

Ending homelessness in Central and Eastern Europe: making the shift to a housing-led system

Executive summary





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Foreword

Housing has the power to change the lives of people in need. For people who find themselves without a home, finding a place to live is transformational. That is why World Habitat believes that housing-led solutions to homelessness are so important. We know they work because there is plenty of evidence that they do.

We also know that the status quo is not working. Through our work on the World Habitat Awards, the European End Street Homelessness Campaign, and our Community-Led Housing Programme, we know that progress towards fairer and more equitable housing systems are more challenging in some places than others. This is true in Central and Eastern Europe (CEE), where levels of social and other types of affordable housing are inadequate, and as a consequence homelessness is rising. I am pleased that World Habitat can help by exploring the feasibility of increasing housing-led solutions in this region.

We have commissioned this feasibility study to identify the barriers to policy change in CEE. The study focuses on four countries: Croatia, Hungary, Romania, and Slovakia. These are countries that World Habitat knows well and where we have long established working relationships. We know that, despite the barriers, there is in each country the commitment, drive, and the desire to improve housing outcomes for people who are homeless. What is lacking however, is the systemic shift in housing policy towards a housing-led system, rather than one that relies on traditional models of shelter-based provision or insecure housing. Street homelessness is a systemic issue. Solving it requires solutions that are interconnected with other areas such as institutional social care, affordable housing and political decision making.

This feasibility study draws on the experiences of practitioners working in Croatia, Hungary, Romania, and Slovakia. It is not limited to those countries, however. It goes further, comparing, contrasting and analysing housing contexts in the wider CEE region. World Habitat's experience is that housing solutions can inspire change and be successfully adapted from one place to another. Accompanying this main report are four specific policy briefs for each of the four countries. These take a more direct approach with recommendations of the changes needed in each country. They are available in English and their local language. I strongly encourage you to read them, build on the learning, and challenge those with their hands on the policy levers of change.

We cannot end homelessness working alone. Our vision is a society in which homelessness is prevented and, if it occurs, it is rare, brief and non-recurring. World Habitat's aim is to be a catalyst in the region. We will work collaboratively and constructively with those that can be part of the solution to homelessness. This report offers specific policy recommendations for EU member states, municipalities, funders working in the region and for housing practitioners. We don't underestimate the scale of the challenge at hand; but World Habitat is committed to shining a light of positive housing practice wherever it is needed. We believe that however challenging it is, together we can end street homelessness.

David Ireland, CEO
World Habitat

About this research

This report summarises the findings of a study to explore the challenges and opportunities of moving to a housing-led system in Central and Eastern Europe to end street homelessness. The full report is available separately.

The findings have been informed by qualitative research with major stakeholders in Croatia, Hungary, Romania and Slovakia, as well as collaborative policy development workshops and desktop research.

While the research focused on aforementioned countries where World Habitat has partners our aim is that the core findings and recommendations are applicable to the Central and Eastern European region in general.

The study was commissioned by World Habitat, an international housing charity, and was conducted by a partnership between the Metropolitan Research Institute and Budapest Institute for Policy Analysis.

Homelessness and housing in Central and Eastern Europe

Detailed analysis of the challenges and policy recommendations for each of the countries can be found in the policy briefings. There were a number of common issues and recommendations that are applicable to the Central and Eastern European region, which are shared in this report.

How many people are homeless? The problem of inconsistent definitions and estimates.

There is no internationally adopted definition of 'homelessness', nor an agreed, reliable method of calculating how many people are homeless. The four countries all use a narrow definition of homelessness. Some official estimates only count people sleeping on the streets, and do not include people in transitional and emergency shelters. Others include people who are living on the street or in emergency shelters but not those that live with insecure tenancies or in inadequate housing.

In Slovakia, for example, available data from 2011 indicated that over 23,000 people resided in long-term transitional shelters, but this figure excludes people rough sleeping and those in emergency accommodation. In Romania, estimates vary from 3,000 (according to public administration) to over 162,000 (based on the 2011 Census). In Croatia there is a 25-fold difference between official homelessness figures and estimates from organizations working directly with people experiencing homelessness. Whereas approximately 380 people were served by providers in 14 registered shelter services (data as of 2018), estimates of rough sleepers are approximately 1,000 people (Bezovan 2019). If the definition includes all living situations which amount to forms of homelessness (e.g. ETHOS Light method), the number of

people affected by homelessness and housing exclusion in Croatia would be approximately 10,000 people. In Hungary it is estimated there are approximately 30,000 individuals without homes or roofs. But if using this expanded definition this figure could be as high as 300,000.

The inability to accurately calculate the number of people who are homeless means that it is far more difficult to understand how many people need help; how to make the best use of any resources and how to ensure that actions taken to reduce homelessness are actually effective.

Short-term plans and actions

Homelessness responses across all four Central and Eastern Europe countries are overwhelmingly dominated by emergency and temporary responses (such as day and overnight shelters). Shelters should only be a very limited, emergency option for people on the streets. Whilst they address the basic physical needs of some of the people experiencing homelessness, they are limited in scope and unable to meet growing demand – particularly for people with multiple and complex disadvantages.

The over-use of emergency and temporary solutions leads to reactive, short-term planning and activities. In all four countries there was a serious lack of planning and funding for long-term solutions which aim to prevent homelessness, or have the goal of permanently resolving homelessness.

Too few affordable homes – housing markets and policy

The lack of affordable housing is a key reason for homelessness, exacerbated by low levels of public investment in social housing and lack of coordinated action to prevent homelessness. Housing privatisation programmes in each of the four countries from the late 1980s to 2000s radically changed housing markets, moving them from predominantly state-owned to largely owner-occupied, with small private rented sectors and very little social housing. Increasing housing prices, growing market rents and utility costs all contribute to affordability problems in the region.

The limited amount of social housing that remains tends to be of poorer quality. Rents typically do not cover the full cost of the housing, so municipalities have to cover the shortfall from their own revenues. The cost of providing social housing, coupled with a lack of funds for renovation, have led to a serious decline in the social housing sector in terms of size and quality.

Due to this lack of affordable social housing, people facing poverty move to cheaper segments of the owner-occupied sector, typically to homes of low quality, in unfavourable locations and run a greater risk of being evicted.

Whilst the private rental sector is reported to have grown after the 2008 global financial crisis, there is no accurate data about the size of the sector in any of the Central and Eastern European countries. The sector operates within the grey economy, meaning censuses and household surveys do not give a reliable picture of the private rental sector. Similar to rough sleeping, this lack of robust evidence makes implementing solutions more challenging.

Affordability and mainstream housing policies to date, have not compensated for these deep-rooted challenges. Whilst some marginal government measures

have been put in place for the lowest income groups (including those experiencing homelessness), policy responses are still focused on more affluent groups.

Preventing homelessness

The fastest way to end homelessness is to prevent it from happening in the first place but this is only possible with well-integrated prevention services working hand in hand with homelessness services.

In Central and Eastern Europe, people at risk of homelessness face significant barriers in accessing health, social and employment services. There is a shortage of genuinely social housing and housing for social purposes and even basic access to rent allowances. Upstream prevention systems that should be addressing the needs of those with a higher risk of homelessness and crisis interventions, like the prevention of evictions, are also largely ineffective among the Central and Eastern European countries. These systemic gaps mean that many cases of potential homelessness are not being identified and then prevented.

Tackling homelessness with housing-led solutions

Housing-led approaches focus on getting people experiencing, or at risk of homelessness, into a secure home as soon as possible and minimising the amount of time spent in temporary or emergency accommodation. Both housing-led and Housing First are attracting more attention across Central and Eastern Europe. There is recent learning from small-scale pilot programmes, particularly those that have been delivered in Slovakia and Hungary over the last few years. In Romania and Croatia, initiatives for providing housing for people experiencing homelessness are very sporadic and small-scale, and they are all bottom-up initiatives carried out by NGOs.

During our research, we have seen evidence of important practices that can play a role in moving towards a housing-led system.

- Small scale housing-led programs have effectively increased the supply of social housing by halting privatisation and mobilising and renovating vacant, dilapidated homes. In the countries focused on in this research, these types of programmes account for around 15-20% of municipal housing stock.
- Increasing the supply of affordable and social housing by purchasing pre-existing flats or constructing new homes.
- Social rental agency initiatives, whereby organisations and municipalities act as intermediaries to sublet from private landlords, have been effective at providing homes for low-income and vulnerable tenants. NGOs like Dedo in Slovakia and From Streets to Homes Association in Budapest have developed a mixed portfolio using municipal, private rental and their own apartments.
- Networks of homelessness service providers, NGOs, and research institutions have begun to advocate for a shift towards housing-led solutions, both on local and national levels.

There is no magic formula to implementing a housing-led system, however, funders, NGOs, local governments, national governments and EU agencies all have important roles to play by making changes which will mean we are a step closer to everyone achieving their right to a safe and secure home.

Conclusions

Common historical and institutional contexts have created barriers across the four countries, limiting the application of more extensive housing-led policies. While slowly catching up, the respective countries are still considerably less wealthy than the EU average, and state and municipally owned housing stock remains scarce.

NGOs with a housing-led mindset like From Streets to Homes Association in Hungary, OZ STOPA in Slovakia, Red Cross Pula in Croatia and other church- or local government-affiliated outfits that implement small-scale, innovative projects are 'moving the needle', despite the structural barriers. These NGOs working to further the right to housing should be celebrated for working to deliver housing-led programmes in spite of substantial regional housing challenges.

The fastest way to end homelessness is to prevent it from happening in the first place therefore a core component for effective scaling up of housing-led approaches to tackling homelessness is a well-integrated prevention service. This is most effective when different services work in close collaboration. In Central and Eastern Europe however, people experiencing homelessness also face significant barriers in accessing health, social and employment services. Homelessness services in the region often exist outside of a wider system lacking in capacity to truly prevent new cases of homelessness.

There is no magic formula to moving to a housing-led system in the Central and Eastern European region. Funders, NGOs, local governments, and EU agencies all have important roles to play by making changes which will mean we are a step closer to everyone achieving their right to a safe and secure home.

Recommendations



Recommendations for international funding and advocacy organisations

To contribute to the scaling up and expansion of housing-led projects as a means of ending homelessness, we recommend the following actions be taken:

- Recognise there are fewer charitable donors than in more prosperous EU countries and prioritise Central and Eastern Europe
- Directly champion programmes which prioritise housing-led approaches to ending homelessness over emergency responses and staircase provision
- Fund pilot projects and document, evaluate and share successful policies with domestic policymakers
- Support knowledge sharing programmes with resources, templates, expert partners and/or know-how, to support NGOs and other organisations
- Provide ongoing support and/or funding for long-term advocacy and effective networking and partnership work
- Provide support and funding to organisations for awareness-raising work, particularly drawing attention to structural barriers which setback progress
- Advocate for the issue at European Union level and to the European Commission's agenda (in consultation with and complementing the work of FEANTSA and other Europe-wide civil organisations).



Recommendations for Non-Governmental Organisations (NGO) practitioners

Housing-led and Housing First initiatives have played a minimal role in mainstream providers' service portfolios in the Central and Eastern European region. Housing practitioners should aim at transforming their own service delivery to be more housing-led. Through domestic and international partnerships, NGOs have a key role to play in transforming the housing system by:

- Improving their own service provision to move to a housing-led approach through:
 - » Improving training for existing and new staff (to include training on harm reduction approaches, Housing First and trauma informed practice)
 - » Exploring move-on options to support people into permanent housing
 - » Trialling different tenancy and accommodation types to increase housing supply, flexibility and choice
 - » Where applicable deliver services that separate housing management and social support
- Raising public awareness of the extent and routes into homelessness and focus on the dissemination of good practice alongside networks of operational, academic and press partners
- Fostering country-wide cooperation and participate in international networks to advocate for change and tap into international learning and best practice
- Participating in the design of national and regional strategies and esif+ programming, implementation and monitoring
- Advocating for housing-led nationwide policy improvements and widespread homelessness prevention policies and a phasing out of homelessness policies that prioritise emergency responses as a way of managing homelessness
- Cooperating with local governments (and, if necessary, channelling subsidies) trialling social rental agency matching schemes between private landlords and people experiencing homelessness
- Advocating for increased regulation of the private rental market to improve standards and affordability.



Recommendations for municipal governments and city managers

This research has identified very different attitudes and approaches to homelessness across local governments, often within the same country. This means there is a real opportunity to develop more effective housing policies in towns and cities, especially where little is currently done to end homelessness. We propose the following recommendations:

- Prioritise the development and expansion of the municipal housing sector by:
 - » Supporting and incentivising construction of affordable and accessible social housing
 - » Carrying out renovation work to empty or substandard buildings
 - » Purchasing homes through the private rented sector for use as social housing
 - » Leveraging privately owned housing that is available for rent through a social rented agency model
- Formally support a future transition to housing-led approaches and a move away from emergency/staircase provision
- Identify and engage with local service delivery partners that prioritise housing-led approaches
- Introduce or expand local welfare benefit programs targeted at people experiencing homelessness
- Actively participate in the design of national and regional strategies and the programming, implementation and monitoring of dedicated EU funds
- Municipalities could benefit from horizontal peer-to-peer learning to enable the sharing of more progressive housing-led practice. This could be achieved through deepening international networks, facilitating association between municipalities or creating 'hubs' to showcase good practice.



Recommendations for national governments

Strategic leadership from national governments is key to ending homelessness. Effective leadership will be critical to underpin a national programme and to help overcome some of the barriers to delivery outlined above. This should be in collaboration with local delivery partnerships, a genuinely cross departmental approach at national level, multi-agency working at local level and a commitment to co-production with people with lived experience.

National governments should:

- Act on the Lisbon Agreement, and produce an evidenced based action plan that will get everybody who is homeless into a safe and secure home by 2030
- Take responsibility in tackling homelessness and work on prevention and early intervention
- Where applicable, decriminalise homelessness
- Provide equal access to public services such as health care, education, and social services
- Improve measures to gather relevant and comparable data to help assess the extent of homelessness
- Implement long-term, community-based, housing-led, integrated national homelessness strategies
- Provide funding to municipalities to purchase and maintain public housing and to enable means-tested housing allowances
- Provide robust regulation of the private rental market.



Recommendations for EU agencies and units

Given the structural barriers that inhibit effectively addressing the challenge of homelessness in these countries, bottom-up policy improvement, has limitations. The one external actor that could achieve a breakthrough is the EU. The agenda has been set with Principle 19 of the European Pillar of Social Rights Action Plan, the Lisbon Declaration, and the launch of the European Platform on Combating Homelessness, and as this research shows more could be done.

Our recommendations are to:

- Ensure that European Commission country-specific recommendations stress the importance of reinforcing and prioritising preventative and integrated housing-led approaches that seek to end, not simply manage, homelessness
- Monitor the implementation of national anti-homelessness strategies with the Lisbon Declaration in mind; the EU could even set up a shadow reporting framework of independent experts and civil organisations (as it did with respect to the systemic exclusion of the Roma)
- Monitor the ESIF+ financing channelled to Central and Eastern European Countries, in particular checking whether resources are being adequately used to achieve the goals associated with the jointly formulated Lisbon Declaration targets
- European Commission-affiliated units with homelessness or overlapping issues within their remit should contribute to the generation of reliable data and evidence that will increase the chance of policy change and future funding.

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