

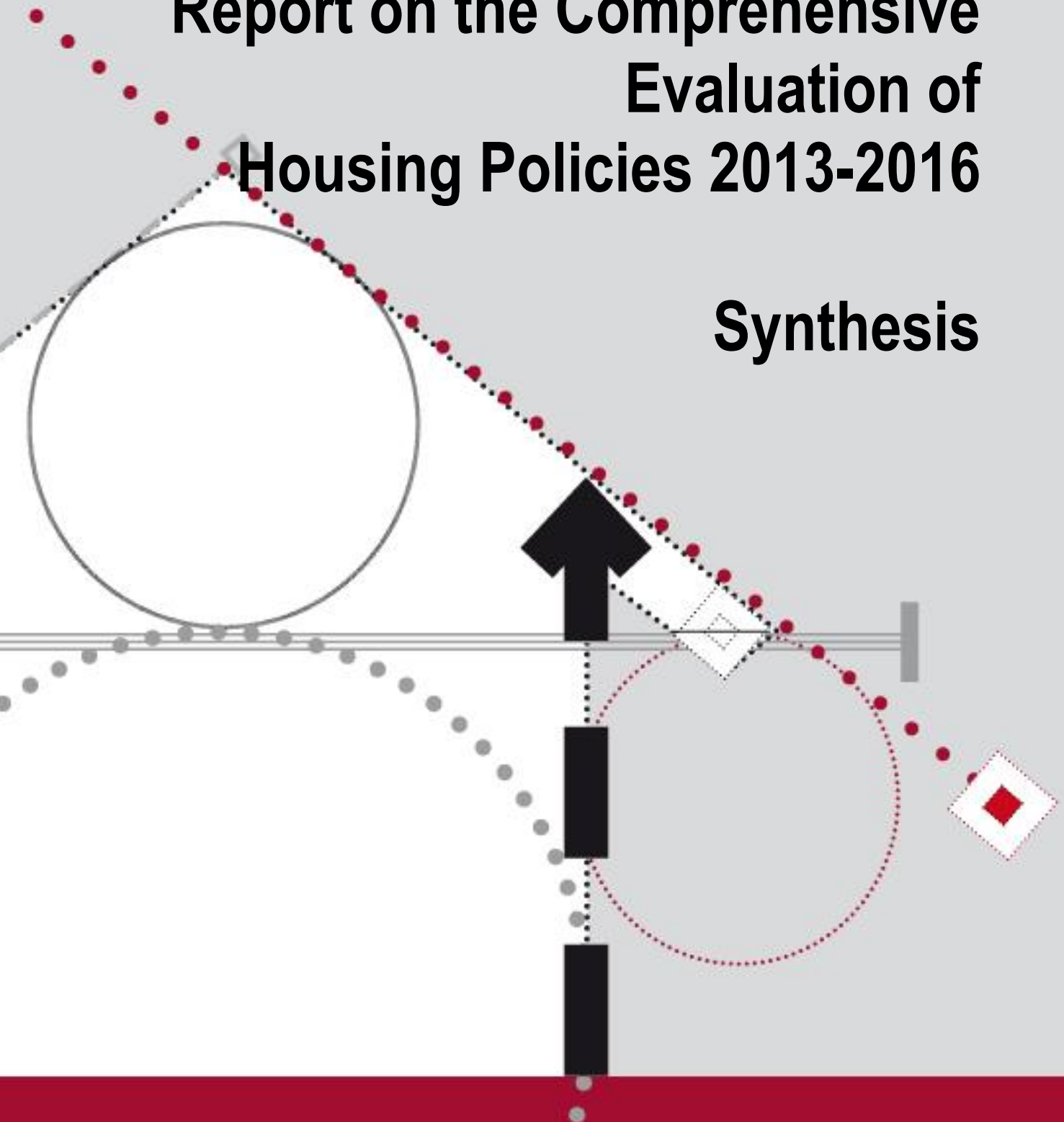


ETXEIZITZAKO  
BEHATOKIA

OBSERVATORIO  
VASCO DE LA  
VIVIENDA

# Report on the Comprehensive Evaluation of Housing Policies 2013-2016

## Synthesis





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## 1. Methodology

The evaluation of housing policies promoted by the Department of Environment, Land Use Planning and Housing through the Basque Housing Observatory is currently the only mechanism for the evaluation of these policies in force at the state level whose objective is to achieve a permanent improvement in the housing policies.

This document summarises the results of the comprehensive evaluation of housing policies in 2016 and, in particular, of the 2013-2016 Housing Master Plan (HMP), showing a summary of the results obtained during the Master Plan's period of implementation.

The purpose of the evaluation is defined in a series of objectives:

- Assess the appropriateness, level of effectiveness and efficiency, and the impacts in 2016 of the main strategic goals and measures included in the 2013-2016 Housing Master Plan.
- Evaluate another series of measures and actions related to housing policies promoted by the Basque Government.
- Carry out a comprehensive analysis of the results generated from a learning perspective to identify relevant aspects that allow the programmes and actions to be improved.

The schema on the following page shows the techniques used in the carrying out of the evaluation.

## COMPREHENSIVE EVALUATION

WORKING TECHNIQUES	MAIN INDICATORS
<p>NORMATIVE AND PROGRAMMATIC ANALYSIS OF THE NEW ASPECTS FOR 2013-2016</p> <p>RESEARCH WORK AND PROCESS OF CONSTRUCTING A COMPREHENSIVE OVERVIEW OF THE EVALUATION REPORTS (LEASE, REHABILITATION AND EVALUATION OF THE SERVICE)</p> <p>+ SYNTHESIS REPORT ON THE HOUSING MARKET 2016</p>	<ul style="list-style-type: none"> <li>⊕ Level of achievement of the principle strategic goals and implementation of main measures</li> <li>⊕ Degree of effectiveness in meeting the objectives set by action, measure and goal</li> <li>⊕ Level of efficiency and cost per result (home, development, beneficiary, etc.)</li> <li>⊕ Level of consistency and complementarity between the various principle goals and administrative levels</li> <li>⊕ Extent to which the expected impact has been achieved</li> <li>⊕ Unforeseen impacts and effects</li> </ul>

	EVALUATION OF THE LEASING POLICY (GOALS 1 AND 5 OF THE MASTER PLAN)	EVALUATION OF THE REHABILITATION POLICY (GOAL 4 OF THE MASTER PLAN)	EVALUATION OF THE SERVICE	ANALYSIS AND EVALUATION OF OTHER GOALS IN THE MASTER PLAN AND OTHER ACTIONS
WORKING TECHNIQUES	<p>ANALYSIS OF DATABASES AND ADMINISTRATIVE SOURCES: ETXEBIDE</p> <p>SURVEY OF APPLICANTS FOR SUBSIDISED HOUSING</p> <p>HOUSING NEEDS AND DEMAND SURVEY</p> <p>SURVEY OF REAL ESTATE SUPPLY: DEVELOPERS AND URCs</p> <p>QUALITATIVE TECHNIQUES: INTERVIEWS</p>	<p>ANALYSIS OF DATABASES AND ADMINISTRATIVE SOURCES: ETXEBIDE</p> <p>SURVEY OF APPLICANTS FOR SUBSIDISED HOUSING</p> <p>HOUSING NEEDS AND DEMAND SURVEY</p> <p>QUALITATIVE TECHNIQUES: INTERVIEWS</p>	<p>SURVEYS OF A RANDOM SAMPLE OF PEOPLE WHO ARE BENEFICIARIES OF REHABILITATION AID AND USERS OF ETXEBIDE 600 + 600</p>	<p>ANALYSIS OF INDICATORS AND RESEARCH WORK</p>
MAIN INDICATORS	<ul style="list-style-type: none"> <li>• <b>Development of housing for rent</b> <ul style="list-style-type: none"> <li>○ Mobilisation programmes: BIZIGUNE, ASAP.</li> <li>○ Development assistance</li> </ul> </li> <li>• <b>Aid and Benefits</b> <ul style="list-style-type: none"> <li>○ PCV (Supplementary Housing Benefit)</li> <li>○ AES (Social Emergency Benefit)</li> <li>○ New housing benefit established by Housing Law 3/2015 of 18 June</li> </ul> </li> <li>• <b>Housing demand</b> <ul style="list-style-type: none"> <li>○ Applications for housing registered in Etxebide</li> <li>○ People and groups in accordance with socio-economic profile</li> </ul> </li> <li>• <b>Allocations of subsidised housing for rent</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Performance and economic indicators relating to aid:</b> <ul style="list-style-type: none"> <li>○ Aid to individuals and residents' associations</li> <li>○ Aid to town councils and local bodies relating to accessibility</li> <li>○ Subsidies for the efficient rehabilitation of homes and buildings</li> <li>○ Subsidies for urban regeneration</li> <li>○ Aid to individuals and residents' associations</li> <li>○ Aid to town councils and local bodies relating to accessibility</li> </ul> </li> <li>• <b>Rehabilitation needs and demand indicators:</b> <ul style="list-style-type: none"> <li>○ Homes with need</li> <li>○ Level of need</li> <li>○ Demand at 1, 2 and 4 years.</li> <li>○ Estimated cost</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Overall assessment of the Etxebide aid (2016) and service (2015)</li> <li>• Assessment of the main aspects and dimensions of the rehabilitation aid and the service</li> <li>• Level of agreement with the main lines of action promoted</li> <li>• Registered proportion of young people who have become independent</li> <li>• Ways of finding out about aid</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Etxebide Management Indicators:</b> <ul style="list-style-type: none"> <li>○ Support service</li> <li>○ Inspections and sanctions</li> <li>○ Lotteries and allocations</li> <li>○ Registrations and withdrawals</li> </ul> </li> <li>• <b>Indicators relating to other actions</b> <ul style="list-style-type: none"> <li>○ Land Programme</li> <li>○ Job Security</li> <li>○ Eraikal</li> <li>○ Sale of surface rights to the land</li> </ul> </li> </ul>

## 2. The purpose of the evaluation: the 2013-2016 Housing Master Plan and other relevant plans

The 2013-2016 Housing Master Plan has been in force for the last four years, serving as a defining framework for the objectives of the Department of Environment, Land Use Planning and Housing relating to housing during this period.

### BUDGET FOR THE 2013-2016 PLAN

The total estimated budget to achieve the established objectives in the 2013-2016 period amounts to 460,383,933 euros.

The strategy of the 2013-2016 Housing Master Plan is structured into 6 strategic goals and 22 lines of action, which together comprise a total of 72 actions.





## Plan for the reactivation of employment

The Basque Government's Plan for the Reactivation of Employment aims to provide a solution to the difficult economic situation of the Basque Country through six operational programmes<sup>1</sup>, among which is the **2013-2016 RENOVE Housing Rehabilitation Plan**. The purpose of this programme is to increase the energy efficiency of homes and buildings, improve accessibility conditions, strengthen social cohesion and encourage job creation. This Plan is implemented through **5 programmes**:

- Aid programme for individuals and residents' associations for the rehabilitation of buildings and homes.
- Aid programme to town councils and smaller local entities relating to accessibility.
- Programme of subsidies for the rehabilitation of urbanised and built heritage in Integrated Rehabilitation Areas (ARI) or in Degraded Residential Areas.
- Programme of aid for the efficient rehabilitation of homes and buildings for the preparation of projects involving intervention in the built heritage.
- Programme of subsidies for urban regeneration.

### Scope of the Renove Rehabilitation Plan

The actions included in this Plan foresee intervention in a total of **52,000 homes**. The total cost of the planned aid will be **81.5 million euros** in the 2013-2016 period

<sup>1</sup> The other programmes are: Financing of SMEs and self-employed workers; Promotion of entrepreneurship; Promotion of youth employment; Training for employment; and the Solidarity Fund for Employment.



### **3. Level of execution of the quantitative objectives of the 2013-2016 Housing Master Plan and evolution of the main housing programmes**

#### **3.1. Level of compliance with objectives by dimension**

The quantitative objectives presented in this synthesis include central issues of housing policy, such as the number of new homes developed (for lease and purchase); the mobilisation of empty dwellings (Bizigune) and the scale of intermediation in the private market (ASAP); the number of houses whose rehabilitation is being promoted (and the creation of new housing through rehabilitation processes) and assistance with paying rent for people who have difficulties in accessing housing. They also address the objectives of the land policy, and the specific results for 2016 are presented along with those for the entire period covered by the 2013-2016 Housing Master Plan.



## EXECUTION INDICATORS BY DIMENSION

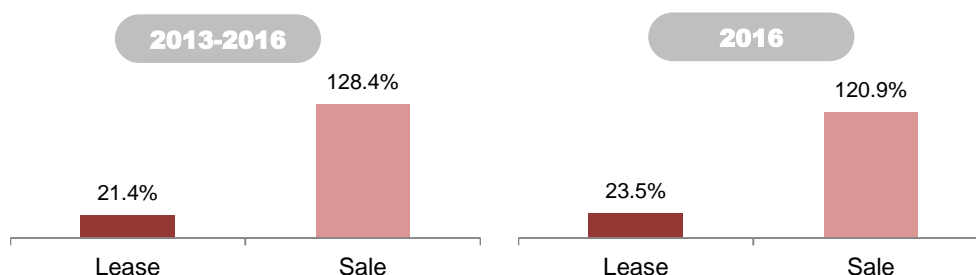
**Dimension 1: Development of new housing.** A success in terms of housing for sale, and significant difficulties in housing for lease.

### A. ASSESSMENT OF PROGRESS

In 2016, there was a recovery in the development of housing for lease compared to the situation in 2015, with the number being doubled. Nevertheless, the overall result for the 2013-2016 period is only slightly over 21%. In this financial year, housing for sale exceeded the projected target (by 21%), which means that the period covered by the Master Plan is ending with a surplus of close to 30%.

In 2016, town councils and municipal companies exceeded the development objectives established for the year, although over the period as a whole it was Visesa and the private developers that led the way in terms of achieving the established objectives, exceeding them by 80% in both cases.

### B. RESULTS OBTAINED (year 2016 and accumulated HMP)



2013-2016 HMP objectives	Carried out 2016	Objectives 2016	Compliance 2016	Carried out 2013-2016	Objectives 2013-2016	Compliance 2013-2016
<b>Overall objective new development</b>	<b>1,331</b>	<b>2,350</b>	<b>56.6</b>	<b>6,046</b>	<b>8,000</b>	<b>75.6</b>
• Total for lease	364	1,550	23.5	845	3,950	21.4
• Total for sale	967	800	120.9	5,201	4,050	128.4
<b>By developer</b>	<b>1,331</b>	<b>2,350</b>	<b>56.6</b>	<b>6,046</b>	<b>8,000</b>	<b>75.6</b>
• Department	132	400	33.0	532	1,150	46.3
• VISESA	312	700	44.6	1,967	2,450	80.3
• Town councils and municipal companies	372	300	124.0	677	1,000	67.7
• Private	515	950	54.2	2,870	3,400	84.4

## EXECUTION INDICATORS BY DIMENSION

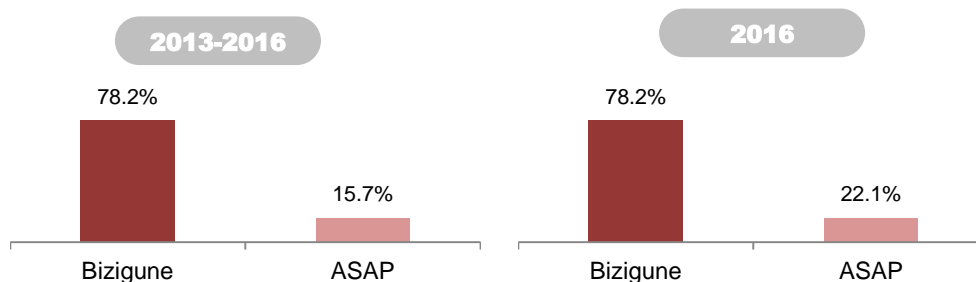
**Dimension 2: Mobilisation of empty dwellings.** A benchmark programme which has seen a slight decline in recent years

### A. ASSESSMENT OF PROGRESS

In the area of the mobilisation of empty dwellings, the Bizigune Programme is a benchmark at the state level, having achieved a significant level of success in activating the for lease market. Despite the success achieved, 2016 saw continuing signs of decline, which meant that the programme was 22 percentage points short of its target for the end of the period.

The evolution of the ASAP programme, involving intermediation between tenants and landlords through an insurance system, continued to struggle to take-off. Despite the upward trend likewise recorded in 2016, we are very far from achieving the objectives established, since it was expected that in 2016 the homes provided through this programme would represent around 15% of the total of both programmes, when currently they only make up 5% of the total.

### B. RESULTS OBTAINED (year 2016 and accumulated HMP)



2013-2016 HMP objectives	Carried out 2016	Objectives 2016	Compliance 2016	Carried out 2013-2016	Objectives 2013-2016	Compliance 2013-2016
<b>Bizigune programme - mobilisation of empty homes</b>	4,499	5,750	78.2	4,499	5,750	78.2
<b>ASAP programme - new intermediation programme for leased properties</b>	221	1,000	22.1	366	2,330	15.7

## DIMENSION INDICATORS

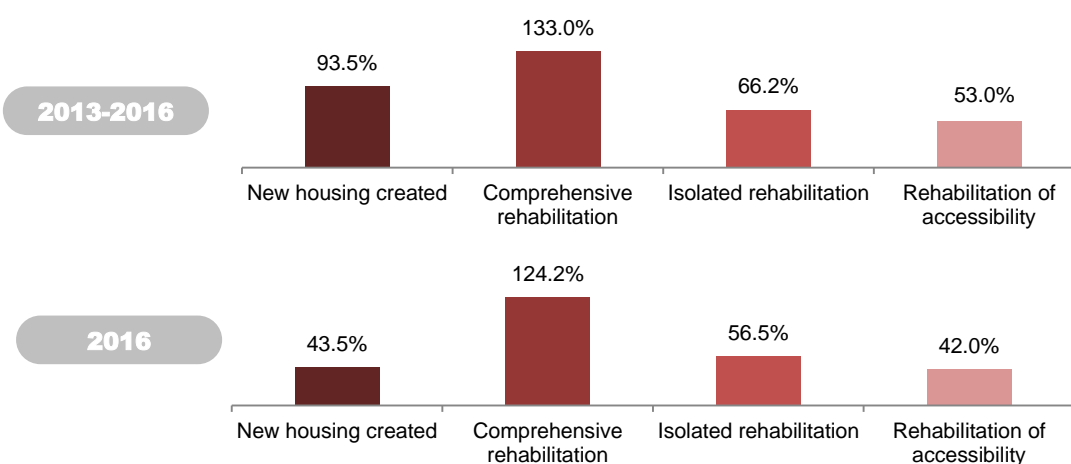
**Dimension 3: Rehabilitation.** Targets exceeded in comprehensive rehabilitation activity and significant progress in terms of homes created in regeneration processes

### A. ASSESSMENT OF PROGRESS

Of the different interventions planned in the area of rehabilitation, comprehensive rehabilitation clearly exceeded its targets over the whole period (+33%) and in the year 2016 (+12%). The homes generated through the rehabilitation processes, with a lower level of execution in 2016 (33% of the target set), achieved 88% of the target established by the HMP for the 2013-2016 period.

In terms of isolated rehabilitation, on the other hand, two thirds of the established target was achieved, and rehabilitation of accessibility exceeded half of the established target. As a whole, 70% of the rehabilitation objectives for the period were achieved.

### B. RESULTS OBTAINED (year 2016 and accumulated HMP)



2013-2016 HMP objectives	Carried out 2016	Objectives 2016	Compliance 2016	Carried out 2013-2016	Objectives 2013-2016	Compliance 2013-2016
New housing created in rehabilitation and urban regeneration processes	544	1,250	43.5	2,760	2,950	93.5
<b>REHABILITATION ACTION</b>						
Rehabilitation aid	12,823	21,600	59.4	50,778	73,480	69.1
Comprehensive rehabilitation	1,349	1,200	124.2	4,522	3,400	133.0
Isolated rehabilitation	11,306	20,000	56.5	45,684	69,000	66.2
Rehabilitation of accessibility	168	400	42.0	572	1,080	53.0



## DIMENSION INDICATORS

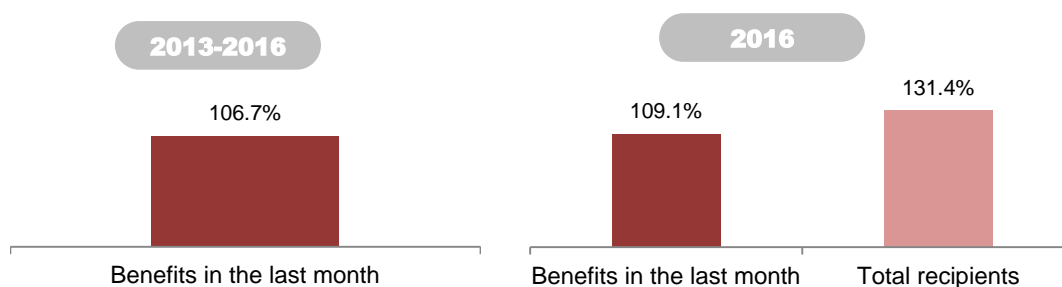
**Dimension 4: Supplementary housing benefit.** The most immediate solution to housing needs.

### A. ASSESSMENT OF PROGRESS

The growing trend in the number of recipients of Supplementary Housing Benefits (PCV) was also maintained in 2016, exceeding the targets set both for the year and for the entire 2013-2016 period.

The number of benefits received in the last month of 2016 (data used in the analysis of annual progress) exceeded the established target by 9% (7% in the 2013-2016 period). Taking into account the total number of people who received PCV throughout the year, it can be seen that in 2016 the target was exceeded by 31%.

### B. RESULTS OBTAINED (year 2016 and accumulated HMP)



2013-2016 HMP objectives	Carried out 2016	Objectives 2016	Compliance 2016	Carried out 2013-2016	Objectives 2013-2016	Compliance 2013-2016
Supplementary housing benefit	29,447	27,000	109.1	113,180	106,100	106.7

## DIMENSION INDICATORS

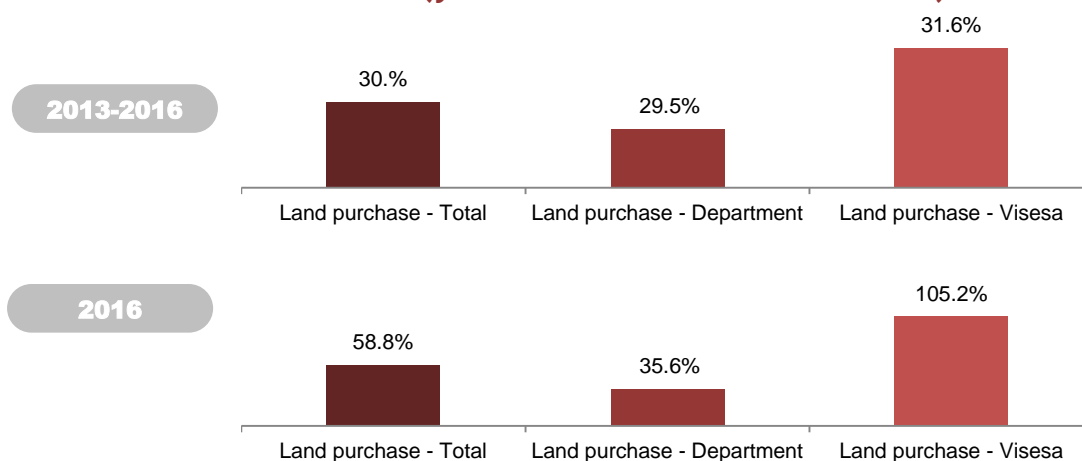
**Dimension 5: Purchase of land.** Weakened activity meant reduced intervention over the period.

### A. ASSESSMENT OF PROGRESS

In recent years, the Department has been trying to maximize the use of available land, seeking the profitability of previous operations, having carried out operations in only two years, 2013 and 2016.

In 2016, 59% of the purchase target established for the year was achieved, with success for the period being half this figure (30%). Visesa was more successful in achieving its objectives, particularly in 2016.

### B. RESULTS OBTAINED (year 2016 and accumulated HMP)



2013-2016 HMP objectives	Carried out 2016	Objectives 2016	Compliance 2016	Carried out 2013-2016	Objectives 2013-2016	Compliance 2013-2016
Total land target	441	750	58.8	906	3,000	30.2
• Department	178	500	35.6	590	2,000	29.5
• VISESA	263	250	105.2	316	1,000	31.6

## 3.2. Evolution of the main housing policy programmes and actions

### A) Main programmes and interventions involving properties for lease

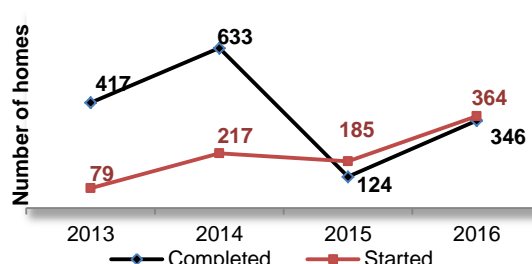
The programmes and interventions are built around three basic blocks:

- the development of new housing for lease – direct development or aid for development by other agents,
- the provision of accessible housing for lease, either through public housing – Alokabide, housing belonging to the department, municipal housing, etc. – or through the facilitation of private housing, seeking the mobilisation of empty housing in conditions that make this accessible (Bizigune, ASAP); and
- aid for the payment of rent.

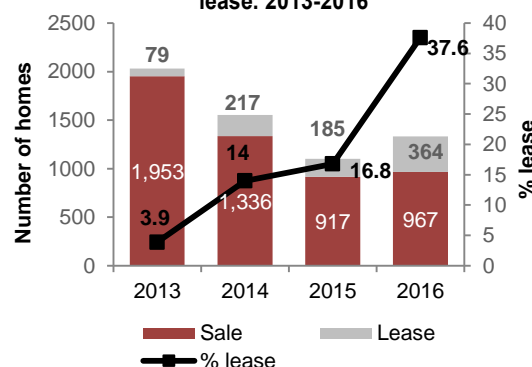
#### a.1) Development of new housing: The expectations for the development of housing for lease were not met

The last year of the 2013-2016 period saw a significant increase in the number of homes started that were to be put up for lease, amounting to 38% of the total number of homes started in 2016. The average number carried out for the 2013-2016 period stood at 21.4% of the target.

Graph 1: Evolution of the construction of subsidised housing for lease. Homes started and completed for lease. 2013-2016



Graph 2: Housing started for purchase and for lease. 2013-2016



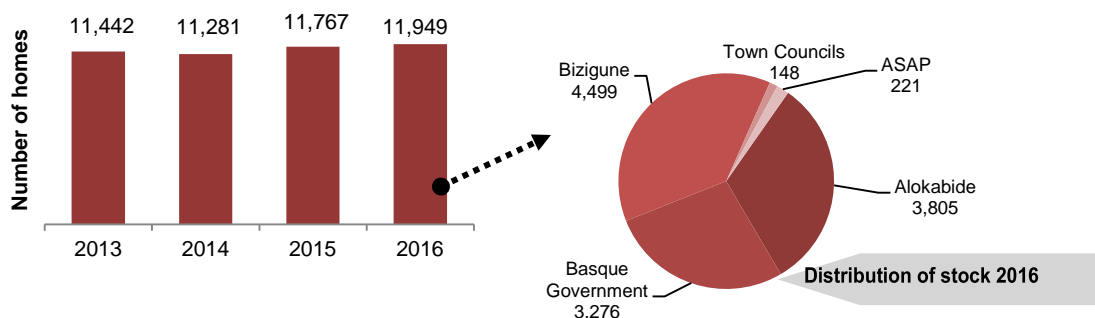
Source: Department of Environment, Land Use Planning and Housing. Basque Government

#### a.2) The stock of housing for lease managed by Alokabide: stability in the years covered by the 2013-2016 Housing Master Plan

Alokabide (a public company belonging to the Basque Government) manages a stock of housing for lease that includes both its own homes and homes from other programmes which are included in the policies for promoting housing for lease. The 11,949 homes managed by Alokabide in 2016 represented an increase of 4.4% compared to 2013, showing slightly positive progress for the period. This important housing stock, managed by Alokabide, is related to the following programmes and entities:

- Bizigune (37.7% of the stock)
- Alokabide's own stock (31.8%)
- Basque Government housing (27.4%)
- ASAP (1.8%)
- Town councils (1.2%).

**Graph 3: Evolution of the housing stock managed by Alokabide. 2013-2016**

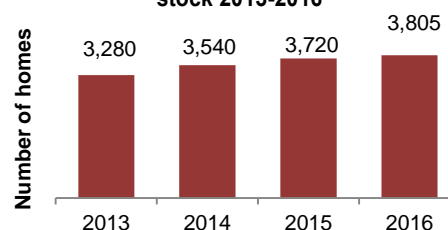


Source: Department of Environment, Land Use Planning and Housing. Basque Government

## **ALOKABIDE'S OWN STOCK – SUSTAINED GROWTH DURING THE PERIOD**

The 3,805 homes that make up Alokabide's own housing stock in 2016 reflect an increase of 16% with respect to the stock in 2013, showing positive progress for each year in the period.

**Graph 4: Development of Alokabide's own housing stock 2013-2016**

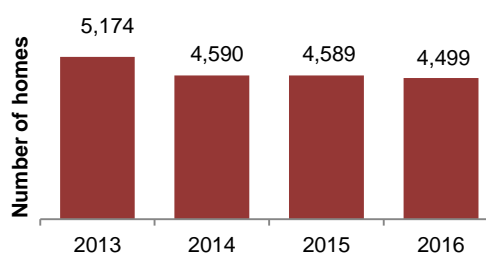


Source: Department of Environment, Land Use Planning and Housing. Basque Government

## **BIZIGUNE: A PROGRAMME THAT PEAKED IN 2013 AND WHICH IS NOW GOING THROUGH A PERIOD OF MODERATE DECLINE THAT WILL REQUIRE ITS REACTIVATION**

The Bizigune programme facilitates the lease of housing for a rent amount that is lower than that received by the owners. The 4,499 homes managed under the programme in December 2016 indicated a reduction of stock from 2013 (-13%), the year in which it reached its highest level.

**Graph 5: Evolution of the Bizigune housing stock. 2013-2016**



Source: Department of Environment, Land Use Planning and Housing. Basque Government

In 2014, the maximum rent to be paid to owners was reduced, being set at €450/month for new additions to the programme (compared with the €600/month set previously), with an increase approved in 2017, aiming to reverse the downward trend of recent years.

### a.3) Aid for the payment of rent: changes during the period covered by the 2013-2016 Master Plan

Given its scope and its subsidiary character established in Housing Law 3/2015, of 18 June, aid for the payment of rent represents a major intervention. The main forms of aid in this area are: Supplementary Housing Benefit (PCV), Social Emergency Benefit (AES, incompatible with the previous benefit) and Basic Emancipation Income (which is being phased out). In 2016, the application of Law 3/2015 saw the incorporation of the Housing Benefit that will gradually replace PCV.

#### SUPPLEMENTARY HOUSING BENEFIT – A BENEFIT THAT ROSE DURING THE PERIOD

The growth in the number of recipients of this benefit continued in 2016, reaching a monthly average of 29,719 – 24% more than in the first year of the 2013-2016 HMP. In 2016, the total amount allocated for this benefit also reached a maximum, exceeding 90 million euros.

**Table 1: Evolution of the monthly average of people receiving Supplementary Housing Benefit and of the total amount of the benefit, by province. 2013-2016**

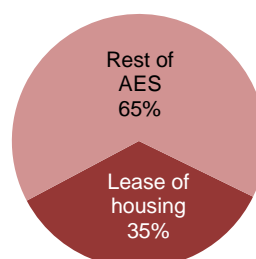
	2013		2014		2015		2016	
	Number of recipients (monthly average)	Total cost (euros)	Number of recipients (monthly average)	Total cost (euros)	Number of recipients (monthly average)	Total cost (euros)	Number of recipients (monthly average)	Total cost (euros)
Álava	4,110	13,332,058	4,703	14,592,961	4,811	14,878,754	4,841	15,170,000
Biscay	14,385	45,703,297	16,475	50,087,376	17,183	52,811,994	17,632	53,641,600
Gipuzkoa	5,490	16,991,884	6,475	19,596,927	6,941	20,837,074	7,246	22,159,700
<b>BAC</b>	<b>23,985</b>	<b>76,027,239</b>	<b>27,653</b>	<b>84,277,264</b>	<b>28,935</b>	<b>88,527,824</b>	<b>29,719</b>	<b>90,971,300</b>

Source: Department of Environment, Land Use Planning and Housing. Basque Government

#### THE PAYMENT OF RENT AS A SIGNIFICANT AND GROWING PART OF THE SOCIAL EMERGENCY BENEFIT AWARDED (35%)

Social Emergency Benefit (AES) is a non-recurrent benefit designed to meet various specific ordinary or extraordinary expenses. In 2016, the weight of rent in these benefits increased, from 27% of the total in 2015 to 35% last year.

**Graph 6: Importance of the total AES expenditure on housing rent. 2016**



Source: Department of Environment, Land Use Planning and Housing. Basque Government



**Table 2: Main indicators for Social Emergency Benefit for leased properties by province. 2013-2016**

	2013			2014			2015			2016		
	No. of benefit awards	Cost (thousand euros)	Average amount per benefit (euros)	No. of benefit awards	Cost (thousand euros)	Average amount per benefit (euros)	No. of benefit awards	Cost (thousand euros)	Average amount per benefit (euros)	No. of benefit awards	Cost (thousand euros)	Average amount per benefit (euros)
Álava	1,057	1,127.7	1,067	1,171	1,295.0	1,106	1,369	1,561.3	1,140	1,534	1,728.9	1,127
Biscay	2,641	2,839.5	1,075	2,634	2,571.1	976	2,629	2,734.2	1,040	3,275	3,159.0	961
Gipuzkoa	2,360	2,608.8	1,105	2,933	3,165.5	1,079	3,247	3,637.8	1,120	3,660	6,777.8	1,852
<b>BAC</b>	<b>6,058</b>	<b>6,576.1</b>	<b>1,085</b>	<b>6,738</b>	<b>7,031.5</b>	<b>1,044</b>	<b>7,245</b>	<b>7,933.3</b>	<b>1,095</b>	<b>8,469</b>	<b>11,665.7</b>	<b>1,378</b>

Source: Department of Environment, Land Use Planning and Housing. Basque Government

## BASIC EMANCIPATION INCOME – A BENEFIT THAT IS BEING PHASED OUT

The Basic Emancipation Income Programme was abolished in December 2011, maintaining payments to those who had already been awarded them at that time, with a reduction in the amount granted (from €210 to €147 per month). The programme, aimed at young people between 22 and 30 years of age accessing housing for lease with an income of less than €22,000 per year, has seen a continuous reduction in the number of recipients.

Thus, only 192 young people continued to receive this benefit in 2016, 42% of whom were in Biscay. Since 2013, the amount allocated to this benefit has been reduced by more than 90%, and in the coming years it will disappear entirely.

**Table 3: Estimate of the amount allocated to the Basic Emancipation Income Programme. 2013-2016**

Euros**	Álava	Biscay	Gipuzkoa	BAC
2013	876,708	1,726,956	1,116,612	3,720,276
2014	393,372	659,736	455,112	1,508,220
2015	100,548	146,412	112,896	359,856
<b>2016</b>	<b>97,902</b>	<b>141,561</b>	<b>107,310</b>	<b>346,773</b>

\*\*The estimate was drawn up considering a subsidy of €147/month for all cases, but this does not take into account the cases where there are more lease contract bearers in the home than only the recipient, in which case the benefit is divided between the number of lease agreement bearers; nor does this take into account the cases where the benefit is not received for the full year.

Source: Department of Environment, Land Use Planning and Housing. Basque Government

## B) Programmes and interventions by the department in the area of rehabilitation (Renove Rehabilitation Plan)

The strategy of the Department of Environment, Land Use Planning and Housing in the area of rehabilitation is implemented through the Renove Rehabilitation programme and includes five specific programmes, which are complemented with the measures of the Housing Master Plan (strategic goal 4) that have already been analysed. Through these, it is intended to renovate the housing stock built in the BAC following the criteria of energy efficiency, accessibility and sustainability.

These programmes are aimed at:

- the general population (aid in the form of grants and loans to individuals and residents' associations);
- facilitating accessibility through aid to local entities (town councils and smaller local entities);
- the rehabilitation in Integrated Rehabilitation Areas or Degraded Areas (studies and plans by town councils and urban rehabilitation societies);
- the efficient rehabilitation of homes and buildings (town councils and residents' associations);
- urban regeneration (subsidies for urban regeneration projects).

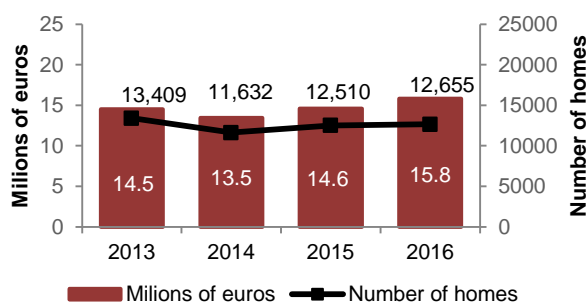
The main characteristics and evolution of rehabilitation aid for individuals and residents' associations are presented below.

This rehabilitation aid includes grants and loans. The scope of the former is much more significant, while loans, despite a slight rebound in 2016, decreased in the 2013-2016 period.

### SUBSIDIES GRANTED WITHIN A FRAMEWORK OF STABILITY

The objective of the subsidies is to support the rehabilitation work by individuals and residents' associations to improve living conditions, allow access by people with disabilities and reduce energy consumption. In 2016, this aid supported the rehabilitation of 12,655 homes, with a total cost of 15.8 million euros (reserved subsidy), representing an average subsidy per home of 1,247 euros.

**Graph 7: Evolution of the number of rehabilitated houses and of the total amount of subsidies for rehabilitation. 2013-2016**



Source: Department of Environment, Land Use Planning and Housing. Basque Government

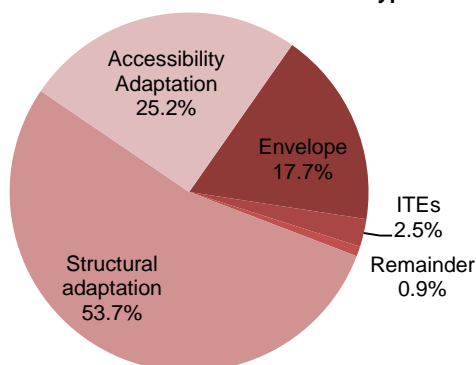
### Types of rehabilitation: predominance of structural/building adaptation works

The different types of rehabilitation action that can be supported within the framework of the aid programme for individuals and residents' associations receive different subsidy amounts, depending on their relevance and nature. The programme identifies six types:

- Works involving structural adaptation of the building: Type 1.
- Works to improve the living conditions: Type 2.
- Operations to adapt the homes and access thereto in accordance with the current regulations for people with disabilities: Type 3.
- Activities of adaptation of the general finish of the building and of the homes in accordance with the principles of good construction: Type 4.
- Intervention in the thermal envelope to improve energy efficiency and save energy.
- The drafting of the technical reports derived from the periodic Technical Inspections of Buildings (ITEs).

Most of the subsidies granted in 2016 (7.5 million euros) were used for structural/building adaptation, with 25% of the aid being allocated to adapting housing to improve accessibility (4 million euros in 2016). The aid to promote the energy efficiency of the buildings through actions involving the envelope has followed an upward trend in recent years, reaching 2.8 million euros in 2016. In contrast, the aid for the carrying out of ITEs reduced steadily during the period, being 2.5% of the total in 2016.

Graph 8: Distribution of aid in accordance with type of works



Source: Department of Environment, Land Use Planning and Housing. Basque Government

Table 4: Subsidies approved in 2016 in accordance with type of works and type of aid

	Total Rehabilitation work
Type 1: Structural/building adaptation	7,478,219
Type 2: Adaptation of living conditions	--
Type 3: Adaptation of homes to improve accessibility	3,974,373
Type 4: Finish	141,416
Envelope	2,793,334
ITE fees	391,423

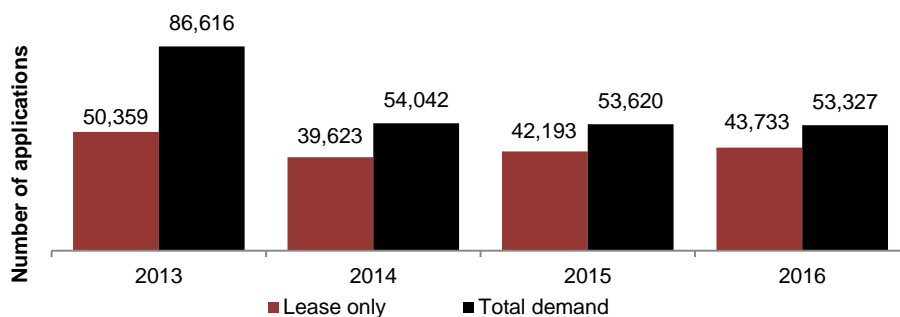
Source: Department of Environment, Land Use Planning and Housing (Basque Government)

### c) Other significant activities in the area of rehabilitation

- In terms of accessibility, support for the **installation of lifts** is a basic objective of the housing policies of the BAC, whose housing stock has significant deficiencies in this area. In 2016, aid was provided for the installation and replacement of lifts in 10 buildings, this aid reaching 1,322 buildings over the period covered by the 2013-2016 Master Plan.
- The growing trend in the carrying out of **Technical Building Inspections** (ITEs) was consolidated in 2016, by which time 7,336 ITEs had been recorded, more than double those recorded in 2015, an increase that is expected to follow a positive trend in the coming years: by 2018 a total of 67,340 buildings in the BAC should receive a Technical Building Inspection.

- Adaptation of the **Etxebide Register of applicants** to the new reality of the demand. This intervention led to a significant change in the activity of Etxebide and its relationship with people seeking housing during the period covered by the HMP. After the confirmation by the Department of Environment, Land Use Planning and Housing that not all the people registered in Etxebide were in need of housing, or that their need had changed with respect to the terms in which the request had been made, changes in the registration procedures made it possible to reduce the number of applications filed and, since 2013, requests for leased properties have made up the majority in the register. The sharp reduction recorded in 2013, following these changes, led to a certain stabilisation in the total number of applicants, resulting in around fifty-three to fifty-four thousand files. This stabilisation is the result of a slight increase in the number of for lease applicants and a reduction in the demand for purchasing.

**Graph 9: Evolution of the demand for subsidised housing for lease and total registered in Etxebide. 2013-2016**



Source: Etxebide. Vice-ministry of Housing. Basque Government

## 4. Financing of the housing policies

### 4.1. Evolution of expenditure on housing

In 2016, the change in trend that began in 2015 continued. Despite this increase of 3.7% in 2016, the total expenditure on housing in this last year was 8.8% lower than that recorded in 2013.

The total consolidated expenditure of the Housing Group of the Basque Government is made up of the combined expenditure on housing of the Department of Environment, Land Use Planning and Housing and its companies VISESA and Alokabide, and this reached 191.4 million euros in 2016.

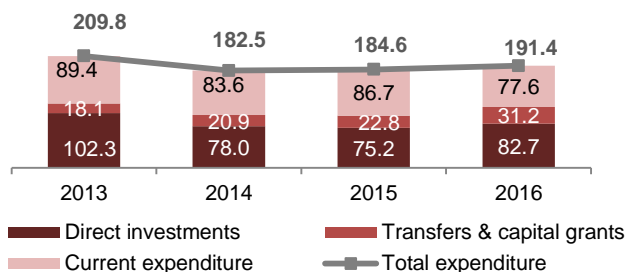
When analysing the different items that make up this consolidated expenditure, an increase can be seen in 2016 both in direct investments, which grew 7.5 million that year, and transfers and capital grants, which went from 22.8 million euros to 31.2 – an increase of 8.4 million euros. In contrast, current expenditure decreased by 9.1 million euros.

The budget of the public companies (Visesa and Alokabide) grew by 3.7 million (3.1%) compared to 2015, due to the increase in direct investments (+6.9 million euros). In the period as a whole, the reduction recorded was 14%, and transfers, capital subsidies and direct investments were affected in a similar way, while current expenditure grew.

Current expenditure also increased slightly, from 83.6 million euros in 2014 to 86.7 million euros in 2015, while direct investments decreased moderately in the last year, from 78.0 million euros to 75.1 million euros.

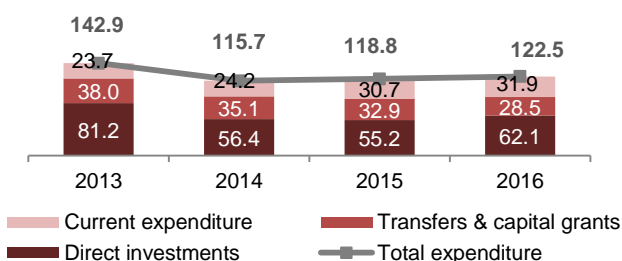
From a medium-term perspective, it can be seen that the bulk of the fall in consolidated housing expenditure was concentrated in direct investments and in transfers and capital grants, which reached 202 million euros and 74 million euros, respectively, in 2010.

**Graph 10: Evolution of total housing expenditure. 2013-2016**



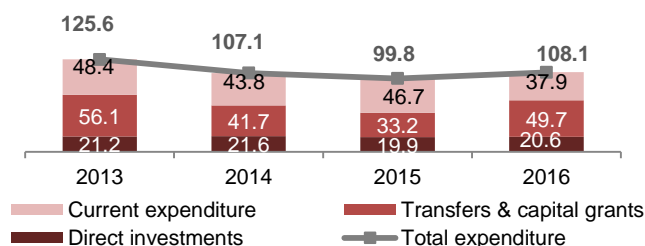
Source: Department of Environment, Land Use Planning and Housing. Basque Government

**Graph 11: Evolution of the expenditure of Visesa and Alokabide. 2013-2016**



Source: Department of Environment, Land Use Planning and Housing. Basque Government

**Graph 12: Evolution of the total expenditure of the department. 2013-2016**



Source: Department of Environment, Land Use Planning and Housing. Basque Government

The increase recorded in the budget of the department (8.3% with respect to 2015) was mainly a result of the subsidies and capital transfers item. The reduction of 14% occurring in the 4 years covered by the Master Plan was concentrated in current expenditure (-21.7%), although all the items saw this decrease.

Focusing on the different lines of activity that make up the total expenditure of the Housing Group as a whole, the following items should be highlighted:

- The building of houses and the purchase of land, with a cost of 33.75 million euros and 36.73 million euros, respectively. While the item relating to the building of houses maintained a downward trend throughout the period, the purchase of land experienced a sharp increase in 2016.
- The Bizigune Programme, which represented a consolidated expenditure of 27 million euros in 2016.
- Operating costs, which represented 23.7 million euros in 2016.
- Subsidies to families, which reached 17.2 million in 2016 and have shown a slightly upward trend since 2014.

#### **4.2. Analysis of the costs of obtaining and developing land and of building**

The average costs of obtaining and developing land show a great deal of variability over the years. Thus, if in 2013 the average cost stood at 8,159 euros, in 2014 and 2015 it was more than 18,000 euros, while in 2016 it stood at 13,153 euros.

In social housing development, this variability was even more evident, particularly due to the increase in 2015. In 2016, despite the fact that this difference was reduced, between social housing and subsidised housing (VPO) there was a difference of almost 10,000 euros in average cost. The differences in the cost of obtaining and developing land for housing for lease and for sale were very small in 2016 (in contrast with what was seen in 2015), and the VISESA houses (10,026 euros) had the lowest cost for obtaining and developing land in this financial year.

**Table 5: Land and Development Costs. 2013-2016**

Average cost per home	2013	2014	2015	2016
Social	11,325.52	7,343.09	42,695.68	21,603.68
Subsidised housing	6,151.84	22,264.58	12,864.67	11,693.17
Lease	8,457.71	8,572.06	43,597.47	13,542.18
Sale	7,444.35	21,291.27	14,575.13	13,104.24
Dept. assisted	19,217.69	35,770.51	4,923.00	19,761.14
Dept. only	17.159960	-	40,154.28	19,265.77
Dept. Visesa	3,832.19	16,790.28	30,518.20	10,026.41
<b>Overall average</b>	<b>8,159.54</b>	<b>18,657.05</b>	<b>18,931.99</b>	<b>13,152.98</b>

Source: Department of Environment, Land Use Planning and Housing. Basque Government

**Table 6: Building Costs. 2013-2016**

Average cost per home	2013	2014	2015	2016
Subsidised housing	124,275.16	115,112.37	137,391.41	141,279.79
Social housing	89,613.94	75,593.21	106,616.97	116,583.48
Lease	103,972.52	75,280.41	72,304.85	118,281.53
Sale	130,331.51	113,393.19	144,679.42	139,970.08
Dept. assisted	115,728.36	105,672.08	141,576.52	134,015.23
Dept. only	113,500.06	-	203,314.74	127,015.67
Dept. Visesa	104,435.71	105,155.10	119,196.04	141,334.52
<b>Overall average</b>	<b>108,464.78</b>	<b>105,223.72</b>	<b>127,486.99</b>	<b>137,387.20</b>

Source: Department of Environment, Land Use Planning and Housing. Basque Government

## 5. Comprehensive evaluation of housing policies and lessons learned

The comprehensive evaluation of housing policies seeks to answer key evaluation questions, which relate to core criteria in the theory of evaluation: effectiveness (the extent to which the intended objectives were achieved), efficiency (the relationship between the achievements and their cost), equity (the extent to which the distribution of efforts and achievements is equitable) and satisfaction (the quality with which activities were carried out, depending upon the assessment made by users).

### 5.1. The relevance and coherence of the 2013-2016 HMP

The design of the 2013-2016 HMP was based on an ex ante evaluation, which made it possible to take into account the main challenges and difficulties faced by citizens in their access to housing, and also those involved in the maintenance of an adequate, efficient, sustainable and accessible housing stock.

That is to say, the 2013-2016 HMP was relevant at the time that it was drawn up, and also coherent, since the strategies and action proposed were complementary and were aimed at tackling clearly defined objectives: supporting people who had difficulties accessing housing, including new groups with a greater risk of exclusion, addressing the need to improve an outdated housing stock, and increasing the limited amount of housing for lease.

It also took into account the diversity of agents involved in the development of housing policies (public administrations and private agents), and proposed actions related to their coordination and activation, aligning the interventions to achieve the intended objectives.

However, the duration and intensity of the crisis, not foreseen in the design of the plan, influenced several implementational aspects of the 2013-2016 HMP, resulting in a more restrictive budgetary framework than expected and in difficulties in the promotion of public-private areas of collaboration, given that private initiatives were also affected by the crisis.

In this context, Housing Law 3/2015, of 18 June, also implied a significant modification (although with progressive application) of the regulatory frame of reference of the BAC housing policies, and therefore of the 2013-2016 Housing Master Plan, which meant that certain actions had to be reconsidered.



## 5.2. The effectiveness of housing policies in the BAC

The annual evaluations of housing policies have demonstrated the difficulties that the budgetary shrinkage has created for the Department of Environment, Land Use Planning and Housing in terms of achieving the objectives set out for some of the lines of activity in the 2013-2016 Housing Master Plan.

In 2016 there were a number of changes that –without being able to make up for the deficits during the period in some of the clearly unsuccessful lines of activity, such as the development of new rented accommodation owned by the BAC (ADAs)– represent a turning point and show somewhat more favourable results compared to the previous years. Despite this, the development of new homes for lease and ADAs achieved only 21.4% of the expected total implementation for the period covered by the Housing Master Plan, a result that is clearly poor.

Land purchase activities are also in a similar situation, with only 30% of the planned objectives achieved in the period, although in 2016 there was significant activity (59% of the target set for that year).

The ASAP programme, which was set up with ambitious objectives and significant expectations, has seen slow and limited progress and has also achieved a level of implementation that is clearly insufficient, reaching 22% of the target set by 2016.

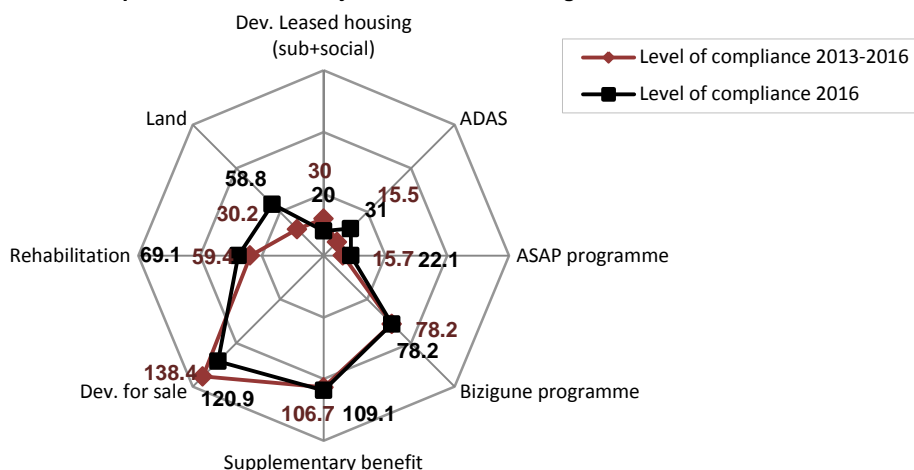
Some lines of activity have not been implemented. These include the new programmes for the purchase of subsidised housing for leasing purposes and the new programme for the purchase and rehabilitation of subsidised housing for lease (both with 650 homes planned up to 2016).

The lines of activity that can clearly be considered successful include the aid granted through the Supplementary Housing Benefit, which exceeded the targets set in 2016 and throughout the period, and also the development of housing for sale, which in the last year exceeded the established objectives by 38% (+21% during the period covered by the Master Plan).

The Bizigune Programme was close to achieving the expected objectives, having mobilised 4,499 homes in 2016, approaching 80% of the established target.

Also in this band of reasonable success are the rehabilitation interventions, which show a level of compliance close to 70% for the 2013-2016 period as a whole.

**Graph 13: Level of compliance with basic objectives of the Housing Master Plan. 2016 and 2013-2016**



Source: Department of Environment, Land Use Planning and Housing. Basque Government

In a context of budget constraints and unsatisfactory achievements in some of the important objectives of the 2013-2016 Housing Master Plan, the rent subsidies helped to alleviate these deficiencies, amounting to a total of more than 100 million euros in 2016 and helping with access to housing for more than forty-four thousand people.

If the Eustat data (municipal housing as of January 2016) and the Living Conditions Survey (12.3% relative weight of leased properties in the BAC) are taken as references, it turns out that around 41% of the for lease housing stock in the BAC has had some kind of support.

**Table 7: Estimate of the percentage of the stock of subsidised housing for lease in the BAC, by type of aid and as a percentage of total expenditure. 2016**

	Recipients/Aid	% of total stock of housing for rent	Total cost (euros)
Basic Emancipation Income	192	0.2	346,773
Supplementary Housing Benefit	35,493	32.6	90,971,252
Social Emergency Benefit	8,469	7.8	11,665,663
Housing Benefit	22	--	38,000
<b>Total</b>	<b>44,176</b>	<b>40.6</b>	<b>102,983,688</b>

Source: Department of Environment, Land Use Planning and Housing. Basque Government

### 5.3. Efficiency of the housing policies

The interpretation of the efficiency of housing policies as a whole is complex, since the interventions analysed have very different costs and cover activities ranging from the intermediation between tenants and landlords through the provision of insurance (ASAP, with costs of less than €200/intervention) to the development of new housing, where the cost of buying land, building, etc., clearly exceeds one hundred thousand euros per home.

It is equally evident that both actions offer a very different solution to problems that are also different (from ad hoc solutions, such as the mobilisation of uninhabited housing, to long-term solutions, with a significant impact on the disposable income of their beneficiaries).

Thus, the average costs of building for the development of new homes in 2016 were around 137,000 euros, while the average subsidy for housing in the Bizigune programme was 4,300 euros, with the Supplementary Housing Benefits around 3,000 euros.

Along with this diversity in the lines of action, the analysis of the costs of land/development and building also showed tremendous variability in the period as a whole (between the average of 105,000 euros in 2014 and the 137,000 euros in 2016), and also in financial year 2016 itself, depending on different variables (size of the development, difficulty of building, etc.).

In any event, the reduction in the most expensive lines of action recorded in the period covered by the 2013-2016 HMP meant that the relationship between achievements and costs of the housing policies was positive in the period. In addition, some programmes, such as Bizigune, limited the income paid to landlords, which meant greater efficiency (in parallel to a stagnation/reduction in the number of homes brought into the programme), although 2016 saw a slight increase in these average rents.

At the same time, the 2.3 million euros allocated to Alokabide in 2016 for the management of 3,276 homes reflects an average subsidy of 710 euros per home for management, so that efficiency increased over the period covered by the Master Plan (727 euros/home in 2013).

The average amounts of aid for rehabilitation saw limited progress over the period, aid for isolated rehabilitation increasing by 12% since 2013, to reach 1,113 euros on average, and aid for comprehensive rehabilitation by 21%, reaching 2,376 euros in 2016. When considering the cost/benefit ratio, it should be noted that each euro of direct subsidy to rehabilitation provided a boost of 38 euros in terms of productive activity and contributed to increasing the GDP by 13 euros in 2016.

#### **5.4. Territorial and social equity (coverage)**

The assessment of the territorial equity of the housing policies refers to the territorial distribution of the programmes and interventions, their adaptation to the provinces and, in a general way, it should be noted that the policies have in fact been equitable in this sense.

Thus, some programmes show an allocation very similar to that corresponding to the distribution of the population, as in the case of aid for rehabilitation<sup>2</sup> and cash benefits awarded.

Interventions in which the local component predominates or that are more specific in nature show imbalances that tend to correct themselves over longer periods, especially in terms of the rehabilitation of degraded areas, but also in the development of new homes and the purchase of land.

The Alokabide housing stock, in terms of the subsidised stock for lease, shows a significant concentration in Alava (66.8% of the homes in 2016), which has brought about that, since the entry into force of the 2013-2016 HMP, all the homes started in the period were in Biscay (435) and Gipuzkoa (410).

#### **Equity according to income level**

Since the modification introduced by the Order of 15 October 2012, the allocation of subsidised housing for lease has been carried out through a points-based system that incorporates different criteria: income, number of members living together in one unit, time on the register of applicants, registration of residency, and individuals belonging to any of the groups identified as having a special need for housing. In this context, the subjective right to housing established in Law 3/2015 also prioritises access to housing for the most vulnerable groups from 2016 onwards.

The system is thus geared towards prioritising access for the population with lower economic resources, and the trend in the average income of those who apply for subsidised housing for lease (€11,917 in 2016), which continues to decrease, confirms the application of this prioritisation.

In the area of rehabilitation, since 2010 the growth in the proportion of households with incomes below 9,000 euros can be seen. In 2016 this reached 23.2% of the total, and it is also significant that 56.5% of households that have received grants have gross average incomes below €15,000. The proportion of single-person households grew throughout the period, representing 45.2% of the total in 2016.

The cash benefits are also granted with the objective of supporting the more vulnerable groups with lower incomes. In other words, the housing policies implemented by the Department of Environment, Land Use Planning and Housing within the framework of the 2013-2016 Housing Master Plan have been implemented from the perspective of supporting the people most in need, and the economic recession has resulted in decreasing average income levels for those who have accessed the aid or services provided.

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<sup>2</sup>The exception is a greater concentration of aid for comprehensive rehabilitation in Gipuzkoa.

## 5.5. The quality of housing policies (satisfaction of users)

In the period covered by the 2013-2016 Housing Master Plan, several surveys were carried out to find out how the citizens of the BAC rate the operation and quality of housing services.

In 2013 and 2015, an evaluation of the Etxebide service was carried out, and in 2016 the evaluation focused on rehabilitation aid granted by the Basque Government, following up on a survey conducted in 2012-2013.

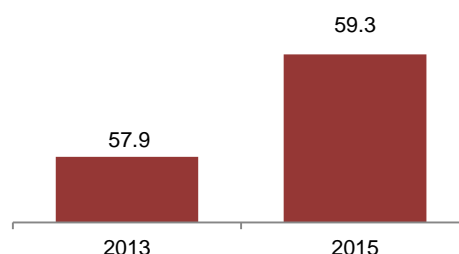
The main results of both are presented briefly in summary form, and show a positive trend over the years covered by the 2013-2016 HMP.

### Evaluation of the Etxebide service

The average rating of the Etxebide service is positive (with an average score of 59.3 on a scale of 0 to 100). This rating is also an improvement on that recorded in previous years.

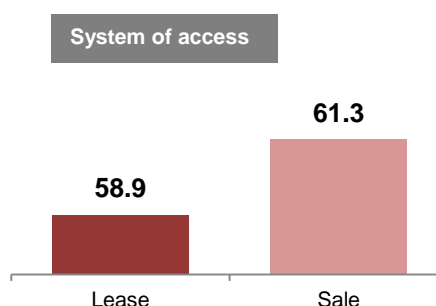
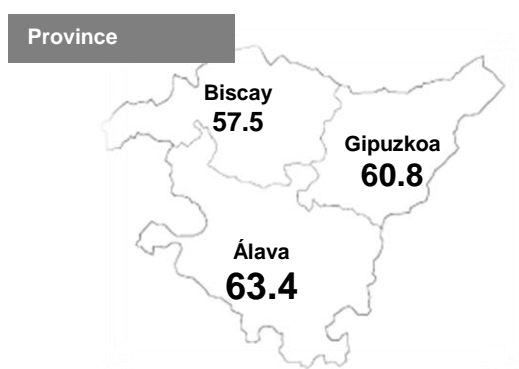
It should also be highlighted that this positive assessment occurs:

**Graph 14: Evolution of the average rating of Etxebide. 2013-2016**



- In the three provinces: the people registered in the three provinces view Etxebide positively, the higher level of satisfaction of the people registered in Álava standing out (63.4 points on a scale from 0 to 100), above Gipuzkoa (60.8) and Biscay (57.5).
- In both types of demand, although people registered in the system for the purchase of housing give slightly higher ratings (61.3) compared with those in the for lease system (58.9).

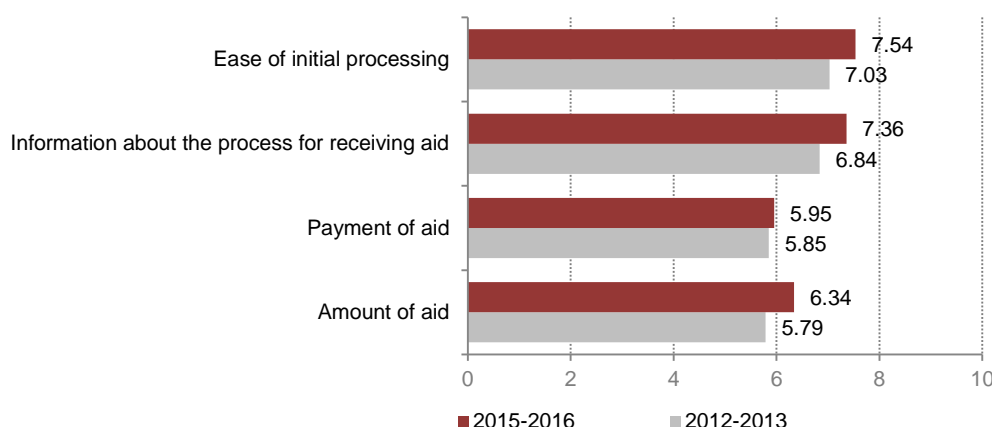
**Graph 15: Assessment of Etxebide by the people registered by province and type of demand. 2016**



## Evaluation of aid for rehabilitation

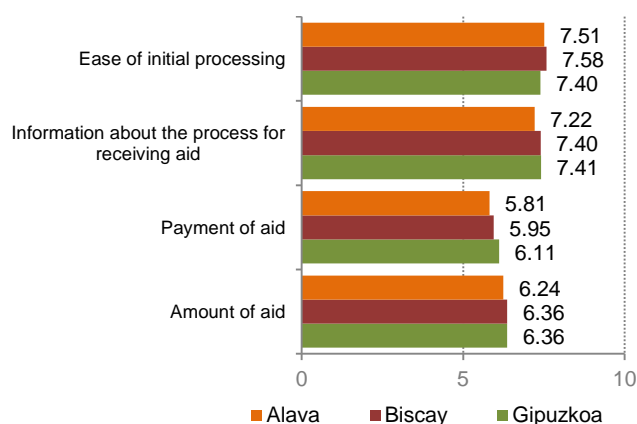
The beneficiaries of aid for rehabilitation rated the different aspects of the aid positively. As in the previous study, the amount of the aid and the payment period are the aspects that receive a less positive rating, although there is also an improvement in the level of satisfaction in these aspects compared to 2013.

**Graph 16: Evolution of the assessment of the aid management processes. 2012-2013 vs 2015-2016**  
(Scale of 0 – not at all satisfied – to 10 – very satisfied).



Finally, it is worth noting that the **level of satisfaction with the aid management processes is consistent, with very similar levels among the beneficiaries of the three provinces**. Thus, the average ratings in each of the provinces show at least a satisfactory rating in all the aspects evaluated.

**Graph 17: Assessment of the aid management processes by province. 2015-2016**  
(Scale of 0 – not at all satisfied – to 10 – very satisfied)



## 5.6. Impact of the housing policies

The multiplier effect of aid for rehabilitation in construction activity means that this aid has a significant economic impact. In 2016, the nearly 16 million euros of aid for rehabilitation led to works with a value of over 303 million euros, with direct effects that in turn triggered indirect impacts (intermediate consumption that takes place as a result of the increase in final demand).

These economic calculations were modelled<sup>3</sup>, and based on the characteristics of the end of the 2016 period, an overall analysis of the period covered by the 2013-2016 Housing Master Plan was carried out, taking into account the lines of action of the Renove Rehabilitation Plan.

It can be seen, in the first place, that the 62.48 million euros of subsidies granted between 2013 and 2016 have promoted a financial turnover of close to 1.111 billion euros. Of this, the majority (66.1%) was generated by the comprehensive rehabilitation of buildings, with the interventions aimed at promoting accessibility in public areas and facilities in second place. Finally, the actions in individual homes result in amounts close to those for actions in public areas and facilities.

**Table 8: Financial turnover generated by aid for rehabilitation. 2013-2016**

ACTION 2013-2016	FINANCIAL RESOURCES SPENT 2013-2016 (global data)	
	Amount of aid (€)	Total financial turnover generated (€): aid + induced investment
Action in individual homes	42,977,578	166,389,807
Comprehensive rehabilitation of buildings	10,938,875	734,012,813
Accessibility in public areas and facilities	5,643,877	204,810,207
Urban regeneration	2,877,840	5,755,681
<b>TOTAL</b>	<b>62,438,170</b>	<b>1,110,968,508</b>

Source: Department of Environment, Land Use Planning and Housing. Basque Government

In terms of the creation of employment, the rehabilitation policies have promoted 13,552 equivalent full-time jobs per year, whose distribution by line of action follows the pattern of the economic activity generated, with a significant concentration in the area of aid for comprehensive rehabilitation.

<sup>3</sup> Model of the economic impact of the actions of rehabilitation and urban regeneration supported by the Department of Housing. Basque Government. 2011.

**Table 9: Employment created by aid for rehabilitation. 2013-2016**

ACTION	CREATION OF EMPLOYMENT (equivalent full-time annual employment)	
	2013-2016	%
Action in individual homes	1,974	14.6
Comprehensive rehabilitation of buildings	8,945	66.0
Accessibility in public areas and facilities	2,447	18.0
Urban regeneration	186	1.4
<b>TOTAL</b>	<b>13,552</b>	<b>100.0</b>

Source: Department of Environment, Land Use Planning and Housing. Basque Government

Regarding the return in the form of taxes, between 2013 and 2016 the amount is estimated at around 161.31 million euros, of which 44.5% corresponds to VAT and 39% to personal income tax.

**Table 10: Financial return from rehabilitation policies. 2013-2016**

OTHER IMPACTS	Amount for the period 2013-2016
Financial return through VAT	71.81
Financial return through income tax	62.92
Financial return through corporate tax	26.58
<b>TOTAL</b>	<b>161.31</b>

Source: Department of Environment, Land Use Planning and Housing. Basque Government



## 6. Lessons learned from the evaluation: comprehensive assessment and proposals for improvement

This section includes a number of general reflections on the implementation of the housing policies in the 2013-2016 period, seeking to utilise the lessons learned from the evaluation for said policies' improvement in the future.

### 1. The effects of the crisis on the implementation of the 2013-2016 Housing Master Plan

As noted previously, the 2013-2016 Housing Master Plan had to deal with a crisis that lasted longer than expected when the plan was designed, and this had a significant effect on some of its most important lines of action, particularly the most expensive, which achieved very inadequate levels of implementation.

It was a crisis that affected all areas of local government and all geographical areas, also having a negative impact on the ability of private agents to collaborate at a time when increasingly large segments of the population faced greater difficulties in accessing housing. In other words, the challenges increased as the capacity of government bodies to offer solutions reduced.

However, despite all these limitations and deficiencies, the Basque Government sought to address the most serious problems, as indicated by the important increase in cash benefits, enabling access to housing by a large number of people/households (more than 30,000 in 2016).

The improvement in the economic indicators over the last two years led to the introduction of some recent changes that are expected to assist with the achievement of the general objectives of the Master Plan, such as the revitalisation of the Bizigune programme and the renewed drive to develop new housing for lease. However, the worsening of labour market conditions witnessed in recent years (wage reduction, increase in temporary contracts) does not show clear signs of recovery, so the demand for substantial state support for access to housing is expected to continue.

### 2. A society that is changing: the need for a solid and regular diagnosis in order to offer adequate answers to the problem of housing

Although it is the most important factor, the economic crisis is not the only reason for the increase in the social demand for subsidised housing. Other underlying trends<sup>4</sup> can be observed that will continue in the coming years, such as:

- The ageing of the population of the BAC, which is due partially to important social achievements, is also the result of a very low birth rate, and this new social reality has a significant impact on the demand for housing (single-person homes, accessibility, etc.)

<sup>4</sup> [http://www.garraioak.ejgv.euskadi.eus/r41-ovpe03/es/contenidos/informacion/ovv\\_per\\_demandaetxebide2015/es\\_ovv\\_opi/index.shtml](http://www.garraioak.ejgv.euskadi.eus/r41-ovpe03/es/contenidos/informacion/ovv_per_demandaetxebide2015/es_ovv_opi/index.shtml)

- New types of family and dwelling unit, which demand different types of housing.
- New phenomena that affect the supply (tourist flats) and that affect a market in which the supply of private market homes for lease is very limited (in particular in certain areas/municipalities).

Some of these trends have a relatively long history, but others are new phenomena whose intensity and scope in the near future are unknown, making permanent monitoring essential, along with the provision of tools for analysing this changing reality so that policies can be adapted to these transformations in an effective way<sup>5</sup>.

### **3. Programmes and responses increasingly better adapted to groups with specific needs**

In an increasingly diverse society, it is necessary to carry out more profound segmented diagnoses that transcend the traditional analysis based on average profiles and global readings.

The definition of precise criteria and requirements becomes a key task for increasing the effectiveness and impact of these programmes and aid systems, and this requires focused and specific analyses. The work carried out by the Basque Housing Observatory in this area is a key factor for guaranteeing this adaptation, which should extend in future master plans.

### **4. Housing Law 3/2015 of 18 June as a common frame of reference that requires development**

The application of Law 3/2015 provides the BAC with a basic framework within which to structure housing policies and programmes. In this regard, the subjective right to housing that this law recognises is set to become a central element for the design of housing policies and programmes by the various public administrations.

However, its level of implementation is still limited and, as pointed out by the different agents involved in the evaluation, in order to be effective, it will require a high degree of consensus among private and public agents, as well as adequate budgetary support, which is fundamental in order for the subjective right recognised in the law to become effective.

### **5. The territorial and spatial diversity of the housing market in the BAC**

The situation of the housing market is different in each of the provinces and, within them, in the large local areas or housing markets. The programmes to mobilise empty housing were pioneers in addressing this situation, seeking to increase their relevance, and the housing policies as a whole must adapt to this different territorial reality while maintaining the principle of equity.

<sup>5</sup> Below are some examples of these new realities: Nearly 80% of Etxebide's demand has a weighted average income of €12,000, while 60% of the population registered in Etxebide were young people who had become independent through private market leasing. Given the average income of the people registered and the average rent prices in the BAC, it is clear that these people are receiving support.

Along with the different needs of housing for lease at the local level, in a considerable number of municipalities in the BAC the significant reduction in the price of private market housing has led almost to parity with subsidised housing. These are municipalities and areas in which demand tends to be lower, which means that a municipal/territorial approach is necessary for the definition of housing policies.

## **6. Changes in the governance model and information systems**

The changes recorded relating to housing supply and demand are not the only relevant changes in the area of housing policies. Social demands for participation in public policies are also a significant factor when designing and implementing a Housing Master Plan.

The Department of Environment, Land Use Planning and Housing has just implemented a multichannel participation platform that will facilitate the collection of contributions and assessments from public bodies, agents and citizens, promoting the adaptation of policies and programmes to people's changing needs.

In addition, the revolution that is taking place in the generation and analysis of information through BIG DATA is already being applied in some department initiatives (for example, in the area of ITEs), while opportunities to access new sources of relevant information are appearing, such as the financial guarantee deposit created under Housing Law 3/2015 of 18 June, which will generate more and more consistent information on the rent prices in each of the local housing markets, as is occurring in other autonomous communities. This information could lead to better monitoring and evaluation of the relevance of programmes such as Bizigune and ASAP in each of the municipalities.

## **7. Some pending challenges in the area of rehabilitation policy**

Over the years covered by the 2013-2016 Housing Master Plan, the different agents consulted reiterated their perception of an increasing demand for rehabilitation for the coming years, an opportunity that requires a number of critical points to be addressed. These include improving the dissemination of the aid, the need for greater support for accessibility and the importance of integrating different lines of action in urban regeneration projects in areas with special socio-economic problems.



## 8. The need for collaboration in an area in which multiple agents participate

The map of public-private actors in the field of housing policies is broad and diverse<sup>6</sup>, and so are their competences and activities. In addition, their interventions impact in an interconnected way. For this reason, an institutional model that facilitates synergies, coherence and complementarity between the different lines of action and aid systems is necessary.

Although the Basque Government is the most significant institution in terms of investment/expenditure, town councils and other entities such as the Estate Agents are also key bodies, given their proximity to the citizens. The public-private connection both in the development of new housing and in the rehabilitation policies in which the private counterparty is fundamental will continue to require daily work involving coordination, dissemination and the increasing of awareness about aid, collaboration with financial entities, etc.

Similarly, the role of the provincial councils, fundamental in the system of incentives to purchase or to lease, must be coordinated in a way that is consistent with the objectives and actions of the housing policy as a whole.

In short, it is a case of continuing to elaborate further on the objectives and strategies already identified in the 2013-2016 Master Plan, adapting tools and interventions to the new opportunities and challenges posed by the economic and social changes in the BAC.

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<sup>6</sup> [http://www.garraioak.ejgv.euskadi.eus/r41-ovad01/es/contenidos/plan/ovv\\_mapa/es\\_ovv\\_admi/ovv\\_administracion1\\_es.html](http://www.garraioak.ejgv.euskadi.eus/r41-ovad01/es/contenidos/plan/ovv_mapa/es_ovv_admi/ovv_administracion1_es.html)