

# **The Affordable Housing Policy in Taiwan and UK : A Comparative Study**

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## **Abstract**

With the rapid speed of economic globalization and urbanization in the developing countries, the implementations of sustainable development tends to encounter issues such as gentrification and increasing urban poor due to the escalating property prices in the urban area. In most urban renewal projects, to re-create the sense of spaces and provide higher-quality housing that attract middle class or higher income population would be the usual case. The controversial discussions on the gentrification consequence and the delivering affordable housing hence arisen. In Taiwan, Taipei Metropolitan is the only city that has successfully promoted prosperous urban renewal markets and more than 60 urban renewal projects have been granted permissions since 2008. However, the success of urban renewal projects has resulted in both economic and social problems i.e. young professionals or newly graduates are not able to afford living in the Taipei City. Meanwhile, Price and Income Ratio in Taiwan has increased from 7.1 to 9.2 in the past three years and it implies that pressure of purchasing house gradually increased in Taiwan as a whole.

To responding to the urgent needs of affordable housing, the very first Housing Act has just been legislated in the end of 2011 and two social housing projects in Taipei have been announced by the government that will deliver more than 4000 housing units at urban fringe of Taipei through public-private partnership. However, it is believed that without the stable supply of affordable housing, housing affordability will always be a long term issue. Many studies have indicated that it is feasible to provide affordable housing through urban renewal projects in the UK and other developed countries.

Hence, in this paper, we will focus on how to integrate the affordable housing supply with the urban renewal projects in the Taipei City, Taiwan from the legal and policy perspectives. A case study of England experiences will be undertaken. The final part of the paper will include a comparative study of Taiwan and the England in

the policy, legal and mechanism context.

Keywords : affordable housing, urban renewal projects, Taiwan

## **1. Introduction**

From 1971 to the present, the Taiwan government has proposed a number of housing policies, such as Public Housing, Social Housing, Regulations for Young People Owning Housing and Suitable Housing, to resolve the different aspects housing problems. In 2011, the government has passed Housing Act which is legislated for the targets of integrating housing market, enhancing the quality of the living, all nationals living in suitable residential and having dignified living environment. However these policies were almost proposed from the perspective of living justice, especially the Suitable Housing and Social Housing. In recent years, the price of housing has soared, in particular metropolitan areas. But the limited areas cannot tolerate endless constructions, the need of housing is large in metropolitan. Therefore, the price of housing is rising rapidly; a lot of people can't afford the price to buy a house. Although government has proposed Suitable Housing and Vacancies Using, Suitable Housing or Social Housing still is restricted by laws; price of vacancies is rising for the need of living. So the affordable housing and housing supply are more important and Taiwan will confront the issue in the future.

In comparison with other countries, the housing policies or comprehensive development strategies include housing affordability. In the United Kingdom, Planning Policy Guidance Notes (PPG3) in 2000 has included the problems of affordable housing and the need of housing, and proposed solutions from different aspects as policy, finance, etc. In 2003, the Sustainable Communities Planning is involved in affordable housing object and supplied affordable housing with urban renewal.

Now, it confronts the subject of housing affordability in Taiwan, and the need of housing is large in Taipei. To resolve this subject, Taipei has proposed a concept of obtaining affordable housing with urban renewal. And there is a case which is proceeding in Muzha District. In Taiwan, the concept of obtaining affordable housing with urban renewal is argued and there are no regulations or policies to define it. So it is the motivation of this paper.

Based on the background and motivation, there are three purpose of this study :

1. Understanding the affordable housing policies transformed and implemented; compared with Taiwan and bring up the similarities and differences as reference.
2. Discussed similarities and differences about other countries and Taiwan urban renewal mechanism and operation
3. Discussed the feasibility of supplying affordable housing with urban renewal in Taiwan.

## 2. Analysis

### 2.1 Definition and Classification of Affordable Housing

In UK, affordable housing includes social rented, affordable rented and intermediate housing, provided to eligible households whose needs are not met by the market. Affordable housing should:

- Meet the needs of eligible households including availability at a cost low enough for them to afford, determined with regard to local incomes and local house prices.
- Include provision for the home to remain at an affordable price for future eligible households or, if these restrictions are lifted, for the subsidy to be recycled for alternative affordable housing provision. *(2011c)*

Table 1 Affordable Housing Type in UK

Housing Types	Contents	Note
Social Rented Housing	<ol style="list-style-type: none"> <li>1. Guideline target rents are determined through the national rent regime.</li> <li>2. Rented housing owned or managed by other persons</li> <li>3. Provided under equivalent rental arrangements to the national rent regime, as agreed with the local authority or with the Homes and Communities Agency as a condition</li> </ol>	Social rented housing is owned and managed by local authorities and registered social landlords

	of grant.	
Affordable Rented Housing	1. It is not subject to the national rent regime but is subject to other rent controls. 2. Require a rent of no more than 80 per cent of the local market rent.	Rented housing let by registered providers of social housing to households
Intermediate Affordable Housing	1. Housing at prices and rents above those of social rent, but below market price or rents. 2. Include shared equity products (e.g. HomeBuy), other low cost homes for sale and intermediate rent but does not include affordable rented housing.	Registered providers of social housing to households who are eligible for social rented housing.

References : (2011c)

In Taiwan, affordable housing includes public housing, social housing, parity housing and affordable housing. But there is no act to make a clear definition of affordable housing.

Table 2 Affordable Housing in Taiwan

Housing Types	Contents	Note
Public Housing	The referred public housing in this act indicates the housing projected by the government and constructed through the following forms for sale or rent to low-income families, or conducted by such families themselves with government loan, or provides the subsidy of loan interest for families who bought the house by themselves	Building ways : I. Construction conducted directly by the government. II. Construction conducted by the people themselves with government loan. III. Construction by encouraging private investment. IV. People purchase the house by themselves

		with government assistance.
Social Housing	<p>1. It indicates the housing conducted by the government or conducted by encouraging private investment and rental specially. It should provide at least 10% houses for renting to Special cases or status.</p> <p>2.It should calculate reasonable subsidy in accordance with standards of fair rent in living area, income of families receive subsidy, household with disadvantaged status and standards of affordability indicators, etc., for the purpose of limit of rental and the subsidy of loan interest for families who bought the house by themselves.</p>	<p>Special cases or status</p> <ol style="list-style-type: none"> <li>1.Low-income families</li> <li>2.Special-circumstances families</li> <li>3.Bring up more than three minor children.</li> <li>4.People who can not return and under 25-year-old after the end of the placement of correctional services or foster families.</li> <li>5.Over 65 years old</li> <li>6. Victims and his/her children of domestic violence or rape</li> <li>7.Disabilities</li> <li>8.HIV or AIDS</li> <li>9.Aborigine</li> <li>10.Victims of disaster</li> <li>11.Vagrant</li> <li>12.Other confirmed by authority</li> </ol>
Affordable Housing(Parity Housing)	<ol style="list-style-type: none"> <li>1. The property belongs to country, public or state-owned enterprise.</li> <li>2.To take the way of selling by announcing building investment.</li> <li>3.Requesting private to provide rent for meeting the need of tenant and having priority to take care of low-income families or families which can't afford to pay.</li> </ol>	There are affordable housing located at Fuzhou and Airport MRT A7 station.

References : (2011b) 、(2005) 、(2011d)

It integrates the vocabulary about affordable housing in UK and Taiwan. In UK, all housing type is operated by public and private, but the operators alter for different house type. The objects are confirmed by evaluating income and local house price in UK, but the objects are almost disadvantage groups in social and economy in Taiwan. The properties are more rental in UK, but in Taiwan the opportunity of rent is as same as sale. The definition of objects in Taiwan is narrower than UK, but the chance of sale in Taiwan is more than UK.

Table 3 Affordable Housing Comparative

Nation	Housing Type	Operator	Objects	Property
UK	Social Rented Housing	Public/Private	Evaluating income and local house price	Rent
	Affordable Rented Housing	Public/Private	Evaluating income and local house price	Rent
	Intermediate Affordable Housing	Public/Private	Evaluating income and local house price	Rent 、 Sale
Taiwan	Public Housing	Public	Disadvantage groups in social and economy	Rent 、 Sale
	Social Housing	Public/Private	Disadvantage groups in social and economy	Rent
	Affordable Housing(Parity Housing)	Private	Disadvantage groups in social and economy	Rent 、 Sale

References : (Hsu, 2011, 2011c, 2005, 2011b)

## 2.2 The Context of Affordable Housing

According to Delivering Affordable Housing which was published by Communities and Local Government in UK, we can understand government in UK believes everyone should have the opportunity of a decent home, which they can afford, within a sustainable mixed community. Although there is no clear definition

about affordable housing, we can find the related concept from living justice which is mentioned in Just society among eight visions in Gold Ten Year. The major policies are giving assistance of living, adjusting the housing supply and demand, improving housing market. The referred affordable housing in UK policies indicates the motivation and form(ex : mix-used communities), and in Taiwan indicates the operational ideas and models. The motivation of both is that everyone can own the house by sale or rent in a economy-affordable situation.

Next, it studies the policy evolution about affordable housing in UK and Taiwan.

### **2.3 The Affordable Housing Policy in the United Kingdom**

Most nations make/set policies, acts, regulations about affordable housing for solving the issue of living. The evolution of affordable housing policies in UK is as follows :

1914~1949 : The top priority is housing-providing for working-class and focusing on subsidy institution.

From 1914, government proposed three policies : rent control, providing housing subsidy for working-class and slum clearance. It is the first turning point in UK that introducing rent control and controlling private capital in long term. The construction was promoted by encouraging private investment in public housing for sale or rent in 1923. In 1945~1949, because of Keynesianism, a lot of public utilities become nationalization. The act removed statutory restriction of limited public housing for the working classes, at the same time, the government introduced improvement grants. In this period, the policies were almost implemented by subsidy and the objects were restricted to working-classes.

1950~1969 : Slum clearance was the core policy ,and introduced the idea of urban renewal.

In this stage, the postwar construction boom ended the emphasis shifted to the removal of slum housing. In Housing Act 1957, regulated government must provide

dwelling to extended families or people with poor living conditions. Building association was brought in the housing project; government encouraged house ownership and improved old-house policy. Fair rent was introduced in 1965.

1970~1989 : The rise in owner-occupation of older stock; successive governments provided grant aid to owner-occupiers and private landlords to assist them with renovation work.

Because of Free Market, it is the second turning point in 1979. Before 1979, government played the role of housing supplier, and thus transferred to the role of promoter. However, government made housing affordable by subsidies and financial mechanism; the construction was undertaken by private enterprises or semi-public housing companies. In 1980, owner-occupation of older stock was more general by introducing right-to-buy plan and mortgage market deregulation; government interfered in housing market and confirming public housing of selling or renting.

2000~present : There were a lot of mechanisms about equity shared for affordable housing.

Authorities were required to produce homelessness strategies for homeless youth. Housing affordable was an element in Sustainable Communities Plan and provided by public-private framework. Urban renewal and affordable housing were the way to achieve sustainable communities in Sustainable Communities: Affordable Housing and Socio-economic Relations. Now, the important guideline about housing is planning policy guidance notes (PPG3) in 2000. The guideline include that local authorities should meet the housing need, reuse the developed land, increase development destiny and provide affordable housing. Table below is housing policies history in UK.

Table 4 The History about Affordable Housing Policies in UK

Principle	Governing party	Year	Housing important policy	Period description
		1914	Three housing policies adopted by government :	The primary thing is providing working-class

			<ul style="list-style-type: none"> <li>●Rent control</li> <li>●Providing housing subsidy for working-class</li> <li>●Slum clearance</li> </ul>	housing which focusing on subsidy institution.
		1915	Turning point <ul style="list-style-type: none"> <li>●Introducing rent control</li> <li>●Controlling private capital in long term</li> </ul>	
Liber alism	Liberal Party	1919	Introducing exchequer The stage of housing increasing	
Social demo cracy	Labour Party	1923	Construction by encouraging private investment in public housing for sale or rent	
Keyn esiani sm	Labour Party	1945	The nationalization of major industries and public utilities	
		1949	Removed statutory restriction that limited public housing to the working classes. Introduced improvement grants.	
	Conservati ve Party	1951		Slum clearance : After the postwar construction boom ended the emphasis shifted to the removal of slum housing. Renovation was mainly seen as a stop-gap measure until substandard dwellings were cleared.
		1959	Introduced building association into housing project. Encouraged house owned and improved old-house policy	
	Labour Party	1964	Established the Housing Corporation	
		1965	Introduced fair rents	

	Conservative Party	1970		<p>Publicly funded private sector renewal : The rise in owner-occupation of older stock, growing criticism of clearance and municipal rehousing led to shift in focus to area renewal and renovation. Successive governments provided grant aid to owner-occupiers and private landlords to assist them with renovation work.</p> <ul style="list-style-type: none"> <li>●The scope of grant aid was broadened to cover repairs as well as improvements(such as the installation of bathrooms and kitchens),and eventually to include adaptations to make dwellings suitable for people with disabilities.</li> <li>●Subsidies were increased to enable low-income home owners to benefit.</li> <li>●Area-based focus</li> </ul>
		1973	<p>Conservative Party and Housing Corporation introduced four goals :</p> <ul style="list-style-type: none"> <li>●Supported home-ownership arising</li> <li>●Provided capital to private sector stably</li> <li>●Stabilized housing price</li> <li>●Provided a loan funding sufficiently</li> </ul>	

	Labour Party	1974	Introduced ‘ Housing Action Areas ‘ and expanded the remit of the Housing Corporation. Emphasized interfering in housing directly and given more resources	developed through the designation of Housing Action Areas and General Improvement Areas. ●Enveloping and block repair schemes for groups of houses were stimulated by higher grant payments.
Libertarianism	Conservative Party	1979	Second turning point : It went to privatization, personallization and non-public in the after ten years. Government transformed the role from house supply into promoter, and converted from providing funding to assisting with rent-paying when the houses supplied by government had declined in 1919.	
		1980	Introduced ‘Right to Buy’	
		1989		Means tested and targeted private renewal : A housing green paper asserted that ‘homeowners must carry the primary responsibility for keeping their property in good repair’(DETR,1985,p.1). The Local Government and Housing Act introduced mandatory grants to make

				<p>dwelling's 'fit for human habitation' (which increased funding demand). In 1996 mandatory grants were discontinued, apart from disabled facilities grants (DFGs). Overall grant expenditure fell and DFGs accounted for an increasing proportion of the total.</p>
Free market	Labour Party	2000	<p>Set direction for a number of housing reforms including option appraisals, 'Arm's-Length Management Organizations and Private Finance Initiative options to meet, the Decent Homes Standard, rent restructuring, Housing Benefit reform and Choice-Based Lettings.</p>	
		2002	<p>Required local authorities to produce homelessness strategies. Amended priority needs groups to include 16-17 year olds. Abolished the duty to maintain housing registers. Repealed private sector grants and loans provisions, enabled local authorities to assist</p>	<p>Onwards public-private framework harnessing private investment in renewal : a regulatory reform order repealed the framework of grants and assistance to home owners and required all local authorities to develop strategies to improve local housing conditions and to</p>

			housing renewal directly or through third parties such as housing associations and private sector loan finance.	invest a mixture of public grants and private funds in renewal. This led to initiatives to attract private funding. Housing Market Renewal Areas were designated (this new public investment stream was limited to seven areas nationally).The decent homes target and the health and safety hazard rating set standards for local strategies.
		2003	<p>Gave higher profile to housing policy and responded to regional disparities.</p> <p>Led to the establishment of Regional Housing Boards, Regional Housing Strategies, additional investment in new homes in the South and the establishment of Housing Market Renewal Areas in parts of the Midlands and the North.</p> <p>Established ‘ community Right to Buy’, which enabled community bodies to purchase land from land owners.</p>	
		2005	<p>Set out the government’s housing priorities in the run-up to the general election. Placed strong emphasis on the promotion of home ownership.</p> <p>Introduced ‘ HomeBuy’ equity stakes scheme for housing association tenants and further help for first-time buyers.</p>	

			Continued the themes of private finance for social housing and the promotion of choice through lettings and mobility schemes. Sought to reverse the growth in temporary accommodation.	
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References : (Murie, 2006, Chang, 1994)

## 2.4 The Affordable Housing Policy in Taiwan

The development of housing policies in Taiwan can be divided into four periods from 1945 to present. The following sections explain the four periods.

1950~1999 : It is the public housing policy stage and is promoted by four steps.

In 1950~1954, the main policy was about housing subsidy for emergency, due to the tremendous amount of housing needs resulted from Nationalist Government of the Republic of China retreatment to Taiwan. In the stage of government housing loan between 1957~1975, government drew up the Housing Subsidy Act, defined the subsidies objects and performed redevelopment after disaster. In these two stages, the policy focused on provision of houses quantities and was implemented by subsidies.

In 1975~1981, the stage was targeted to resolve the issues of housing demands, living environment and the quality of life with the Building public housing six-year plan. Government drawn up Public Housing Act and it was one of the twelve key infrastructure projects. The referred public housing in this act indicates the housing projected by the government and constructed through the following forms for sale or rent to low-income families, or conducted by such families themselves with government loan, or provides the subsidy of loan interest for families who bought the house by themselves. In this stage, the objects are not restricted to public servants and teachers but also include other low-income families. Initially this stage was guided by government.

In 1982-1989, the Public housing construction and pre-sale stage encourages private investment and includes more objects of subsidies. But the housing policies still focused on subsidy of housing loan.

In 1990~1999, the primary housing constructors are private sectors and the government only plays an assisting role. Government promoted investment in construction project to increase interest in building public housing.

2000~2006 : Drew up integrated housing policy

The policies changed from housing supply control to finance management. Integrated housing policy in 2003 was aimed to improve housing market, establish fair and efficient housing subsidy institution and enhance the quality of living environment. Social housing was first brought up in this stage. Finally it was decided to focus on housing welfare in 2005. In this stage, the purpose and objects are different from previous stages, but it was still carried out by maintaining the interest subsidy.

2007~2009 : Integrated housing subsidy program

The purpose is to integrate all housing subsidies of all professions and the main considerations of housing subsidy are income and all disadvantaged states of the applicant.

2010~present : Social housing implementation program

The policy in 2010 is targeted to assist youth and the disadvantaged to resolve the living issue, but there is neither act nor regulation yet. Housing Act was confirmed in 2011, and the act referred that social housing indicates the housing conducted by the government or conducted by encouraging private investment and rental specifically. It should provide at least 10% houses for renting to citizens with special needs or status. The restriction of objects is stricter; most objects are disadvantaged group, but it does not take consideration of general public who can't afford to own houses.

The affordable housing was introduced in Housing Act Draft in 2011, but there is currently no regulation. According to the draft, it referred to ‘construction constructed by government drawn investment and given priority to homeless and less a certain income families in standard price.’ Now there are two affordable housing located at Fuzhou and Airport MRT A7 station. The affordable housing in Fuzhou has ended the application process and the other has completed the investment contract. Both of them will provide lower than market price for sale or rent and if you own the house, you can’t gift or exchange it in first five years. It is guided by government and assisted by private sector, and private sector should be responsible for the housing management.

Table 5 The History about Affordable Housing Policies in Taiwan

Background	Governing party	Year	Important Housing policy	Period description
A lot of people came into Taiwan, because Nationalist Government of the Republic of China retreated to Taiwan In 1950, economy gradually stabilized by American aid intervening	Chinese Nationalist Party	1950~1954	Houses were crude and most of the properties belong to public. A lot of houses were illegal. The policy was about housing subsidy for emergency.	Public housing policy stage
		1957	The first legal basis for housing subsidy : The Loan For Building Public Housing Act Beneficiary : working-class, farmers, fishermen, public servants and teachers and general citizen who need house(given priority to low-income working-class and farmers ) The key point was to resolve the issue of quantity.	Public housing policy stage-conducted with government loan
		1957~		With the disaster

		1965		reconstruction
American aid stopped.		1965	Government built first house for public servants and teachers in Taipei and carried out the program of assisting army, public servants and teachers to purchase the houses	
Taiwan finance gradually stabilized		1965~1975		The migration plan with demolishing illegal building
		1976	Announce the building method in Public Housing Act : Construction conducted directly by the government. Construction conducted by entrusting private companies. Reconstructed military dependents' village. Construction conducted by the people themselves with government loan.	Public housing policy stage- Building public housing six-year plan
		1978	The twelve key infrastructure projects included building public housing extensively.	
Capitalistic Economy		1982	Increased building methods : Construction conducted by the people themselves with loan. Construction conducted by private investment. The duty of building public	Public housing policy stage- Building and pre – sale public housing

			housing was transferred to citizens.	
		1982~ 1989		The housing policies still focused on subsidy of housing loans, but the objects include various occupations.
The Privatization of Government Enterprise		1990	The way government intervened in public housing : Construction conducted directly by the government. Assisted purchasing with housing loans practice. Assisted house purchasing with government partial loan.	Public housing policy stage- New communities development plan
		1993	Promoted military dependents' village joint construction plan	
		1994	Private sector actively participated in building low-income housing.	
		1999	Promoted investments in construction project	
Liberalism	Democratic Progressive Party	2000	Discount mortgage scheme Given preference of loans interest to who buy the housing built by private and it was negotiated by the central bank and financial institutions	Integrated housing policy The purpose, implementation and objects are different from other programs

		2003	Drawn up Integrated housing policy to introduce social housing and finally social housing was changed to housing welfare.	before 1999, but the implementation was still focused on the interest subsidy.
		2005	Set and announced Goals : Improving housing market. Established fair and efficient housing subsidy institution Enhance the quality of living environment Ensured disadvantaged living and at the same time encouraged private or third part to build and increased housing choices by government's multi-subsidies	
		2007	Integrated housing subsidy implement program The purpose is to integrate all housing subsidies for all professions and the main considerations of housing subsidy are income and all disadvantaged states.	
	Chinese Nationalist Party	2010	Assisted the issues of youth and disadvantaged groups Integrated housing subsidy resource implement program Youth owned house program	Social housing implement program in short term

		2011	<p>The principle of social housing implement program in short term :</p> <p>Given priority in Taipei metropolitan</p> <p>Main part is rent subsidies, minor part is building; diverse applied methods; applied mix-use and dispersed moderately model; guided by central government, managed by local authority , given priority to reward civil building</p> <p>Affordable housing : according to Housing Act Draft</p> <p>Construction constructed by government drawn investment and given priority to homeless and less a certain income families in standard price.</p> <p>It is guided by government and assisted by private sector, and private sector should is responsible for the housing management.</p> <p>Section 3 in Housing Act defines that social housing indicates the housing conducted by the government or conducted by encouraging private</p>	
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			investment and rental specially. It should provide at least 10% houses for renting to people with Special needs or status.	
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References : (Hsu, 2011, Chen, 2008)

### 3. Results

#### 3.1 The different between Taiwan and UK in Affordable Housing Policy

At the beginning, the implementation of providing affordable housing was through subsidy institution, and the objects were restricted in UK and Taiwan. In the later period, the objects in Taiwan are mostly low-income or disadvantaged groups and few youth groups, but the objects in UK are groups with certain economy evaluation and youth group of 16~17 year-old .The provider in UK changes from government to private companies or public-private partnership over time, and the government transforms into promoter. In Taiwan, at first government guided the policies and in the later period, government guides policies, private sector assists in the policies with government drawing investment. The different between UK and Taiwan is development sector. There are public and private sectors in Taiwan, but there is also third party in UK. If Taiwan needs to refer to the cases and implementation in UK, the major concern is how Taiwan could integrate public and private to complement the duty of third party.

Table 6 Compared Affordable Housing Policy in UK and Taiwan

National	Taiwan	UK
Implement	Subsidy→Subsidy with building	Subsidy→Subsidy, building→Subsidy, building and renewal
Object	Working-class, farmers, fishermen, public servants and teachers→Low-income, youth→Low-income,	Working-class→economy evaluated group, 16~17 year-old

	disadvantage	
Provider	Public→public with private	Public→private with public
Policy development	Public housing policy stage(conducted with government loan→Building public housing six-year plan→Building and pre-sale public housing→New communities development plan) →Integrated housing policy →Integrated housing subsidy→Social housing implement program in short term	Rent control,providing housing subsidy for working-class→Slum clearance→Right to Buy, economy status evaluation, renewal by private→public-private framework
Affected concept	Liberalism	Libertarianism

References : (Hsu, 2011, Chen, 2008, Chang, 1994)

### 3.2 Case Studies in Taiwan and UK

#### 3.2.1. Plymouth in UK

The core strategy in Plymouth from 2006 to 2021 was drawn up in 2007. In order to make Plymouth a high quality and internationalization city, the strategy includes nine visions and one of them is to provide a mix of dwelling types, size and tenure, to meet the needs of Plymouth's current and future population. Based on the vision, the housing provision is that at least 30% of the total number of dwellings should be affordable homes and at least 80% of the city's housing provision to be delivered on previously developed land, such as Sutton Harbour, East End. Both of them provided affordable housing according to Section 106 of the Town and Country Planning Act 1990.(2007)

#### 3.2.2. Wenshan District in Taipei, Taiwan

For contributing the image in Muzha, a lot of urban renewal units were planned in hope to bring development opportunities; either announced by government

or designate the renewal area by private. With this policy, the two blocks in the south of Mucha Second Road and Mucha Second Road 138 Lane cross section were designated the renewal area in 2009(referred as case area below). According to Urban Renewal Act, the case area was going through a public evaluation and selection procedure, accepting other organizations (institutions) as implementer to undertake the business of urban renewal. Under the activity plan about assisted program of extended urban renewal into old and low-floor building community in Taipei, the case area quotes the guide of the appropriate scale of residential and refers the regulation of rent housing ‘Upon providing certain amount of houses for renting purposes (properties should needs to be gifted to the local government), the gifted parts will be treated as public facility and not be counted towards the total capacity. The awarded capacity is limited to 15% of the total capacity.

In this case area, after renewal process, government can get almost 200 public rent housing. However, not entirely affordable housing, but it is the first case provided affordable housing by urban renewal. So we know that providing affordable housing could be conducted by the government or guided by government and conducted by private and provided affordable housing partially by urban renewal in the future.(2011a)

### **3.3. The Different Between Two Cases**

In both cases, affordable housing is provided by the vision of local development, but the visions are referred in different perspectives. In Plymouth, the vision is brought up by the core strategy of affordable housing, but in Wenshan District, the implementation of vision focused on the local development by urban renewal, and thus affordable housing is included. About proportion of affordable housing, the strategy of affordable housing defined the proportion clearly in UK, and in Taiwan, the affordable housing proportion is according to the regulation of rights transformation. In UK, Section 106 of the Town and Country Planning Act 1990 is the main act to provide affordable housing; in Taiwan, the program is the basis for affordable housing. After comparing UK with Taiwan, the concept and regulations in provided affordable housing by urban renewal are different, and the difference will be the reference for discussing the implementation in Taiwan.

Table 7 Compared Affordable Housing Case in UK and Taiwan

Case	Wenshan District in Taipei, Taiwan	Plymouth in UK
Policy/Regulation	Activity plan about assisted program of extended urban renewal into old and low-floor building community in Taipei/ Urban Renewal Act	Core strategy in Plymouth from 2006 to 2021/ Section 106 of the Town and Country Planning Act 1990
Affordable housing proportion	According to the regulation of rights transformation	At least 30% of the total number of dwellings should be affordable homes
Relationship between renewal and affordable housing	Urban renewal is the vision and affordable housing is the implementation method.	Affordable housing is the vision and urban renewal is the implementation method.

References : (2011a, 2007)

#### 4. Conclusion

Based on the above sections, we realize that the policies and implementation methods of affordable housing changed gradually and are defined clearly when referred in policies and acts. However, there is no act to define affordable housing, but the concept was drawn up in the policy about housing affordable. In the case study, we learned that the way to provide affordable housing could be conducted by the government or private and it can be provided by urban renewal. Based on the well use of land and living justice, it becomes a trend to provide affordable housing by urban renewal. This study will refer to the case and analysis in UK, and discuss the possibility about affordable housing supply by urban renewal.

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