

December 2013

# FEANTSA Proposals for Country Specific Recommendations on Homelessness 2014

## INTRODUCTION

The European semester is the yearly cycle of economic policy coordination to monitor and steer progress towards the targets of the Europe 2020 strategy. As part of the semester process, the Commission publishes country-specific recommendations (CSRs) for each Member State to inform progress towards “smart, sustainable and inclusive growth” ([COM\(2010\) 2020 final](#)). This document puts forward to the European Commission suggestions of CSRs relating to homelessness, which could enhance progress towards the targets of the Europe 2020 strategy, specifically the goal of lifting 20 million people out of poverty.

The purpose of the semester process is not to provide detailed policy recommendations on homelessness to all MS – its remit is a much broader one covering all aspects of the Europe 2020 strategy, and it has hitherto focused particularly on macroeconomic stability. Nonetheless, given the important social dimension of the Europe 2020 strategy, the semester can and should be used to support social policy interventions on thematic priorities.

Homelessness is a thematic priority in the EU’s fight against poverty and social exclusion. In its 2013 Communication accompanying the CSRs, the European Commission stated that “several Member States need to pay more attention to combating different forms of poverty,” including “homelessness” ([COM\(2013\) 350 final](#)). The European Commission has already provided policy guidance to Member States (MS) on tackling homelessness in its Social Investment Package (SIP). Specifically, it called on MS to “confront homelessness through comprehensive strategies based on prevention and housing-led approaches” ([COM\(2013\) 83 final](#)). The 2014 Annual Growth Survey has emphasized tackling unemployment and the consequences of the crisis as one of the main priorities for the semester and has particularly focused on the most vulnerable ([COM\(2013\) 800 final](#)). On the 26<sup>th</sup> November 2013, the Social Protection Committee adopted guidance on National Social Reports (NSRs), which Member States will submit in the semester framework. This guidance specifically asks Member States to report in detail on homelessness and housing exclusion policies as part of progress towards the poverty target of the Europe 2020 strategy.

In the above context, FEANTSA’s proposed CSRs would support MS to make progress on tackling homelessness through the semester process, in order to contribute towards stability and socially inclusive growth in the European Union. FEANTSA’s proposed CSRs are put forward at a time when homelessness, as a result of the economic and social crisis, is increasing in most MS, bringing with it serious human, economic and social implications in the short, medium and long term<sup>1</sup>.

The approach that FEANTSA has taken in proposing these CSRs has been to identify:

- MS where developments in homelessness may be considered to limit or threaten perspectives for “smart, sustainable and inclusive growth”. This includes dramatic increases in homelessness/specific types of homelessness as well as reversals of progress in reducing homelessness.
- MS where developments in homelessness relate closely to previous CSRs in domains such as poverty, child poverty, youth exclusion/unemployment, health and housing markets.
- Where MS have identified homelessness as a key issue in their NRP or national policy processes and a CSR would be helpful to support further progress

FEANTSA proposes a total of 13 CSRs. The MS addressed are the UK (proposal 1), Hungary (proposal 2), Sweden (proposal 3) the Netherlands (proposal 4), Belgium (proposal 5), Czech Republic (proposal 6), Luxembourg (proposal 7), Denmark (proposal 8) Romania (proposal 9), Spain (proposal 10), Lithuania (proposal 11), France (proposal 12), Poland (proposal 13).

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<sup>1</sup> European Commission EU Social and Employment Situation Quarterly Review, June 2012, available at: <http://ec.europa.eu/social/BlobServlet?docId=7830&langId=en>

## PROPOSALS

### Proposal 1

**Member State:** United Kingdom

**CSR Proposal:** The UK should enhance measures to prevent and address increases in child and family homelessness where these are occurring.

**Justification:** In 2012, the UK received the recommendation to “ensure that planned welfare reforms do not translate into increased child poverty” ([Council 11276/12](#)). Furthermore, the Commission Recommendation Investing in Children: Breaking the Cycle of Disadvantage has called on MS to “support families and children at risk of homelessness by avoiding evictions, unnecessary moves, separation from families as well as providing temporary shelter and long-term housing solutions” ([COM\(2013\) 778 final](#)).

Legislative instruments place a statutory duty on local authorities to house homeless households in various circumstances throughout the UK<sup>2</sup>. In discharging this duty, local authorities may use temporary accommodation until housing can be offered. Official quarterly statistics for England show a clear rise in the number of families in temporary accommodation, and notably in Bed and Breakfast accommodation, which is highly inadequate in terms of privacy and facilities and thus deemed unsuitable for families with children<sup>3</sup>. On 30 September 2013, 42,150 households with dependent children and/or a pregnant woman were in temporary accommodation, an increase of 5% compared to the same period in 2012. In total, this concerned 78,690 children or expected children 2,100 households with children were in Bed and Breakfast style accommodation, up 4 per cent from 2,020 at the end of the same quarter last year and the highest number since 2003.

A recent report from the Local Government Ombudsman highlights that Councils’ use of Bed and Breakfast accommodation is failing young people and families, citing a 14 per cent rise in the number of complaints about homelessness services over the last two years<sup>4</sup>.

This increase in the number of families in unsuitable temporary accommodation is a reversal of previous positive trends. Government figures show that in the last quarter of 2003 over 13,000 households were given temporary accommodation in Bed and Breakfasts, including 5,870 children. This declined steadily until by the same quarter of 2009, when only 1,880 households were given such lodgings, including 400 children. This represented an 86% decline in households accommodated in Bed and Breakfasts. Given that increasing family homelessness is a reversal of a positive trend, it should be recognized as a social consequence of the crisis and addressed in the semester framework.

In spite of the previous CSR to the UK on child Poverty, it seems that the impact of the crisis and changes in welfare provision - including the introduction of an under-occupancy rule for tenants of the local council/housing associations and the introduction of an overall benefit cap - are contributing to an increase in family homelessness, which is an important and severe dimension of child poverty. Eurochild has also drawn attention to the impact of changes to housing benefit on child and family homelessness<sup>5</sup>. This is exacerbated by severe cuts to social services, including homeless services.

<sup>2</sup> The precise conditions of the statutory duty vary between the devolved governments. Scotland has introduced a duty to house all non-intentionally homeless households where as the duty is conditional on various forms of ‘priority need’ in the rest of the UK.

<sup>3</sup> Department for Communities and Local Government, Statutory homelessness: July to September 2013 England, Ref: ISBN 9781409840893, available at: <https://www.gov.uk/government/publications/statutory-homelessness-in-england-july-to-september-2013>

<sup>4</sup> Local Government Ombudsman Focus report: learning lessons from complaints *No place like home: Councils’ use of unsuitable bed & breakfast accommodation for homeless families and young people*, October 2013, available at: <http://www.lgo.org.uk/news/2013/oct/councils-use-bed-breakfast-accommodation-failing-young-people-families-says-ombudsman/>

<sup>5</sup> Eurochild (2012) How the economic and financial crisis is affecting children & young people in Europe, pg 9, available at: [http://www.eurochild.org/fileadmin/ThematicPriorities/Crisis/Eurochild%20updates/Eurochild\\_Crisis\\_Update\\_Report\\_2012.pdf](http://www.eurochild.org/fileadmin/ThematicPriorities/Crisis/Eurochild%20updates/Eurochild_Crisis_Update_Report_2012.pdf)

Pressures on local authority finances and the increasing levels of homelessness applications are having a major impact on local authority's capacity to provide suitable housing to people in need.

A dysfunctional housing market is also contributing to increased family homelessness. Housing market trends which are fuelling increases in family homelessness are a threat to macroeconomic stability and it is therefore appropriate for the European Commission to draw attention to this issue. In 2013, the UK received the recommendation that it should "ensure that housing policy, including the Help to Buy scheme does not encourage excessive and imprudent mortgage lending; and promote greater supply to avoid higher house prices" as well as "take steps to improve the functioning of rental markets, in particular by making longer rental terms more attractive to both tenants and landlords"(Council 11276/12).

However, in the 12 months to July 2013 UK house prices increased by 3.3%, up from a 3.1% increase in the 12 months to June 2013.<sup>6</sup> The England House Price Index, at 182.4 in July 2013, is now 0.9% higher than at the pre-crisis peak in January 2008 .As regards the rental market; the end of an assured shorthold tenancy has been the most frequently occurring reason for the loss of last settled home amongst homeless people for the last six consecutive quarters<sup>7</sup>. In London, the main reason for the loss of last settled home was the ending of an assured shorthold tenancy at 1,440 (33 per cent of London acceptances). This is an increase of 49 per cent from 960 (25 per cent of London acceptances) in the same quarter last year. Lack of security of tenure, which is related to the short rental terms on the UK market, is a cause of increasing homelessness. Furthermore, 45% of tenants<sup>8</sup> were experiencing housing cost overburden in 2011, up from 32.9% in 2005<sup>9</sup>. This compares to an EU average of 26%. By highlighting the need to prevent and tackle family homelessness, the European Commission would re-enforce its previous recommendations to promote a stable, balanced housing market with adequate affordable rental housing and longer rental terms.

Calling on the UK to address increases in family homelessness would support progress towards the goals of the Europe 2020 strategy for "smart, sustainable, inclusive growth", particularly the target of reducing the number of people living in poverty by 20 million. It would be in line with the Social Investment Package's guidance to MS, specifically the Recommendation "Investing in Children: Breaking the Cycle of Disadvantage" and the policy guidance on confronting homelessness (COM(2013) 83 final and SWD(2013) 42 final). Failing to stop the increase in family homelessness will engender human and economic costs over the long term. Experiencing homelessness is linked to reduced educational attainment, unemployment, and poor physical and mental health. In addition, managing family homelessness is expensive. A four month study by the Bureau of Investigative Journalism in summer 2013 showed that 12 local authorities in Britain's biggest cities had spent £1.88 billion on temporary accommodation over the past four years<sup>10</sup>. Spending on Bed and Breakfasts alone had gone up 25.34 per cent to £91.1 million in the 12 cities. Such costs could be offset by better preventing family and child homelessness. In a Social Return on Investment analysis, the City of Birmingham calculated that preventing family homelessness through its Supporting People programme could generate approximately £13,872,096.00 in savings per year<sup>11</sup>.

<sup>6</sup> Office of National Statistics, House Price Index Release, 17th September

<sup>7</sup> Department for Communities and Local Government, Statutory homelessness: July to September 2013 England, Ref: ISBN 9781409840893, available at: <https://www.gov.uk/government/publications/statutory-homelessness-in-england-july-to-september-2013>

<sup>8</sup> Paying market rents

<sup>9</sup> EU SILC Housing cost overburden rate by tenure status

<sup>10</sup> See <http://www.thebureauinvestigates.com/2013/05/21/sharp-rise-in-bb-spending-as-homelessness-crisis-intensifies/>

<sup>11</sup> Presentation by Kalvinder Kohli on behalf of Birmingham City Council at 'Cities for Active Inclusion Final Conference', 25 September 2013 on behalf of Birmingham City Council, available at : <http://nws.eurocities.eu/MediaShell/GetMediaBytes?mediaReference=3992>

## Proposal 2

**Member State:** Hungary

**CSR Proposal:** Hungary should stop criminalizing homelessness and develop an integrated strategy that supports pathways into affordable rental housing for people experiencing or at risk of homelessness and housing exclusion.

**Justification:** The modification of the 2012 Petty Offences Act has criminalized homelessness, making rough sleeping in certain public spaces punishable by fine, community service and, in the case of “repeat offenders”, prison sentences. In November 2012, the Hungarian Constitutional Court ruled that criminalizing homelessness in this way was unconstitutional, arguing that it should be addressed as a social and not a criminal issue. However, changes have been made to the constitution to enable the modification of the 2012 Petty Offences Act, which has now been adopted.

Criminalizing homelessness cannot be considered to contribute to the goals of the Europe 2020 strategy, and in particular the target of reducing the number of people living in poverty by 20 million. Hungary has committed to reducing the number of people living in poverty and social exclusion by approximately half a million by 2020. In 2013, Hungary received the Country Specific Recommendation that it should “ensure that the objective of the National Social Inclusion Strategy (NSIS) is mainstreamed in all policy fields in order to reduce poverty, particularly among children and Roma” ([Council 10638/2/13](#)). The NSIS was submitted to the European Commission in the context of the EU Framework for national Roma integration strategies. It commits to ensuring that interventions to fight poverty reach those living in extreme poverty, and particularly children and Roma<sup>12</sup>. Clearly, homelessness and housing exclusion are manifestations of extreme poverty, and their criminalization is not in line with the objective of the NSIS. The NSIS actually states that there is “no effective response to the problems of those affected or endangered by the challenge of homelessness and other forms of housing exclusion”. Furthermore, it claims that “the Government is in the process of identifying a short- and medium-term action plan for the prevention and management of housing exclusion”. One of the specific objectives of NSIS is to improve housing conditions and housing security, and to extend housing opportunities, particularly by developing rented accommodation. The Hungarian government should therefore stop its policy of perpetuating homelessness and housing exclusion through criminalization, and deliver on its commitment to provide sustainable responses to the housing dimension of extreme poverty.

In relation to the above, it is important to note that homelessness and housing exclusion are key dimensions of both Roma exclusion and child poverty. One of the key priorities of the EU Framework for National Roma Integration Strategies up to 2020 ([COM\(2011\) 173 final](#)) is closing the gap in access to housing for Roma. Survey data from homeless services in Hungary suggest that 23% of those sleeping rough or using night shelters have been “called Roma at one point in their lives”<sup>13</sup>. The Commission Recommendation Investing in Children: Breaking the Cycle of Disadvantage has called on MS to “support families and children at risk of homelessness by avoiding evictions, unnecessary moves, separation from families as well as providing temporary shelter and long-term housing solutions” ([COM\(2013\) 778 final](#)). There are currently 4140 beds in family temporary homes in Hungary, giving an indication of the extent of housing exclusion amongst families<sup>14</sup>.

The Social Investment Package calls on MS to “confront homelessness through comprehensive strategies based on prevention, housing-led approaches and reviewing regulations and practices on

<sup>12</sup> National Social Inclusion Strategy – Extreme Poverty, Child Poverty, The Roma (2011–2020), available at: [http://ec.europa.eu/justice/discrimination/files/roma\\_hungary\\_strategy\\_en.pdf](http://ec.europa.eu/justice/discrimination/files/roma_hungary_strategy_en.pdf)

<sup>13</sup> Third of February Homeless Survey 2013, English summary available at: <http://www.bmszki.hu/f3-homeless-survey>

<sup>14</sup> PowerPoint Presentation “The Situation of Children” by Dr. Akos Ribbed mb, Head of Department Social Services and Child Welfare Department, EMMI, available in Hungarian at: [http://www.tegyesz.hu/file/Gyermekvedelmi\\_napok/GYVN\\_2013/honlapra/konferencia/Dr\\_Bordas\\_Akos\\_A\\_gyermekjoleti\\_alapel\\_latasok\\_helyzete.pdf](http://www.tegyesz.hu/file/Gyermekvedelmi_napok/GYVN_2013/honlapra/konferencia/Dr_Bordas_Akos_A_gyermekjoleti_alapel_latasok_helyzete.pdf)



eviction” ([COM\(2013\) 83 final](#)). Furthermore, the package includes detailed policy guidance on homelessness ([SWD\(2013\) 42 final](#)). The criminalization of homelessness is contrary to that policy guidance, which states that efficient means of tackling homelessness in the MS include “empowering homeless people...; ensuring that homeless people’s basic human and civil rights are respected; avoiding the criminalisation of homelessness”. Criminalisation entrenches the exclusion of people who are already experiencing extreme poverty, leading to waste and depletion of human capital, as well as social and economic costs. This is the opposite of social investment.

Tackling the social consequences of the crisis is a priority for the European Semester, and it is therefore appropriate for the European Commission to encourage the Hungarian government to rethink its approach to tackling homelessness. Unemployment, loss of income, and the foreign exchange mortgage crisis have contributed to an increased risk of homelessness. The Third of February Homeless Survey, carried out by the Budapest Methodological Centre of Social Policy Institutions provides an annual snapshot of users of homeless services<sup>15</sup>. It captured 9 793 people sleeping rough or staying in hostels on the night of 3<sup>rd</sup> February 2013. Compared to previous years, the survey showed an increase in the number of people becoming homeless due to financial reasons or insecure housing, suggesting that the impact of the crisis is an important factor. In addition, there are currently approximately 110,000 households with non-performing mortgages (arrears exceeding 3 months) in Hungary.

As well as the NSIS, Hungary has also made commitments relevant to homelessness and housing exclusion in its National Reform Programmes. The 2012 NRP gave details of the introduction of supported housing for “people with disabilities, psychiatric patients, individuals suffering from addictions and homeless people” with a view to “independence, autonomy, the reinforcement of social and family ties and the development of skills and abilities”<sup>16</sup>. The 2013 NRP stated that “professional guidelines for providing supported housing will provide methodological support for service providers. However, given the recent changes in the Hungarian constitution which make it possible to criminalize homelessness, it is unlikely that homeless people will benefit from these service reforms.”<sup>17</sup> Thus, the Hungarian government’s own reporting in the European Semester demonstrates the inconsistencies of its approach to homelessness. It is well established that community-based housing and support offer better outcomes and are more cost-effective than segregated alternatives for people with support needs. Many people who are homeless have support needs linked to disability, mental health, and childhood experience of state care. Survey data shows that 50 % of those living in shelters or sleeping rough have a disability or permanent health condition in Hungary<sup>18</sup>. It is highly inconsistent to promote supported housing whilst criminalizing homelessness and perpetuating the exclusion of homeless people.

One justification used for the criminalization of homelessness is that there is sufficient temporary accommodation to offer alternatives to rough sleeping. In reality, this is questionable. There are about 11,000 places available at homeless shelters in Hungary. Preliminary data from the 2011<sup>19</sup> population census suggest that there are at least 17,000 people in Hungary who live in public spaces or in spaces unsuitable for housing (e.g. huts, cellars, storage rooms, etc.)<sup>20</sup>. Most shelters are running at capacity most of the time, and it is common for services to run above capacity in the winter, leading to overcrowding. Of course, the question of the adequacy of alternatives goes beyond the issue of bed capacity and also includes a quality dimension, which is more difficult to substantiate with available data, but includes aspects such as inadequate privacy, safety, space, hygiene etc. and limited outcomes in terms of supporting exits from homelessness. Given that there is currently an inadequate offer of alternatives to sleeping rough, the government should urgently stop criminalizing homelessness and develop an integrated strategy to tackle homelessness.

<sup>15</sup> Third of February Homeless Survey 2013, English summary available at: <http://www.bmszki.hu/f3-homeless-survey>

<sup>16</sup> National Reform Programme 2012 of Hungary, available at: [http://ec.europa.eu/europe2020/pdf/nd/nrp2012\\_hungary\\_en.pdf](http://ec.europa.eu/europe2020/pdf/nd/nrp2012_hungary_en.pdf)

<sup>17</sup> National Reform Programme 2013 of Hungary, available at [http://ec.europa.eu/europe2020/pdf/nd/nrp2013\\_hungary\\_en.pdf](http://ec.europa.eu/europe2020/pdf/nd/nrp2013_hungary_en.pdf)

<sup>18</sup> Ibid.

<sup>19</sup> Ibid.

<sup>20</sup> Hungarian Central Statistical Office (2011) Population census 2011 – Preliminary data, available at: [http://www.ksh.hu/nepszamlalas/preliminary\\_data\\_of\\_the\\_census?lang=en](http://www.ksh.hu/nepszamlalas/preliminary_data_of_the_census?lang=en)

## Proposal 3

**Member State:** Sweden

**CSR Proposal:** Ensure that any measures taken to improve the efficiency of the housing market are complemented by targeted measures to support pathways into affordable rental housing for people experiencing or at risk of housing exclusion and/or homelessness.

**Justification:** In 2012, Sweden received the recommendation that it should “take further preventive measures to strengthen the stability of the housing and mortgage market in the medium term, including by fostering prudent lending, reducing the debt bias in the financing of housing investments, and tackling constraints in housing supply and rent regulations” (Council [11274/12](#)). In 2013, it received the further recommendation that it should “improve the efficiency of the housing market by continued reforms of the rent setting system and strengthening the freedom of contract between individual tenants and landlords” (Council [10657/1/13](#)). It was also advised to simplify and shorten the building process and to intensify competition in the construction sector.

The context for the above recommendations was that house prices and household debt levels had increased substantially in recent years and were high by historical standards, something which had also been highlighted by the OECD<sup>21</sup>. It seems that the trend of rising house prices is continuing<sup>22</sup>. Real estate prices for one- or two-dwelling buildings increased by more than 1 percent during the third quarter 2013 compared to the previous quarter. Prices increased by 3 percent on an annual basis during the last quarter compared to the same quarter last year. House prices increased in 18 out of 21 counties compared to the same quarter a year earlier. Eurobarometer reports that 87% of respondents in Stockholm disagree with the statement “it is easy to find good housing at a reasonable price”<sup>23</sup>.

One feature of the current housing market situation is the short supply and limited availability of affordable rental apartments for people experiencing or threatened by homelessness and housing exclusion, especially in the most highly stressed housing markets. Figures from the latest survey of homelessness carried out by the National Board of Health and Welfare show that a total of approximately 34 000 people were reported as homeless or excluded from the regular housing market during the measurement week. All types of homelessness had increased since the previous mapping of 2005<sup>24</sup>. It is therefore essential that any housing policy reforms should not lead to further increased homelessness and housing exclusion. Furthermore, targeted measures to promote and support access to affordable housing for those experiencing/at risk of homelessness and housing exclusion are required. The deregulation of the rental market as called for by the EC will not help make housing more accessible for low income households. The rents for new dwellings are already more or less deregulated and it is increasingly difficult for low-income households to access housing. Achieving a more balanced and functional housing market will necessitate investment in affordable rental housing, and targeted measures to ensure that those who are facing homelessness and housing exclusion can access such housing.

The shortage of housing in Sweden has increased in the last years. The percentage of municipalities that indicate a shortage in rental housing continues to grow and is now at about 85 % according to The National Board of Housing Building and Planning (NBHBP).<sup>25</sup> The result of this is a growing competition for rental housing amongst different groups of people and also stricter criteria on renting

<sup>21</sup> OECD Economic Surveys: Sweden 2012, DOI:10.1787/eco\_surveys-swe-2012-e

<sup>22</sup> Press release from Statistics Sweden, 2013-10-11 9:30 AM Nr 2013:261, available at:

[http://www.scb.se/Pages/PressRelease\\_364574.aspx](http://www.scb.se/Pages/PressRelease_364574.aspx)

<sup>23</sup> European Commission Flash Eurobarometer 366 Quality of Life in European Cities [October 2013], available at:

[http://ec.europa.eu/public\\_opinion/flash/fl\\_366\\_en.pdf](http://ec.europa.eu/public_opinion/flash/fl_366_en.pdf)

<sup>24</sup> The National Board of Health and Welfare (2011) Homelessness in Sweden, available at:

<http://www.socialstyrelsen.se/publikationer2012/homelessnessinsweden2011>

<sup>25</sup> The National Board of Health and Welfare (2013) The Housing Market 2013-2014, available at:

<http://www.boverket.se/Global/Webbokhandel/Dokument/2013/BME-2013.pdf>

from the landlords. It is therefore necessary to investigate how Sweden can build more affordable rental housing for people who cannot get access to the housing market. It is important however, to point out that the municipalities have a wide range of tools in order to influence the housing market, for example how to use the public housing companies.

Whilst Sweden has been successful in reducing rough sleeping, its current homeless policies are not very effective in promoting pathways out of homelessness. The model of tackling homelessness in Sweden is still, to a large extent, based on the staircase-model, where homeless people are expected to qualify for housing by becoming 'housing ready'. However, in recent years, there has been an increased interest among municipalities in the concept of "Housing First"<sup>26</sup>. The large increase in the reported number of homeless people between 2005 and 2011 mainly concerns persons who live in relatively long-term accommodation services. A large so-called "secondary housing market" has developed, which is made up of flats (usually self-contained) that the local authorities rent, mostly from municipal housing companies, and sublease to homeless service users on special terms. Almost half of the persons included in the 2011 homeless mapping live in these situations<sup>27</sup>. The National Board of Housing Building and Planning (NBHBP) reports that the secondary housing market is growing; in 2008 almost eight out of ten municipalities used this type of contract, and in total, the NBHBP recorded that there were more than 13,000 municipal contracts with special conditions. According to the latest housing market survey in 2013 there were almost 15,000<sup>28</sup>.

As the law on subletting seeks to protect the rights of the primary tenant (in this case the municipality), it is possible to introduce additional clauses to a secondary rental contract e.g. restrictions on privacy, conditions relating to consumption of alcohol etc. These limit the security of tenure and make the living situation of the secondary tenant more precarious than that of a "normal" tenant. This effectively means that homeless people remain at risk of homelessness. Secondary housing market tenancies are usually intended to be transitional, with the secondary tenant signing a first-hand lease on normal terms after a set period (usually 12, 18 or 24 months). However, this does not happen in the majority of cases. The landlord often refuses to accept the tenant on regular terms. The NBHBP reported in 2011 that only 9.5 % of the tenants on the secondary housing market were able to become primary tenants in their flat, while 3.5 % got regular rental contracts in another flat<sup>29</sup>. There is a tendency for people to circulate between different forms of homelessness, including stays in the secondary housing market.

The secondary housing market cannot be considered effective in promoting pathways out of homelessness, and is therefore not in line with the policy guidance contained in the Social Investment Package ([COM\(2013\) 83 final](#) and [SWD\(2013\) 42 final](#)). Sweden should take active policy measures to shift from a predominantly transitional model for responding to homelessness (where many homeless people are warehoused in a secondary housing market) to a more integrated, housing-led approach involving strident measures to promote living in affordable rental housing, with support if required, as the solution to homelessness. It is well established that homelessness has considerable human and economic costs. Experiencing homelessness is linked with poor educational performance, unemployment, and poor physical and mental health. In addition, managing homelessness incurs considerable costs. Some of these costs could be offset by investment in prevention and early intervention to support pathways out of homelessness and into settled rental accommodation.

The growth of the secondary housing market is an attempt by municipalities to manage homelessness in a context of a severe shortage of housing in most parts of Sweden, especially rental housing. It also reflects the fact that most municipal housing companies do not have any system of allocation that

<sup>26</sup> Housing First is an evidence-based practice for tackling homelessness amongst people with complex support needs. It contrasts with traditional "staircase services" which involve stages which support homeless people to become "housing ready". Housing First diverts radically from these approaches and seeks to move homeless people into permanent housing as quickly as possible with on-going, flexible and individual support as long as it is needed, on a voluntary basis

<sup>27</sup> Ibid.

<sup>28</sup> NBHBP (2013) *Etableringshinder för individer och hushåll med svaga förutsättningar* (Obstacles for settling down for individuals and households with low potential)

<sup>29</sup> NBHBP (2011) *Sociala hyreskontrakt via kommunen* (Social rental leases via the municipality)



allows priority for people in need. There are currently 424 490 persons on the waiting list for rental housing in Stockholm, while there are only 86 vacant flats. 6424 flats have been allocated so far this year<sup>30</sup>. About 16 percent of the persons on the waiting list are active in their search for a rental housing, which means that almost 68 000 are continuously looking for an apartment<sup>31</sup>. In this sense, a CSR on addressing homelessness more effectively would complement previous CSRs that Sweden has received on the need to increase efficiency in the housing market.

In 2013, Sweden also received a recommendation on the need to “reinforce efforts to improve the labour-market integration of low-skilled young people and people with a migrant background” as well as to “complete the Youth Guarantee to better cover young people not in education or training” (Council [10657/1/13](#)). As mentioned above, homelessness and unemployment are closely linked. The OECD has reported on the need to promote better labour market integration of youth with limited education, some immigrants, and those on sickness and disability benefits<sup>32</sup>. All of these groups are represented in the homeless population. Furthermore, the OECD has underlined that those furthest from the labour market are least likely to receive effective support in Sweden. In this context, there is considerable scope and need to support targeted active inclusion interventions for homeless people, many of whom are low-skilled and an increasing proportion of who are migrants. Access to housing is a key factor in employment, particularly for young people because it supports labour mobility. In this context, it would be useful, especially in high-stress housing markets like Stockholm to complement measures for integration in the labour market, in education and in training with targeted interventions to address the specific housing and inclusion needs of young people facing homelessness. The same is true of people with a migrant background who are facing homelessness.

Giving Sweden a CSR on homelessness would be in line with the Commission Recommendation “Investing in children: breaking the cycle of disadvantage”, which calls on MS to “support families and children at risk of homelessness by avoiding evictions, unnecessary moves, separation from families as well as providing temporary shelter and long-term housing solutions” ([COM\(2013\) 778 final](#)). A major priority in Sweden’s homelessness policy has been to prevent the eviction of families with children. Under the Homelessness Coordinator, County administrative boards have been instructed to give municipalities support and advice in planning measures to combat homelessness, particularly with regard to families with children affected by eviction. Nonetheless, there are many families housed in the secondary housing market, which means that homelessness and insecure housing is a reality for quite a large group of children in Sweden<sup>33</sup>.

#### Proposal 4

**Member State:** The Netherlands

**CSR Proposal:** The Netherlands should enhance measures to prevent and address increases in child and youth homelessness where these are occurring

**Justification:** Recent data shows considerable increases in the number of children and youth presenting at shelters. This is occurring despite impressive progress in reducing the number of rough sleepers in the Netherlands’ cities. A report on the shelter sector published in 2011 revealed a total of 14,141 young people aged up to 23 years in homeless shelters and women’s shelters<sup>34</sup>. Of this total, 7,133 were children under 18 years. 5,745 of these children were accompanied by one or two parents.

<sup>30</sup> <https://bokabostad.stockholm.se/StatistikKotidPerAr.aspx>

<sup>31</sup> <http://www.bostad.stockholm.se/sv/Om-bostadskon/Statistik/Kostatistik/>

<sup>32</sup> OECD Economic Surveys: Sweden 2012, DOI:10.1787/eco\_surveys-swe-2012-e

<sup>33</sup> The National Board of Health and Welfare (2011) Op.cit.

<sup>34</sup> De Opvang in 2011, Branchebeeld Federatie Opvang 2011, available at <http://www.opvang.nl/site/item/branchebeeld-federatie-opvang-2010-en-2011>

Calling on the Netherlands to address increasing child and youth homelessness would support progress towards the goals of the Europe 2020 strategy for “smart, sustainable, inclusive growth”, particularly the target of reducing the number of people living in poverty by 20 million.

Addressing increasing child and youth homelessness would be in line with the Social Investment Package’s guidance to MS, specifically the Recommendation “Investing in children: breaking the cycle of disadvantage” ([COM\(2013\) 778 final](#)) and the policy guidance on confronting homelessness ([COM\(2013\) 83 final](#) and [SWD\(2013\) 42 final](#)). Homelessness amongst children and young people generates preventable human and economic costs over the long term. Experiencing homelessness is linked to reduced educational attainment, unemployment, and poor physical and mental health. Managing child and youth homelessness is expensive, and the costs of this could be reduced by targeted prevention and early-intervention measures.

The Commission concluded in 2013 that the Netherlands is experiencing macroeconomic imbalances, and made the following recommendations re. its housing market:

“Step up efforts to gradually reform the housing market by accelerating the planned reduction in mortgage interest tax deductibility, while taking into account the impact in the current economic environment, and by providing for a more market-oriented pricing mechanism in the rental market, and by further relating rents to household income in the social housing sector. Refocus social housing corporations to support households most in need”.

These housing market reforms, which are gradually being implemented, should be accompanied by specific measures to ensure that all households at risk of/experiencing homelessness, and specifically those including families and young people, can access affordable rental housing and relevant social support systems quickly in order to find a permanent solution to their situation. In line with a social investment approach, state subsidies that have hitherto supported mortgage interest tax deductibility could (partly) be reoriented towards strategic investment in interventions that support households in severe housing to access social housing, as well as relevant social and health services.

One of the reasons for growing youth homelessness in the Netherlands is a lack of post-18 after care for children leaving care. Another issue is limited access to benefits. Again, in line with a social investment approach, these factors that put young people at risk of homelessness should be addressed by targeted measures in order to avert long term human, economic and social costs.

#### **Proposal 5**

**Member State:** Belgium

**CSR Proposal:** Continue to develop homelessness and housing exclusion policies in line with the policy guidance outlined in the Social Investment Package, taking particular account of the vulnerability of people with a migrant background to homelessness.

**Justification:** Belgium has outlined a range of measures in its NRPs of 2012 and 2013 that are in line with a social investment approach to tackling homelessness. These measures, which include improving the adequacy of winter shelter provision, prevention, facilitating access to social rental housing, new rent subsidies, testing Housing First models, prevention, use of vacant buildings, and partnership working, can make an important contribution to progress towards the goals of the Europe 2020 strategy. Belgium should continue to implement policy reform so as to promote access to affordable housing for people experiencing homelessness and housing exclusion.

In 2013, Belgium received the Country Specific Recommendation that it should “develop comprehensive social-inclusion and labour market strategies for people with a migrant background” ([Council 10623/1/13](#)). In this context, it is important to note that people with a migrant background can be at particular risk of homelessness and housing exclusion. Data from homeless services indicate that people with a migrant background make up an important part of the homeless population. Data from services in the Brussels region indicates that 62% are nationals of an EU MS with 55% having Belgian nationality. One third have an African nationality; of these 36% are Moroccan and 25% Congolese<sup>35</sup>. The client registration system for the NGO welfare sector in Flanders shows that 26.6 % of homeless service users have a migrant background<sup>36</sup>. Lack of access to housing can compound exclusion from the labour market, limit educational attainment, re-enforce social exclusion and thus lead to social, economic and human costs. The importance of the link between housing and participation in the labour market is well established. It is therefore very important that social-inclusion and labour market strategies for people with a migrant background are integrated with measures to address homelessness and housing exclusion.

#### Proposal 6

**Member State:** Czech Republic

**CSR Proposal:** Implement the announced “Concept of Solution of the Homelessness Issue in the Czech Republic 2020”<sup>37</sup>. In line with the Social Investment Package, place particular emphasis on prevention and early intervention to support pathways out of homelessness and into affordable housing.

**Justification:**

In the Czech Republic, the government has approved a “Concept of Solution of the Homelessness Issue in the Czech Republic 2020”. This was reported in the 2013 NRP<sup>38</sup>. It is a strategic government document to address homelessness, and will be based on preventive action, as well as on support related to existing services, access to housing, access to medical care and improvement of awareness and cooperation between relevant stakeholders.

The publication of this concept is an important and welcome step forward and seems to be very much in line with the social investment approach to tackling homelessness. The Social Investment Package calls on MS to “confront homelessness through comprehensive strategies based on prevention, housing-led approaches and reviewing regulations and practices on eviction” ([COM\(2013\) 83 final](#)). The package includes detailed policy guidance on homelessness ([SWD\(2013\) 42 final](#)). The government of the Czech Republic should now proceed with the implementation phase of its strategy, and make the best use of relevant structural funds where relevant in order to do so.

#### Proposal 7

**Member State:** Luxembourg

**CSR Proposal:** Implement the announced “National Strategy to Counter Homelessness and Housing Exclusion”. In line with the social investment package, place particular emphasis on prevention and early intervention to support pathways out of homelessness and into affordable housing.

<sup>35</sup> La Strada (2011) Rapport du recueil central de données 2011, available at: <http://www.lstb.be/index23.asp?hl=f&cat=84>

<sup>36</sup> CAW (2011) CAW in beeld 2011 Cijfergegevens van cliënten en geboden hulverlening, available at:

<http://issuu.com/annmelis/docs/caw-in-beeld-cijfers2011-web>

<sup>37</sup> Ministry of Labour and Social Affairs (2013) Koncepcie prevence a řešení problematiky bezdomovectví v ČR do roku 2020, available at: <http://www.mpsv.cz/cs/16156>

<sup>38</sup> National Reform Programme of the Czech Republic 2013, available in Czech at [http://ec.europa.eu/europe2020/pdf/nd/nrp2013\\_czech\\_cs.pdf](http://ec.europa.eu/europe2020/pdf/nd/nrp2013_czech_cs.pdf)

**Justification:** In its 2013 NRP Luxembourg announced a national strategy to counter homelessness and housing exclusion for the period 2013-2020<sup>39</sup>. This was adopted in January 2013, based on a wide national consultation of stakeholders. It is now important that a budget is allocated to this strategy and that its implementation begins as soon as possible.

Luxembourg's housing market is characterized by growing demand and constrained supply. The state provides considerable sums to subsidize home ownership (€ 53.6 million or 0.5% of state spending in 2011)<sup>40</sup>, while access to affordable rental housing - especially in the capital – remains very difficult for many. According to Eurobarometer, 82% of people in Luxembourg City strongly disagree with the statement "it is easy to find good housing at a reasonable price"<sup>41</sup>. There are indications that homelessness is increasing, and that shelter services experience bottlenecks because few of their users actually move on from homelessness. Evaluation of the Winter Action Plan showed that 297 different homeless individuals were identified during winter 2008/2009, a figure that rose to 383 people in winter 2009/2010, 422 people in winter 2010/2011 and reached 499 in winter 2011/2012.

In 2013, Luxembourg received the recommendation that it should step up efforts to reduce youth unemployment by improving the design and monitoring of active labour market policies ([Council 10644/1/13](#)). Access to housing is a key dimension of youth employment because of its relationship with labour mobility. At the moment, young people face serious challenges accessing the housing market due to a lack of affordable rental housing. Youth are increasingly represented amongst the homeless population. According to the Ministry of Family and Integration, one third of shelter users were aged under 30 in 2011<sup>42</sup>. The Ulysse shelter run by Caritas in Luxembourg City has reported an on-going increase in the number of young people it receives. People under 30 accounted for 25% of its users in 2009, 29% 2010 and 46.2% in 2011. In 2007, a study of homelessness in Luxembourg concluded that the homeless population was relatively young, with half aged 18 to 34 years. It showed that, compared to the general adult population, the homeless population had a significant overrepresentation of people aged 18-24 and 25-34. People aged 18 to 24 years made up 24% of the surveyed homeless population, whereas they represented only 11% of the general population. For those aged 25-34 years, the equivalent figures were 26% and 18%<sup>43</sup>. Implementing the homelessness strategy and tackling housing exclusion amongst the young would support efforts to tackle youth unemployment

## Proposal 8

**Member State:** Denmark

**CSR Proposal:** Develop further provision to enhance access to affordable rental housing and support for young people experiencing or at risk of homelessness and/or housing exclusion.

### Justification:

Youth homelessness has increased dramatically in Denmark over the last few years. In the national count in 2009, 633 young people between the age of 18 and 24 years were recorded as homeless in the count week. This figure increased to 1,002 in 2011 and 1,138 in 2013, an increase of 80 per cent in four years.<sup>44</sup> The reasons for these young people becoming homeless are multiple. Financial

<sup>39</sup> Plan national pour une croissance intelligente, durable et inclusive : Luxembourg 2020, available at :

[http://ec.europa.eu/europe2020/pdf/nd/nrp2013\\_luxembourg\\_fr.pdf](http://ec.europa.eu/europe2020/pdf/nd/nrp2013_luxembourg_fr.pdf)

<sup>40</sup> Ministère de la Famille et de l'Intégration Grand-Duché du Luxembourg (2011) Exclusion sociale liée au logement et au sans-abrisme : D'un état des lieux vers une stratégie nationale, available at

<http://www.mfi.public.lu/publications/Solidarite/EtatLieuSansAbrisme.pdf>

<sup>41</sup> European Commission Flash Eurobarometer 366 Quality of Life in European Cities [October 2013], available at:

[http://ec.europa.eu/public\\_opinion/flash/fl\\_366\\_en.pdf](http://ec.europa.eu/public_opinion/flash/fl_366_en.pdf)

<sup>42</sup> Ministère de la Famille et de l'Intégration Grand-Duché du Luxembourg (2011) op cit.

<sup>43</sup> CEPS/INSTEAD, L'exclusion liée au logement des personnes prises en charge par les centres de jour, les foyers de nuit, les centres d'accueil et les logements encadrés : dénombrement et caractéristiques, Etude réalisée pour le compte du Ministère de la Famille et de l'Intégration du Grand-Duché de Luxembourg, février 2007, pp.48-49

<sup>44</sup> Benjaminsen, L. & Lauritzen, H. (2013), Hjemløshed i Danmark 2013. National kortlægning. [Homelessness in Denmark 2013. National mapping], Copenhagen, SFI.

difficulties, mental illness, and addiction are the main reasons that young people are becoming homeless.

Youth face particular challenges when it comes to income, and thus in terms of accessing affordable housing. This is related to the lower levels of benefit that they receive. In April 2013, the group receiving this lower level was expanded to apply to people aged 25 to 29. Previously they had been targeted at people aged 18 to 24. In Denmark, young people on cash benefits receive the same amount as students but have no means by which to supplement this income e.g. through student work. Youth unemployment in Denmark is currently at about 11.5 per cent. In 2013, Denmark received a CSR that it should address youth exclusion by improving the quality of vocational training to reduce drop-out rates, and by increasing the number of apprenticeships. Given the increase in youth homelessness demonstrated above, it would now be useful to specifically highlight the importance of access to housing for youth, especially given that this can be a major factor in labour market, education and training participation.

Despite a relatively large social housing stock; a review of Denmark's national homelessness strategy has highlighted that municipalities face an increasing lack of affordable housing available for allocation for people with a relatively low income.<sup>45</sup> This is especially the case in Denmark's two largest cities Copenhagen and Aarhus which both experience a general population growth exceeding 1 per cent. annually. The review has also highlighted the specific challenges municipalities face in catering for young people with complex needs, which makes it important to emphasise the relevance of support services as well as access to housing.

In 2012 Denmark received a recommendation that it should consider further preventive measures to strengthen the stability of the housing market. Denmark's housing market experienced a property bubble in 2008. Downward correction of prices is ongoing but prices in cities such as Copenhagen and Aarhus are increasing again. In this context, maintaining and increasing where necessary investment in affordable social rental housing could play an important role in helping to stabilize the housing market.

The SIP calls on MS to "confront homelessness through comprehensive strategies based on prevention, housing-led approaches and reviewing regulations and practices on eviction" ([COM\(2013\) 83 final](#)). Furthermore, the package includes detailed policy guidance on homelessness ([SWD\(2013\) 42 final](#)). Denmark is one of the MS to have implemented an ambitious, integrated strategy to tackle homelessness. It has valuable experiences in implementing the Housing First strategy in its National Homelessness Strategy, which was implemented in 2009 and whose results were evaluated in June 2013. This strategy was recently the subject of a European Peer Review in the framework of the Social OMC<sup>46</sup>. Despite the ambition and success of this strategy overall, youth homelessness has risen dramatically and emerges as a "weak point". It is therefore highly pertinent to focus on this specific issue in a CSR.

### Proposal 9

**Member State:** Romania

**CSR Proposal:** In order to support the ongoing social assistance reform; develop a homelessness data collection system so as to inform the planning and delivery of social services in this area.

**Justification:** In 2013, Romania received the CSR that it should "complete social assistance reform by adopting the relevant legislation and strengthening its link with activation measures" ([Council 10649/2/13](#)). In this context, it is necessary for Romania to develop data collection systems that enable a clear understanding of homelessness, so as to be able to complement reforms in social

<http://www.sfi.dk/rapportoplysninger-4681.aspx?Action=1&NewsId=4007&PID=9267>

<sup>45</sup> Rambøll & SFI, (2013), Hjemløsestrategien, Afsluttende rapport [The homelessness strategy. Final report]. Copenhagen, Rambøll & SFI.

<sup>46</sup> See European Commission website for more info

<http://ec.europa.eu/social/main.jsp?langId=en&catId=89&newsId=1884&furtherNews=yes>



assistance benefit with reforms of social services, including homeless services. At the current time, there is no reliable evidence base that can inform reforms of homeless services to improve level and adequacy, in line with the guidance set out in the Social Investment Package ([COM\(2013\) 83 final](#) and [SWD\(2013\) 42 final](#)).

**Proposal 10****Member State:** Spain

**CSR Proposal:** Spain should urgently develop integrated policies to confront homelessness based on prevention, housing-led approaches and reviewing regulations and practices on eviction. In a context of rising homelessness, there is a need to urgently address both the immediate support needs and the long-term need for an affordable rental housing market.

**Justification:**

The current economic and social crisis is leading to increasing homelessness in Spain. According to the latest national Survey by the Spanish National Statistics Institute (INE) centres for homeless persons received 22,938 homeless persons in 2012<sup>47</sup>. This compared to 21,900 in 2005, representing an increase of 4.8%. The limited scope of the survey means that real numbers are likely to be much higher. Caritas figures show an increase in the number of homeless people using their services from 24,463 in 2007 to 30,415 in 2011<sup>48</sup>. 45% of those surveyed by the INE in 2012 said they became homeless because they lost their jobs; 26 % said they could not afford to continue to pay their rent; 12.1 % were evicted from their homes. The number who became homeless due to losing a job increased by 55% since the year 2005<sup>49</sup>. According to the AGS, tackling the social consequences of the crisis is a priority within the European Semester. In this context, more attention should urgently be paid to homelessness in CSRs for Spain this year.

The number of evictions and foreclosures taking place in Spain has increased dramatically since the onset of the crisis and has put thousands of families at risk of homelessness. Some 400,000 eviction proceedings have been opened in Spain since 2007<sup>50</sup>. The ECJ judgment of 14 March 2013 (C-415/11) ruled that certain provisions of Spanish mortgage law do not comply with the Unfair Terms in Consumer Contracts Directive (93/13/EC). The situation of families facing evictions has provoked public outrage in Spain, captured by the visibility of the citizen's movement Plataforma de Afectados por la Hipoteca" (PAH), or "Mortgage Holders' Platform". In this context, a CSR on homelessness and housing exclusion could re-enforce legitimacy of the European Union in Spain.

In response to these developments, a new law on mortgagor protection, debt restructuring and social housing has been enacted<sup>51</sup>. This aims to reinforce the independence of valuation agencies and services, introduce a maximum 30-year repayment period for mortgage loans on principal residences, and improve transparency with regard to mortgage loans. In addition, under the new law foreclosure proceedings may only begin once the borrower has been in default for a minimum of three months. Moreover, the courts or the parties may challenge the foreclosure proceedings based on unfair terms in the mortgage contract, so as to bring the Spanish implementation of Council Directive 93/13/EEC4 into line with the ECJ judgment mentioned above. The law introduces some new protection for homeowners by limiting default interest and introducing deductions for early repayment following foreclosure. A two year moratorium has been introduced to protect a small proportion of vulnerable families but most people at risk of losing their home would not be eligible due to the low income

<sup>47</sup> INE (2013) Survey on Homeless Persons Results preview. Year 2012 , available at:

[http://www.ine.es/en/prensa/np761\\_en.pdf](http://www.ine.es/en/prensa/np761_en.pdf)

<sup>48</sup> VV.AA, 2012, Cáritas Española, Acompañando...nos. Mirada, Acción y propuestas de Cáritas con personas que están sin hogar. Red de programas de personas sin hogar de Cáritas, pg. 68,

<sup>49</sup> INE (2013) Op. cit

<sup>50</sup> PAH (2013) '2007 – 2012 : RESTROSPECTIVA SOBRE DESAHUCIOS Y EJECUCIONES HIPOTECARIAS EN ESPAÑA, ESTADÍSTICAS OFICIALES E INDICADORES', available at : <http://afectadosporlahipoteca.com/wp-content/uploads/2013/02/RETROSPECTIVA-SOBRE-DESAHUCIOS-Y-EJECUCIONES-HIPOTECARIAS-EN-ESPA%C3%91A-COLAUALEMANY1.pdf>

<sup>51</sup> <http://www.boe.es/boe/dias/2013/05/15/pdfs/BOE-A-2013-5073.pdf>

threshold and strict conditions<sup>52</sup>. Finally, the law requires the Spanish Government to promote the establishment of a social housing fund for the benefit of mortgagors evicted from their principal residences. FEANTSA members and other stakeholders consider that these reforms do not go far enough to protect households facing homelessness and housing exclusion, or to create a stable, functional housing market that can respond to housing need in the future.

Calling for integrated policies to tackle homelessness and housing exclusion could help strengthen the social dimension of housing policies. For example, the recently adopted National Plan for the Promotion of Rental Housing, Rehabilitation and Urban Regeneration (2013-2016) should include more measures specifically targeted at tackling homelessness. One key priority in this respect could be to follow the example of Ireland and use the national asset management authority (SAREB in Spain's case) to contribute towards social rental housing stock.

In 2012, Spain was issued with a CSR to "improve the employability of vulnerable groups, combined with effective child and family support services in order to improve the situation of people at risk of poverty and/or social exclusion, and consequently to achieve the well-being of children ([Council 11273/12](#))". This recommendation referred to the importance of addressing child and family poverty as a result of the crisis. The Commission Recommendation "Investing in children: breaking the cycle of disadvantage" calls on MS to "support families and children at risk of homelessness by avoiding evictions, unnecessary moves, separation from families as well as providing temporary shelter and long-term housing solutions" ([COM\(2013\) 778 final](#)). The increase in evictions and foreclosures mentioned above has major implications for the numbers of families and children experiencing homelessness. Survey data from the national statistical institute for 2012 shows that half of the homeless persons have children<sup>53</sup>. It would be consistent with the previous focus on child poverty for the EC to issue a recommendation on the need to tackle rising homelessness.

Another central concern in Spain currently is youth unemployment and exclusion. In 2013 Spain received a CSR to "implement and monitor measures on youth unemployment, for example through a Youth Guarantee" ([Council 10656/1/13](#)). The position of young people on Spain's housing market is one of increasing marginalization. Fewer young people are able to create new households. This reflects the progressive deterioration of the purchasing power of young people, linked to its growing exclusion from the labour market. In August 2013, Spain's youth unemployment rate was at 56.00%, compared to 54.40% the previous year<sup>54</sup>. The lack of affordable rental housing to offer real alternatives to homelessness and housing exclusion is a constraining factor on labour mobility, and thus on addressing youth unemployment. The fact that a growing number of young people are unable to live independently is also a constraining factor in terms of domestic demand and thus economic growth. Addressing youth homelessness and housing exclusion in the context of integrated policies could complement a "youth guarantee" and make a significant contribution to addressing the risk of a "lost generation". Furthermore, investing in social rental housing to respond to housing exclusion has considerable employment-generation potential, as acknowledged in the new National Plan for the promotion of Rental Housing, Rehabilitation and Urban Regeneration (2013-2016).

In 2013, Spain received a CSR to adopt and implement the necessary measures to reduce the number of people at risk of poverty and/or social exclusion" by "improving the employability of people furthest from the labour market" ([Council 10656/1/13](#)). Tackling homelessness would support making progress to reduce the number of people at risk of poverty and social exclusion. Furthermore, experience of homelessness and distance from the labour market are closely related. National survey

<sup>52</sup> Families must have more than two children, and an annual income of less than €19,000, more than half of which has to be used for mortgage payments. The moratorium also applies to single parents with children under the age of three. Interest on their loans continues to accumulate during the moratorium.

<sup>53</sup> INE Survey on Homeless Persons Results preview. Year 2012,

[http://www.ine.es/en/prensa/np761\\_en.pdf](http://www.ine.es/en/prensa/np761_en.pdf)

<sup>54</sup> Eurostat EU Labour Force Survey

[http://epp.eurostat.ec.europa.eu/portal/page/portal/employment\\_unemployment\\_lfs/introduction](http://epp.eurostat.ec.europa.eu/portal/page/portal/employment_unemployment_lfs/introduction)

data shows that 77,8% homeless service users are neither in work, retired or unable to work. More than half of these persons were looking for work (52.1%). 38.0% had been looking for one to three years, and 17.0% had been looking for more than three years<sup>55</sup>. Integrated homelessness policies, as called for in the proposed CSR, should better empower homeless service providers to support service users towards the labour market.

Spain's 2013 CSR on reducing the number of people at risk of poverty called for "improving the targeting and increasing efficiency and effectiveness of support measures" "([Council 10656/1/13](#)). Homeless services in Spain are negatively affected by cuts in local welfare systems. In a context of growing demand, this means that they are facing considerable pressure. The Social Investment Package calls on MS to "confront homelessness through comprehensive strategies based on prevention, housing-led approaches and reviewing regulations and practices on eviction" ([COM\(2013\) 83 final](#)). Furthermore, the package includes detailed policy guidance on homelessness ([SWD\(2013\) 42 final](#)). Implementation of this approach necessitates sustained and enhanced investment to tackle the growth in homelessness and limit the human, economic and societal impacts of the crisis over the long term.

### Proposal 11

**Member State:** Lithuania

**CSR Proposal:** Invest in social services to promote the active inclusion of people experiencing poverty and social exclusion, particularly the most vulnerable. In this context, further develop homeless policies and services in line with the policy guidance contained in the Social Investment Package.

**Justification:**

Lithuania has received two specific CSRs about addressing poverty and social exclusion<sup>56</sup>. In 2012, the EC called on Lithuania to "increase work incentives and strengthen the links between the social assistance reform and activation measures, in particular for the most vulnerable, to reduce poverty and social exclusion" ([Council 11262/12](#)). In 2013, the relevant CSR focused on the need to "implement concrete targeted measures to reduce poverty and social exclusion and continue strengthening the links between the cash social assistance reform and activation measures ([Council 11262/12](#)) "

In 2012 33 per cent of Lithuania population was experiencing poverty and social exclusion<sup>57</sup>. Long term unemployment is a major concern. In 2012 49 per cent of unemployed people were unemployed longer than for 1 year<sup>58</sup>. In 2012, there were 2400 persons living in shelters for the homeless, 7,2 per cent more than in 2011<sup>59</sup>.

There can be little doubt that homeless people are amongst the most vulnerable in society. Lithuania has developed a housing strategy, and addressing the housing needs of vulnerable groups has emerged as a priority in the area of poverty and social exclusion in Lithuania's 2012 and 2013 NRPs<sup>60</sup>. However, it has so far stopped short of describing specific measures to tackle homelessness in the context of implementing its CSRs on poverty.

<sup>55</sup> [http://www.ine.es/en/prensa/np761\\_en.pdf](http://www.ine.es/en/prensa/np761_en.pdf)

<sup>56</sup> [http://ec.europa.eu/europe2020/pdf/nd/csr2013\\_lithuania\\_en.pdf](http://ec.europa.eu/europe2020/pdf/nd/csr2013_lithuania_en.pdf)

<sup>57</sup> Statistics Lithuania. *Income and living conditions*, 2012

<sup>58</sup> *Action plan for improving the social inclusion 2014 - 2020*

<sup>59</sup> Statistics Lithuania (2013) *Statistical yearbook of Lithuania*

<sup>60</sup> National Reform Programme 2012 Lithuania, available at: [http://ec.europa.eu/europe2020/pdf/nd/nrp2012\\_lithuania\\_en.pdf](http://ec.europa.eu/europe2020/pdf/nd/nrp2012_lithuania_en.pdf) and National Reform Programme 2013 Lithuania, available at: [http://ec.europa.eu/europe2020/pdf/nd/nrp2013\\_lithuania\\_en.pdf](http://ec.europa.eu/europe2020/pdf/nd/nrp2013_lithuania_en.pdf)

The SIP calls on MS to “confront homelessness through comprehensive strategies based on prevention, housing-led approaches and reviewing regulations and practices on eviction” ([COM\(2013\) 83 final](#)). Furthermore, the package includes detailed policy guidance on homelessness ([SWD\(2013\) 42 final](#)). The guidance states that “tackling homelessness efficiently presupposes the coordinated provision of a broad range of quality services”. Currently, homeless services in Lithuania are very much focused on responding to emergency need. At local level, the supply of places in accommodation services can be inadequate to respond to demand. There are also challenges relating to quality such as overcrowding, lack of privacy, limited personalized or integrated support, and limited options to move-on from homelessness. In this context, there is a need to increase support for homeless services so as to strengthen capacity to empower and promote active inclusion

### Proposal 12

**Member State:** France

**CSR proposal:** France should continue to make progress towards an integrated, housing-led strategy to tackle homelessness.

**Justification:** INSEE, the national statistics institute reports that approximately 141 500 people were homeless in metropolitan France in 2012. This represents an increase of 50% since 2001<sup>61</sup>. Such an increase represents a significant social challenge.

Homelessness was designated a “National Priority” for the period 2008-2012. In this context, France launched a “re-foundation” of its homelessness policy. The aim was a reform of the overall system of shelter and accommodation for homeless people. The overall objective was to reduce homelessness significantly by creating a comprehensive public service based on the principles of Housing First.

This policy objective is in line with the SIP, which calls on MS to “confront homelessness through comprehensive strategies based on prevention, housing-led approaches and reviewing regulations and practices on eviction” ([COM\(2013\) 83 final](#)). The package includes detailed policy guidance on homelessness ([SWD\(2013\) 42 final](#)). In order to deliver progress on the fight against poverty and social exclusion, and given the dramatic increase in homelessness over the past 10 years, France should renew its commitment to homelessness as a national priority and pursue the further implementation of an integrated, housing-led approach.

According to INSEE data, 25% of homeless people in France are accompanied by children. Issuing a CSR to France regarding its homeless policy would thus support the implementation of the Commission Recommendation “Investing in children: breaking the cycle of disadvantage”, which calls on MS to “support families and children at risk of homelessness by avoiding evictions, unnecessary moves, separation from families as well as providing temporary shelter and long-term housing solutions” ([COM\(2013\) 778 final](#)).

The homeless population in France is relatively young. 25 % are aged 18 to 29, compared to 19% of adults in ordinary housing. In this respect, homeless policies can support the EU’s youth inclusion strategy. In 2013, France received the CSR that it should “take further measures to improve the transition from school to work through, for example, a Youth Guarantee and promotion of apprenticeships” ([Council 10635/1/13](#)).

According to INSEE, approximately half of the homeless population in France has a foreign nationality. This reflects the complex, dynamic and transnational nature of homelessness in this context at the current time.

In 2013, France received the CSR that it should “ensure that public employment services effectively deliver individualised support to the unemployed and that active labour market policies effectively

<sup>61</sup> Insee *L’hébergement des sans-domicile en 2012 Des modes d’hébergement différents selon les situations familiales*, available at : <http://www.insee.fr/fr/ffc/ipweb/ip1455/ip1455.pdf>

target the most disadvantaged” ([Council 10635/1/13](#)). Homeless policies and services, as outlined in the SIP, play a role supporting the most disadvantaged to make progress towards employment. Homeless people often face multiple barriers to accessing the labour market. INSEE data show 47% of homeless people are unemployed and 28% economically inactive. Only 5% of those sleeping rough or staying in night shelters were able to work. 45% of those accommodated in more stable forms of temporary housing worked. Thus, re-enforcing the commitment to tackling homelessness in an integrated fashion would support the previous CSR issued to France on the question of long-term unemployment.

#### Proposal 13

**Member State:** Poland

**CSR proposal:** Poland should develop an integrated national strategy to combat homelessness and housing exclusion, which includes the development of a reliable homelessness data collection system, interministerial cooperation, and improving access to housing.

**Justification:** Poland has made homelessness a clear priority in its NRPs 2012 and 2013. Measures have been taken to improve and develop the shelter system and to design a system of social services to support transitions out of homelessness

The 2013 NRP stated “although Poland does not yet have a homelessness strategy, it seems to have laid the foundations for a strategy with clear standards for the functioning of local services aimed at homeless people”. In this context, the next logical step would be to develop a strategy, in line with the Social Investment Package, which calls on MS to “confront homelessness through comprehensive strategies based on prevention, housing-led approaches and reviewing regulations and practices on eviction” (COM(2013) 83 final).

Adopting a homeless strategy would support progress towards the national poverty target (reduction in the number of people at risk of poverty and/or economic deprivation and/or living in households in which nobody is employed or of low labour intensity by 1.5 million in comparison to 2008)

The Ministry of Labour and Social Policy collects annual Social Welfare Statistics from all social welfare centres in Poland, including on homeless assistance. Unfortunately, the data gathered is highly unreliable - the latest report indicates that the number of homeless people decreased from 43,000 in 2011 to 30,000 in 2013. This is absolutely not reflected in the day-to-day observations of the non-governmental service providers. For Warsaw, the suggested decrease is even more absurd - from 4,100 to 1,800. Methodological flaws and a failure to provide guidance to local authorities on data collection are major weaknesses in the data collection and may become serious threats to the financial stability of the homeless support system in Poland. One of the key priorities of a national homelessness strategy would be to develop more comprehensive and accurate data collection so as to inform policy making with robust evidence.

A strategy would also allow for better prevention of homelessness and housing exclusion and facilitate the integration of different social welfare institutions' actions.

According to the National Census 2011, almost 11% of Polish flats remained substandard<sup>62</sup>. These had 5.3 million people living in them. Eurostat indicates that 47.5% of Poles live in overcrowded housing<sup>63</sup>. Furthermore, 65.6% of those living under the poverty threshold live in overcrowded housing. 14% of the population of Poland suffer from serious housing deprivation. In 2008 the housing

<sup>62</sup> Mieszkania, Narodowy Spis Powszechny Ludności i Mieszkań 2011, Główny Urząd Statystyczny Warszawa 2013, s 23-25 [Housing, National Census 2011, Central Statistical Office, Warsaw 2013]

<sup>63</sup> Eurostat. EU-SILC; Europejskie badanie warunków życia ludności, 2010  
[http://epp.eurostat.ec.europa.eu/statistics\\_explained/index.php/Housing\\_statistics/pl](http://epp.eurostat.ec.europa.eu/statistics_explained/index.php/Housing_statistics/pl)



saturation index (number of flats per 1000 inhabitants) was 345, the second lowest in Europe<sup>64</sup>. Each year, there is a significant decrease in the various forms of social/public housing (i.e. social and sheltered housing, council housing, cooperative housing). In the period 2002-2011, the share of the council housing in the total housing stock dropped from 11.5% to 8.7%. There were only 74,000 social flats in Poland in 2011, while the level of need is several times higher.

A major weakness currently is the lack of dialogue and cooperation in the area of housing services between the ministries responsible for social affairs and construction. A strategy should impose development of a joint housing policy and actions aimed at enhancing the accessibility of housing for the general population, with a special focus on supported housing for people suffering from poverty and on its threshold.



FEANTSA is supported by  
the European Community Programme for Employment and Social Solidarity (2007-2013).

This programme was established to financially support the implementation of the objectives of the European Union in the employment and social affairs area, as set out in the Social Agenda, and thereby contribute to the achievement of the Lisbon Strategy goals in these fields. The seven-year Programme targets all stakeholders who can help shape the development of appropriate and effective employment and social legislation and policies, across the EU-27, EFTA and EU candidate and pre-candidate countries. To that effect, PROGRESS purports at:

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- promoting policy transfer, learning and support among Member States on EU objectives and priorities; and
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<sup>64</sup> OTB Research Institute for the Built Environment at Delft University of Technology and Dutch Ministry of the Interior and Kingdom Relations, *Housing Statistics in the European Union 2010*; s. 62 [http://abonneren.rijksoverheid.nl/article/kennisplein-wwi/nieuwsbrief-kennisplein-wwi-december-2010/housing-statistics-in-the-european-union-2010/428/3384?mode=html\\_mail](http://abonneren.rijksoverheid.nl/article/kennisplein-wwi/nieuwsbrief-kennisplein-wwi-december-2010/housing-statistics-in-the-european-union-2010/428/3384?mode=html_mail).