the Norwegian financial support is withdrawn, it is likely that the project activities in Magu will come to an end.

Given the problematic features of the projects, continued funding of *Haki na Demokrasia* and *Vijana na Ushawishi* projects is not recommended. If similar projects are to be implemented in other districts in Tanzania it is important that they give more emphasis to the study circle methodology's potential as a decentralised and low-cost educational approach, that clear criteria of eligibility for participation by political parties are developed, and that the project avoids contributing to the fragmentation of local governance structures.

Chapter 3 in the report describes and analyses the *Democracy in Tanzania* project, which started in 2006. *Democracy in Tanzania* is smaller than the projects implemented in Magu district in terms of its budget, and unlike those it is a bilateral project of "sisterparty" cooperation. The objective of the project is to help CHADEMA become a good, decent and effective opposition party. More specifically, the goals of the project are to encourage more women to contest for positions in the party and in Parliament, and to produce a larger group of young aspiring leaders within CHADEMA. Project activities mainly consist of seminars. In 2008 Høyre visited Tanzania two times together with the Swedish Moderaterna. On both occasions the Scandinavian team gave two seminars for youth and two seminars for women. Since 2007 Høyre has been running a standard seminar concept featuring general tools for party work. The main teaching components of the seminars are: recruitment of members, communication skills, campaigning skills and SWOT-analysis. In addition to the seminar activities, the project includes study trips to Norway for CHADEMA officials.

In interviews with party members who had participated in seminars and party officials at the CHADEMA headquarter it was reported that the skills and knowledge conveyed at the seminars are relevant and useful. It was reported that the seminars are important occasions for networking among party members and that they strengthen the cohesion of the party's membership. Party officials also reported that relations with foreign political parties lend prestige to CHADEMA and may be helpful in terms of voter support.

In interviews with CHADEMA officials it was pointed out that the Høyre's standard seminar concept has been appropriated by resource persons in CHADEMA, and that new seminar concepts should be developed for future visits. In particular, the party has a need for training of electoral candidates in the run up to the next elections. This would imply a shift of focus away from women and youth. Also, the party has needs for research and policy advice, assistance for the development of the informational infrastructure of the party and for organisational development.

In interviews with CHADEMA officials it was reported that there is a lack of continuous communication with Høyre and that project activities tend to be of an *ad hoc* nature. As a result of this, the project tends to take on the character of a series of events rather than a cumulative process. The short time frame for planning of activities makes it difficult to ensure that the right people are invited to seminars and

to coordinate the activities with CHADEMA's engagements with other providers of party assistance. It was also pointed out in interviews that study trips to Norway may be of dubious value to the party organisation unless there are follow up activities in CHADEMA afterwards.

The report recommends that Høyre and CHADEMA develop yearly activity plans for the project, and that Høyre establishes a project team with representatives from the women and youth movements of the party. It is further recommended that project activities are given the form of training of trainers and that written manuals are developed for the seminars. Finally, it is recommended that study trips to Norway should not be a part of the project activities.

Homeless in Norway 2008

– A Survey

By Evelyn Dyb and Katja Johannessen
NIBR Report 2009:17

The report sets out and discusses the findings of the fourth nationwide survey of homelessness in Norway. The survey was conducted autumn 2008. Similar surveys were carried out in 2005, 2003 and 1996. The Norwegian State Housing Bank commissioned the surveys.

Defining homelessness

The definition used for this and the three earlier surveys is as follows:

A person is homeless when s/he lacks a place to live, either rented or owned, and finds themselves in one of the three following situations:

- Has no place to stay for the night
- Is referred to emergency or temporary shelter accommodation
- Is a ward of the correctional and probation service and due to be released in two months at the latest
- Is a resident of an institution and due to be discharged in two months at the latest
- Lives with friends, acquaintances or family on a temporary basis

Persons living in sublet accommodation or residing permanently with family and close relations are not covered by the definition. See chapter 1 for a detailed review of the definition.

Method

Chapter 2 details the survey's method and discusses its advantages and drawbacks. The chapter also discusses the response rate. The study is a survey of homeless persons in contact with the health and welfare authorities and other relevant organisations/agencies known or assumed to be in contact with or have information on homeless persons. These make up the survey's respondents. The second stage is the actual survey of homeless persons. Respondents were asked to complete a questionnaire on every homeless person known to them. The survey is a cross-

sectional study and was conducted in the last week of November 2008. It paints a picture of homelessness in Norway in that week.

We can divide the respondents – 1,292 official bodies – into a municipal and a national sample. The municipal sample comprises one hundred municipalities and includes all municipalities with a population of at least 40,000 and a representative selection of municipalities with fewer residents. The nationwide sample comprises departments of health enterprises, probation authorities, crisis centres and certain multi-municipal authorities. The method generates duplicate reports. About 10 per cent of homeless persons are registered twice or more. After identifying duplicates by their initials, day and year of birth, and other records they were removed from the data set.

Number of homeless persons

Chapter 3 presents the figures on homeless persons for the country as a whole and for all municipalities with a population of 10,000 residents or more. The table below shows the number of homeless individuals and rate per 1,000 population nationally and in four municipal categories for all four surveys.

Number of homeless individuals and rate per 1,000 pop. nationally and by municipal category and year

Year	Nationwide		4 major cities		>40,000		10,000–39,999		<9,999	
	No.	Per 1,000 pop.	No.	Per 1,000 pop.	No.	Per 1,000 pop.	No.	Per 1,000 pop.	No.	Per 1,000 pop.
2008	6,091	1.27	2,632	2.36	1,164	1.35	1,724	1.07	570	0.48
2005	5,496	1.19	2,419	2.42	973	1.17	1,610	1.06	395	0.32
2003	5,200	1.14	2,604	2.56	1,101	1.35	1,193	0.78	336	0.27
1996	6,200	1.50	3,843	4.01		1.53		0.63		0.36

Summarising the 2008 figures and comparing with figures from 2005, we see that the number of homeless persons in Norway as a whole in the last week of November 2008 was 6,091, or 1.27 homeless individuals per 1,000 population. This is 10 per cent higher than the last survey in 2005. However because the population has increased in the period, the actual increase is 7 per cent. The four largest cities have a total of 2,632 homeless persons. Oslo has 1,526 (2.65 per 1000 pop.), Bergen 669 (2.66 per 1000 pop.), Trondheim 223 (1.23 per 1000 pop.) and Stavanger 215 (1.77 per 1000 pop.).

We obtained the number of homeless persons by two processes of weighting. As with the earlier surveys, some of our respondents opted out. One special feature of this survey is first its aim to calculate the actual number of homeless people. It is the only source of information on the number of homeless persons in Norway. The data are therefore weighted to account for non-respondents. The assumption behind the weighting says that the number of homeless persons known to or in contact with non-respondents was half that of the respondents. We know that some of the non-respondents know of or about more or less as many homeless people as the officials who did complete the questionnaire. The estimate is therefore a minimum. The other

form of weighting compensates for the sample of municipalities with populations below 40,000. The procedures are detailed in chapter 3.

In municipalities with >40,000 residents, the overall figure is 1,164 homeless individuals (1.35 per 1000 pop.). In municipalities with populations in the 10,000–39,999 range, the overall figure comes out as 1,724 (1.07 per 1000 pop.). The group containing the smallest municipalities – with populations <9,999 – had a total of 570 homeless individuals (0.48 per 1000 pop.). Taken together, the major cities saw a decline in the number of homeless people after 2005, while the next group of municipalities saw numbers rise. Figures for every municipality from each of the four surveys are set out in appendix 1.

Demographic profile

Chapter 4 gives an account of age and sex ratios, country of birth, sources of income and family status of homeless individuals. 73 per cent are male, 27 per cent female. The female percentage is slightly higher than the 2005 figure. The age profile is the opposite of the age profile of the population as a whole. Average age is 35; one in four is under 25, and 6 per cent 55 or older. The percentage of young homeless people – under 25 – has been growing since 1996. This group is over-represented in the smaller municipalities. About half of all homeless individuals have been homeless for a long time: 20 per cent intermittently homeless for a period of several years; 25 per cent homeless for more than six months.

The great majority of the homeless (81 per cent) was born in Norway. The next largest group is people of African origin (7 per cent), followed by Asia (5 per cent). Persons stemming from other Nordic countries, from Europe and North-America account for 4 per cent, and 1 per cent comes from South and Central America. The percentage of foreign-born homeless people in Oslo is markedly higher than in the other municipalities: as much as 18 per cent of Oslo's homeless population were born in Africa. The percentage of foreign-born homeless individuals in the other municipalities varies between 4 and 18 per cent. The percentage of foreign-born homeless individuals is the same as in 2005.

The educational achievements of 52 per cent include upper secondary school with a trade proficiency certificate. The level of education of 4 per cent extends beyond upper secondary school. The educational status of homeless people is much lower than the average Norwegian. There is a small but systematic increase from the first survey and continuing through to this one. The question on education level received a relatively poor response: 44 per cent ticked “don't know” or left the question unanswered.

Social benefits are the main source of income of 40 per cent, and the main source of income overall among the homeless population. A slightly lower percentage, 37, receives a pension of some kind. Of these, 23 per cent receive a disability or old age pension and 14 per cent some form of rehabilitation benefit. 8 per cent earn a wage, are on unemployment benefit or draw a sickness allowance. All three forms of income are work related. There is a clear and systematic decline in the percentage of homeless people on social assistance over the four surveys and a rise in the percentage of pension recipients. One should approach this difference in light of

efforts to reduce and prevent homelessness. Having a place to live means for many an opportunity to apply for – and be obtain – a pension.

Most homeless individuals – 88 per cent – are single. This figure includes divorcees and former cohabitantes. The percentage of single individuals rose slightly from 1996 to 2003, but has stayed at exactly the same level ever since. More than a quarter of all homeless people have children under 18. 16 per cent of these parents have full or shared custody of their children. There are significantly more homeless mothers than homeless fathers who care for children on a daily basis. 32 per cent of all parents have access rights. 378 children are homeless, together with their parents. This figure is not weighted, unlike the homelessness figure. In other words, the number of homeless children in the custody of homeless parents is almost certainly higher.

Location

The definition of homelessness is the starting point for finding out where homeless people stay. The definition extends much further than those individuals who sleep rough, the commonplace notion of the homeless person. The largest group – 37 per cent – lives temporarily with friends, acquaintances and relatives. Homeless people are more likely to live with friends, acquaintances and relatives in small municipalities. One in every four (23 per cent) lives in temporary accommodation, i.e., overnight shelter, hostels, bed-and-breakfasts, campground cabins, etc. 17 per cent are institutionalised but due to be discharged within a two-month timeframe. 5 per cent live rough or use various emergency facilities with severely limited opening hours. 3 per cent are accommodated at crisis centres. It should be made clear: not all crisis centre residents count as homeless, only those that satisfy the definition's criteria.

The study found a systematic variation in the type of shelter used by young and old homeless individuals. Over half of the under 25s live with friends, acquaintances or family, but only 15 per cent of the oldest individuals, aged 65 and over. A minority of the youngest age group lives in temporary accommodation. The proportion living in temporary accommodation co-varies with increasing age, and around 40 per cent of those aged 55 and over have such provisional arrangements. The age gap grows even wider on the use of emergency shelters. The proportion of older homeless individuals (55 and older) that spend the night in emergency accommodation is three times as high as younger individuals (under 35). 12 per cent had been in the same situation for up to three weeks before the data were recorded; 42 per cent between three weeks and six months; and 41 per cent in excess of six months.

The number of homeless individuals living in institutions or as wards of the probation service is the same as it was in 2005. The proportion staying with friends, acquaintances or family fell while the percentage using emergency shelters rose relative to 2005 figures. We found no systematic differences or tendencies relative to type of accommodation after comparing data from all four surveys.

We were particularly interested to see where homeless parents stayed, and we concentrate here on parents with children to look after. This group is also more likely than others to be living with friends, acquaintances and family for the time being. A large percentage of this group (30 per cent) are housed in crisis centres. One in every four with shared custody is a ward of the probation service. 14 per cent with full

custody and 7 per cent with share custody use temporary accommodation. No parent with responsibility for children lives rough or uses emergency shelters. The place and duration of the stay are described and discussed in more detail in chapter 5.

Homeless for how long?

Chapter 6 explores the duration of homelessness beyond the current situation in which the person found themselves at the point of the survey. Homelessness for the majority has been a relatively persistent state. Nearly one in four had been homeless for more than six months, and one in three intermittently over a period of several years. One in four experience homelessness as one more acute problem. We find unmistakable differences between municipalities. Homelessness in the major municipalities is much more likely to last for years, and the percentage for whom homelessness is the next acute problem is significantly higher as well.

The duration question was not posed until the 2003 survey. We found that the percentage of those affected by homelessness over several years fell between 2003 and 2008, while the number of those experiencing homelessness as a fresh acute problem rose in the same period. The intermediate category, homeless for more than six months, is basically unchanged.

Females are more likely than males to face acute homelessness (20 per cent and 31 per cent respectively), but males are more likely to fall into the long-term homeless category. Not unexpectedly, we find clear age differences. Acute homelessness is much more likely to affect members of the younger age group, but they are less likely to remain homeless over several years than the older age group. More than one in five of those under 25 were intermittently homeless for a period of several years. Long-lasting homelessness – several years – is more common among people born in Norway.

The final section of chapter 6 looks at the duration of homelessness of people with full or shared custody of children. More than half of this group fall into the category of acute homelessness. 13 per cent of homeless parents with children to care for on a daily basis had been homeless for more than six months and 14 per cent had faced homelessness intermittently for several years. Of parents with shared custody, the figures are 20 per cent (more than six months) and 12 per cent (intermittently over several years). We might also mention that one in three with access rights had been homeless for several years.

Substance abuse and health

Most homeless people (59 per cent) are addicted to drugs or alcohol. The changes in percentages over the years are slight. 20 per cent have no such addiction. With regard to the remaining 20 per cent, respondents have left the addiction question unanswered or indicated 'don't know'. Most of the addicted individuals use drugs including pills, but a not insignificant minority use both alcohol and drugs.

The prevalence of substance dependency is much higher among homeless males, and dependency tends to co-vary with duration of homelessness: four in five long-term (several years) homeless people are addicted to drugs/alcohol compared with two in five cases of acute homelessness. The younger age group is less likely to suffer dependency, and the type of substance used is also age-dependent. Three in four of

the age-group 65 and over are addicted to alcohol, ethanol and/or solvents, while drugs prevail in all other age groups. Substance addiction occurs primarily among homeless persons born in Norway, and least among homeless persons born in Asia.

One in three has a recognised or visible mental illness. Mental illness is more likely among the long-term homeless. 40 per cent of the intermittent homeless over several years are registered with a mental illness, and 29 per cent of the acute homeless group likewise. A quarter have a mental illness and are dependent on drugs/alcohol.

10 per cent are registered with a somatic condition or disability. We believe this figure is far too conservative. Both addiction and homelessness are significant causes of sometimes serious health problems. One could ask whether the homeless use the health services less than they could and should, and whether their health problems go unnoticed by the health and welfare authorities etc. Substance abuse and health are discussed in chapter 7.

Problematic situations

The survey included nine fresh questions about various problems likely to face the homeless. Percentages affected by these problems and situations are shown in figure 8.1, and the relations between them are discussed in detail in chapter 8. Some of the findings deserve special mention, however. The most important reason people become homeless is because of a broken relationship or family conflict. 18 per cent, more than 900 people, lost their home for this reason, and it is more likely to affect the younger age group. Also the youngest age group, 18 and younger, have lost a roof over their head due to foundering relationships and family disputes.

One in four had been evicted in the six months leading up to the survey. 8 per cent had lost their home after defaulting on rent or mortgage payments. There was a degree of overlapping between defaulters and people who had been evicted. Two in four who had lost their home through defaulting had also been evicted. Eviction is also associated, or is coincidental with other situations, such as homelessness due to injury/disturbance/conflict, moving out because of bullying/discrimination, or because domestic violence forces a person to leave or causes them to be evicted. The principal cause of eviction is generally assumed to be rent arrears. The results of this study should help to nuance this assumption.

We would also like to make the point that homeless individuals with responsibility for offspring have also been evicted or for various reasons have lost their home. In other words, children suffer from evictions and loss of home, or from non-voluntary moves.

A further point needs stressing and concerns problems caused by debt. 15 per cent owe considerable sums and/or are victims of debt (*gjeldsoffer*). Whether 15 per cent comprises a large group or not is an open question. We don't know whether debt caused the people to lose their homes, but high levels of debt make it more difficult to acquire a new permanent place to live. And in all likelihood, the respondents probably had limited information on the debt status of the homeless. We would assume that unsecured or unofficial loans are a hidden problem.

Summary

The survey of homeless people has generated a wealth of detailed information. While the present analysis is far from exhaustive, the report still contains very many figures and information. Chapter 9 reviews the study in brief, recalls the main findings and puts them into a slightly wider context.

Industrialisation of Wood House Production

– knowledge status

By Lene Schmidt
NIBR Report 2009:18

Purpose and background

The project collates information on the industrialisation of wood house production in Norway and internationally. The stems from a need at VRI Innlandet (Virkemidler for Regional FoU og Innovasjon – Promoting Regional Research and Development) and local wood house manufacturers to access the experience of others in the field.

There appears to be general agreement on the need to accelerate the industrialisation of housing construction in response to policies promoting better and more affordable housing.

What does industrialisation mean?

In practice, industrialisation is taken to mean various things, but in Norway a distinction is drawn between industrialised housing construction and systematised home building. The former refers to a manufacturing process in which most of the value is created in factories (modules and/or prefabricated elements in long series). The latter term refers to a systematic method of producing parts of buildings or complete buildings, though construction takes place mainly on the building site (Berg 2008). The Swedes make the same distinction but use slightly different terms.

Byggforsk (SINTEF Building and Infrastructure) operate with a four-fold division of the technical terminology industrialised home building (Berg 2008:33).

- A. Spatial modules. High completion level
- B. Spatial modules in combination with prefabricated elements and construction on site
- C. Systematic use of prefabricated constructions and elements
- D. Systematic production process repeated in each new project; prefabricated elements and modules can be incorporated

In Sweden, an eight-point check list was devised for ascertaining the level of industrialisation and how it can be measured and operationalised to enable comparison between enterprises (Apleberger et al. 2007).

8. Process planning and control
9. Technical system
10. Building parts produced 'off site'
11. Long-term relations among stakeholders
12. Logistics integrated into the construction process
13. Customer focus
14. Use of ICT
15. Systematic performance audits and feedback of lessons learned

Research questions

The leading question is: Why are some firms able to industrialise woodhouse production successfully while others are not?

This question generates in turn other questions. Who has succeeded/failed? What is meant by 'success', and in which areas have the successful firms succeeded? What can be learned from the successful firms and what can we learn from the mistakes?

Success criteria could include whether the firm has succeeded in the marketplace for some time; whether there has been a high level of industrialisation and/or whether the firm has developed affordable homes at a satisfactory standard.

Method

The report surveys the relevant literature on the industrialisation of wood house production and experiences gained. Studies conducted since 2000 were of most interest, and that is where the searches were targeted. With regard to industrialisation at the international level, because of budget constraints we needed to limit the investigation to a small number of countries. It made sense to look at literature referencing research from Sweden since many of firms cater to both the Swedish and the Norwegian markets, and because Moelven is already involved in R&D work in Sweden. We also included references to industrialisation of home construction in Japan since the country is a leader in the field of conceptual development, inspired by the car industry.

Theory and new concepts to promote industrialisation

Much of the literature deals with concepts for organisation and logistics as important success criteria. They include, for instance, "Lean and Agile Production", "Supply Chain Management", "Mass Customisation", largely inspired by the car industry. Translation of terminology into Norwegian is patchy and erratic. Supply Chain Management is sometimes rendered as "verdikjede" (value chain). What these theories set out in essence is how to enhance production efficiency, avoid waste, ensure systematic feedback and improve customer relations.

Next generation CAD/CAM and BIM (Building Information Modeling) building design software is considered essential to bring industrialisation up to speed. The expression "from file to factory" is illustrative of the potential gains to be had from transferring data directly from the designer's to the production machinery and equipment.

Industrialisation in Norway and abroad

Industrialisation of housing construction in Norway began in the late 1800s with the first generation of prefabricated homes. The export of prefabricated homes became a feasible proposition with the industrialisation and mechanisation of the industry. From the end of the Second World War, industrialisation sought primarily to increase production and supply more homes at a lower cost. Industrialised home construction conjures up for many the mass-produced tower block developments that shot up in the new post-war suburbs.

The idea today is to produce more affordable homes of a reasonable standard through gains in production efficiency, generally with a view to widening the national and international market base. While the internationalisation of production of consumer goods is highly sophisticated today, the home construction industry is still characterised as an "embedded" industry, i.e. with deep roots in its local community. A building must necessarily relate to a given geographical site and local conditions. Nevertheless, the industry is internationalising at an increasing rate, and some firms are opening offices and operations in other countries. Materials are produced abroad and products traded on the international market. In addition, the workforce is increasingly multinational, mainly due to labour migration from former Eastern Bloc countries. Universal access to digital technology means that projects can be designed and planned virtually anywhere in the world.

Production process

Studies have tended to concentrate on the production process, it appears. Inspired by Japanese car production, efforts were made to improve performance along the lines of Lean Construction etc., which describes changes to the production process from Ford to Toyota. Improving communication and collaboration, not least with subcontractors and suppliers of materials and components, is considered essential. Digital tools like BIM and 3D modelling help stakeholders communicate more efficiently. The tools also reduce faults by what is known colloquially as "crash control". Experience of sophisticated computer technology nevertheless stresses the importance still of face to face meetings and direct contact with partners to successful production. This is important in relation to local authorities' treatment of building and planning matters, and is one reason why the construction industry is so firmly entrenched in local communities, unlike the car industry for example.

Among architects, there appears to be increasing interest in using 3D modelling. According to some observers, it gives Norwegian architects a chance to play a more prominent role in home construction. It is necessary, moreover, to include the design process in the value chain. Good relations between architects and producers working together on good housing projects based on industrial manufacture is one of the key challenges for the housing construction industry in Norway.

The industrialisation of the '60s and '70s resulted in large, often monotonous housing projects, and can be seen as a challenge for stakeholders currently involved in the industrialisation of house construction. Sprawling, dreary tower block estates do not fetch much of a premium in today's market. Customer satisfaction is therefore key in the current attempts at industrialisation. The principles of Mass Customisation are directed at developing products where one combines a desire for effective production with a wish to provide better, more individualised customisation in accordance with the needs and wishes of the customer.

Better customer relations should improve customer satisfaction, that is, to deliver the house as scheduled. Better customer relations are also meant to ensure that production at any one time keeps pace with changes in the market. Finally, better customer relations are supposed to help stakeholders avoid the pitfalls of the '60s and '70s.

Building expertise

Several R&D programmes are under way that encourage the speedy industrialisation of home building. The programmes are expected to enable closer co-operation between industry, research and training establishments.

The programmes, however, have slightly different goals. The Norwegian Construction Cost Programme highlights cost optimality, while the Swedish 4B Programme accents product development in the shape of qualitatively better architecture. This could have something to do with another Swedish research programme, Competitive Building, which highlighted process at the expense rather of product development (Atkin et al. 2003). The 4B programme takes it as read that industrially manufactured homes cost less, and asks therefore what can be done to improve standards.

Studies of the industry reveal a need for a younger workforce with higher qualifications and experience in computer technology and software. Continual product improvement, known by the Japanese expression Kaizen, is considered another key element of successful industrialisation and customer adaptation.

Product development

With regard to the planning and design of the individual housing project, the challenge relates to achieve the right balance between module construction and standardisation on the one hand and site preparation and zoning requirements on the other. Berg (2008) condenses the issues as follows:

- An industrialised or systematised project requires the project to fit or adapt to the concept – not the other way round
- Land and zoning requirements should harmonise with the concept
- If efforts to modify the project go too far, the likely outcome will be a “swings and roundabout” situation

The wooden multi-storey house located in a densely populated urban area is a good example of product development and of opening up the market for homes such as industrialised wood house construction. An increasing percentage of homes are in

blocks built in towns and cities. Low-rise blocks constructed from elements/modules in wood seem to be a success. But the five-storey wooden block will probably not be seen for some time.

Architects express considerable interest in BIM and other computer technology to develop new and exciting buildings. There is less interest, it seems, in how industrialisation and technology can stimulate module-based housing construction in areas dominated by high- and low-rise buildings and land development. Some Swedish studies attempt to identify the architectural possibilities and limitations of standardisation. Module-based housing construction, it is said, would give better, more flexible rooms. Examples of module-based housing in Norway do not, however, corroborate the Swedish claim.

There appears to be little interest in product development in the form of environmentally adapted solutions, despite the obvious environmental advantages of wood as a renewable resource, which make homes, on balance, zero emitters of climate gasses. BIM technology could be used to test the net energy balance of new, environmentally friendly designs.

What can we learn from unsuccessful industrialisation attempts?

That two significant attempts at industrialisation in Sweden (Open House and NCC komplett) failed so soon after starting up startled the industry. According to some, they weren't given enough time. Open House failed because the range of housing on offer was too broad.

What can we learn from the good examples?

The selected examples of sound practice are very different. They show how many roads there can be to success.

Alhytta is a small Norwegian firm which has been selling the same building system for homes, cabins and industrial buildings for more than forty years. The firm has sold more than 3,000 units not only in Norway but abroad as well. The same basic system and architectural design have appealed to generations of customers in several countries. Few manufacturers have managed to produce such a long-lived range of homes or consumer goods.

BoKlok was devised by Skanska and IKEA. It is an example of a successful concept catering to a definite segment of the market, young people with a limited budget. BoKlok homes are affordable, of a good standard and widely appreciated in the marketplace. A conscious decision was made to reduce the number of units and avoid the big, monotonous estates. The BoKlok concept has been sold to several countries with local firms doing the construction work.

Ursem in the Netherlands recently opened a new, efficient room-module factory intended for ordinary homes, student flats and other buildings. Ursem investigated the entire production process and paired its business concept down to the bone before building the new factory. It sees itself as a closed system bound contractually to subcontractors.

Sekisui Heim is one of the biggest enterprises in Japan to develop an efficient production system for rapid delivery. Architects are employed by the firm, software

reminiscent of BIM technology ensures good communication and low fault rates. Sekisui Heim satisfy all eight industrialisation criteria noted above.

Although these selected examples are very different, there are certain similarities which could help to explain their success. They have all managed to organise a system in which architects and manufacturer work together to create a high quality product.

Älhytta and BoKlok show it is possible to develop housing solutions for a wider international market. They have successfully tailored an industrialised product to different markets with different needs and different types of regulatory mechanisms and construction standards. Japanese house manufacturers obviously have a much bigger domestic market and are less dependent on export. A big domestic market can be seen as an important precondition of the high level of industrialisation in Japan. At the same time, several aspects of Japanese culture can explain the high level of industrialisation in the country. The tradition of continual improvement, Kaizen, and wider acceptance by the Japanese of module-based, industrially produced homes, also help explain the success.

Production process – challenges and opportunities

Recruiting staff and building expertise within the firm and industry as a whole are considered important challenges. Advanced software and computer technology are expected to make the industry attractive to young people as they decide which subjects to specialize in. The rising average age of workers in the industry is an acknowledged problem, unlike the gender imbalance, on the other hand, which the literature tends to ignore. Part of the success of BoKlok may well derive from the fact that it was three women who developed the concept. We know women have a strong influence on decisions to do with house purchases.

Product development – challenges and opportunities

Wood as an environmentally friendly material and renewable resource has attracted relatively scant attention. Steps should be taken to remedy this situation in the marketing and development of the products.

New digital and production process technology promotes new, exciting architecture and higher standards. Interest in these opportunities appears to be concentrated in the design of individual buildings, not so much in developing homes for a wider market. But technological advances could be applied to the development of bigger housing estates. Here, industrialised manufacture should allow customisation, including the architectural design of the exterior. This will be necessary anyway to eradicate perceptions of industrial housing as dreary and monotonous.

One of the principal objectives of industrialisation is to develop affordable homes with a reasonable standard. BoKlok is one example of success in this area. A survey of fifteen Norwegian housing developments found, however, that industrially manufactured homes are not necessarily cheaper.

Customisation – what is it?

The literature devotes a lot of space to mass customisation. There is little discussion, however, about who is the customer in the different situations, what the customers

should be allowed to decide and at what stage of the production process. People who buy detached homes (self-builders) communicate with the manufacturer directly and can influence the design and look of the finished product. Examples of good practice demonstrate wide variety of approaches to customisation. Ålhytta customers, like buyers of detached homes, maintain direct contact with the manufacturers.

Customers have a choice of size and floor plan, but not materials or architectural design because they are identical across all of Ålhytta's homes/cabins – unlike homes in a catalogue for manufactured homes. The only thing apartment buyers can change are surfaces. Customisation at BoKlok is based on a concept designed for a specific segment of the market, but apart from the size of the dwelling, buyers have limited options.

Importance of culture and reputation building

Several commentators point to the difficulty of recruiting young, fresh personnel, citing the low esteem in which the industry appears to be held as one of the bottlenecks. Nevertheless, neither culture nor reputation building feature in discussions about promoting a more competitive construction industry. They should be given higher priority alongside other R&D work.

Commentators also point to the culture and tradition of individualism which make it difficult to industrialise successfully in Norway and the US for example. The success of industrialisation in Japan is explained on the basis of Japanese culture and traditions. If that is correct, it would be advisable to pay more attention to such matters when products are being designed, in addition to the technical and processual aspects of industrialisation.

What is the key to success?

It is crucial, according to several commentators, to ensure long-term, systematic competence building and collaboration between industry and institutions of higher learning in the field of R&D. Good communication and customer contact are important for prompt delivery of the right house. Many commentators attest to the importance of BIM and 3D modelling to ensure reliable communication at every point in the value chain and out to the consumer. The selected examples of good practice attest to the multiplicity of routes to success. But common to all three are productive collaboration between architect and production crews. As Ålhytta and BoKlok show, producing for export is feasible. Directing attention towards the entire value chain and long-term subcontractor contracts could improve performance in this area.

Research needs

This knowledge status appraisal identifies the themes addressed by researchers and studies and reveals at the same time areas where attention has been wanting. Researchers point to the need to learn about the extent of industrialisation in Norway and Nordic countries, with more detailed analyses of relations between stakeholders. We also see a need to analyse the effect of higher levels of industrialisation in terms of costs and quality. Are manufactured homes really better and cheaper?

The County Governor Between Local Autonomy and Central Governance

**By Tore Hansen, Marthe Indset, Ingun Sletnes og Trond Tjerbo
NIBR Report 2009:19**

Values in conflict?

Achieving local autonomy at the municipal level presupposes an acceptance of inequality among the same municipalities. However, this goal must be seen in context with alternative political goals relating to equality regardless of place of residence and the individual citizen's rights according to national laws. To some extent, these objectives stand in a zero-sum relationship to each other. The county governor in the Norwegian political – administrative system has among his major tasks to perform controls and keep the municipalities under supervision. Consequently, the county governors role in the political – administrative system places them at the centre of both real and potential conflicts between these fundamental values in the Norwegian system.

An institution with deep historical roots

In chapter 2 we give an overview of the historical roots of the county governor. The county governor position has deep roots in Norwegian political -administrative history. The institution developed as a direct result of the formation of the state in the late 9th century. Naturally, the role has changed somewhat since then, but generally speaking the county governor institution is one of the most stable elements of Norwegian political – administrative history.

The legal background for the county governor's role

Chapter 3 contains a summary and a discussion of the judicial areas in which the County governor is given tasks in relation to the municipalities. The main finding is that the degree of local autonomy first and foremost is constrained by the Parliament's and the central administration's production of legal acts.

Still, if the County Governor's decision concerns matters of legal interpretation, the municipality will have a hard time not to follow the Governor's decision, even if the local authority disagrees.

Scarce resources and goal oriented governance

The main conclusion in a report from the Office of Auditor General of Norway (Riksrevisjonen 2007) was that there was a mismatch between the scope of the tasks

that were delegated to county governors and the resources they were given to fulfill the same tasks. A side effect of this was that tasks relating to guidance of the municipalities were given less priority. To some extent our findings support this suggestion. The county governors claim in the interviews that the central states governing is both detailed and strong, and that tasks that can be measured in numbers and reported back is given priority.

The county governor has several functions and tasks

The central state has delegated several different types of tasks to the county governors. Among these are coordination of central states policies at the regional and local level, keep the municipalities under supervision and provide administrative and legal guidance to the municipalities. In addition to these functions the county governors are also expected to take initiatives towards the central state on their county's behalf when this is necessary. These different tasks, and how the county governors themselves view these tasks, are described in chapter 5 in the report.

The county governor as an implementer and coordinator

The county governors place most emphasis on their role as executors of the central states policies, and the role they play as a link between the central state and the local authorities. Their role as a sector authority is also the part of their tasks that takes up the largest amount of total resources. These sector functions are mirrored by the administrative organization of offices of the county governors. These different departments operate with a large degree of autonomy, and coordinating these internal departments is a challenging task for the county governor. In addition to this internal coordination, the county governors are also expected to coordinate these activities with the activities of other central state agencies at the regional level. However, even though the county governors are delegated the responsibility for this coordination also with other central state agencies, this responsibility is not supported by the authority to do this. Several of the county governors point out this paradox.

The county governor as a controlling and supervisory body

This is an area where the potential for conflicts with the municipalities is clear and evident. Based on our interviews however, this does not seem to be common, although some municipalities question the "negative" focus of some of the county governors' tasks in this area. The nature of these tasks requires that the county governors report errors, but not other "positive" findings. In general, however, the county governors state that the municipalities acknowledge and accept that the county governors tasks in this area are an instrument for securing sufficient quality in the service delivery.

In general the county governors see this as an area where the central states steering is both detailed and close. The amount and scope of tasks relating to the county governors role as a controlling and supervisory body have increased and the central states steering of the county governors in this area has become more detailed.

Providing guidance to the municipalities

Based on our data there is a high demand and need for professional and legal guidance especially in small municipalities. These municipalities often lack sufficient

legal and professional competence, and are in need of the guidance that the county governors provide. However, the guidance that the municipalities seek is broad and not limited to legal and professional guidance alone. Consequently, fulfilling this role requires an ability on the part of the governors to understand possible political conflicts over the issues in question in the individual municipality in order to avoid becoming too close to the local democratic decision-making processes.

Taking initiatives on the county's behalf

One of the tasks delegated to the county governors is to take initiatives to pursue the interest of their county and make suggestions to the central government as to actions or solutions. Just how and when they are expected to take such initiatives is, however, not clear, and depends too a large extent on the individual county governors' discretion. In the interviews the county governors revealed that they are careful and quite hesitant when it comes to taking and supporting such initiatives. When doing so they risk becoming actors in political processes and "stepping on the county mayor's turf". At the same time, however, they regard this as an important part of their role as county governors.

Several of the county governors pointed out that how this part of the role is formed probably varies with the tradition and history in the different counties. In some counties the county governors have historically been more active in taking initiatives such as these. Other variables at the county level are probably also important as explanations of the variation between the counties here. At the same time differences in style and preferences between the different county level governors is also of importance.

The county governor: More than the central state's regional agent

The county governors place most emphasis on their role as the central states representatives in the county. At the same time however, our data clearly show that the county governor role cannot be reduced to these functions alone. Although some of the county governors' tasks clearly place limitations on the municipalities' autonomy, other tasks may in fact be important contributions to the local municipalities' decision making capacity. By providing legal and professional guidance to small municipalities who may lack such competence themselves, the office of the county governor may also contribute to make small scale democracy possible. Without this guidance the values and benefits derived from a small scale democracy could more easily come in conflict with the values and goals related to equality. This does not imply that this function could not have been carried out through alternative institutional solutions and/or instruments, but based on our data the importance of this function should not be underestimated. Thus reducing the functions of the county governors to that of being the central states agent in the county alone, falls somewhat short of being an accurate description of the function this institution has in the Norwegian governing system.

Based on the interview data we have used in this report, there seems to be little conflict between the municipalities and the county governors. Naturally, there will at times be conflicts between these institutions because of the different roles they play and the values these roles are based on, but it seems that the balancing of these values and roles take place without a high degree of conflict. According to the county

governors the municipalities accept the role the county governors play, the governors themselves are cautious towards overstepping the line crossing their role and the local democratic functions of the municipalities.

Despite this, however, the county governors will at times face a risk of becoming too involved in processes that are political in nature. First and foremost this can happen when the county governors control the quality of the services provided by the municipalities, but also in other processes at the regional and the national level. When the county governors take initiatives towards the central state on the behalf of their county, they risk becoming actors in regional political processes. One example of this took place in the “innlandet” region in 2006. In a highly unpopular reorganization of the hospital services in the region county and local politicians in the county of Oppland meant that the services in the neighboring county of Hedmark was being improved on the expense of the services in Oppland. When invited to a hearing on the matter, the county governors in Oppland and Hedmark placed themselves at their respective county’s side in the conflict, and did in this respect become actors in the process. In another hearing on a potential national change in the political – administrative system of Norway, a reform that also involved the future role of the county governors in the system, the county governors delivered a common statement in the hearing process. This statement provoked other actors in the process, especially the coalition of Norwegian municipalities (KS) who argued that the county governors in this way played an inappropriate role in the political process of rearranging the Norwegian political – administrative system.

Negotiating Urban Development

By Berit Nordahl, Kjell Harvold and Ragnhild Skogheim
NIBR Report 2009:20

The report describes and assesses the work of Oslo city council to transform land use within the area of Ensjø. The study concentrates on the period commencing with the council's adoption of the Ensjø Planning Programme and to the present. Through this work, the Oslo city council has generated experience in the use of planning instruments like zoning plans, procedural order rules, and development agreements. The council has also learned more about area-based collaboration among public agencies and with private landowners.

The evaluation team was asked to look at new construction and urban development models being piloted by Oslo city council. Given the growth in the population of Oslo, and the fixed greenbelt around Oslo, the council is obliged to pursue a densification policy in residential areas and change the designated land use of other areas into housing. Both densification and transformation are difficult processes – not least because the land is often owned by private land owners. In practice, the council therefore has to work with property owners in order for regeneration to take place. One element of this collaborative effort is setting aside areas for public use, financially and legally.

The council's Department of Urban Development initiated the project. The department wanted the evaluation to do two things. First, assess the implementation of political decisions affecting the Ensjø area and assess performance and achievements so far. The department also wanted the evaluation team to assess the work in light of urban development processes in which the council has played a less active role. Two recently developed districts – Løren and Nydalen – were selected to act as contrasting "situations".

The terms of the evaluation left no room for detailed studies of the three areas – we therefore paid most attention to documenting and assessing the council's efforts at Ensjø. The evaluation is based on a qualitative approach in which interviews, observation and document analysis represent the sources of data. Most of our informants are officials at the Real Estate and Urban Renewal Office (Eiendoms- og byutviklingsetaten) and other agencies directly involvement in the Ensjø development. But we also interviewed property owners and developers, politicians

and residents in adjacent areas. Conversations with officials at the Department of Urban Development were also very useful.

Early in the report we review the two contrasting developments at Løren and Nydalen (chapter 2). Like Ensjø, these areas are being transformed from industrial sites to residential areas. The council used the usual procedures under the “usual” municipal structure. Unlike Ensjø, Løren and Nydalen are being developed by a single landowner. In both cases it is *one* developer with a clear vision for the transformation and the financial resources and willingness to buy land and make changes so that the vision becomes reality. Both developers faced indecisiveness and vacillation on the part of public agencies. The Cultural Heritage Management Office (Byantikvaren) in one of the areas and Norwegian Public Roads Administration (Vegvesenet) in the other. In both cases, it was left to the developer to resolve the issues using shuttle diplomacy and contact with politicians. The experiences from Løren and Nydalen are used as contrasting situations in the review of the development of the Ensjø project.

Chapter 3 gives an account of the Ensjø model. The management tools for the Ensjø project are a combination of municipal planning documents and private zoning proposals. An organisation structure was devised to promote coordination among municipal agencies. The Real Estate and Urban Renewal Office devised a means of facilitating dialogue between the council, landowners and developers with interests in the area. A partnership funding model was designed for co-funding involving the council and private interests. The model’s most important tools are negotiations, procedural order rules and development agreements. In order to meet these objectives, the main policy documents – Planning Programme and VPOR – needed to be supplemented with detailed breakdowns of the costs and technical solutions. Two supplementary documents were prepared and used in negotiations with the developers.

One of the most crucial management tools in the Ensjø model is the establishment of a Cooperation Group, mandated to coordinate between public bodies. The Cooperation Group is led by the Real Estate and Urban Renewal Office and convenes at regular intervals. Ensjø landowners are pooling resources in a specially created body, the Ensjø Association (Foreningen Ensjø). It meets regularly and mediates information between the Cooperation Group and the Association. The council agencies have a similar body, a management group, which promotes cooperation at the agency director level.

In addition to the organisational instruments, there is the structure of powers:

- The Real Estate and Urban Renewal Office have the authority to initiate negotiations on development agreements with developers in the area. Council proposition 1106/04 requires partners ensure that the council’s commitment is completed on time and in coordination with the “*specified and agreed commitment from the developers*”. The mandate thus comprehends both a clarification of expectations about the developer’s commitment and a clarification of the council’s financial commitment.
- The Agency for Road and Transport is responsible for implementing measures in what the zoning regulations term public areas (traffic and green areas and

technical infrastructure). This is done in two ways. The Road and Transport Agency supervises the work itself or lets the developer carry out the tasks (material contribution versus cash contribution). The Road and Transport Agency has also been tasked with approving construction plans and controlling whatever the landowners/developers are building on their own.

The project has achieved the following. In addition to developing their planning management tools, the council have prepared eight zoning plans and taken several planning initiatives. Fourteen development agreements have been adopted. The average landowner contribution amounts to about NOK 1,050/m², and there is good reason to conclude that funding of the joint components in the area has so far been successful.

Chapter 4 takes a detailed look at the organisation model adopted for the Ensjø project and asks how internal coordination has performed in respect of representation on the Cooperation Group and of the agencies' adherence to the policy documents. The chapter explores the available internal resources within agencies and how the agencies work together with developers and residents. Only two of the agencies have dedicated Ensjø project teams (Real Estate and Urban Renewal Office and Road and Transport Agency). The others chose to use existing structures. The Agency for Planning and Building Services (Plan- og bygningsetaten) play a key role in the management of the Ensjø project and we ask whether a dedicated project organisation might not have enhanced efficiency. According to the agency themselves, their organisational approach ensures satisfactory vertical contact between the handling of zoning plans and building applications. Council agencies like the Agency for Water and Sewerage Works (Vann og avløpsetaten) and Agency for Outdoor Recreation and Nature Management (Friluftsetaten) have not organised work on the Ensjø development as a project either. This could undermine participation, emphasises the Cooperation Group – and makes it essential that the agencies field the “right people”. Chapter 4 examines the control/management challenges facing this type of cross-agency collaboration. Lines of authority are extremely complex. It is a challenge facing the Cooperation Group that crops up from time to time and with different degrees of severity. It is still not resolved.

Interviews with the Cooperation Group and city district representatives (administration departments and district councils) revealed the rather peripheral role of the city districts generally in relation to the Ensjø project despite being affected by the area's regeneration. City district administrations are part of the Coordination group but convene sporadically at best. Also the city district politicians are uncertain about their roles and ability to exert influence on the Ensjø regeneration effort.

Chapter 5 brings the opinions of the developers into the spotlight, and explores in detail what have been called “critical qualities”. There is a strong ambition to provide attributes of the highest standards in the area, and the chapter shows how this is largely being achieved by means of dialogue, documents and negotiations. We found that the use of surface water throughout the area and high accessibility standards (universal design) are mutually sustaining, but difficult to achieve in practice. The report also studies objectives that have languished more in the shadows. In one case, for instance, little was done to flesh out ambitions related to the area's social and

cultural qualities. We draw a comparison here with Nydalen and Løren redevelopments where the developer had these issues on the agenda from day one. Given the complexity of the ownership structure at Ensjø, it would be unreasonable to expect landowners to take action here, although an association of businesses is apparently in the pipeline. Moving forward, the City council should consider, we suggest in the report, paying more attention to social and cultural ambitions.

Chapter 6 examines the Ensjø project's legitimacy and public approval. In the chapter give the residents and city district officials' one voice. There is little consistency between the information about the project and how the residents expect to be treated, consulted and allowed a say. Despite the substantial information activities, the flow to the residents has not been enough. Many residents are particularly scathing about the design and densification of the area. The report points to the lack of a dialogue between the residents and Cooperation Group. Residents have not created a residents' organisation nor have they an official pass to meetings where the regeneration project is discussed.

The report concludes with a discussion of the findings. The project has been very successful indeed across the components they chose to prioritise: negotiation-based development in an area with complex ownership structure and high ambitions regarding green qualities and technical infrastructure. There is therefore reason to feel optimistic in regard to aspects which so far have not enjoyed priority:

- A focus on life in the area after the regeneration project is complete; social life, culture and business activity
- Better collaboration with residents in neighbouring areas

A positive side effect of the model is that Oslo city council have developed a policy on negotiation-based planning and use of development agreements which will be useful in many other connections.

One of the dangers with this model, compared with Nydalen and Løren, is the one-sided focus on *plans and contracts*. When a development is based on market participation, it is also necessary to look at incentives that encourage developer investment. The financial crisis has lowered activity levels at Ensjø as well, and it remains doubtful whether the predictability felt by the developers to Ensjø in terms of cost sharing and commitments of other parties (other developers, city council) towards green, black and social infrastructure is sufficient an incentive to bring about large-scale re-development projects.

New lifts in old multi-family dwellings

- gaining support for common investments

By Siri Nørve and Lillin Knudtzon
NIBR Report 2009:21

Background

There has been a particularly strong focus in recent years on policies addressing the senior citizen and the provision of housing which incorporate universal design standards. Providing stepless access to all dwellings and to main rooms within the dwelling is a central objective. Current mechanisms are mostly designed to encourage universal design in *new developments*. But most of the future the housing stock is already built. Changes in the stock is characterised by inertia. A review of the existing housing stock found that all of 36 per cent of dwellings in buildings of five stories or more lacked a lift, and that 90 per cent of dwellings in low-rise buildings (three to four stories) also lacked a lift. Installing lifts in existing buildings is therefore a key feature of efforts to upgrade the building stock.

At the moment, however, there are few incentives for accomplishing such upgrading. There are two incentive mechanisms today, a grant for undertaking a feasibility study and a planning grant. Both mechanisms are administered by the Norwegian State Housing Bank.

There used to be two other sources of funding to help cover the cost of lift installation. The Housing Bank dispensed a lift grant in the years 1996–2000, and Oslo City Council operated a lift installation fund from 1996. Experience of the Housing Bank scheme showed that most projects were carried out in owner-occupied flats in the western area of central Oslo. Not one project was undertaken in condominiums in Oslo. Several condominiums in Hamar have installed lifts, however, with and without the benefit of a grant. We have little information about recent developments in this area since 2000.

Research question

Installing lifts in existing buildings raises several issues with regard to technology, financing and decision making. The project sought to answer several questions, including,

- How extensive were the alterations required to accommodate the installation?
- Do housing co-ops and co-ownerships where lifts were installed share particular characteristics or features?
- What motivated or induced condominiums and the boards of owner occupied flats, to install the lift?
- What was done to facilitate decision making processes and funding?
- Who advised the condominiums and the boards of owner occupied flats on issues to do with the lift installation?

Method

Methodologically, this report is based on case studies. The work included on-site inspection of buildings, interviews with decision makers, users of lifts and members of the lift supplier and real estate business. We also assembled documents for each of the cases, including blueprints and tenders from lift suppliers.

But how to find the actual projects? NBBL (Norwegian Federation of Cooperative Housing Associations) had conducted a membership survey and found a selection of likely projects. We also got in touch with the leading and most relevant lift suppliers. This resulted in a pool of 25 different housing condominiums and owner occupied flats which had decided to install lifts. From this pool we then selected ten cases, with seven different lift suppliers.

We also contacted four condominiums and owner boards of occupied flats where a decision concerning lift installation was *pending*. The report is therefore based on 14 cases, ten of which are relatively comprehensive, four less so. Each case is presented in the report.

Few installations in existing buildings

The study found that several lift suppliers have submitted tenders for numerous projects which had not come to fruition.

Looking at our case studies we find two main groups.

- Owner occupied flats located in Oslo west with spacious apartments. These apartments fetch a high market price, between 4 and 7 MNOK. An investment of around 100–300,000 NOK would not represent a significant share of the individual apartment's current market price.
- Condominiums outside Oslo with smaller and significantly cheaper apartments. As a proportion of the apartments' value, the cost of installing a lift is significant. Occupants tend to be relatively old, and in most cases there is no alternative housing in the area where lifts are installed.

Many of the cases studied were able to have lifts installed “on the cheap” insofar as the housing for a lift was included when the building was constructed. In older buildings, the lift is often installed in the eye of the stairwell. If a new stairwell or lift housing is required, it can be very expensive. But we saw that it had been done, often in connection with the conversion of the top storey.

Good decision processes and good stakeholders

Many condominiums and boards of owner occupied flats discuss installing a lift, but as we have seen, very few implement it.

In our data, one factor in particular appears to be a *sine qua non* for a positive decision to install a lift:

- There has to be an *individual driving the process who doesn't take no for an answer and doesn't give up*. Champions like these are necessary to galvanize support and navigate a process which in some cases can go on for years. We find in the successful projects a workable information system which is used to gain the support of the other residents. It is important for the *primus motor* to ally him or herself with residents who have the competence to promote the benefits of installing a lift, and to ensure his or her legitimacy among the residents at large.
- Another factor common in many of our cases was the better than average technical proficiency of the initiator (who was often the chair of the board as well). Most are male, and many have a background in engineering, construction or property development. Because of this, they were able to appreciate the practical implications of the installation, and communicate more easily with the lift suppliers. The largest and most complicated project we investigated would have been impossible to complete without the expertise of the chair of the board, advocate and initiator.

Funding and cost sharing in condominiums

All condominiums in our study financed the installation by taking out loans, recouping the cost by adding it to the monthly rent payment. In practice, the lift won't be paid for until the loan is repaid. In that sense, current residents pay only a small proportion of the cost of the lift; new residents, on the other hand, will inherit loan obligations lasting many years.

The new Housing Co-operatives Act of 2003¹ requires the distribution of joint costs to be adjusted if alterations to the dwellings or the property otherwise result in major changes in relative values.² The installation of a lift represents one such alteration. It follows therefore that the residents of apartments that do not increase in value by having a lift installed in the building should not pay for it. This applies in particular to ground floor residents living on the same floor as the main entrance to the building.

In all of our cases, all of the occupants were paying for the lift irrespective of the floor on which they lived. Even those living on the ground floor (or in the basement) in the blocks we visited benefitted somewhat from the lift. Only one case in our material differentiated the costs depending on what floor the dwelling was on. The others charge residents the same whichever floor they live on. In some cases costs were subdivided according to the size of the apartment.

¹ Act of 6 June 2003 No. 39 relating to housing cooperatives

² Section 5-19, para 1, second sentence

It would probably encourage more residents of condominiums to agree to a lift installation if the costs were divided more “fairly”, and in line with the principles of the 2003 Housing Co-operatives Act.

Funding and cost sharing in owner occupied flats

In the condominiums and the owner occupied flats, loans were not taken out to fund the installation. In two cases, the installation was included in conversion work on the top storey, and was not specified on the bill from the constructor. Here, the real cost of the installation is unknown. In both cases, the appreciation in value was estimated on the basis of floor seize, and the amount residents paid was calculated by a pre-agreed formula. Ground floor residents are either exempted or pay a nominal sum only. Cost sharing in the owner occupied flats appears therefore not to present the same problems for the decision process as in the housing co-ops.

Financial incentives – planning grants?

The Housing Bank has allocated a limited grant for a technical survey of condominiums and owner occupied flats. New housing grant guidelines were issued in 2008. The scheme includes a grant for planning the installation of a lift, limited upwards to 50 per cent of the overall cost. The budget available for the grants amounted to NOK 5 million in 2008. In the lift projects which we examined, there was wide variation in the extent of the alterations. According to information provided by the lift suppliers, we were able to estimate the cost of planning to between NOK 70–80,000 and 150,000, with an average cost of around 130–140,000. According to one supplier, planning costs amount to 8–10 per cent of the total investment. Grants for lift installation planning can therefore vary between NOK 35,000 and 75,000 depending on the extent of the alterations involved. All in all, units considering upgrades, including installing a lift, can access support for the technical survey (including the feasibility of installing a lift), and following a decision to go ahead, a grant to help defray planning costs. The costs will be divided between different stages and different stakeholders, depending on how the work is organised.

When the Housing Bank provides planning grants of upwards of 50 per cent of the *planning costs*, it works out as a rule to about *4–5 per cent of the total investment*. How this acts as an incentive is rather uncertain. The usual argument for installing a lift according to our data is its practical utility; appreciation of the apartment’s market value is secondary. And how much an apartment increases in value from having a lift installed is entirely unclear. People’s willingness to pay for property varies widely across the housing markets and market segments, apart from the impact of the size of the property. We find that lift suppliers today face demands for lifts from the older housing stock in Oslo west, where apartments today cost between NOK 4 and 8 million. Even in this highly solvent market segment, there are many more inquiries about prices than completed projects. This could mean that the cost of a lift to the individual unit is higher than the estimated appreciation in market value.

Whether the planning grant will encourage wider interest among residents of condominiums and owner-occupied flats is also a moot point. The sums in question are so small that if a lift were to be installed, it would be more helpful if other ways of reducing and ensuring a fair division of the costs were available than by a grant amounting to only about 4–5 per cent.

Does installing a lift result in “universal design”?

When existing housing is converted/updated, design standards are not as rigorous as they are for new housing. If there exists a legal demand for a lift in a building, the minimum floor area for disability lifts (for wheelchair users) is 140 x 110 cm. The effective width of the doorway should be at least 90 cm. To enable users to turn their wheelchair, a floor area of 200 x 140 cm is recommended. None of the lifts in our case studies satisfied this standard, and only one satisfied standards regarding the general dimensions of the lift and doorway width of 90 cm. Not one of the lifts installed in newly constructed lift housing satisfy the minimum standards for new buildings. But while the lifts do not measure up to the standards of new buildings, there's enough space for lightweight wheelchairs and the residents are very happy with the practical benefits of the lift.

If we turn our attention to older apartment buildings in Oslo, built in the 1890s, we find widespread concern among residents to ensure that aesthetic and architectural qualities are preserved. The lift solutions adopted here, despite involving a few steps to access the cab, are of great practical value. One should resist setting over-rigorous standards regarding stepless access, but balance access requirements against other requirements and ideals. It would be a shame to make the best the enemy of the good.

Expertise and sound advice

The boards of all the condominiums and the owner occupied flats in our case studies have had to supervise the process themselves. Some employed the services of professional supervisors to organise the contractors. Some also used consultants to help them sift through the various solutions. All the same, the boards have had to make decisions during the process as well. Informants attest to the importance of board members with a grasp of the technical side of things to supervise the process properly.

When we look at what the lift suppliers and board members told us, one of the challenges mentioned by both groups is knowledge of building processes and technical issues. Lift suppliers are not happy about working with amateurs, and the boards are forced to obtain technical expertise either by electing particularly competent board members/chair or by going through the housing associations, the main contractor – who does more than simply install the lift – or a consultancy. The latter option is not considered very highly by the boards, who feel they got less than they paid for.

It might encourage the decision of installing lifts if an impartial body could be set up to help the boards tackle the demands of the work. There is no impartial body today to which interested boards may turn for advice about different solutions. In many of our cases, the lift supplier doubled as the consultant. Contractors or construction engineering consultants could also do the job. However, they will most likely base their preferred solutions on their product. The problems connected with decision processes have been mentioned by others in relation to general housing rehabilitation (Haavik 2008). There is therefore room for a sound, neutral advisory service in this area.

Place development in Eidfjord

– socio-cultural place analysis

By Guri Mette Vestby
NIBR Report 2009:22

1. Eidfjord in Hardanger

“Eidfjord – Unique from Fjord to Mountain”. This is how the local council of one of the least populous municipalities in Norway announces the rural community. Large stretches of the Hardanger plains lie within the municipal borders. This is where the biggest waterfall in Norway, Vøringsfossen, lies in the stunning Måbødal. “Our identity is forged in the solid mountains”, says the mayor, a sentiment many others agree with, including the young. The rugged mountainous terrain, the highland plains and near perpendicular escarpments falling into the Hardanger fjord constitute the municipality’s visual character. Eidfjord is unlike other municipalities in the Hardanger region insofar as it lacks commercial fruit growers (like Ullensvang) and a manufacturing industry (like Odda). It is also unlike many other rural municipalities in having economic room for manoeuvre, a result of owning the rights to hydropower and the underground Sima Power Station, built in the early 1980s. Tourists travelling on foot, by car or ship are essential to local business people and provide an additional income to others. Eidfjord was chosen when locating the new Hardanger cruise ship terminal was up for decision. Most of the inhabitants live in this small town by the fjord, originally an old place for trading (*ladested*). Current population is 945, down by about a hundred since about twenty years ago. But the statistics also show a high rate of infants moving to the town in the past three years, an indication perhaps of what young families see in the place.

2. Place development: A social and cultural process

This socio-cultural place analysis takes particular notice of how stakeholders use the place, their perceptions or images of the place today and looking forward, and concomitant interests. Within the Eidfjord community people are united as well as divided in their conceptions of the potentials of the place, what counts as a desirable future and how priorities should be stacked. Conceptions of qualities, negative factors, place images and place interests vary. The questions asked by the analysis are organised according to use of place, place images and place interests. Qualitative methods for gathering data, including personal interviews, focus group interviews and on-site inspection are used in this analysis. This process has also provided a

participatory forum in which many local people took part and offered useful information on the place from firsthand experience and a wealth of creative ideas about how to improve the community. A plan of action and concrete recommendations will be drawn on this material by the place development committee.

The starting point of this place analysis was, among other things, a desire to balance the needs and interests of the local population against those of the tourists. Since tourists are so important to the community, many of the projects and priorities target this group in particular. Now it's the turn of the community's residents, it is said. In the analysis we emphasise the importance of looking beyond these two categories and identifying user groups and, in consequence, target groups for place development projects. The local population and tourists are both made up of different groups, whose use of the place differs both with regard to manner and purpose.

We first examine how place development proceeds in a particular context, which means how other factors and circumstances constrain and influence stakeholders and processes in Eidfjord. Included here are the high level of interest in the attributes, particular characteristics, dimensions of appeal, place reputation and attractiveness; the new Planning and Building Act, which sets new standards of consultation and participation; sharper competition between places; and, not least, parallel investments and projects in the Eidfjord area in the field of culture, tourism and branding. In addition we also show how social and cultural factors both encourage and constrain. First of all, the collection of data became a site of social interaction which benefited from local cultural traditions of co-operation and wide-ranging voluntary work in connection with large-scale arrangements. Second, the Place Development Committee's mandate and modus operandi encouraged local people to get involved. Their mandate was widened from a physical place analysis to a more comprehensive, coherent focus on measures, activities and enjoyment. As they said at every opportunity, the public is the most important resource in this work. The committee was there to listen and learn.

This raised expectations as to what the municipality's central administration and political leadership could accomplish, and to some, this was a trial run to see whether it was worth getting involved in voluntary place development work. It depends on whether people believe participatory democracy is actually working. If the sceptics are proved right, and the results of this type of voluntary effort are meagre, it could easily present an obstacle for the work ahead. As an unintended effect, it could affect other projects requiring voluntary input. Social capital, comprising trust and reciprocity in networks and relations, is an important but fragile resource in place development.

3. Place images and place uses: Perceptions of the place qualities and distinguishing attributes today and looking ahead

However the centre of the municipality is altered, plans will be affected by perceptions of the place as a whole. Young and old, newcomers and natives share certain place images, including the stunning natural beauty and appeal as a tourist destination; prosperity generated by hydropower; a reliable, good place. There is wide support to encourage the tourist industry to grow, and no one mentions any

drawbacks in this regard, which has been known to happen in certain other rural municipalities where tourism looms large. The image of a municipality made prosperous by hydroelectric power is considered one aspect of the appeal of the place, but also a likely disincentive to voluntary work and involvement. On the other hand, there is a clear picture of a tiny place in the country which manages to organize several large annual events and arrangements. There is a sense of pride in this collective self-image which these social and cultural pursuits serve to amplify. The place is experienced as a safe, secure and good place to live. This is not unusual for rural communities, but is particularly noticeable when it is met by the experience of newcomers from crime-ridden European cities.

The town of Eidfjord is described as a “hive of activity” in the summer season, which reverts for the rest of the year to a comatose state of winter hibernation. Newcomers find it harder to come to terms with than natives, since the latter have their social ties and less need of informal venues in the public arena. Interests vary with place attachment. Some say it is difficult to get to know people, but all newcomers contacted by us describe the locals as friendly and helpful, and local authorities as willing advisers and helpers. No doubt the town draws on recent experience of helping new residents. There was an influx when the hydroelectric plant was built. The town is, it seems, good at giving newcomers an opportunity to do something constructive for the place, especially in the field of cultural activities. The place development process has also given newcomers with an interest in shaping Eidfjord’s future an opportunity to join in. The difference between “them” and “us” is gradually eroded, integration is encouraged along with a sense of gratification. Continuing along this line will clearly benefit the community.

We use the term ‘place usage’ in the wider sense. It covers commerce and industry, municipal administration and service delivery, hotel management and catering. The centre also occasionally hosts cultural events, entertainments, leisure and recreation. The centre is small, densely built, but seems nonetheless fragmented and rather disorganised. There are several reasons for this. One reason is that the centre is divided into two parts. Most of the cultural events and leisure activities take place in the upper half, at some distance to the quay and shoreline. The main winter venues are here, associated in particular with activities, training and meetings. On an ordinary day outside the peak tourist season, it is difficult to find children or adolescents enjoying themselves in the centre. Some have their own informal meeting places in the evenings, the Mix kiosk and the youth club. Not many people actually live in the lower part of the centre, near the fjord, which perhaps should be addressed in the future, because there is a need to revitalise the area and because there is a lack of housing for new residents. Another reason for a fragmented impression is that the lower centre area is dissected by open spaces and car parks in “the middle” of the area, and by the very varied standard of the housing, both aesthetically and technically. There is also a lack of unifying aesthetic elements, although the physical quality has improved somewhat with the decoration of streets and squares.

The picture drawn by the local inhabitants of a diverse, *fertile future Eidfjord* in the many ideas for projects not only envisages concrete improvements or new activities and functions they would like to see located in the centre. The suggestions can also

be said to express a symbolic objective, that is, (I) vitalising the centre; (II) encouraging social integration and bridge-building; and (III) local identity building.

Vitalising the centre is about encouraging and rejuvenating use of the area in the centre; measures which counteract winter hibernation; and steps which encourage the local people to see the centre as their own as much as the tourists'. If they succeed in generating a "hive of activity", it will give credence at the same time to the *viability* of the place. Many of the suggestions can be interpreted as a desire for bridge-building, to promote social integration, giving people more opportunities to get together either in informal venues and amenities or through activities and entertainments, or in work associated with commercial outlets, market activities, cultural events, etc. Other bridges are envisaged for the Eidfjord of the future, linking different industries interested in closer collaboration; improving contact between newcomers and natives; between local authorities and an interested civilian population; and across divides left over from the past.

Local identity building concerns several factors, from the style of the physical environment to local mentality. To take one example, several creative suggestions would, if realised, signify something to the community itself and to the outside world about their determination and courage to do new things and promote an atmosphere of tolerance in which to do them. The knitting project, in which striped scarves knitted by the ladies of the village were draped around the trees along the avenue at the westward entrance, was one such signal. The villagers' "raft of measures" also signifies the importance of the place by the fjord to their sense of belonging and local identity. They want to feel proud of Eidfjord on the fjord, just like they are proud of the mountains and the highland plains. Youth and adults alike highlight the potential for creative installations and structures in the river and along its banks, an area which to the highest degree is part of the identity and history of the place. However, the shoreline, which used to be the heart of the village where goods were loaded and unloaded, and travellers embarked and disembarked, is attractive to the tourists today. But as the adolescents say, not many people consider the area at the water's edge as part of the centre. A wider, more integrated perspective on the water-bordering zone, the area around the quay and the old buildings, would seem called for. It would open up the prospect from the centre to the fjord, a sight worth preserving. The idea to renovate and use the old buildings (Heggjagarden, Sjøbua, Gammelskulen, Ungdomshuset), and, possibly, erect new buildings in a style which harmonises with the old style, could inject a sense of individuality, enhance the visual aesthetic and accentuate the cultural history of the place. At the same time, it would meet the need for new meeting places and new cultural and commercial activities. The utility value for the local inhabitants would increase as would the attraction for tourists. When the process began, little prominence was given cultural heritage and the environment, but as time passed, these aspects grew in importance, if for very different reasons. First, it was because the local people were invited to think new ideas for the geographical area; second because the council was finally able to buy the old Heggjagarden; and third because an opportunity arose to realise old, controversial plans to erect a combined residential and commercial property (Sentrum terrasse) in the area.

4. Place interests: Joint interests and inequalities

Many people have an opinion about what could and should be done in Eidfjord. And there is a connection between the interests of the various stakeholders and the projects they would like to see succeed. But the process and many of its participants have also highlighted the community-wide importance and mutual interest in creating above all a vibrant, attractive centre in a viable rural community. There are many compatible interests associated with developing the municipality as an appealing place for tourists. But there are also incompatible interests with regard to parking, design of open spaces in the middle of the central area, which is reserved for visitor and tour bus parking. We also see how interests run both in parallel and in opposition when it comes to repairing and restoring existing buildings, the aesthetic style to be chosen, and whether to put new buildings in the centre. That some important voices in the community are happy with the current state of things, and are not entirely convinced of the need to invest in place development could, moreover, put a damper on progress, making the increasing rivalry between places potentially more damaging to the community.

Different commercial interests were quick to announce a common stance with regard to marketing targeting cabin owners and tourists, opening hours, road improvements and information-related propositions for the centre. They are now interested in establishing a chamber of trade and commerce, something they believe will strengthen their hand in discussions and negotiations with municipal and regional authorities. But some of these stakeholders are in the same line of business, and competition in a small place increases the vulnerability of all. New businesses, stakeholders agree, must not be allowed to lead to the demise of the old. A new informal meeting place like a café or pub could represent a long-awaited amenity, but also a rival. Discussions over these matters show that newcomers are more interested in new amenities, naturally enough, than people from Eidfjord, with their long-established ties and social networks. In addition, some of the newcomers from (European) cities have other cultural traditions for social intercourse. But Norwegian newcomers too, especially if they are single, and older youth in the village would like to see changes in this direction. It should therefore be seen as a means of consolidating the sense of belonging, something which in large measure is based on social attachment.

In conclusion, we focus the need of a forum of cooperation, with participants from both the local authorities and the civil society. Both young adults and migrants should continue to participate in the place development, as significant resources and inhabitants in the future.

Evaluation of Urban Action Plan for Mental Health

**By Trine Monica Myrvold, Marit Kristine Helgesen and Lillin Knudtzon
NIBR Report 2009:24**

Theme of the report

In the 2005 national budget NOK 50 million of the funding for the wider Mental Health Action Plan was set aside for the four largest cities – Oslo, Bergen, Trondheim and Stavanger – “to strengthen the commitment to those who elude the care services”.

The Norwegian Directorate of Health asked NIBR in 2006 to evaluate the Urban Action Plan for Mental Health, concentrating on two issues:

- The significance of the organisational setup of the Urban Action Plan
- The extent to which programmes established under the Urban Action Plan represented an adequate response for the seriously mentally ill who lack the resources to contact the care services or simply elude the services

In the Proposition to the Storting an initiative was taken to appoint a fast track project group to report on how action plan projects could be selected and funding allocated. In the opinion of the project group, urban programmes should endeavour to ensure

- Identification of people in need of help and referral to the services
- Good, competent help for this client group
- Integrated and coordinated management, including clear location of responsibility, procedures for broad collaboration and interaction and use of individual plans
- Client and family participation

The evaluation should investigate whether these four main points from the fast track project group were actually addressed by the programmes put in motion by the city authorities, and if so, to what level of success.

Data and method

The evaluation of the urban action plan for mental health is essentially a performance evaluation. Were the targets established by the Storting, Directorate and project group met? How closely aligned were locally established targets and plans with those set by the national authorities?

The evaluation of the organisation of the urban action plan (Part I) uses qualitative data (interviews, document studies).

The evaluation of the outcomes (Part II) comprises a general part in which all 21 programmes are reviewed, and a closer study of eight programmes. To describe and appraise the programmes, we made use of both qualitative and quantitative data. We obtained information from the city authorities about their programme objectives, target group, organisation, resource use, number of employees and employee qualifications (by surveys and interviews). In addition, registrations were made of clients in all programmes who have contact with individual clients.

Key findings

Organisation of the urban action plan

The urban action plan's scheme with a fast track project group represents a new approach to engage the municipalities in the design and development of projects and actions. Because the municipalities were involved in the process from an early date and helped specify and build the projects, they had an opportunity to lay down the principles governing the genesis of the action plan projects. At the same time, central government authorities could monitor via the fast track project group whether the cities were translating the plan's overall purpose into the individual project. The four cities were very happy for the opportunity of early involvement. The system, however, did cut across the established administrative route which goes through the consultants at county governors' offices, which in the early stages of the plan's implementation did cause a certain amount of uncertainty as to how best to read the government policy signals aimed at the municipalities.

The lifetime of the fast track project group lasted only two or three months, giving the city authorities little time to develop projects and prepare applications. Some projects got off to an early start, but some applications were filed prematurely, and had to go back to the drawing board for revision. As the authorities worked through the applications the project group's report was found to be insufficiently specific. Several important issues needed further clarification before the application procedure could proceed.

The system of applying for funding project by project increased awareness of the target group's needs, and improved the quality and specificity of the projects. What the long-term impact of the funding provided under the urban action plan will be is difficult to say and will likely depend on the type of project. Most members of the group targeted by the urban action plan projects are particularly disadvantaged and lack forceful advocates to lobby on their behalf for project extensions. There is therefore reason to believe that pressures could arise over time in relation to reducing the amenities provided in the projects established under the sponsorship of the urban action plan.

Urban action plan projects in the cities

The group targeted by the urban projects was intended to be the seriously mental ill (some of whom also struggle with alcohol and drug abuse) who either avoid or elude the care services, or who have received inadequate help. There was acceptance after a while for including young people on the cusp of adulthood. All told, the urban city projects appear to have addressed the target groups recommended by the fast track project group, although some projects addressed children.

It was assumed that a large proportion of the target group would fight shy of contact with the care services. It was therefore considered of importance to make sure that projects could help identify sufferers of mental health problems with unmet needs of assistance. Only a few urban action plan projects involved an outreach facility, but work to establish the incidence of mental health problems in a given population and examinations carried out at high turnover facilities such as A&E departments may have helped identify undiagnosed mental illness.

Referral procedures are an important feature of several of the projects, but represent something of a challenge. It can be difficult to persuade the services to accept responsibility for the least well clients who have an alcohol and drug addiction problem and live in a perilous housing situation.

All in all, the urban projects seem to have achieved a reasonable balance between expertise provided by the care services and by the social services, a balance which likely reflects the needs of the clients in a good way. In connection with the urban action plan's projects, one has learned a great deal about mental health, especially the combination of mental health and misuse of psychoactive substances.

Almost all the users of the urban projects receive an offer to talk with professionals. Many are helped to contact other services and coordinate responses. They can also get help for various problems in their everyday lives. Only a few, relatively speaking, get help with job training or school work.

Clients we have interviewed in connection with the evaluation were mostly very pleased with the help they received. Their families are also pleased, though some would have liked somewhat greater discipline with respect to clients' lifestyles and general conduct.

Ensuring productive partnerships is a central element of many of the urban projects, but is generally considered difficult. In Oslo, cooperation and coordination are particularly difficult for the projects that recruit clients from each of the capital's fifteen urban districts. Some projects had successfully tied service providers to their pledges by means of a written contract and clear requisitions. Good working relations between services were easier to achieve when the client was young, more difficult with "old" clients with a dual diagnosis. Stable, long-term accommodation also facilitated an integrated approach, including cases where the client was among the least advantaged.

Client involvement is practised in different ways by the urban action projects. The most important form of participation is possibly where the client is encouraged to take make use of different types of assistance or activities. The services need to be "on the offensive". Some family members feel that client participation has gone too

far, and that not enough pressure is put on clients to take part in therapeutic programmes etc.

Some thoughts about following up the urban action plan for mental health

The urban action plan under the sponsorship of the Mental Health Action Plan has procured much-needed funding for and given a sharper focus to project development for groups whose priority under the implementation of the Mental Health Action Plan was too low.

In our opinion, the application procedure whereby the cities apply for funding for concrete projects helped sharpen the focus on this target group. This approach, which entails the direct supervision of municipal activity, should be used only in exceptional cases such as when other means of distributing funding fail to give the targeted group the necessary priority or when the target group lacks strong advocates in organisations, families or local care services. It can be difficult for municipalities to give priority to groups which themselves shrink from involvement with the care services, especially when others in need of assistance are clamouring for better services for themselves. For these groups, it might be productive to ring-fence funding awarded to concrete projects after application approval.

While the four cities faced different challenges in their mental health commitments, there was a great need for targeted action for the most disadvantaged groups of the mentally ill in all four cities. Virtually all the concrete projects represented in that sense a substantial contribution to improving services for the cities' least advantaged citizens.

Several housing programmes were put into effect under the sponsorship of the urban action plan. These housing programmes varied across several measures including type of accommodation (separate apartment or semi-institutional living), degree of community living (rooms/amenities/activities shared with others), approach to coping with addiction and ambitions to organise tenants' everyday life. The provision of housing requires considerable resources and expenditure. In our opinion, different forms of housing for the seriously mentally ill who suffer in addition from alcohol/drug abuse problems, cognitive impairment or low coping skills should be studied more closely.

In three of the cities, the urban action plan occasioned a commitment to ambulatory care. Ambulatory care targets different clientele groups and is organised in different ways. The Stavanger-based *OBS Team* and Trondheim-based *PART* are examples of the municipal authorities working together with the specialist health service. Experience gained from different government levels working together in these schemes should be of some relevance to the imminent coordination reform (*sambandlingsreform*). The experience of the OBS Team of working bilaterally – treating clients accepted by the team and responding actively to reports from concerned parties – should be of potential value to other municipalities.

In Oslo, three urban action plan projects sought to identify mental illness. We would like to mention in this connection the methodology applied by the *Institution Project* (*Institusjonsprosjektet*), its potential to institute wide-ranging changes in how child welfare and child and adolescent psychiatry are organised, and coordination between

them. This is knowledge which deserves to be taken and discussed at a higher level than internally in Oslo.

The project *Mental Health in Oslo Schools (Psykisk helse i Oslo-skolen)*, which involves creating a method of cooperation and coordination between relevant services for children and adolescents with mental health problems, could possibly stand as a model for the work in other municipalities. Maintaining a focus on mental health in schools after the lifetime of the project will probably constitute a particular challenge. It will be interesting to see how far the scheme actually contributes to the different services' ability to learn new practices and whether the procedures are considered so good that all the involved services will want to maintain collaborative relations ahead. The project should therefore be followed closely.

We would finally like to mention the value of the urban action plan meetings, arranged twice annually at different periods of the action plan's lifetime. There appears to be a great need for this type of arena where municipalities can pool experiences. While the largest cities could be said to have particular challenges in their mental health work, there is potentially much to learn for – and from – smaller towns in the development of projects in the sphere of mental health.

Residential care homes for the mentally ill. Evaluation of the work of the Norwegian Housing Bank

By Evelyn Dyb and Trine Monica Myrvold
NIBR Report 2009:25

The subject of this report concerns the evaluation of the Norwegian Housing Bank's work in connection with the National Action Programme on Mental Health (*Opptrappingsplanen for psykisk helse*). The evaluation asked to ascertain

whether certain aspects of the construction of residential care homes under the National Action Programme could be explained by aspects of Housing Bank's work and collaboration with other stakeholders.

Although the work of the bank is the main focus of this project, it was necessary to involve other stakeholders with a possible bearing on the performance of residential care home scheme. It is particularly in the Housing Bank's dealings with the municipalities that we find the likeliest explanation of performance regarding the building of housing under the Action Programme on Mental Health.

As the Housing Bank requested, the report discusses several issues under each of the four headings below.

- Performance at the national level on the Action Programme: ideological, political and legal platform
- Organisation and performance of the Housing Bank's role relating to the Action Programme
- Collaboration among stakeholders on the delivery of residential care homes
- Characteristics of residential care home construction and the finished units

Data

The data on which the project is based were obtained from three sources: documents, interviews and a survey of the municipalities. We interviewed officials at the Housing Bank's head office and regional branches; consultants employed at selected County Governor offices; officials at the Norwegian Association of Local and Regional Authorities and senior figures in the two foremost user-based organisations in the mental healthcare sector *Mental helse* (Mental Health) and LPP –

Landsforeningen for Pårørende i Psykiatrien (The National Association of Relatives of Psychiatric Patients).

National commitment to the National Action Programme: ideological, political and legal parameters

The commitment to provide residential care homes for people with mental health problems is a response to the de-institutionalizing of mental health care in Norway and the emergence of services under the local authorities. The Action Programme's commitment to residential care homes echoes the building of residential care homes and nursing homes under the Senior Citizen Action Plan and associated programmes. Rather than nursing homes, the Action Programme on Mental Health envisaged and encouraged the deinstitutionalisation of mental health care with a view to enabling independent living.

Neither the commitment to residential care homes nor the housing needs of people with mental health problems were given much space in the public documents drafted in connection with the Action Programme. Nor did the various housing policy white papers or other policy documents spend much time on these issues. The Action Programme set a target of 3,400 new residential care home units. The figure was decided by the Ministry of Health and Social Affairs on estimates that relied for the most part on municipal censuses and statistics on coverage ratios.

The Social Services Act regulates the right of the individual to housing and the statutory duty of the local authorities to help if necessary. The key statute in the Housing Banks work on residential care homes under the Action Programme appears to have been the Planning and Building Act. The act defines the appropriate building codes and standards, sets out accessibility and location requirements. Neither the Ministry of Local Government and Regional Affairs nor the Housing Bank targeted social housing in this effort, something that emerges from a review of the public documents associated with the scheme.

Organising and working with the Action Programme at the Housing Bank

The Housing Bank worked on the Action Programme on Mental Health and the Senior Citizen Action Plan in conjunction. The same funding schemes were involved and the same officials were in charge of putting both programmes into effect. When the Housing Bank considered municipal funding applications, it sought to ensure that the standards of the planned units conformed with the bank's own minimum housing standards and permitted 24-hour care and nursing provision. There was all the same a discussion whether mentally ill persons had the same practical housing needs as the elderly. Was, for example, wheelchair accessibility necessary? How should one approach the personal and social needs of the mentally ill to ensure the right balance? A certain degree of discretion was therefore introduced into the procedures for dealing with housing applications and compliance with official requirements.

The Housing Bank's contact with the municipalities varied in extent and type. There was often limited direct contact with the municipalities, though several meetings were held with municipalities who needed advice and help to move their projects forward. In general, the Housing Bank was not particularly involved in initiating building programmes, and had nothing to do with the creation of services for residents.

In the Housing Bank, the construction of residential care homes under the Action Programme on Mental Health was clearly geared towards facilitating individual living and normalisation, in observance with the plan's intentions.

Collaboration to construct residential care homes

Municipalities' contact with the Housing Bank

Most of the municipalities in our survey that had built residential care homes under the terms of the Action Programme were in contact with the Housing Bank on one or more occasions in connection with the building of the homes. The municipalities were happy with the way the contact worked, with most awarding it a good or very good mark. Municipalities with the most contact were also more likely to express satisfaction. Contact frequency increased with municipal size.

Norwegian Association of Local and Regional Authorities contacted the Ministry of Local Government and Regional Affairs through the usual channels, but had no direct contact with the Housing Bank on matters connected with housing construction under the Action Programme on Mental Health.

Opinions of the municipalities towards the Housing Bank's programmes

Most of the municipalities were content with the Housing Bank's funding scheme, rules and guidance relating to residential care home construction. Some municipalities would have appreciated more flexibility in practising the standards and rules, given the differences between municipalities.

While the funding of residential care home construction was considered satisfactory, a significant majority were unhappy with the funding available for the management of the units.

For the great majority of the municipalities in this survey, the Action Programme had not satisfied the need for residential care homes among the mentally ill. Of the municipalities where residential care homes was not constructed under the Action Programme, many believe the need for residential care homes for the mentally ill was completely or partly met by the Senior Citizen Action Plan.

Opinions of the County Governors towards collaboration with the Housing Bank

Consultants at the County Governors' offices share the view of the Housing Bank on the excellent standards of collaboration between them on the construction of residential care homes for the mentally ill. The County Governors were in charge of allocating residential care home quotas in consultation with the Ministry of Health and Social Affairs, and supervised municipal progress and reporting. The content of the homes and services for tenants were clearly defined as a County Governor responsibility, although the Housing Bank was responsible for approving the housing projects in light of current guidance.

Role of user organisations in the construction of residential care homes

The two special interest/user organisations that were interviewed differ in their opinion of the joint effort. The National Association of Relatives of Psychiatric Patients (LPP – *Landsforeningen for Pårørende i Psykiatrien*) had no contact whatsoever

with the Housing Bank. Mental Health were not listened to, they felt, nor were their opinions taken into account. Contact with the Housing Bank was worse in their opinion than with the County Governors and Directorate of Health.

Aspects of the finished homes

Construction of residential care homes

Three out of four municipalities in our survey funded the construction of residential care homes with money from the Action Programme on Mental Health. A smaller percentage of municipalities in the northern region of the country built residential care homes compared with municipalities in other areas. Populous municipalities were less likely to build residential care homes under the Action Programme.

A larger number of economically challenged municipalities built residential care homes than wealthier municipalities, but of the latter that did build residential care homes, the number of units was higher relative to the population count.

It took time before the municipalities got down to applying for funds to finance the building of residential care homes, and completion levels peaked only in 2005–07. Not many units were finished in the northern region, for example, in the first half of the Programme's lifetime.

Quotas under the Action Programme on Mental Health and number of units required

Our informants are clearly of the view that the estimates for residential care homes in the mental health sector had fallen short of the mark. User organisations had said as much at an early stage, though without much success. The Norwegian Association of Local and Regional Authorities adds that although more units were needed than estimated at first, no money was forthcoming to enable the municipalities to satisfy the need.

Were municipal applications rejected?

Only a small number of municipalities had their housing funding applications turned down. The small number doubtless attests to the successful communication to each municipality of its allowed number of units, other requirements, standards and building codes etc.

Why haven't municipalities built residential care homes?

The main reason offered by municipalities for not building residential care homes under the Action Programme on Mental Health is lack of need. There are enough units, and every person in the group concerned has suitable accommodation. A considerable percentage of municipalities also point to the lack of management funding as a significant disincentive.

Delays affecting the construction of residential care homes

Despite the widespread need for accommodation units for mentally ill persons, long delays slowed delivery. This was reportedly a particular issue in the largest municipalities.

There are several possible explanations for the tardy performance and delivery of residential care home units. The municipalities may have been aware of the number required, but for reasons addressed elsewhere in the report never actually got as far as taking practical action. The necessary number of units may only have come to the attention of the local authorities during the scheme's implementation. Since the closing down of psychiatric nursing homes went faster than originally anticipated, there was an unexpected upswing in the need for new accommodation. A third explanation is that the municipalities revised their assessment of the needs of the mentally ill, coming to the realisation more should have their own home.

The municipalities cite complaints and protests from neighbours, slow procedures and lack of building land as the most important causes of the delays. These various explanations have probably worked in conjunction.

What sort of residential care homes was built?

Much of the accommodation erected in connection with the Action Programme on Mental Health was multi-unit housing, i.e. housing with communal living facilities. There are also many dedicated buildings, but not with communal facilities. Only a fraction of the dwellings were built as part of an ordinary residential neighbourhood. The size of the municipality and choice of structure correlate: the larger the population, the more likely the multi-unit solution will be chosen.

Between 25 and 33 per cent of the municipalities have built housing for the mentally ill in conjunction with housing for the elderly, mentally disabled and/or individuals with drug/alcohol dependents. In the West and North, accommodation for the mentally ill tends to be built in proximity to units for drug/alcohol addicts, while the Mid-Norway region is more inclined to locate dwellings for the mentally ill together with homes for the elderly or mentally disabled.

We find a clear correlation between municipal size and where the units are located: the smaller the municipality, the more likely one is to find accommodation for the mentally ill in proximity to homes for the elderly and/or mentally disabled.

Virtually every unit built under the Action Programme is regulated by a contract between the municipal authority and tenant, either a normal tenancy agreement or a contract with special terms.

Discussions concerning the design and standards of residential care home units

The national standards for residential care homes were geared originally to the needs of senior citizens. Discussions concerning housing design and requirements have tended to reflect divergent opinions on what good housing for the mentally ill means in practice. The Housing Bank maintained support for the conventional standards, but during the Action Programme adopted a more flexible approach.

Opinions among the special interest organisations were also divided with regard to the quality and standards of the units, and whether the views of users were taken seriously. According to LPP, the standards of the units are quite high, though Mental Health are dismayed by what they believe was a blinkered attitude towards housing for the mentally ill. The Housing Bank laid too little stress on the group's inherent heterogeneity. While many have families, but the units were designed with one or

two tenants in mind. On this point, however, Mental Health do feel they managed to make a difference.

Where do the residents of the residential care homes come from?

We asked the municipalities to try and pinpoint where the residents of residential care homes lived before they were allocated accommodation funded by the Action Programme. About a third lived in their own home; a fifth in welfare housing. About four in ten came directly from a hospital or residential institution under the specialist health service.

Where residents of residential care homes lived before they obtained their dwelling follows the divide between large and small municipalities. The smaller the municipality, the more likely they would have lived in their own private home. In larger municipalities, a relatively larger number came from residential institutions under the specialist health service, or directly from a hospital.

Conclusions and reflections

The concluding chapter reviews some of the key evaluation findings against a wider backdrop. The Housing Bank had gained expertise and know-how in connection with its work on the Senior Citizen Action Plan. This know-how was put to good use now with the National Action Programme on Mental Health. Accessibility and design standards that were a central element of the Senior Citizen Action Plan were simply modified to fit the needs of the mentally ill. This led in turn to a review of the content and practice of the guidelines for residential care homes, departing to some extent from the guidelines for the “good dwelling” and universal design.

The evaluation found few units in normal residential areas: most were built as multi-unit structures with communal living facilities, or as part of a cluster of housing units for other groups. This might not be contrary to the normalisation and integration philosophy of the Action Programme. An “integrated” dwelling does not necessarily mean social integration. The evaluation found that the Housing Bank’s guidelines did indeed encourage normalisation and independent living for tenants of residential care homes.

Nor was social housing part of the Housing Bank’s remit. One can see, retrospectively, how the modification of the guidelines reflected a social housing philosophy geared to addressing the needs of different groups.

The evaluation found a connection between the capacity and commitment of local authorities to provide housing and the wider delivery of public services to the residents. Increasing co-management arrangements among several government bodies, some of which involve the Housing Bank as well, should be a good starting point for empowering local authorities to provide and enable the integrated delivery of housing and services.

There was very little contact between the Housing Bank and user organisations in the mental health sector. The evaluation interprets this in light of the Housing Bank’s limited role in residential care home policy for the mentally ill. User organisations were more preoccupied with the number of units than the design, which was the responsibility of the Housing Bank.

Evictions and forced sales

By Arne Holm and Kim Christian Astrup
NIBR Report 2009:26

This study takes as its starting point developments regarding evictions and forced (foreclosure) sales in recent years and looks at the following themes:

- Investigate developments in the rate of evictions and forced sales in 2008
- Type, scope and quality of data related to evictions and forced sales
- Investigate who is evicted and who is affected by forced sales
- Investigate the causes of evictions and forced sales
- Investigate the pre and post eviction/forced sale situation of different categories of households
- Pre and post eviction/forced sale situation in light of available mechanisms

The study of *evictions* is based mainly on a qualitative approach, with interviews with senior figures within the eviction process; the study of *forced sales* is based mainly on an analysis of register data.

The study has a four-part structure. The first part introduces the research questions and explains the methodological approaches. This is followed by two distinct analyses of evictions and forced sales. The concluding part presents the characteristic features of evictions and forced sales and summarises the biggest challenges to reducing prevalence.

Changes in the rate of evictions and forced sales in 2008

The number of eviction applications and enforced evictions was lower in 2008 than 2007; this however followed particularly strong rise in 2007 relative to the previous year. Inspecting the figures more closely, the main part of the growth is shown to be in the number of eviction applications, though actual evictions did rise in some of the major cities. Oslo, Trondheim and Tromsø thus saw applications rise in number from 2007 to 2008, while actual evictions went down. For many small municipalities and municipalities in the metropolitan areas of the major cities, applications and actual evictions both fell. These municipalities include, for instance, Asker, Bærum and Sandnes. Nevertheless, individual metropolitan and rural municipalities display mixed rates of growth and decline.

Nature and reliability of the data

The state of the data on evictions creates several qualitative and quantitative challenges. In relation to evictions, the enforcement authorities (*namsmann*) enter information into a processing system, SIAN, managed by the Norwegian National Police Directorate. As of 2008 the system is based on universe data. However, personal information entered into the system is limited to individuals' national identity number. Knowing the ID number, however, it should be possible to crosscheck with information stored on other ID-based databases. But there is no simple procedure available to the enforcement authorities to create statistics over evicted persons on the basis of SIAN data. To the extent the enforcement authorities perceive this as hampering how they proceed in their work and in preventing evictions, crosschecking with other census-based data systems is the only feasible alternative.

Beyond this, eviction statistics do not exist. The social services do not, as a rule, compile statistics over personal details, housing situation etc. in eviction cases. Information on evictions can only be obtained by crosschecking the ID number with other official databases.

The quality of the information on forced sales is better. The leading official sources of data on enforced sales are the National Courts Administration and the Norwegian Mapping and Cadastre Authority. Data held by the former is limited at the moment to forced sales for which an application has been filed. Data held by the latter are limited to officially recorded forced sales of owner-occupied homes, not housing co-operative units. To assess the extent of underreporting by the Mapping Authority, and establish the prevalence of co-op properties being forcibly sold, we looked at data on forced sales at the country's biggest receivables management company, Lindorff Decision. These data revealed similar tendencies, something we take to indicate a low level of underreporting in the data from the Mapping Authority.

The forced sale of housing co-operative properties accounts for 25 per cent of the total, which is slightly higher than the number of co-operatives nationwide would indicate.

Who is evicted and whose property is forcibly sold?

Given the data constraints on eviction cases, it is difficult to draw a general picture of who is actually evicted. Our discussion is therefore based solely on the qualitative data obtained during interviews with social services, enforcement authorities, rental property managers including municipal managers. In the experience of these parties, evictions tend to result from poor economic management. In most cases, the evicted individual has enough money to cover housing expenses, but simply doesn't pay the rent. Additional problems are present in some cases, including substance abuse and/or psychiatric disorders.

Some evictions result from a tenant's failure to renew the tenancy contract, others from anti-social behaviour (i.e. noise, disturbance, etc.). Individuals are frequently hampered by an inability to cope with independent living. Again, substance abuse and/or mental health problems may be a contributing cause.

Regarding forced sales, households are spread relatively evenly across the income range. Twenty-two per cent are low-income households – where low income is defined as 60 per cent of the median income; a third of the forced sales are within the two lowest income deciles, while half have normal incomes. Twelve per cent belong to the highest income deciles.

As an indicator of loan to value ratio, we divided total debt by the household's pre-tax income. The ratio should preferably not be greater than 3. What we find, however, is that 45 per cent of the households have a ratio higher than 3, and as many as 25 per cent an extremely high ratio of 5 or more. Gross imbalance between loans/mortgages and incomes is an important contributing cause of forced sales.

We find an overrepresentation of single person (44 per cent) and single parent (10 per cent) households among evicted households. In comparison, the national proportion of single person homeowners is 36 per cent and of single parent homeowners 6 per cent. The imbalance is related to the higher susceptibility of these households to changing circumstances affecting expenses or income. The changes can be caused by relationships breaking up and the death of a spouse or partner. About 15–20 per cent of forced sales come about as a result of broken relationships or deaths.

We also see a number of young adults as forced sale victims. Twenty-seven per cent are 34 or less. Nationally, young homeowners in this age-group make up 16 per cent of the total. The leading causes of forced sales are high loan to value ratios and short tenancies. Divorce rates and partnership terminations are higher in this group as well.

The ratio between geographical centrality and forced sales mirrors essentially the ratio between centrality and homeowners in general. Low saleability in decentralised housing markets is weighed up by lower loan to value ratios, and vice versa.

Causes of evictions and forced sales

The cause of most evictions is financial, generally default on rental payments. But failure to renew tenancy contracts is also prevalent in certain areas. Antisocial behaviour and inappropriate use of the property occur as well, but the incidence is lower. The essential causes of defaulting on rental payments or not renewing a tenancy contract are often bound together with other problems, i.e., substance abuse and/or mental health issues. Quantitative analyses of time series of forced sales, 1991–2008, show a strong correlation with unemployment. Forced sales seem therefore to be related to economic cycles. Frequency is low when the economy is healthy, and relatively higher in periods of economic decline. Unemployment and bankruptcies are major causes, but high interest rates seem to play a less prominent role as an explanatory variable. The most important reason for this lies in the system of setting interest rates in Norway. Norges Bank – Norway's central bank – sets the key policy rate, the aim of which is to contain inflation close to 2.5 per cent. It entails, however, a negative correlation between interest rates and employment. High rates are therefore countered by low employment. Borrowing rates have risen sharply in recent years. Many first-time buyers enter a heated market, leading to high loan to value ratios and exacerbating the impact of rising unemployment.

An explanatory forced sale model also requires one to understand why households suffering from mortgage payment problems don't sell the property *themselves*. We have therefore complemented the macro analysis with analyses of microdata obtained from Lindorff and compared voluntary sales with enforced sales after an application action is filed with the courts. The main difference between them is the poor economic management of those who experience forced sale. Another finding: decentralised housing markets increase the likelihood of forced sale.

How do various household categories fare following an eviction / forced sale?

Given the constraints affecting the data for this study, it is difficult to describe in general terms how households fare following an eviction or forced sale. Chance determines whether the social welfare authorities are brought into the case: there are no statistics on this aspect of the proceedings. The enforcement authorities have no access to the wider picture, beyond anecdotal encounters with "recidivists", of whom apparently there is a substantial number, and not always individuals in the lowest income brackets. Again, it is about an inability to manage a household budget, often combined with substance abuse and/or psychiatric problems.

The same paucity of information exists on those whose homes were sold at foreclosure sales. The impression gained during this study is that most people who have lost their homes move into rented, often less spacious accommodation. Given the sharp rise in house prices, most homes sold at foreclosure sales realise a net profit, also for the dweller who lost their home.

Situation before and after eviction/forced sale in light of current mechanisms

For the people cited in an eviction action, the main problem is often not the inability to pay, although the immediate cause of the action to terminate the contract will often lie in an accumulation of rent arrears. Changing the economic support schemes would therefore probably be less effective as a eviction-preventive measure. It is of key importance to oversee clients and provide differentiated accommodation, monitoring persons who are unable to cope with all the demands of living independently. Another step would be to manage the client's income, and make sure rent is paid. Closer collaboration between municipal social services, housing offices and housing services is another important measure. Many evictions are from municipal housing, where the housing office allocates accommodation based on social profile and rent is paid out of the pension or benefit. Many of the people concerned find managing their own economy very problematic. It would seem therefore to be counter-productive to put people already in receipt of care and supervision by the authorities through an eviction due to rental arrears when there is an ability to pay.

The key mechanisms today for reducing the number of forced sales are financial advisory services provided by the municipalities, housing support, social security, refinancing with a start-up loan, the duty of banks to dissuade from credit purchases and the debt settlement scheme. It is difficult to say how these mechanisms perform in practice, due to the data situation. The low number of forced sales, which remains relatively low during economic downturns as well, suggests a general measure of success, an impression strengthened by the correlation between people's inability to manage their economic affairs and the many forced sales. There is also a connection

between relatively stable forced sale numbers and the health of the wider economy in the country, with high levels of prosperity, fast growth and economic equality. Unlike most countries in the western hemisphere, Norway has generous welfare schemes with a large degree of social security, combined with an efficient labour market, low unemployment, and short average periods of unemployment.

Studies by the Consumer Council of Norway would indicate a need to expand advisory services in many municipalities, especial small ones. Strengthening these services is another key measure for reducing the number of forced sales.

Studies by the Financial Supervisory Authority of Norway found inadequacies in the practice of the legal duty to dissuade from credit purchases, although it the measure has served to tighten credit practices among banks. According to our investigations, 25 per cent of the victims of forced sales are heavily indebted. It is difficult to say whether inadequate credit assessment procedures or consumer borrowing is the more to blame. To reduce the number of forced sales even more, one should therefore implement measures to prevent injudicious borrowing. One such measure could be to tighten credit card borrowing by establishing a debt register.

Strengthening Trade Unions.

Evaluation of LO's Co-operation with OTM in Mozambique

Einar Braathen and Austin Muneku
NIBR Report 2009:27

The objectives of the evaluation. The Norwegian Confederation of Trade Unions (LO) has since the 1990s supported Organização dos Trabalhadores de Moçambique – Central Sindical (OTM-CS) and its work to strengthen the trade union movement in Mozambique. This study evaluates the programme-cooperation in 2006, 2007 and 2008. The objectives of the evaluation team were:

- To assess the results of the support provided to OTM-CS by LO to strengthen the capacity of the organisation
- To assess the modality of cooperation with the OTM-CS and provide recommendations on areas for improvement, in particular related to monitoring and reporting on performance by OTM-CS.

The challenges of the Labour Movement in Mozambique. The historical, economic and political contexts pose serious challenges for the labour movement in Mozambique. The legacy of the past includes the fact that OTM was created under a socialist one-party state. In the 1980s and 1990s the country undertook a drastic shift from a command to a market economy resulting in privatisation, factory closures, mass unemployment and erosion of the trade union member bases. The Mozambican paradox is that in spite of more than a decade of high economic growth rates, substantial foreign investments, and rapid expansion of education, poverty is increasing and the employment situation is worsening. Income disparities increased amongst a vulnerable population hit by natural disasters, irregular harvests, malaria and HIV-AIDS. Ninety per cent of the labour force are either employed (or self-employed) in the informal economy (mainly self-subsistence agriculture) or are unemployed. Like most countries in sub-Saharan Africa, Mozambique has been forced by the international financial institutions (IMF and the World Bank) to adopt neo-liberal pro-business policies. Mozambique has for some time seen collective bargaining rights flouted, unionists in export-processing zones discriminated against and workers unduly fired. The government has been complicit since it did not take legal action against the employers, and because its labour legislation was not compliant with ILO's international standards. However, that situation changed in

2007 when a new labour law was adopted that improved the conditions for organising trade unions.

The design of the programme co-operation. The modality of co-operation has been inconsistent. On the one hand, much of the LO support can be categorised as core funding or direct budget support. Donor agencies who practise this type of support usually emphasise participatory planning and ownership on the recipient side, clear targets and performance indicators, as well as robust mechanisms of democratic accountability. These are not the conditions for the cooperation between OTM-CS and LO. On the other hand, LO provides project-like support to specific organisational development. In this area, no baseline study was made prior to the 2006-2009 agreement between LO and OTM-CS, although the partners shared a clear picture of the situation and problems for the Mozambican trade union movement. The goal of the programme cooperation has been to make OTM-CS “*strong, independent, viable, effective, democratic and influential*”. The LO/OTM-CS agreement does not suggest any conflicts between these overarching objectives. For instance, ‘influence’ might be obtained only at the expense of ‘independence’, and visa versa, particularly in their relationship with the state and government. Unfortunately, the agreement does not specify how both independence and influence can be achieved. The evaluators found that the task of monitoring and reporting on performance by OTM-CS could have been easier if the objectives of the programme had been more consistent and better specified. The linkages between long-term objectives, immediate objectives and activities/project inputs should have been better elaborated.

Assessment of activities and results.

Main findings:

1. OTM-CS has, according to its own figures, increased its membership by almost exactly 10% annually. This is a significant achievement given the economic realities marked by a pro-business government, continued privatisation, company closures, casualisation of work, increase of the informal sector and hostility of employers.
2. The claim of increased membership, conversely, is not backed by a sustainable increase in membership dues. It remains a regrettable fact that the members’ dues account for only about 2% of total income. OTM-CS is a weak trade union organisation. There have been several shortcomings when it concerns the efficiency, effectiveness, external impacts and sustainability of the programme. There has been little or no progress towards becoming a stronger, more financially viable and more effective workers’ movement.
3. While there has been some progress in the area of organisational development, in particular related to the organisation of female workers and gender equality, several other donors have executed more direct support to this development. It is difficult to establish the impact of LO’s support. However, it is likely that LO’s support has made OTM-CS administratively more capable to receive aid from other sources, serving as a catalyst for other external support to OTM-CS. There is, nevertheless, a danger that this will make OTM-CS a typically donor-dependent ‘NGO’ rather than a self-reliant and member-based union movement.

4. OTM-CS has some influence in national affairs, mainly in labour policy issues and setting of minimum wages. However, it has not been capable of flexing its muscles in the wider social, economic and industrial policy-making of the country. Its legacy as a trade union confederation organised from above by a one-party state constrains its capabilities to become as independent and free as the current political-economic development of Mozambique demands

Conclusions and recommendations. Notwithstanding the shortcomings of the programme co-operation so far, the political and socio-economic contexts of Mozambique indicate that there is considerable need for a stronger trade union movement. Henceforth, the evaluation team will recommend a continuation of the co-operation between the two partners, but only if it is based on a radical redesign of the programme/project:

First, the partners should reach a shared understanding of the basic strategic issues. Should the aim be to develop a service-delivering NGO ('benefit unionism') or a 'shop-floor unionism' characterised by rank-and-file based activities, collective bargaining and solidarity?

Second, the partners should consider a bottom-up strategy with focus on results. Operational goals should be formulated at the company level, in sector-specific trade union development, and in national policy-making.

Third, the partners should redesign their modality of cooperation accordingly.

Piracy in the greater Gulf of Aden

Myths, Misconceptions and Remedies

By Stig Jarle Hansen
NIBR Report 2009:29

This report explores several of the most commonly stated causes of Somali piracy, as well as the history and structure of Somali piracy, showing that piracy is rather a spatiotemporal and geographically constrained phenomenon than a general Somali phenomenon, which started after the collapse of Somalia in 1991. Solutions must take this into consideration, focus on local conditions in the pirate areas and the causes that made piracy explode, first in 2004-2005, and most recently in 2008 and onwards.

Solutions should be geographically focussed on piracy areas, and the international powers must liaise more efficiently with local institutions, preferably by putting liaison officers on the ground.

Consequences of changes in the Tenancy Law

By Per Medby, Kim Astrup and Susanne Søholt
NIBR-report 2009:31

The project evaluates effects of two possible new proposals for rental market regulation, both separately and in conjunction. The two regulations are:

- mandatory use of reference rent in new rental agreements
- mandatory use of non-fixed duration in all rental agreements

Small scale landlords dominate the Norwegian rental market. More than half of the rented dwellings can withdraw from the rental market in the short run. Tenancies usually have high turnover in the Norwegian rental market. There are few long term tenants. rent in new rental agreements contradicts its own definition, and can arguably be considered self-contradicting.

Situations with queues and black markets can easily arise. It contradicts recent development in economic theory where rent control is regarded as an instrument to reduce market failure, rather than cause it. By using reference rent in new rental agreements the feedback mechanism from market development is eventually eliminated. The reference rent will then become fixed at a historical accidental level. This level is subsequently only adjusted for inflation.

The degree of rent control is determined by initial growth in rents relative to future market development. The degree of rent control is measured by the difference between hypothetical market rent and reference rent. Hypothetical market rent is the level of rent that would be occurred in a situation without constraints on price formation. The degree of rent control is random in the sense that determined by the future development of the rental market and hence outside the scope of housing policy. Introducing mandatory reference rent in new rental agreements will probably reduce the rental supply. This increase the excess demand even further, and disadvantaged groups will as a result experience more difficulties accessing the rental market. Rental control will thus accelerate the need for expanding the social housing sector.

The proposal of time unlimited rental agreements have less comprehensive effects. However, this will also affect rental market behavior. Landlords will probably tend to select short term tenants. Landlords might respond by increasing the initial rent in order to compensate for lack of subsequent opportunities for rent adjustment. It may

also be possible that some landlords will respond by withdrawing from the rental market completely. This is most likely in the cases where the costs of withdrawing are low, such as spare dwellings or second units of family houses. There will probably be welfare gains for existing tenants as result of more stable rental conditions. Lack of access to fixed term tenancies enhance the landlords' selectiveness. This increases the hardships of marginal tenants and thus increases the need of social housing.

If both proposals are simultaneously implemented this will probably reinforce negative supply effects. It will also lead to stronger selection of tenants.

The Muslim Brotherhood in the Wider Horn of Africa

By Stig Jarle Hansen and Atle Mesøy
NIBR Report 2009:33

This report explores the Muslim Brotherhood in the Horn of Africa in order to see if they could function as partners in a quest to promote peace, stability and development. The report identifies three major Brotherhood organisations in the region: the Yemeni Al Islah, the Somali Islax and the Sudanese Muslim Brotherhood. Each of these groups has their own characteristics: the Yemeni being the most politically powerful, the Somali being relatively global due to refugees fleeing from Somalia during the civil war but also being very effective as a social service provider, and the Sudanese still struggling after their confrontation with Hassan Turabi in the 1980s.

The report identifies particular traits that underpin the humanitarian engagement of the various Brotherhoods. Firstly, all of them have a clear political agenda, either striving to be or actually being politically active. Secondly, they have a common charity model in which they work to control charities through having a majority on the boards of the charities, often even denying that these charities are part of the Brotherhood organisations. They also maintain supranational links with other Brotherhoods through engagement in external Brotherhood charities and international professional syndicates. However, the report argues that the Brothers' network-based approach to humanitarian action is a product of the harsh political environment encountered by the various Brotherhoods, and of the scare following 11 September 2001, rather than an inherent and stable trait of all Brotherhood charities.

The report shows that humanitarian actors that have engaged with Brotherhood charities, often without knowing it, this due to the network-based charity model of the Brothers, have been very satisfied with the results of the cooperation, and that such cooperation tends to moderate the Brotherhood projects. The report recommends partnerships with the Brotherhood as long as the Brotherhood's ideological agenda is borne in mind. The Brothers are an untapped resource for humanitarian efforts, and, although at times having radical views, are usually more moderate than other Islamist organizations in their local settings.

The report also explores the track record of the Brothers regarding their potential as peacemakers, and finds that their political agenda affects their mediation, although the Brothers remain important as parties in negotiations. The peacemaking potential of the Brothers is greatest at a local level, in negotiations with fellow Sunni Muslims.

Young voices.

Participatory bodies for children and adolescents in municipalities and counties

By Lillin Knudtzon and Trond Tjerbo
NIBR Report 2009:34

This report illuminates the involvement and influence of children and adolescents in municipal decision processes. We present and discuss findings from three studies of bodies/agencies promoting the participation of children and adolescents in Norway, usually known as youth councils and young people's parliaments.

There is wide agreement in the government in Norway that children and adolescents should participate in various arenas. The background for this is, among other things the belief that services for this group could be better if the young were consulted and the young may have insights that adults do not. In the investigation we link the concept of influence to municipal proceedings and define influence as the mediation of views to the municipality's administrative officers and political apparatus. This can proceed in four different ways:

- By the participatory body putting forward issues which are given real administrative and political consideration
- By the body working with the administration from an early stage in the process, offering ideas on the formulation of issues and underlying premises
- By the body taking part in ordinary consultative rounds as political issues move forward and attending meetings of the municipal standing committees or governing bodies.
- By the body itself making decisions on how to allocate the funds at its disposition to projects and programmes for children and adolescents, and

Method

We conducted three empirical studies. A questionnaire on the participatory bodies, and other ways of involving young people in the municipalities was sent to every Norwegian municipality. We received a response from as many as 82 per cent of the municipalities. Large municipalities were more likely to respond than small.

To gain a picture of the practical work being done in the municipalities on participatory bodies, and of the views of people involved, we selected six municipalities where a more detailed qualitative analysis would be conducted. The six

municipalities were (from the largest to the smallest) Oslo, Trondheim, Kristiansand, Horten, Vefsn and Ål. They were chosen because their experience of participatory agencies has been positive. Geographical spread was also a selection criterion. In Oslo we have also had a local youth council at the city district level, Søndre Nordstrand, as a case.

To gain an understanding of work at the county level, available sources were analysed and interviews conducted by telephone. The study is presented in an appendix and will not be discussed further in this summary.

Findings from the questionnaire survey

Most municipalities have a representation body

82 per cent of municipalities in this study have a representation body. Another 5 per cent used to have one, but it is either disbanded or inactive/dormant. Ten municipalities have plans to set up a participatory body.

18 per cent of the municipalities in the study have no participatory body for children and adolescents. These are mainly small municipalities with populations below 5,000 (50 of 62 municipalities). The population of the remaining 12 ranges between 5,000 and 20,000. Some of the municipalities without a participatory body use other means of involving children and adolescents.

Different composition of youth councils and young people's parliaments

The study found systematic differences between the bodies known as children and youth councils and those called young people's parliaments.

Most children and youth councils are to all intents and purposes youth councils – with memberships in the 14–18 age-group. These councils convene eight to ten times a year, and have an average of nine members. Members of half of the councils receive compensation for attending.

Young people's parliaments usually meet once a year. Participants are aged 11–18, and meetings can attract a very large attendance. 80 per cent of the councils have more than 14 members, and 50 per cent have 20 or more. Compensation for attending is not common.

According to the municipalities, council membership is representative of the different groups of children and adolescents in the municipality.

Participatory bodies perform many different functions. The most central activities are:

- Allocate funds – 82 per cent of the councils and 91 per cent of the parliaments do this
- Provide a forum where themes connected to childhood and adolescence can be discussed – 65 per cent of the councils and 52 per cent of the parliaments do this to a significant degree

- Propose resolutions to the municipality on measures connected to children and adolescents – 59 per cent of the councils do this to a significant degree and 55 per cent of the parliaments
- To liaise with the municipality and respond to consultation papers on issues affecting children/adolescents – a little over half of the councils and parliaments do this to a significant degree

57 per cent of the councils are official consultation bodies, and 57 per cent are highly involved in organising arrangements, campaigns and the like. These are tasks the young people's parliaments do not tend to have.

Potential for more participation and influence!

In the study we have identified which other forms of participation the municipalities employ and whether they consider children and adolescents to have influence in the municipality.

While children aged 8–12 do not tend to be members of the participatory bodies in the municipalities, and therefore wield little influence, 76 per cent of the municipalities believe their participatory agencies give youth aged 13–18 an opportunity to influence municipal decision processes.

67 per cent of the municipalities believe the bodies stimulate young people's interest in local political issues, and as many believe the agencies make for a better understanding of the issues before a decision is made.

The areas in which children and youth exercise most influence are the planning of cultural projects and setting up of youth centres/ clubs. This reflects that the majority of the participatory bodies have a fund they distribute, for instance, to cultural measures and clubs.

When we look at the issue areas in which children and youth have little or no say, they are primarily youth health services, schools and education, campaigns targeting children and adolescents, and place development. One would have thought young people could have been involved in all of these areas.

Asked to rate the municipality on a scale from 0 to 6 on how much children and youth are involved, very few award the designation "very much" (values 5 and 6). Only 18 per cent of the municipalities, according to themselves, are "very" involved in soliciting information from young people about their situation, opinions and vantage points. Even fewer – 16 per cent – of the municipalities see themselves as working "very" hard to get children and adolescents actively involved in the framing/formulation of issues and measures.

The results indicate a significant potential for increasing participation by various means in the municipalities if there is a will to do so. The municipalities themselves believe they do relatively little to gain first-hand knowledge about the children and adolescents and include them in the planning of services.

On participatory bodies in the six case municipalities

The youth council in **Vefsn** has 12 representatives who usually convene monthly to consider consultation issues for submission to the local parliament. The youth council can also initiate issues for political consideration. The youth council allocates funds for youth projects and works with the municipality on summer jobs and casual work for young people.

The youth parliament in **Trondheim** has 30 representatives from all of the city's lower and upper secondary schools. They have standing committees and an executive committee. The executive committee and standing committees held 24 meetings in 2008, in addition to working meetings. The body allocates its own funds, initiates business, mediates issues between the schools and municipal level and is an ordinary consultation body. The municipal administration in several sectors draws the council into proceedings at an early stage and makes use of the expertise of the young in their own activities.

Ål has both a youth council and a young people's town council (BUK) with partly overlapping memberships. The latter is supposed to convene three times annually, while the former serves as executive committee for the latter, and meets more frequently. It is the BUK that disburses funds to schemes/services for children and youth. There is a significant emphasis on communication between student councils and BUK so as to facilitate the transmission of issues from the schools to BUK. The bodies are not consultation bodies as such but are sometimes invited to take part in discussing issues of relevance to children and young people.

Oslo has local youth councils which work at the city district level and two centrally placed participatory bodies. The one is the annual Youth City Council Meeting (UBM) which lasts three days and aims to generate five different proposals which the City Council is obliged to consider. There is broad participation here of about 80 young people. The other central body is the central youth council (SUR) comprising 30 representatives from the 15 local youth councils in Oslo's city districts. SUR meets on a regular basis throughout the year and is a consultation body for the city in addition to working on the five issues from UMB.

The youth council in **Søndre Nordstrand** has 11 members and is a consultation body for the city district council in addition to distributing its own funds and initiating its own matters.

Horten has a young people's council which is frequently divided into two – one for children from the primary schools (5th–7th grade) and one for students from lower and upper secondary schools. Both councils are mainly consultation bodies in municipal proceedings but have funds they can allocate and may pursue issues of a more local nature. On certain issues they have demonstrated considerable interest and capacity to rally larger groups of children and youth.

The youth committee in **Kristiansand** recruits members from the city's lower secondary schools but lets up to six members retain their seats after moving on to upper secondary school. Membership of the committee can therefore vary between 12 and 16. The committee is a consultation body but can decide to focus on issues that concern them, and they arrange activities for the city's youth in collaboration

with the municipal administration. They have been involved in planning proceedings and in allocating resources to schemes and projects for the young.

Opinions on participation among young people, politicians and municipal administrations

Contact between participatory bodies and administrative employees varies considerably according to issue area and stage at which the participatory body is drawn into the proceedings in the various municipalities.

Participatory bodies in the case municipalities are more closely aligned to the political level than the administrative, but contact between politicians and representation bodies is neither frequent nor particularly close in most municipalities. At the same time, relations are good. Where contact points are defined, they work to the benefit of all parties, but a lot of the contact depends on the person from the politicians' side.

The young add to what the politicians know, say the politicians

Politicians in the case municipalities have a positive attitude towards the participatory body and believe young people are constructive and geared towards finding solutions. In concrete, young people bring other angles to the table and provide information new to the adults, thus giving decision making a firmer basis.

Further arguments cite democratic socialisation and firmer attachment to the local community.

It is not ordinarily necessary to act on every idea put forward by the young, according to the politicians. But it is important to show them that their ideas are listened to and taken seriously.

But although our informants were satisfied with their own participatory body, there was a widely shared view in several sections of the municipality that they could do better and involve the bodies both earlier and more.

While politicians in general see the bodies in a positive light, opinions among of informants in the municipal administrations are more divided. That said, many are impressed, and the great majority believe in principle in the importance of participation for reasons of democracy. Several had experienced how participation shed more light on issues of current importance. At the same time, some of our informants were sceptical, wondering whether the rewards were comparable to the time spent on getting young people involved, and some are critical as to whether the involved young people are representative.

It looks as though attitudes to the participatory bodies vary according to the sector in which the informant works, their particular experience of the participatory body and work pressure/resource situation. In the main, those with longer experience of working with the agency tend to be more positively disposed towards it.

As far as the different sectors are concerned, it is particularly the sectors with responsibility for physical planning where a positive experience of participation in general can be observed. In the education sector, they are positive towards having the school as a recruitment arena and towards the promotion of participation as a

concept. We have little empirical material on the health sector, reflecting the limited degree to which the participatory agencies are consulted. In the childhood/adolescent and cultural sectors, we observed widely diverging opinions towards the participatory bodies.

Young people feel listened to, but are not particularly concerned about representativeness

In our case municipalities, the majority of the young representatives are elected through the student councils. There has been little demand for the positions in the general youth population. Two municipalities have a system for embedding representatives' activities in the student council, but the usual approach is for work in the participatory body to proceed independently of the arena in which the young people were elected. Nevertheless local issues tabled by individual schools or local land development areas do have a chance of being included as an item on the agenda of the participatory bodies.

The young representatives say they are treated with respect and are listened to. They see themselves as wielding influence by voicing their opinions, even if it doesn't always affect the outcome.

On important factors and representativeness

Many factors need to fall into place before work to promote participation in the municipalities can succeed. Organisation and embeddedness in the municipality are important, and will require at the very least resources in the form of time of at least one municipal employee.

The participatory bodies' "secretary" plays a key role, and without one it would appear to be impossible for a participatory body for children and adolescents to survive. To make the work meaningful and dynamic for the young, practical training and real responsibilities would appear to be useful strategies. On the information front, the municipalities have some way to go in the use of a dedicated website. The mechanisms available to the representatives for relaying information back to the population of young people are generally poor. Lack of awareness of the body and the work it does may explain the lack of enthusiasm to stand for election to the representation bodies.

Ideally, participatory bodies in Norway should have representative elections, preferably direct. In reality, practice varies from municipality to municipality and within municipalities. Members of just under half of the agencies are elected directly at the schools, while indirect elections via student councils are just as prevalent.

How the elections are run can have implications for representativeness. First, certain groups may be systematically left out of the representation body. Second, there is a question whether those who are elected do a good job in relation to representing the whole population of young people, not just themselves or "their" particular group.

In the case municipalities, members were not entirely representative of the youth population as such. This was not considered a problem by the adult informants; the young people, they say, do a good job representing a broad group of adolescents. The young themselves were not particularly worried either. They keep all varieties of young people in mind, they feel, when expressing views on different issues.

Empowerment, democracy and participatory bodies

Representative participatory bodies can affect decision making in the municipalities in four different ways. Our empirical material indicates that some bodies do make a difference by proposing items for consideration in the municipalities, but it needs specially adapted mechanisms to work well.

Being drawn into the proceedings at an early stage in a joint effort with council officers can be an effective means of empowerment. The young can have ideas about how issues should be planned and what the underlying premises should be. This takes place only to a limited degree in the municipalities in Norway.

Representation agencies relate to the municipalities mainly by making their views known to politicians in connection with consultations and by attending meetings of the municipal standing committees and executive committees. How often consultation submissions are acted on, is not known however.

The great majority of representation bodies in Norway disburse funds to projects and programmes for children and adolescents, and manage their own arrangements. This is a concrete form of influence which, however, often proceeds within a limited arena for leisure and culture.

Many municipalities employ other methods of getting children and adolescents involved than participatory bodies. They include for instance temporary groups convened while a particular issue is under consideration, questionnaire surveys or consultations.

The study has shown that a great deal of work is being done in this field in Norway today, but how much influence it actually translates into in practice does vary. Having said that, structures are in place providing a new, genuinely democratic channel for the group. Irrespective of how actively the channel is used ordinarily, it gives the youth population a better opportunity to mobilise whenever issues of particular importance to them.

Svalbard:

Society and industrial affairs 2009

By Hild-Marte Bjørnsen and Steinar Johansen
NIBR Report 2009:35

Svalbard is a part of the Kingdom of Norway, but foreigners and foreign economic interests have freer access to Svalbard than they have to Mainland Norway. Norwegian sovereignty at Svalbard is regulated in the Svalbard Treaty. Several conditions have to be met in order to secure that Norwegian sovereignty is prolonged. One important one is that there have to be Norwegian economic activities at Svalbard. When the treaty was signed, mining was the dominating economic activity.

Mining continued to be the dominant activity at Svalbard up until the 1990s. The main Norwegian settlement of Longyearbyen was built as a company town, close to the existing coal mines. Longyearbyen was run by the mining company (Store Norske, or SN), which provided the inhabitants with all the goods and services they needed. The company was the employer of the miners and other workers, the economic base of Longyearbyen and Svalbard, and responsible for most societal functions in Longyearbyen. It also paid for (most of) these. In other words: SN was behind (almost) all activities in Longyearbyen.

At the start of the 1990s, however, the future of coal mining at Svalbard didn't look too prosperous. The mines in Longyearbyen were emptying, and the price of coal was relatively moderate. These prospects forced the Norwegian Government, which also owned (and still owns) SN, into discussing the future of the Norwegian settlement at Svalbard and Longyearbyen. What would happen if mining was no longer viable, and could other economic activities replace mining in the future? Norwegian presence at Svalbard is important for the claim of Norwegian sovereignty and, hence, the choice of economic activities based there is of national importance. One of the tools applied for answering these questions was the analysis of the local community³, which commenced in 1991 and since has been repeated (almost) annually.

This report is the 2009 version of the analysis, which is based on similar methods to earlier versions. The data applied represent the situation at Svalbard in 2008. Before 2008, Longyearbyen Lokaltstyre (LL – the local public administration body) collected information from all enterprises at Svalbard. From 2008 on, Statistics Norway

³ "Samfunns- og næringsanalysen" in Norwegian.

collects this information and has now become the main data provider for the analysis.

The economic base at Svalbard consists of activities within *Mining, Travel and Tourism, Research and Higher Education, Students, and the Public Sector (both national and local administration and services)*. These economic sectors produce goods and services directed (mainly) at markets outside Svalbard, or are controlled and/or financed by central authorities. Income earned in the base sectors is (partially) spent locally and serve as the base for *Derived Economic Activities* (production of goods and services for the local market). Total *employment* is the sum of employment in the base sectors and derived activities. The employment rates are very high at Svalbard (Longyearbyen). On average, each adult person (above 19 years of age) in the population register works one man year per year. At the same time, the population turnover rate is between 20 and 25 per cent, which means that one out of every 4-5 people living in Longyearbyen is replaced by new inhabitants each year. This implies that the labour market is a (the) main factor influencing also demographic development. Children follow their parents, and the high turnover rate of the population implies that the number of children in different age groups varies from year to year depending on the household structure of in and out migrants, respectively.

Employment and population

Employment opportunities attract people, and employment is the driving force behind the demographic development at Svalbard. During the past 20 years, both employment and population grew steadily. In 2008, we see some signs that this trend might be about to turn. The conditions for continued growth in the base sectors, and thus for derived activities as well as for population, are determined outside Svalbard. International economic trends as well as national economic trends and political decisions are important factors.

In 2008, employment in the base sectors was reduced by seven man years. Reduced employment within *Mining* (44 man years down since 2007) and fewer *Students* (23 man years down) was, however, compensated by increased employment in the other base sectors. In 2008, the base sectors employed just below 70 per cent of total employment at Svalbard. This is an increase from around 60 per cent in 2000.

Within *Derived activities*, employment shares fell from 40 to 30 per cent during the same period. Investments are important for the year-to-year number of employed within these activities. During the last decade, and especially the last 3-4 years, the share of employment within *Construction* fell more rapidly than the share of employment within *Other derived activities*. From 2007 to 2008, the number of man years within derived activities fell by 50, mostly within *Construction*.

Total employment at Svalbard fell by around 60 man years, or 3.5 per cent, from 2007 to 2008. We don't know yet if the reduction represents a trend shift, or if it is merely an adjustment. However, representatives from the larger companies and organisations at Svalbard seem to think that international economic trends, reduced reserves of coal, and national policy signals together imply reduced economic growth at Svalbard in the near future.

Population grew by 28 people from 2007 to 2008, although employment fell. The increase can be explained first and foremost by the fact that more children live at

Svalbard in 2008 than in 2007. At the same time, the average number of man years worked per grown up inhabitant fell from 1.05 to 1.0. Each grown up therefore works a little bit less in 2008 than in 2007.

Future prospects

We have estimated employment multipliers for each base sector in 2008. The average multiplier is 0.42, which means that each man year worked in the base sectors generates another 0.42 man years in derived activities. Together with the average number of man years worked per inhabitant and assumptions on the number of children per male worker and industry, we use these multipliers to construct prognoses of employment and population in Longyearbyen for the coming five year period.

In order to complete the prognoses, we have to assume something about how the base sectors will develop. We have already mentioned that representatives from the companies and organisations at Svalbard are not very optimistic about the future. Employment within *Mining* will go down due to already planned activity reductions. For the other base sectors, the future is more uncertain. We have assumed moderate employment growth rates in these sectors.

All in all, we find that employment at Svalbard might be reduced by around ten per cent (or 200 man years of labour) during the coming five year period. Employment within derived activities will be reduced by a bit more than this. Population will be reduced by around 11 per cent in the same period. The number of people will go down in all age groups, but the relative reduction will be stronger among the children (under 18 years all) than among the grown up population.