

CZECH REPUBLIC

● Recent data on homelessness

11,496 people used homelessness services in the Czech Republic on 26 March 2011²¹. This included those who used emergency shelter services (including reception centres for asylum seekers) and night shelters on the night the census was carried out. According to experts and professionals in the homeless services sector, and according to the official estimates of the Ministry of Labour, actual figures are much higher. Indeed, in 2016, the Ministry of Labour and Social Services carried out an assessment of the survey on homelessness conducted by "municipalities with extended competence". The administrative districts of these local authorities estimated that about 119,000 people were at risk of losing their homes in the Czech Republic. The number of homeless people was estimated at 68,500. A total of 187,500 people were estimated to be victims of housing exclusion in the Czech Republic²².

● Housing market situation in the Czech Republic

In 2016²³, 78.2% of the Czech Republic's population were homeowners (19.4% with a mortgage, 58.8% without a mortgage) and 21.8% were renters (16% at market price, 5.8% at reduced-rent prices or free).

The Czech real estate market showed signs of overheating, especially in Prague, due to a glaring lack of new housing (the number of building permits was halved between 2008 and 2015), an increase in demand accompanying strong economic growth, low interest rates leading to an increase in long-term mortgages only and more housing being purchased as investment properties.

In 2016, the average price of a new apartment in the capital was 75,600 Czech koruna (€2,980) per square metre, compared with 92,600 koruna

Total population as of 1 January 2016:
10,553,843 people

GDP/resident in 2016
(purchasing power parity): 25,600

Number of homeless people known:
estimated at 68,500 in 2016

Percentage of poor households: 9.7%

(€3,650) in 2017, an annual increase of 22%²⁴ - the highest in Europe, according to the Czech Central Bank. The Czech Republic has the least affordable home ownership in Europe: households have to save for almost 11 years to buy a new home²⁵. The Czech Central Bank has taken steps to alleviate the mortgage market, as risks of excessive household debt are real in the event of an economic slowdown or an increase in interest rates. According to a government report, 18,000 apartments in Prague were short-term Airbnb rentals, and more than 50% were owned by firms offering hundreds of rentals of this type²⁶.

The "Concept of Preventing and Tackling Homelessness Issues in the Czech Republic until 2020" strategy channels a misinterpretation of Housing First, opting for a staircase approach and ignoring housing solutions - on the grounds that they would be detailed in the law on social housing. Ambitious legislation on social housing had been developed in 2016 by the previous government, prioritising the construction of affordable housing and access to housing for young people and families with children. It was not adopted, and the change of the majority government in 2017 made its future uncertain. Political directives have been developed, and a consensus exists on the transformative potential of investing in social housing for homeless people; but in reality,

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2011 Population Census, Czech Statistical Office, <https://www.czso.cz/csu/czso/home>

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In 2015, an online questionnaire was conducted by municipalities with extended competence (MEC); 227 MEC were asked to participate, 97.4% returned a completed questionnaire. Ministry of Labour and Social Affairs (MoLSA, 2016)

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Eurostat/EU-SILC 2016.

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Deloitte Develop Index, September 2017, <https://www2.deloitte.com/cz/en/pages/press/articles/cze-tz-volnych-novych-bytu-v-praze-pribylo-ceny-ale-dale-stoupaji.html>

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Deloitte Property Index, 6th edition, July 2017, <https://www2.deloitte.com/be/en/pages/real-estate/articles/be-deloitte-property-index-2017.html>

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<https://financialobserver.eu/recent-news/prague-residential-property-market-up-22-biggest-rise-in-europe/>

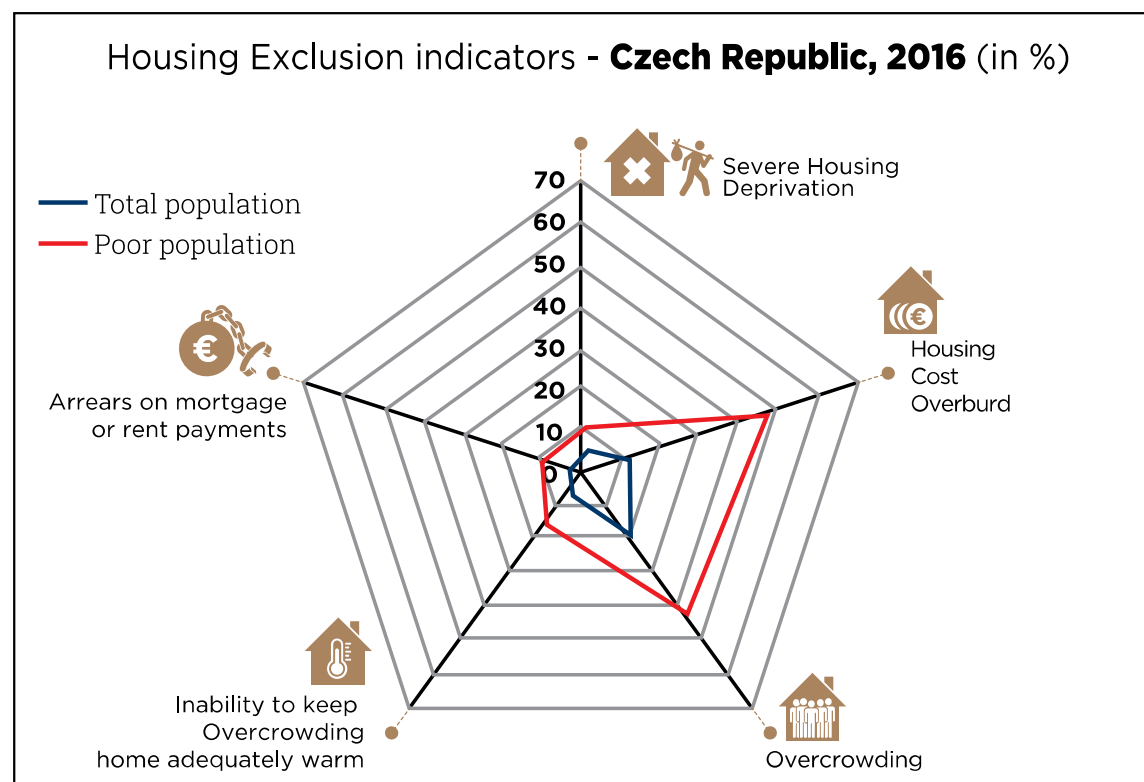
the number of affordable housing units for these people is largely insufficient.

Despite the existence, since 2003, of central government funding for the development of affordable rental housing for people in need, their use by local authorities has been limited. In addition, during the 2014-2020 funding period, although structural EU funds were heavily geared towards social housing, they have only rarely been used so far: neither the homelessness strategy nor

the social housing plan were integrated into the operational programmes, not merely because the programmes were drafted before the strategies, but also because the concept was not supported by all ministries. On the other hand, where experts have been consulted in drafting the operational programmes, the themes of social inclusion and homelessness have been integrated, e.g. the operational programme for the Prague region.

● Key statistics to housing exclusion and changes between 2010 and 2016

General population				
Indicator	2016		Change 2010-2016	
	Total	Poor	Total	Poor
Housing cost overburden rate	9.5%	45.4%	- 2%	- 8%
Total cost of housing (PPP)	404	389.2	+ 22%	+ 36%
Mortgage/rent arrears	2.4%	8.2%	- 31%	- 51%
Overcrowding	17.9%	39.5%	- 20%	- 10%
Severe housing deprivation	3%	9.9%	- 33%	- 23%
Inability to maintain adequate home temperature	3.8%	13%	- 27%	+ 16%
Young people				
Housing cost overburden rate (aged 18-24)	10.6%	53.7%	+ 16%	+ 11%
Overcrowding (aged 16-24)	28.4%	48.9%	- 24%	- 16%
Non-EU citizens				
	2016		Change 2010-2016	
	Aged 18+	Aged 16-29	Aged 18+	Aged 16-29
Housing cost overburden rate	22.6%	13.2%	- 25%	- 62%
Overcrowding	40.7%	54.1%	+ 10%	+ 21%



FOCUS ON...**Targeted affordable housing solutions for families in the Czech Republic**

The European Social Fund (ESF) is an important tool for promoting solidarity, social inclusion and for tackling poverty in Europe. The ESF can make a substantial contribution to the fight against homelessness, as can other instruments such as the European Regional Development Fund (ERDF) and the Fund for European Aid to the Most Deprived (FEAD). The responsibility for setting up and funding homeless services, however, lies with national, regional and local authorities.

In 2017, a Housing First project for families in the city of Brno, South Moravia, in the Czech Republic, received the EU-funded FEANTSA award for inspiring projects to eradicate homelessness. This project is an experiment which aims to demonstrate that homelessness among families - including Roma families - can be eradicated through a Housing First approach. The objective of the project is to design an action plan to enable these families to integrate into permanent housing. Brno local authority is working closely with social services targeting Roma people, IQ Roma Servis, the University of Ostrava and other local authorities. Some 50 local authority dwellings were allocated to the project by Brno local authority and five city districts. The project started with a census of homeless families in Brno: 421 families were reported homeless or facing housing exclusion. Local authority rental housing and intensive support were ran-

domly allocated to 50 of these families, and 100 families were surveyed as a control group. An assessment measures the impact of housing and support on family life, the well-being of children and the family, health, school attendance and cost-effectiveness. As of January 2018, 38 families had been living in the housing which had been allocated to them for a year, and 37 of them were able to renew their leases. Only one family had to go back to temporary accommodation. The long-term objectives of this project are to prove that homelessness among families can be eliminated in Brno by 2020, and to support the national government in moving 6,000 families living in temporary accommodation in the Czech Republic permanently out of homelessness. The project is also helping to transform the discourse on Roma families, which is essential to prevent discrimination on the housing market. This is an alternative to frequently resorting to hotel rooms where living conditions are deplorable and there are too many obstacles to moving out of homelessness. If this initiative shows positive results, which seems to be the case so far, other bodies will adopt the Housing First approach. The total budget for the project was €372,000, financed by the European Social Fund. This is an inspiring example of how EU funds can be used to foster policies to eradicate homelessness.