



The Cheaper, The Better? Housing the Homeless in France

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France is well known for its administrative creativity, setting up fifty shades of shelters, determined by standards, public targets, statutory occupation and services provided. The “supported homes” sector dedicated to homelessness provides a wide range of shelters (disability and health issues depend on still other categories).

Last December, the national government launched a call for proposals on “accelerating the implementation of Housing First.” Housing First precisely undermines this excess of categorisation, with the link between services and shelters more than individuals, the predefinition of needs according to situations. The call for proposals itself mentions conversion from shelters to Housing First. That perspective takes place in a context of a tightened budget for social policies, as well as huge pressure such as long-term unemployment, migration, age, vacuity of mental health policies, weakening youth policies etc.

As the shelter system is being questioned both by Housing First and by budget restrictions, it is time to evaluate the respective costs (or prices, to be more precise) of shelter systems. Let’s take the example of Lyon, a city under average pressure, with around 15 000 supported homes for homeless people, managed by NGO’s. There are many forms, many exceptions, so below are detailed only the main classified trends:

Supported housing (1 400€/year) on the public or private rental market. These are ordinary housing, managed by a social rental agency or close organisation, with a social support, mostly of another NGO. This costs the social sector around 800€/y for the Social Rental Agency, and 600€/y for specific support on housing issues. People have an ordinary tenant status or a “sub-tenant” status offering very close protections on quality standards, rent regulation, protection against eviction etc. There are some hidden costs: i.e. other social issues are dealt with by municipal social services. The tenant also receives a housing allowance¹. But these hidden costs don’t represent a burden on the social budget, because they are apart from it. This is an issue for the national budget, for municipalities, but not for the social budget as such, as other types of shelter depend exclusively on it.

Sheltered dwellings (Résidences sociales, subsidies for the whole building 12 200€ (below 50 rooms) to 25 000€ depending (over 100 rooms), but in an average NGO, only 25% of the dwellings are subsidised. At the end of the day, this would mean 62€ per room, per year, so NGOs rent a portion of their rooms to the state as emergency shelters, so they can reach 250€/year on ordinary rooms. As well as “optimized” individual allowances, to cover heating, electricity, water, here included in rent calculation). Résidences Sociales come mainly from former chambers for migrants or young workers, and have been converted into autonomous small dwellings, with private sanitation, own small kitchen or place to cook. Still, there are some technical and social workers, in very tiny proportion, to support households who are mainly single persons. Households have a weird status. Here again, there are hidden costs: local social services and housing allowances.

Social Inclusion Shelters: (CHRS, used to cost 30€/day per person, meaning 11 000€/year, 44 000€ for a couple with two children, now more diverse and reform proceeding should end with a lower price). These shelters are dedicated to people with a lack of autonomy. This amount includes social support and rent (no allowance for people in these shelters, which makes them open to migrants not eligible for allowances. Equivalent in allowances would cost 3 000€), including water, heat electricity.

The support is not distributed to the people inside the shelters, but to NGO’s managing these shelters. They depend on an agreement that is not linked to housing shape, so it can be used in separated flats, in containers, etc.

The calculation per person makes it more profitable to host families than single persons. Added to some provisions in low quality containers, this created a debate on links between costs and prices.

Shared buildings: (16€/day/person, 5 840€/year for a single person, 23 360€ for a couple with two children), they are buildings with 10-15 little flats, autonomous, but with also shared spaces, day presence of a housekeeper. It’s dedicated to people with a long experience of severe social exclusion (i.e. rough

¹ Allowances are a right, defined and distributed by the national State, depending on dwelling cost, household size and income. Maximum is 257€ per month for a single person, 405€ for a couple with two children, in a big city; a little bit more in Paris. Undocumented migrants, asylum seekers and some of EU citizens under « unreasonable burden » circumstances are not eligible.



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sleeping for years), and some are specialised with mental health associated troubles. People have an ordinary tenure, with individual allowances.

This is nowadays promoted by the public authorities and some NGOs extend this type of provision to families living in autonomous flats with shared spaces, for example when they have more administrative troubles than social problems. Then they have no allowances, but less social support, in some cheap buildings negotiated with cities, congregations and so on, it is possible to host families and provide them food for a far cheaper price (and sometimes better provisions) than any other type of emergency provision.

Hotels (21€/day per person + 3€/day for social support, meaning 8 760€/year/person, 35 040€ for a couple with two children). This is the lowest quality/

price ratio, with often a single room for four people, impossibility to cook, noisy neighbourhood, inconvenient location. But this is the “reserve army” of vacant places able to be mobilized very quickly, even if it’s not possible 100% of the time. During winter 2017, hotels were unable to provide the 500 places contracted with the authorities, 150 places were missing, because all was full with ordinary clients.

Housing First for Severe Mental Health issues (« Un chez-soi d’abord », 38€/day per person, 14 000€/year in social/health support, plus external services around 11 000€/year: total 25 000€/year per person).

People are hosted in ordinary housing, with a very strong support, large costs justified by the avoided costs in health system, far more expensive.

Synthesis table - homeless provision yearly cost

	1 PERSON	COUPLE +2	EXTERNAL COST (IP.)
Supported housing	1 400€	1 400€	3 000€ (allowances)
Sheltered dwellings	250€	500€	3 500€ (allowances)
Social Inclusion Shelters	11 000€	44 000€	None
Shared buildings	5 840€	23 360€	3 000€ (allowances)
Hotel	8 760€	35 040€	None
Housing First MH	25 000€	Doesn’t exist	None