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**SINGAPORE**



# HOUSING PRACTICE SERIES

SINGAPORE





#### **HOUSING PRACTICE SERIES - SINGAPORE**

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## Executive summary

The UN-Habitat Housing Practices Series is an ongoing publication developed and produced by UN-Habitat in partnership with academic institutions and National Governments. It provides reliable and independent documentation of innovative and large-scale affordable housing programmes in countries around the world. Rather than drawing from theory or abstract models, the Housing Practices Series shares insights drawn from countries' experience. Each volume holistically documents one housing programme that has achieved significant results and is therefore showcased as a "best practice". The volumes are based on sound research that clearly describes the country's housing sector context, the elements of the programme, key achievements and challenges, and suggestions for further programme improvement.

UN-Habitat believes that disseminating up-to-date information on country-specific large-scale housing programmes is vital in revealing to other developing countries the programmatic opportunities for addressing their housing shortages, reducing slum formation and growth, and improving the housing conditions of their citizens. The hope is that these publications will contribute to deepen the understanding of the available measures to be taken to ensure access to adequate, affordable, and sustainable housing for all.

This volume presents the Singapore model of public housing, which is unique among countries with public housing systems in terms of both: the proportion of residents living in public housing; and of its focus on home ownership of public housing flats. Today, more than 80% of Singapore's residents live in housing provided by the Singapore Development Board (HBD). The volume highlights tangible, evidence-based measures implemented by the HBD in addressing housing unaffordability since the 1960s, as well as its shift from understanding public housing as shelter for resettled families and the poor, to mass production. Since 1961, in fact, HBD completed more than 1 million housing units. Furthermore, the unit production was complemented by a comprehensive and integrated planning to create a self-sufficient environment conducive for residents to live, work, play and learn - making housing the centre of a social welfare infrastructure.

This shift to mass production has also given Singapore the opportunity to solve social and political issues (eg. ethnic integration and community building) by tackling them through public housing.

Furthermore, the recent focus on upgrading the existing housing supply is based on principles of engagement, scale, and market research, and can be an example for housing

authorities that similarly seek to enhance the physical environment of their properties.

This publication is intended for policy makers, public sector officials and urban practitioners. Accordingly, it aims to outline the design and effect of programmes on the multiple dimensions of housing (housing needs and demands, land, finance, infrastructure, the construction sector, among others). The first part of the publication gives a broad overview of the history of the public housing sector in Singapore and highlight its significance in its context. The second part outlines the programme and how it was tailored to address the poor and vulnerable segments of society. The third and fourth parts document the programme's performance, especially in community building, and how it has been used to strengthen place identity. Finally, the fifth part outlines the 'lessons learnt' and achievements of Singapore's public housing system and its record of meeting the needs of the society.





Social Housing at Toa Payoh, Singapore. Image courtesy of the Housing & Development Board.  
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## **CHAPTER 2:**

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### **Social Housing**

Author: Kok-Hoe NG


## 1. Introduction

Social housing<sup>2</sup>, or public rental housing in local terminology, is a critical but easily overlooked component of Singapore's public housing system. Today it is overshadowed by owner-occupied public housing which makes up 94% of the total public housing stock and accommodates 79% of the population (HDB, 2016a). Social housing, on the other hand, represents just 6% of all public housing units and caters for 3% of the population. However, historically, Singapore's comprehensive public housing system began as social housing. Social renting remains the primary housing option for low-income persons and is therefore an important part of the social welfare response to poverty. Its particular features and logics, alongside one of the world's largest owner-occupied housing programme driven by a combination of individual savings, public grants, and property market dynamics, also articulate the country's distinctive liberal welfare philosophy.


Compared to the social housing programmes in other advanced economies, public rental housing in Singapore stands out in many ways. As the country lacks the traditions and geographical scale for local government, social housing is owned and operated centrally as a unitary national programme, with the Housing and Development Board (HDB) responsible for developing, allocating, and managing all social housing. Housing

units are provided directly instead of housing allowances or benefits, although there are rebates for some housing costs such as utilities. At 4% of the total housing stock, social housing stock in Singapore is lower than in many parts of Europe, where it reaches 32% in the Netherlands (Scanlon, Whitehead, & Arrigoitia, 2014), and in Hong Kong, where it is 29% (Hong Kong Housing Authority, 2017). While rents are lower than market rates, they rise steadily in line with incomes and families with much improved earnings are urged towards homeownership. Tenancies are kept short to signal that social housing is not a permanent arrangement, but in practice they are routinely renewed. Whereas sold flats, subsidised when first purchased from the HDB, are considered part of the social wage, public rental flats strictly target low-income persons and puts Singapore firmly in the category of dualist or residual social housing regimes (Harloe, 1995; Kemeny, 1995).

The rest of this chapter is divided into four sections. Section 2 reviews the history of social housing in Singapore, outlining three main phases in policy development. There are many references to sold public housing because the trajectory of social housing policy is closely related to the rise of homeownership. The section is kept fairly concise due to space constraints. A more thorough discussion of the history of public housing can be found in Chapter 1 of this



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Social housing, on the other hand, represents just **6%** of all public housing units and caters for **3%** of the population.

<sup>2</sup> Social housing is generally defined as housing that is allocated on the basis of need and at below market rents, although its ownership and management vary across countries (Scanlon, Whitehead, & Arrigoitia, 2014). The HDB's public rental housing programme, which is highly subsidised and targets persons with no other housing options, fulfils the function of social housing. There are no alternative suppliers of subsidised rental housing in Singapore, although several social service providers offer shelter and support for a small number of people facing more complex social issues, some of them in premises provided by the HDB.

report. Section 3 describes housing provision – the major features and operational details of the current social housing system, including housing distribution, quality, and allocation. Section 4 follows with an assessment of the impact of social housing in terms of access, affordability, housing experiences, and housing mobility. The conclusion summarises the chapter. The discussion here draws heavily from archival material and more recent policy documents. Where relevant, it also reports findings from a recent survey of public rental households in Singapore conducted by the author, hereafter referred to as the 2016 PRH survey.<sup>3</sup> All monetary figures are in Singapore dollars.

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3 The survey was conducted in 2016 with 1,075 public rental households in 148 different blocks. The selection of blocks was proportionate to the geographical distribution of all rental housing blocks in Singapore. Within each block, households were selected using systematic sampling with a random start. The study was funded by National University of Singapore, Research Grant R-603-000-170-133.

## 2. Policy development

### 2.1 Urban development and basic rental housing:

#### Before 1960

The development of Singapore's earliest public housing was led by the Singapore Improvement Trust (SIT) which was established in 1927 by the British colonial administration. The SIT was initially responsible for planning and infrastructure rather than housing per se, as the government was concerned about urban slums around the city centre (Fraser, 1948). But the problem of housing shortage grew as improvement projects progressed and, by 1930, the SIT's mandate was expanded to include housing development (Straits Settlements, 1930). The housing built then was let to low-income families earning up to \$400 per month (SIT, 1959).

The 1940s were a difficult period for the SIT as war damage increased pressure on the housing stock and senior SIT staff were imprisoned (CLC, 2016; Fraser, 1948). After the war, population growth further strained the public housing system while the SIT's plans were hampered by the lack of land and statutory constraints on resettlement (SIT, 1959; The Singapore Free Press, 1957). A Housing Committee in 1947 recommended a concerted building programme to meet housing needs (Housing Committee, 1948). Between 1947 and 1959, the SIT built some 20,000 flats that housed approximately 9% of the 1.6 million population (HDB, 1971). Yet this fell far short of demand and more than half a million people still lived in makeshift accommodation in slums and squatter settlements with no access to basic sanitation and other amenities (Hansard, 31 October 1985; SIT, 1959).

Over three decades, the SIT laid the foundations for public housing in Singapore, closely following a social housing model based on renting to low-income persons. But homeownership was also considered sporadically at the time. As early as 1936, a block of flats was built in the central precinct of Tiong Bahru with the intention of selling them (SIT, 1959). However, the plan was later abandoned as the target selling price could not be achieved. The sale of public housing continued to be discussed in subsequent years and in the 1950s, some public housing in the precinct of Queenstown were sold. The administration also encouraged private housing developers to build more housing, even though these were generally unaffordable to lower-income people. Thomas Mure Hart, the Financial Secretary then, declared that:

“The government is making every effort, through the agency of the Singapore Improvement Trust, to build as many houses and flats as possible for letting at low rents, but we consider it desirable that the opportunity should be given to members of the public in the lower income groups to buy their own homes... [The] main objective of the proposal is to foster a community of responsible home-owners, a community which will add to the strength and stability of the new Singapore which we are planning.” (Hansard, 10 February 1956, col 1605–8).



In 1959, Singapore achieved self-government under the political leadership of a party that had campaigned on a manifesto prioritising full independence, employment,

education, and low-cost housing (People's Action Party, 1959). Public housing was considered to be complementary rather than secondary to economic development. With this shift in

policy motivation, public housing began to grow more quickly than ever before and the model of public housing soon changed in fundamental ways.

## 2.2 Universal homeownership and decline of rental housing:

### 1960s to 90s

Within a year, the new government replaced the colonial-era SIT with a new statutory body, the HDB, with the explicit mandate to expand the public housing system. Initially the HDB focused on providing rental housing, as the SIT did. They described their objective at the time as “building as many housing units at the shortest possible time and the lowest possible cost” (HDB, 1976, p. 9). The priority was to deliver quantity rather than quality in order to address the pressing housing shortage and ensure affordability to the public. It was readily acknowledged that housing standards had to be “austere”. This plan was swiftly delivered. By the end of 1963, the HDB had completed 31,317 flats, surpassing its target of 26,521, and was able to declare that “any Singaporean citizen who satisfies the minimal qualifying conditions...will be housed within a matter of days provided the applicant is not over particular about the locality or the floor level of the flat which is allocated to him” (HDB, 1964, p. 1).

In 1964, there was a marked shift in public housing policy as policymakers decided to promote homeownership over public renting, making HDB flats available for purchase on a 99-year leasehold basis. The policy campaign was branded as “Home Ownership Scheme for the People”. There have been different interpretations of the underlying policy motivations. The HDB pitched it as a move towards “a property-owning democracy” (HDB, 1965, p. 9). The Prime Minister argued that this would “give every citizen a stake in the country and its future... [If] every family owned its home, the country would be more stable” (Lee, 2000). It has been suggested that the commitment to a mortgage obliges individuals to remain employed, hence creating a disciplined workforce that is attractive to foreign investment and advantageous for the nation's sustained economic growth (Chua, 2014). This function of subsidised, widely accessible public housing has also been described as a social wage to ensure labour peace, at a time when

other welfare provisions were meagre in Singapore (Deyo, 1992).

In practical terms, homeownership could only be realised with support from other policy measures. The first was a critical reform to the nation's mandatory savings scheme, the Central Provident Fund (CPF). The CPF was implemented in the 1950s as a defined contribution pension system based on individual accounts. But a reform in 1968 made it possible to withdraw some savings to pay for housing prior to retirement, putting homeownership within the financial reach of many families (HDB, 1969). Secondly, from 1970, there were measures to encourage and support existing tenants to purchase their rental flats. For instance, the down payment was reduced and later completely waived; the qualifying income ceiling to purchase housing was lifted; a range of fees were absorbed into the housing loan to lower initial payments; and the period of loan repayment was extended. The HDB also took on the role of mortgage provider,

offering loans to low-income people who would not have qualified for commercial bank loans. Applications to purchase flats surged from around 2,000 in 1967, just before the CPF reform, to 22,000 ten years later (HDB, 1968, 1978). Over the years, these schemes to promote homeownership have continued in various forms.

Homeownership based on the purchase of 3-room<sup>4</sup> and larger flats had taken off to such an extent that by 1981, the HDB decided to stop the sale of 1- and 2-room flats (HDB, 1982). This was soon followed by measures to cut the supply of social housing. In 1982, the construction of new rental flats was completely stopped, while new lettings of 3-room flats were discontinued even though 13,000 applicants remained on the waiting list for this category of flat, facing wait times that now stretched as long as ten years (HDB, 1983; Lee, 1982). These changes essentially split the public housing system into two tiers – social renting of an aging stock of the smallest flats (1- and 2-room), and ownership of a growing pool of larger flats (3-room and above). In some locations, as tenants moved out to purchased housing and created vacancies in rental blocks, the remaining tenants were relocated so that the original sites could be redeveloped (HDB, 1987). This relocation exercise

was also used as an opportunity to encourage the affected tenants to purchase their own housing instead of moving into another rental flat. In 1986, the HDB raised the eligibility age for rental housing from 21 to 29 years old (Hansard, 20 March 1986). The Minister at the time argued that this would “discourage young people from entrenching themselves in rental flats. With a working life of another 20 to 30 years and assistance from the Government, these young people can easily save enough money to become home owners...If we allow the young people to rent flats, then we defeat our objective” (col 764). This policy was reversed a few years later (HDB, 1990). On average, there were almost 6000 applications for rental housing per year in the 1980s (compared to 10,600 in the 1970s) and the waiting times for 1- and 2-room flats were 2 and 4.5 years respectively in 1984 (HDB, various years). But the policy position was that applicants on the waiting list could consider purchasing a flat instead if they wished to shorten the wait (Hansard, 13 March 1984). Curbing the supply of rental housing was therefore an active strategy to encourage ownership. In 1984, the government boldly announced a goal of 80% homeownership by 1989 and 100% by 1999 (Hansard, 25 February 1985).

Around the same time, rental housing became associated with social problems and individual deficits as various measures were introduced to help tenants purchase their first home. Parliamentary statements referred to the need for “thrift and self-discipline” among tenants (Hansard, 25 February 1985, col 15), observed that the “lower income group living in their cramped flats will become more and more detached from the mainstream of our society and it will remain a dark spot in our social fabric” (Hansard, 31 October 1985, col 541), and that “what they need to do is to perhaps cut down on smoking and drinking” in order to afford homeownership (Hansard, 17 March 1983, col 1040). This is a remarkable shift in the tone of social housing policy considering renting was the norm just over a decade earlier.

The enthusiasm for universal homeownership was somewhat checked in 1991 when the Prime Minister acknowledged that “it was not possible to achieve a 100 per cent home ownership rate because there would always be people whose incomes were too low, or who would be unable to save to buy their own flats” (Ibrahim et al., 1991). Instead the target homeownership rate was lowered to 95%<sup>5</sup>. The housing minister later announced that physical

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4 In HDB’s terminology for flat sizes, the living room is counted as a room. Hence “1-room flats” are in fact studio flats, “2-room flats” are one-bedroom flats, “3-room flats” are two-bedroom flats, and so on.

5 This target has never been reached. In recent years, homeownership rates have stabilized at around 90%. It is important to note that ownership figures do not reveal the extent to which family members may co-reside due to the lack of alternative housing options, including social renting.

improvements or “upgrading” will be carried out to older rental housing stock (Hansard, 28 June 1991; see Chapter 5). At the same time, efforts to incentivise housing purchase among existing tenants continued, with the Sale of Flats to Sitting Tenants Scheme in 1994 that offered discounts on housing prices, and the Rent and Purchase Scheme in 1999 for families to first rent a 3-room flat with a view to purchasing it later when they had the means (HDB, 1995, 2000).

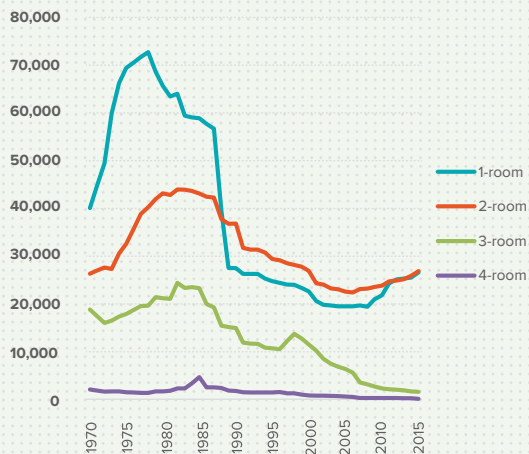
By the end of the 1990s, the structure of public housing in Singapore had been completely transformed. In 1970, there were around 87,000 rental flats, made up mainly of 1-room (46%), 2-room (30%), and 3-room (22%) flats, and a small proportion of 4-room flats (2%) (HDB, 1971; Figure 1). There were just

around 31,000 sold flats, consisting mainly of 3-room flats (87%), and small proportions of 1-, 2-, and 4-room flats (2-8% each; Figure 2). By 2000, rental flats had dwindled to around 62,000 units, made up of 2-room (44%), 1-room (37%), and 3-room (19%) flats (HDB, 2001). The trend for sold flats went in the opposite direction, reaching a total of 790,000 units, or 25 times the number in 1970 (Figure 2). Among sold flats, 4-room flats (39%) had become the most common, followed by 3-room (28%) and 5-room (23%) flats. There was also a new category of premium flats (8%) with better amenities and the option to be privatised, catering for the middle class.

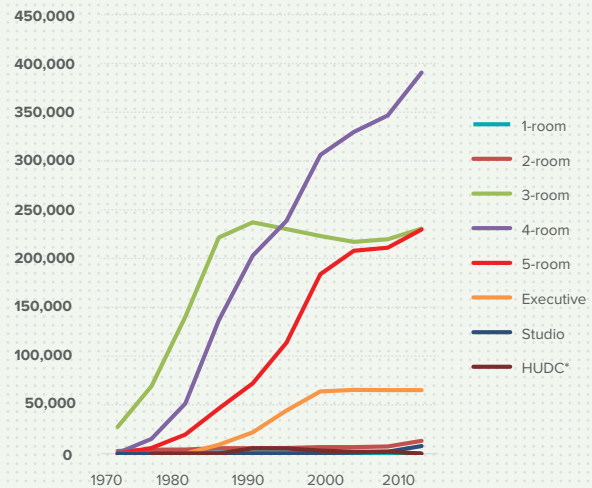
It is hard to avoid the perception that as two parts of the shared whole, owner-occupation developed at the

expense of social housing. While sold housing increased in quantity, diversity, and quality, and came to dominate the public housing landscape, the stock of social housing was whittled down. Over time, the size and appeal of the social housing sector diminished relative to sold housing and renting increasingly appeared to be an option of last resort. Much of this happened through a confluence of changes in public demand and deliberate policy design targeting rental housing, such as the reduction of supply, restriction to smaller flat types, and the discontinuation of construction as the existing housing stock aged. The suppression of social renting as the primary alternative to owner-occupation became a key strategy in the promotion of homeownership.

**Figure 1:** Number of rental flats.  
*Source: HDB Annual Reports*



**Figure 2:** Number of sold flats.  
*Source: HDB Annual Reports*



\* HUDC stands for Housing and Urban Development Company. HUDC flats are a premium category of public housing built in the 1970s and 1980s to cater for a rising middle class. All HUDC estates have since been privatised.

## 2.3 Policy pressures and recalibration:

### 2000s onwards

The 2000s began with a series of economic shocks in Singapore. Even before the effects of the 1997 Asian financial crisis had completely worn off, a slowdown in the technology sector and the September 11 attacks in the United States triggered a recession in 2001, followed by the outbreak of the Severe Acute Respiratory Syndrome (SARS) in the region which hit sectors such as hospitality and tourism (Choy, 2010). This affected public housing in many ways. Economic uncertainty heightened concerns about the risks of mortgage commitments and discouraged young people from entering the housing market as well as existing homeowners from moving to larger flats (Chua, 2014). There was also a noticeable shift in preference to smaller 3-room flats, which the HDB had stopped building in 1985 due to falling demand. At the lower end of the income distribution, concerns about affordability displaced demand from purchasing to renting, adding to the pressure on the existing rental housing stock. Policymakers therefore embarked on a careful but significant recalibration of the public housing system, in which social renting would occupy a larger role.

In 2003, the income ceiling to qualify for rental housing was almost doubled from \$800 to \$1500 per month (HDB, 2004). There was also greater attention

to housing quality, with several refurbishment programmes targeting rental housing in the early 2000s. These were in addition to the upgrading that had taken place in neighbourhoods where the purchased flats were also undergoing refurbishment. But to encourage a move into purchased flats once tenants' economic situations improved, rents were graduated, with households earning between \$801 and \$1500 charged more than households earning up to \$800. The Tenants' Priority Scheme was introduced to give priority to tenants who wished to purchase their own flats and a small percentage of flats were set aside for this purpose (HDB, 2007).

Then in 2006, the HDB announced that they would resume the building of new rental flats to meet the demand from low-income families (HDB, 2007). The target was to increase the 1- and 2-room rental housing stock from 42,000 in 2007 to 60,000 by 2017 (Hansard, 29 February 2016; Figure 1), an expansion of more than 40%. In fact, the need for rental housing was judged to be so acute that the HDB adopted two new measures. First, they began to convert larger unsold flats into smaller rental flats which could be let immediately (Hansard, 15 September 2008). Between 2007 and 2016, about 2,000 1- and 2-room rental

flats became available in this way (HDB, personal communication, September 13, 2017). Another initiative was an Interim Rental Housing programme introduced in 2009 which catered for families needing urgent accommodation while waiting for the allocation of sold or public rental housing, for six months to a year, using old housing stock vacated and scheduled for demolition (HDB, 2010). The intention for this to be a short-term measure is reflected in the rule that two families must share a 3-room flat, which led to overcrowding, lack of privacy, and social conflict (Hansard, 14 February 2012). In recent years, the demand for social housing has remained strong. On average, the HDB receives requests from around 8,700 households for rental housing each year, of which 2,300 are successful (Hansard, 24 March 2016).<sup>6</sup> According to policymakers, the expansion of rental housing was a response to prevailing economic conditions, stagnating incomes at the bottom end, and demographic changes such as increasing numbers of divorces and elderly households (Hansard, 15 February 2007; 15 February 2008). However, the significance of this development goes beyond a reaction to cyclical economic pressures or macrosocial changes. The decision to build new rental housing effectively nullified the 1980s policy to suspend

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6 These numbers include both first-time applicants for social housing and those appealing against the rejection of their applications.



*In recent years, the demand for social housing has remained strong. On average, the HDB receives requests from around **8,700 households** for rental housing each year, of which **2,300** are successful*

(Hansard, 24 March 2016).

social housing construction and arrested a four decade-long decline of the rental housing sector as a proportion of the total housing stock, even increasing it marginally.

Changes in social housing policy must also be considered in light of parallel developments with sold housing. From the 1980s, the number of 4-room and larger flats increased steeply, while the stock of 2-room flats grew marginally and the proportion of 3-room flats in the housing stock in fact contracted as the construction of 3-room flats stopped completely between 1985 and 2004 (HDB, various years; Figure 2). Ownership therefore followed a distinct upward trajectory in terms of flat size. However, the trend reversed in the 2000s, as new 3-room flats became available again and new 2-room and studio flats were introduced. This was partly to cater for an ageing population with a larger number of elderly people wishing to live in smaller flats. For this group, a reform in 2015 allowed them to purchase 2-room flats on shorter

leases (MND & HDB, 2015). The smaller flats were also intended for younger, low-income persons. Altogether, these policy developments in the 2000s began to rebalance the public housing system towards more affordable and rental options, as well as narrow the cost gap between social renting and ownership. They also demonstrate innovation, most apparent in the launch of three mixed-tenure projects from 2014 onwards that combined rental and sold flats within the same blocks.

However, these changes do not amount to a decisive departure from the ideals of homeownership. Even as the supply of rental housing was ramped up in recent years, the housing minister in 2011 reiterated that:

“As we build more rental flats, we must ensure that they are safeguarded for poor and needy households who cannot afford to own a home, have no family support, and do not have other housing options. It is important that HDB maintains strict rules and

criteria... [Whatever] we do, we must not unwittingly incentivise the growth of these rental blocks. We need some, but I think if you make it too easy for rental units to be accessed, you can unwittingly create other kinds of problems... [If] you ask me, I would prefer ‘zero rental units’, meaning everybody becomes a homeowner... That I think should always be our target.” (Hansard, 20 October 2011)

In 2016, the HDB introduced the latest policy to encourage tenants to purchase housing. Known as the Fresh Start Housing Scheme, it provides a housing loan and generous subsidies to tenants who wish to buy a 2-room flat (HDB, 2017a). The scheme also imposes a range of qualifying criteria – the children must attend school regularly, the parents must maintain continuous employment, and the family must accept supervision by social workers for 5 years after taking ownership of the flat. Furthermore, unlike normal sold flats, those purchased under this scheme carry a shorter lease and must be occupied for a longer period, 20 years instead of 5 years, before they can be sold on the open market. Echoing the policy narrative of the 1980s about poverty and personal responsibility, the housing minister suggested that “we are making a major move for these families by giving them another grant. So I think it’s fair they must be able to show a certain level of commitment towards homeownership” (Heng, 2016). This has been a careful recalibration of social housing policy and should not be mistaken for paradigmatic change.

### 3. Policy provision

#### 3.1 Distribution

In 2016, there were 274 blocks of 55,131 public rental flats in Singapore, consisting of 26,585 1-room flats, 26,849 2-room flats, 1,586 3-room flats, and 111 4-room flats (HDB, 2016a, 2017b). Rental blocks are mostly sited as adjacent pairs or even singly, among other blocks of sold flats, as an intentional strategy to promote socioeconomic diversity and avoid the formation of large, low-income neighbourhoods. The concentration of social housing as seen in large public housing projects in the United States and council estates in the UK is therefore not a feature in Singapore's housing landscape. The largest rental cluster consists of just nine adjacent blocks in the same residential town. Three other towns have seven to ten rental housing blocks sited in close proximity but not immediately adjacent.

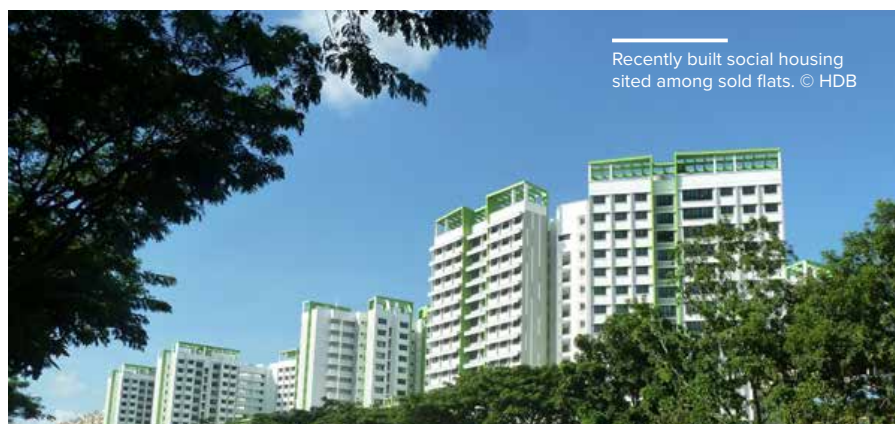
The small stock of rental housing is dispersed across all towns except one, Bukit Timah, an area consisting mainly of expensive private residences. The oldest towns developed in the 1970s and before have the highest proportions of rental housing, as much as 25% in one town, and the lowest proportions of 5-room and larger flats. On the other hand, the youngest towns established in the 1990s have very small numbers of rental flats and some of the highest shares of large flat types. On average, rental housing is 12% of the housing stock in the oldest towns, compared to just 3% in the newest ones. This uneven geographical distribution of rental housing reflects the historical pattern of social housing development and mirrors differences in socioeconomic class across residential towns.

Traditionally there are no mixed-tenure housing blocks by design. In practice, tenure became mixed in places where tenants bought over the flats they were occupying; where 3-room rental flats were released for sale after the tenants moved out as this flat type was phased out from the social housing programme; and in one-off housing developments to accommodate tenants relocated from demolished social housing estates, among whom some may opt to own their new flats. Otherwise rental flats generally exist only in all-rental blocks with no purchased housing. But in 2014, the first integrated block of mixed-tenure housing was introduced at Marsiling in the north of Singapore with 241 sold flats and 42 rental flats (HDB, 2014a, 2016b). This was followed by a second block in 2016 at Bukit Batok in the western region with 186 sold flats and 35 rental flats, and the third in 2017 at Sengkang in the north-eastern region with 143 sold flats and 39 rental flats (HDB, personal communication, December 5, 2017). Rental flats represent 15–20% of the units in each block, located among smaller sold flats on the lower floors. Initially there was

some uncertainty about the demand for sold flats in these mixed-tenure blocks as this configuration of housing had not been attempted before. But according to the HDB (personal communication, September 13, 2017), the take-up rate of sold flats in these blocks did not seem to be affected by co-location with rental housing.

#### 3.2 Quality

Among other factors, housing quality depends on the age, size, and general physical condition of the flat. The rental housing stock grew steadily from about 22,000 in 1960 to a peak of 135,000 in 1982, when the construction of rental flats stopped (HDB, various years). This was an expansion of more than six times in a little over two decades. Thereafter, through relocation and demolition, this rental stock was gradually cut down to less than 50,000 by 2008, when new rental flats became available again for the first time in 25 years. Around three quarters of the current rental housing stock are therefore more than four decades old, dating back to at least the 1970s.



Recently built social housing sited among sold flats. © HDB



In the early years, rental housing came in a variety of sizes. For instance, in 1961, HDB reported managing 1- to 5-room flats, with the most common being 2- and 3-room flats (HDB, 1962). By the 1970s, as the homeownership programme began to take off, rental housing came to be dominated by smaller flat types, with 1-room flats accounting for around half of the rental housing stock, 2-room flats around a third, 3-room flats below a fifth, and 4-room flats no more than 2% (HDB, various years; Figure 1). After the HDB stopped letting 3-room flats in the 1980s, the share of larger rental flats tapered off, while the proportion of 2-room flats rose steadily. These changes came to shape the composition of the rental housing stock today. In 2015, 1- and 2-room flats each represented almost half of all rental housing, while 3-room flats made up the remaining 3%. Over time the average rental flat became smaller and there were fewer housing types to choose from. Typically, 1- and 2-room rental flats measure 30 and 40 square metres respectively, compared to 3- to 5-room sold flats which occupy between 65 and 110 square metres (HDB, 2013a, 2016a).

The maintenance and renewal of rental flats can be challenging as the stock includes some of the oldest public housing in Singapore. As mentioned, various rental blocks have been refurbished over the years alongside sold housing in regular upgrading programmes. While homeowners take part in polls to decide whether their block would participate in upgrading as they had to pay a portion of the costs, upgrading for rental housing was decided by the government as tenants were not required to pay. There were other upgrading programmes targeting rental flats. For instance, a programme known as Lift Improvement and Facilities Enhancement, or Project LIFE, was piloted in 1993 and later extended to around 50 rental blocks with a high density of older residents (HDB, 1995). It



Interior of rental flat prior to occupation. © HDB

constructed lift landings on all floors, installed grab-bars in toilets, and introduced a pull-cord alarm system in every flat that was monitored by a local social service provider who could provide assistance to elderly residents in case of emergencies at home. Another Rental Flat Upgrading Project was implemented in 2001 and 2006 to install ceramic tile flooring and refurbish toilets across some 70 blocks of rental flats (HDB, 2002; Tan, 2006).

### 3.3 Allocation

The basic eligibility requirements for renting public housing are Singaporean citizenship and a minimum age of 21 (HDB, 2017c). In addition, there are three other types of eligibility criteria based on the applicant's family, housing history, and income.

In support of an overarching policy commitment to promote particular family norms, eligibility depends on a set of rules related to marital status, family form, and family resources. Applications are only accepted from people in four family situations regarded as containing a “proper

family nucleus” (HDB, 2013b): (i) legally engaged or married couples; (ii) widowed or divorced persons with children under their legal custody; (iii) unmarried adults and their parents; and (iv) unmarried adults and their siblings if the parents are deceased. Unmarried persons may also qualify for public rental housing in their own right if they are at least 35 years old and are prepared to share a rental flat with another single person, whereas tenants in the four main categories above qualify from the age of 21 and do not have to share a flat with strangers. This higher age requirement for unmarried persons has been steadily lowered over the years. Additionally, older people applying for rental housing have to demonstrate that their adult children have no spare rooms in their own homes and are unable to finance separate housing arrangements for the parents, although the definitions and thresholds of these criteria are not disclosed. This constitutes a form of means-testing that extends to non-co-resident children and their wealth.

In 2017, persons who had sold off a purchased HDB flat were not eligible to rent public housing for 30 months. This “debarment rule” was introduced in 1993 to suppress demand for rental housing as the stock was being cut back (HDB, 1994). There was also a policy position that the debarment helped to safeguard resources. As explained by a policymaker, “those who sell away their flats have already enjoyed a subsidy from the Government. To come back to the rental flats to enjoy a second subsidy, that is not what we want to encourage” (Hansard, 30 July 1993, col 354–5). Persons who had sold two flats purchased directly from the HDB or who had previously owned a private property either locally or overseas were permanently barred from public renting. Through these rules, eligibility assessment took into account not just current resources and means, but also how people made housing and financial decisions in the past<sup>7</sup>.

In 2017, applicants’ total monthly household income – regardless of household size – must not exceed \$1,500. This income ceiling is not strictly pegged to average

incomes or prices, or based on any disclosed principles. According to the HDB (personal communication, December 5, 2017), the ceiling is regularly reviewed. But this has not led to regular revisions. Instead revisions happen infrequently and in large steps.

The last revision was in 2003 from \$800 to \$1500 (HDB, 2004), and before that from \$500 to \$800 in 1982 (HDB, 1983). The HDB has shared that the income ceiling “serves as a guide” as they “evaluate holistically whether the family can or cannot afford other forms of housing before considering them for heavily subsidised public rental flats” (HDB, personal communication, December 5, 2017). Nonetheless in real terms, the income threshold has become stricter over time. In 2003, the ceiling of \$1,500 was equivalent to 33% of median monthly household income from work (based on Department of Statistics, 2014). By 2017, it was just 17% (based on Department of Statistics, 2017a). Not all social housing systems impose an income limit.

For instance, an income test is not carried out in Sweden, Denmark, the Netherlands, Scotland, and England (Scanlon, Whitehead, & Arrigoitia, 2014).

England, the law requires local authorities to give priority to people who are living in overcrowded or insanitary conditions, who are homeless, or who need social housing on medical or welfare grounds, including disability (Wilson & Barton, 2017). Local authorities may then categorise applicants into different bands based on severity of housing need. Remarkably, Singapore’s social housing eligibility criteria for assessing individual applications do not refer explicitly to even basic housing needs based on current physical living conditions. Instead, applicants are assessed in terms of their family structure and support, housing history, and level of income. Those who meet the criteria then join a waiting list. While priority allocation and interim rental housing may be granted to families assessed to be in urgent need of accommodation (HDB, personal communication, September 13, 2017), rights to social housing on the basis of housing needs are nevertheless not acknowledged in the formal criteria. This is unusual considering that allocation according to “a socially determined level of need” is a defining trait of social housing (Haffner et al., 2009, p. 235).

7 At the time of writing (2019), these debarment criteria have been removed from official communication and the rules for debarment are no longer published.

In other places, the allocation of social housing is often based on housing needs instead of, or in addition to, income. For instance, in

Applicants are required to submit various documents in person at the HDB office as evidence of their identity, citizenship, marital status, familial ties to other intended occupiers of the flat, and income (HDB, 2017d). They may choose to live in any one of four large geographical zones and a specific flat from among those available in that zone. The HDB officer then makes an assessment and, if necessary, advises applicants on an alternative location if the one they chose has a long waiting list. Persons who cancel their applications after two offers have been made are disqualified from public renting for a year. Successful applications lead to a 2-year tenancy which is not automatically renewed. Tenants must apply for a renewal of tenancy in order to extend their stay.



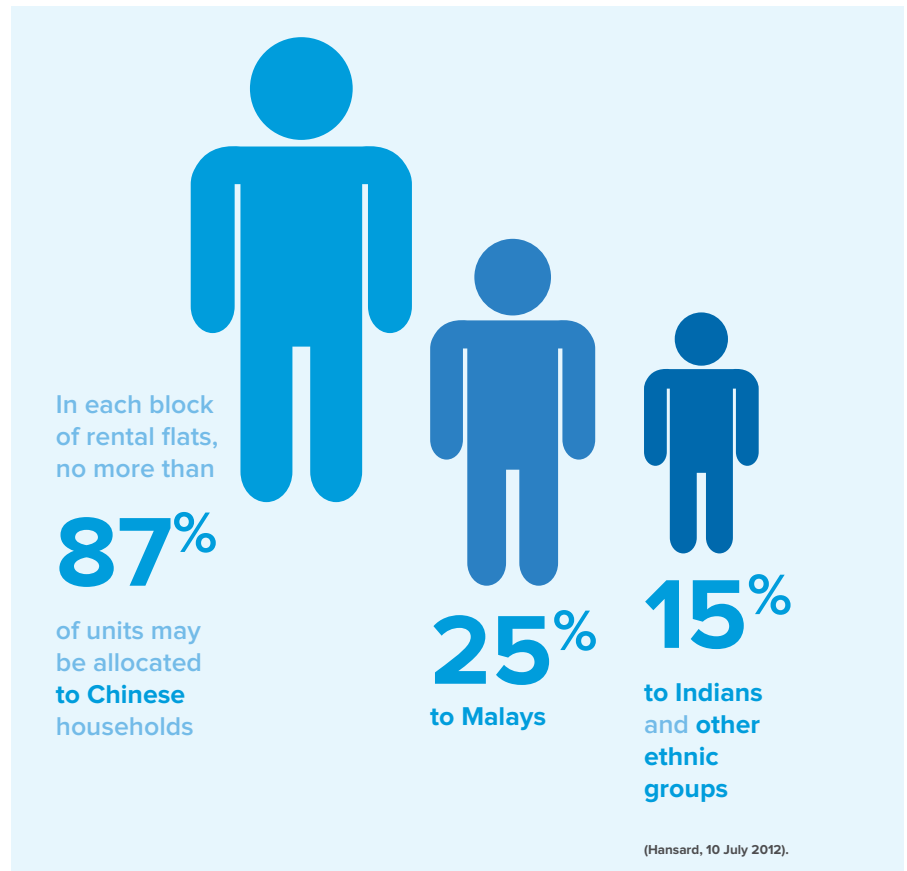
Public housing apartments in the Punggol District, Singapore.  
© Shutterstock

## 4. Policy impact

### 4.1 Access

Waiting times for rental flats reflect both the demand and supply of social housing, as well as sold flats. In the 1980s, applicants waited 2 to 5 years to be allocated a rental flat (*Hansard*, 17 March 1983, 20 December 1983). As homeownership gained popularity and the demand for social housing waned, waiting times fell to less than a year in the early 2000s (*Hansard*, 18 February 2005). However, problems with the affordability of sold flats and a growth in rental demand soon led to a sharp rise in waiting times, peaking at 21 months in 2008 (*Hansard*, 05 March 2010). In recent years, as the supply of rental housing was ramped up and various measures dampened the prices of sold flats, making them more affordable, waiting times for rental flats have fallen below 6 months (*Hansard*, 11 March 2015, 24 March 2016). On average, from 2008 onwards, waiting times have been around 9 months (*Hansard*, 03 March 2011, 02 March 2012, 16 September 2013, 10 March 2014).

The wait is sometimes due to ethnic quotas. Like for sold housing, these quotas are meant to prevent ethnic enclaves from developing in residential neighbourhoods (see Chapter 3). Officially, in each block of rental flats, no more than 87% of units may be allocated to Chinese households, 25% to Malays, and 15% to Indians and other ethnic groups (*Hansard*, 10 July 2012). Where necessary, these quotas may be pushed up by 10 percentage points to respond to demand. Recent figures show that the Malay population have been overrepresented in the social housing sector. They make up 13% of the national population but 36% of the social housing population (Department of Statistics, 2017b; HDB, 2014b). Where the quota for an applicant's ethnic



group has been reached in a particular locality, there will be a longer wait. This has affected Malay and Indian more than Chinese applicants. In 2012, the average waiting time was 7 months for Malays, 6 months for Indians and other ethnicities, and 4 months for the Chinese (*Hansard*, 10 July 2012).

Singapore's public rental waiting times in recent years compare favourably with those of other social housing systems. These can vary widely. The average waiting time is 3-5 years in Hong Kong (Hong Kong Housing Authority, 2017b), 4 years in Ontario, Canada

(Ontario Non-Profit Housing Association, 2016), 4-9 years in the London Borough of Lambeth, UK (Lambeth Council, 2016), and more than 10 years in some parts of New South Wales, Australia (Housing Pathways, 2017). However, waiting times are not always a precise measure of unmet housing demand and simple comparisons like this do not fully reveal the complex differences across housing systems. In particular, the stringency of eligibility criteria strongly influences waiting times since housing rules that let more people through inevitably generate longer waiting lists. In England, it was observed that the

Localism Act 2011 triggered a sharp fall in the number of people on waiting lists as it allowed local authorities to introduce new local residence requirements as a qualifying condition for social housing (Wilson & Barton, 2017).

Even before joining the waiting list, the eligibility criteria prevent access to social housing in a range of instances. Divorced persons have had difficulty transiting to public rental housing due to previous debarment rules (AWARE, 2016). Unmarried parents find themselves particularly vulnerable as they are regarded as single persons under housing rules rather than family units even though they have children (Hansard, 7 March 2017). Larger families are disadvantaged by the income limit as it is applied to total rather than per capita household income (Hansard, 1 March 2017). The policy response has been to manage these matters on a case-by-case basis, even though they are not isolated instances. In fact, from 2015 to 2017, nearly 2,000 single parents were allocated rental housing (Hansard, 7 March 2017). A discretionary approach allows the HDB to operate with greater flexibility and relax the rules on compassionate grounds for cases deemed deserving. But it is resource-intensive to assess large numbers of appeals in this manner. There are also concerns with consistency and transparency as it is not disclosed how appeals are adjudicated, for instance, who are responsible for making decisions, what criteria and considerations they adopt, and whether the same process is applied every time.<sup>8</sup>

<sup>8</sup> According to publicly available information, the HDB depends on internal guidelines and a HDB Appeals Committee to review appeals for public housing matters (Choo, 2014). But the committee's composition, mandate, and work process are not known.

## 4.2 Affordability

**Table 1: Social housing rental rates, 2017, Singapore dollars**

Total monthly household income	Housing history	Flat type	
		One-room	Two-room
\$800 or less	a) Have not owned subsidised flat or received any housing subsidy	\$26-\$33	\$44-75
	b) Have owned subsidised flat or received housing subsidy	\$90-\$123	\$123-\$165
\$801 to \$1500	c) Have not owned subsidised flat or received any housing subsidy	\$90-\$123	\$123-\$165
	d) Have owned subsidised flat or received housing subsidy	\$150-\$205	\$205-\$275

**Source:** <http://www.hdb.gov.sg/cs/infoweb/residential/renting-a-flat/renting-from-hdb/public-rental-scheme/rents-and-deposits>

**Note:** Applicants with total household income greater than \$1500 or who have owned more than one subsidised flat are not eligible for public rental flats.

As shown in Table 1, current rental rates are differentiated using flat type, housing history, and total monthly household income. Part of this rental structure reflects the market logic that larger flats and higher incomes should attract higher rents. In the HDB's words, "the revised rent structure would ensure rental subsidies were targeted at low-income families that had few alternative housing options, and encourage tenants of greater financial means to opt for other housing options" (HDB, 2007, p. 29). From 2006, persons who had sold a flat that was bought directly from the HDB, or who had enjoyed a housing subsidy, had to pay higher rents "to ensure equitable distribution of public housing subsidies".

<sup>9</sup> As 1-room flats are almost entirely meant for social housing and therefore not sold and sublet on the open market, while the subletting of 2-room flats was very limited until recent years, social rent levels are mathematical derivations from, rather than strict proportions of, market rents.

The principles for setting the specific rates have not always been the same. In the 1960s, when renting was the norm, the rates were set to ensure affordability. Specifically, the government aimed for rents to be no more than 20% of the monthly incomes of working households (HDB, 1964). In 1976, it was reported that, on average, rents were below 15% of monthly family incomes (HDB, 1976). Current rent levels are based on a set of percentages established in the mid-2000s. In Table 1, the rates in row (a) are basic rents that have not been revised since 1979; rows (b) and (c) are 30% of market rents in 2005; and row (d) 50% (HDB, personal communication, September 13, 2017). As tenants' incomes improve, their rents too are raised when they renew their tenancies.<sup>9</sup> While sitting tenants

are not evicted when their incomes grow past the eligibility ceiling of \$1500, they are charged progressively higher rents as a way to reduce the gap between public and market renting in order to encourage a move to ownership. Tenants with household incomes above \$1500 and up to \$2000 are charged 70% of 2005 market rents, while those with incomes above \$2000 are charged 90% of market rents. The absolute rental rates for tenants with incomes above \$1500 are not published.

There is no regular schedule for revising either absolute rent levels or the formulas from which they are derived. So, it is not known when the current rent structure may change. In fact, the lowest current rates have remained the same for several decades. In 1962, 1- and 2-room flats were rented for \$20 and \$40 per month respectively (HDB, 1963). With the introduction of slightly larger 1-room flats in 1966 and rent adjustment in 1979, the cheapest rent was revised to \$26 per month, which is still the lowest possible rent for social housing today.

While rents at the bottom may appear to be affordable, the author's 2016 PRH survey found that the average rent-to-income ratio was 14% and that arrears continue to be a challenge for some tenants. Up to 22% of tenants reported having rental arrears. Arrears were more common among households made up of adults with children below 21 years old. A third of these households had rental arrears compared to 7% of households with elderly persons only. This may be partly due to higher rents. On average, households comprising adults and children paid \$172 in rent per month, while elderly person households paid just \$57. There has also been concern that rents that rise in line with income gains may create a disincentive to work effort and economic advancement. Therefore in 2013, the HDB introduced a 2-year rent freeze for

tenants crossing the \$800 income threshold (Chang, 2013). However, the problem has not been addressed for tenants whose incomes just exceed \$1500.

#### 4.3 Experience

The 2016 PRH survey found that, on the whole, tenants felt very positive about their general housing conditions. On a four-point scale, over 90% of tenants reported being either satisfied or very satisfied with their rental flats and their neighbourhood in general. More than 90% also said that they felt safe in their neighbourhoods. When questions were asked about specific aspects of their living environment, the results showed more variation but were still highly positive. For instance, 87% were satisfied with the size of their flat, 85% with leisure spaces in the neighbourhood, and 83% with the number of rooms in the flat. This is in spite of the fact that social tenants generally enjoy less living space than homeowners. Based on typical flat sizes and the average number of household members by flat type in 2013 (HDB, 2014b, various years), the floor area per person is 16.5 and 17.4 square metres respectively in 1- and 2-room flats, compared to 23.4 square metres in 3-room flats, 25.1 square metres in 4-room flats, and 28.3 square metres in 5-room flats. However, there were clear concerns about public hygiene. The cleanliness and maintenance of the housing estate drew the lowest satisfaction rating of 74%. Furthermore, 49% of tenants found urination in public spaces to be a problem, 42% reported littering, and 27% observed clutter along common corridors. In contrast, in a recent HDB (2014b) survey of the general public housing population, the percentages of residents reporting these three problems were just 9%, 21%, and 6% respectively.

Notwithstanding high levels of housing satisfaction, the tenants also felt anxious

about their housing situations. More than half of the respondents in the 2016 PRH survey said that they worried about getting stable housing either sometimes or all the time. The most common sources of help with housing problems were the local Member of Parliament (with 52% of tenants having visited their local MP), followed by the neighbourhood Family Service Centre<sup>10</sup> (FSC, 40%), and the HDB (15%). Neighbours also appear to be an important source of social support. About 87% of the tenants reported satisfaction with their neighbours. Compared to the general public housing population (HDB, 2014b), social housing tenants were more likely to have casual conversations with neighbours, exchange food or gifts, visit one another, help to buy groceries and look after children, and borrow or lend household items at least once a week. At the same time, 26% of the tenants also found noise from neighbours to be a problem while 11% said that they felt a lack of privacy. Social housing communities seem to enjoy denser and stronger social ties compared to the rest of the public housing system, although living in tight spaces within high-density housing blocks may make mutual accommodation more challenging.

#### 4.4 Mobility

Even with the eager promotion of homeownership over the years, on average, each tenant lives in social housing for 11 years (*Hansard*, 16 September 2013). This figure is likely to conceal wide differences between some younger families who move out within a short time once they have accumulated sufficient resources to purchase a flat and many elderly tenants who live in

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10 The FSCs are a nationwide network of non-profit organisations that are funded by the government to provide social work services in residential neighbourhoods.

rental housing for a much longer period. The 2016 PRH survey also found that about 40% of tenants had already been living in public rental housing 20 years before. Around a third of the tenants expected to move out of public rental housing within 5 years, with most of them planning to move into purchased HDB flats. The most common reason for moving was wanting a larger flat. On the other hand, among tenants who did not plan to purchase their own housing, 75% of them cited affordability as the reason and 14% said that they did not want to take on debt. While financial means are clearly a primary consideration in housing decisions, there may again be differences within the tenant population. Elderly tenants appear more settled in public rental housing. They reported higher satisfaction with their housing conditions and 77% considered social housing “ideal”. Families made up of adults and children, however, were generally less satisfied with rental housing conditions and 69% considered a purchased HDB flat as the ideal housing arrangement. Housing experience and choice may reflect an individual’s life stage, aspirations, as well as economic resources.

Long stays in social housing and affordability concerns can be appreciated by examining the costs of exit from social housing. One alternative to public rental housing is private renting. In 2017, renting a 2-room flat on the open market costs around \$1,500 per month, more than five times the highest rate for social renting (HDB, 2017e). The next bigger flat type, a 3-room flat, costs between \$1,500 and \$2,200 to rent on the open market, depending on location. This wide gap between public and open market rentals may present a serious barrier to leaving social housing.

The second option is to purchase a HDB flat, since ownership of private housing is far too costly to consider as the immediate alternative to social renting. The cost of owning a HDB flat depends on many factors, such as the price of new flats available at a particular time; the individual’s income and savings, which determine housing loan eligibility and amount; and the applicant’s age, which affects the maximum length of mortgage loan. Critically it also depends on the amount of housing grants that one qualifies for. These are generous but governed by strict criteria. In 2017, the two main housing grants provide up to \$80,000 per household (HDB, 2017f), while the selling prices of 2-room flats ranged from \$73,000 to \$259,000, and 3-room flats from \$145,000 to \$398,000 (HDB, 2017g). However only persons who have not previously purchased a flat directly from HDB or using housing grants, and who have been in continuous employment in the preceding 12 months are eligible. The 2016 PRH survey found that about 9% of tenants or their spouse had owned a HDB flat in the last 20 years, even though not all of them might have purchased these flats directly from the HDB. Unstable work was also a problem, with 43% of households receiving no work income and

almost 30% of main breadwinners in part-time, casual, or informal work. In other words, many tenants may not qualify for grants.

Table 2 illustrates the costs of purchasing a HDB flat. As a base case, a 30-year-old couple who plan to buy a 2-room flat costing \$90,000, have \$30,000 in CPF savings, and do not qualify for any housing grants, can expect to pay \$279 per month by the HDB’s (2017h) estimation. The table also shows how the estimated cost of monthly mortgage repayments will rise under other assumptions, such as older age, less savings, a larger flat type, and all three variations combined. Among tenant households, the median monthly household income is \$950 (2016 PRH survey). At this income level, even the base case scenario that incurs \$279 per month may be challenging. Moreover, purchasing a 2-room flat – the same size as a rental flat – may not bring noticeable improvements to the living environment. For households that would like more living space, the next bigger flat type costing \$647 per month is clearly out of reach at a monthly income of \$950. Mortgages also constitute a significant financial risk to tenants who are in unstable employment.

**Table 2: Estimated monthly cost of homeownership**

Base case	Monthly repayment
30 years old, \$30,000 savings, 2-room HDB flat costing \$90,000, HDB loan at 2.6% interest per annum	\$279
Variations	
(a) 50 years old	\$393
(b) \$10,000 savings	\$356
(c) 3-room flat costing \$170,000	\$647
(a), (b), and (c)	\$750

Based on: <https://services2.hdb.gov.sg/webapp/BP13FINPLAN1/BP13FINSMain>



## 5. Conclusion

Singapore's social housing programme can look back on a number of achievements. The ramping up of the public rental housing stock by more than six times during 1960-1982 is one of them and reflects the HDB's administrative capacity and resolve. Up to the present day, the lowest rents have been kept far below market rates. Even though qualifying is difficult, once accepted, applicants do not have to wait long to be allocated their flats. Tenants were on the whole satisfied with their housing experiences apart from concerns about certain aspects of the physical environment and seem to have built strong ties with their local community. Tenancies, though short, are routinely renewed and there have been no documented instances of eviction by the HDB. Some tenants were worried about their long-term housing prospects, but others felt settled and considered social housing their home. In the face of mounting pressures in the 2000s, policymakers were willing to perform a U-turn by restarting the construction of rental housing after a hiatus of 25 years. The introduction of mixed-tenure housing most recently will create new opportunities for social diversity. This phase of renewed policy interest in social housing will ensure the availability of modern rental flats comparable to the standards if not the size of sold flats in the years to come.

At the same time, serious challenges remain. Ironically, the yielding of severe housing shortage to the HDB's exceptionally efficient building programme in the initial years also prompted a swift transition to the homeownership campaign and, by implication, the decline of social housing. The halting of

social housing construction in 1982 and the subsequent reduction of the social housing stock would have many consequences. The most obvious is the bifurcation of the public housing system over time into two tiers – newer, larger sold flats, and older, smaller rental flats. The 100% homeownership declaration, though never achieved, was a commitment to “zero rental units” or the eradication of social housing. As sold housing continued to innovate and build upwards towards near-private housing options, rental housing became noticeably inferior in terms of diversity and quality. This residualisation of rental housing was at times matched by a sharp policy discourse about poverty and personal endeavor, as well as stringent and discretionary allocation mechanisms to gate-keep the limited housing stock. One of the more surprising observations is that the eligibility criteria for social housing in Singapore do not mention housing needs at all, focusing instead on conserving the housing stock, promoting family norms, and evaluating individuals' past housing decisions. The restriction of social housing to the smallest, cheapest flat types leaves a cost gap between social renting and purchase, and makes the step up to ownership even harder, although the increasing availability of smaller types of sold flat will help to smoothen the continuum of housing options. Many of these are deeply embedded structural issues which will not be easy to redress. They also embody some of the central dilemmas of the liberal welfare state, where the dominance of market principles and a philosophy of self-reliance sometimes make it difficult to access assistance and lower the chances for social mobility.

Given these challenges, what policy lessons might the Singapore case offer? In the mature European welfare states, the history of social housing has followed an upward post-war trajectory of reconstruction and social housing expansion up to the 1980s, when a wave of privatization inspired by neoliberalism led to the largescale reduction of housing stocks, reinforced in recent years by the strain of fiscal debt and austerity (Elsinga, Stephens, & Knorr-Siedow, 2014). There are also unique national experiences. In the UK, the stopping of housing construction and the loss of housing stock through the Right to Buy scheme were major factors in the decline of social housing (Malpass, 2014). Singapore seems to be ahead in terms of residualisation, having embarked on a homeownership drive a decade earlier, achieved a very high homeownership rate, and reduced the stock of social housing extremely efficiently. Some of the problems discussed in this chapter therefore illustrate the possible consequences of going down this path. However, innovations such as the dispersal of public rental blocks across different residential neighbourhoods are perhaps transferrable. In Singapore, this may have helped to lower the visibility of social housing and reduced its association with neighbourhood deterioration and poverty concentration. More importantly, the Singapore case shows that it is possible to reverse a long-term decline in social housing even in a society wholly committed to homeownership, and indicates the enduring potential of social housing to contribute to social stability in times of economic insecurity.

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