**REPORT** 

# Exploring the possibilities of minimum income benefits to address homelessness among mobile EU citizens

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### Introduction

Homelessness among mobile EU citizens is significant in several European Union (EU) Member States, particularly in big cities where people tend to go to seek employment. For destitute mobile EU citizens, the level of access to services, including emergency accommodation, varies according to the country where they reside. EU citizens who moved to another Member State may struggle to quickly integrate and be economically active. Furthermore, not having access to social services can further deteriorate their living situation, making them vulnerable to rough sleeping and chronic homelessness.

During the second phase of the PRODEC project, among the findings related to the Brussels case study, it appeared that mobile EU citizens who had a network in the destination country and who had obtained a minimum income during the first months after their arrival were less likely to be destitute in the medium and long term. It is the case of the Roma population in this case study: 18.1% received a minimum income, compared to 8.6% of non-Roma; and 39% of the Roma population had an abode, compared to 16.7% of the non-Roma.<sup>1</sup>

As said before, there was a clear relationship between access to welfare benefits like minimum income and the individual's housing situation. Only 62 out of 246 people received welfare benefits, showing the difficulties for homeless mobile EU citizens to access them. Most of those with access to benefits (61.3%) lived in private market housing, and only 6.5% were facing street homelessness.<sup>2</sup>

In contrast, only 12% of those not receiving welfare benefits lived on their own, and 64.1% were in street homelessness. Even though it is worrying that a third of the people receiving welfare benefits are still in homelessness, it is clear these benefits can play a significant role in improving quality of life.

Based on those findings, the **goal of this paper** is threefold: a) to explore whether a minimum income can address homelessness, b) to assess whether existing minimum income schemes in some EU Member States are enough to prevent people from experiencing homelessness, and c) to find out the conditions regulating access to these existing minimum income schemes for mobile EU citizens.

This paper was drafted in November 2023, thus the data collected refer to what was known before that period. This study is especially relevant considering the overrepresentation of mobile EU citizens in many European large cities, especially in the most acute forms of homelessness (sleeping rough or in emergency shelters).<sup>3</sup> Having access to a minimum income benefit could be a tool to prevent homelessness together with other support measures, either during the early stages of the migration process or after, when receiving other benefits is not possible.

# Access to minimum income for mobile EU citizens: the Brussels case

Within the framework of the PRODEC project,<sup>4</sup> three studies about homelessness among mobile EU citizens in Brussels were published in 2020, 2021 and 2022. The studies built on data collected by DIOGENES, one of the main homeless service providers in Brussels. Some interesting observations were made about one of the main groups of mobile EU citizens identified in these reports, i.e. people with Roma background, most of them being Romanian nationals.

In fact, according to the database analysed, Roma people had better access to a residence permit and consequently to the minimum income allowance. This had a positive effect on their living conditions, which were less characterised by street homelessness and health issues, in comparison with the overall group of EU citizens supported by DIOGENES. The interpretation given by the organisation's street workers of this finding is that the people they accompany are members of Roma communities that have been present in Belgium for a significant number of years, and this makes the arrival of new members of the same community easier, in many respects. First and foremost, it is easier for newly arrived people to find a place to live with one of the members of their community, and the possibility of having an address opens doors to obtaining a short-term residence permit, particularly as a jobseeker or self-employed worker.

Moreover, the presence of Romanian companies registered in Belgium, in the construction and cleaning/domiciliary care sector, also allows members of the Roma communities to obtain self-employed status more easily. Once someone has obtained a short-term residence permit, they can seek assistance from municipal social services (Centre public d'action sociale, CPAS). If they apply for assistance from a CPAS, they have to sign a document declaring that they are aware that being awarded welfare assistance could cause them to lose their residence permit. The decision by the federal immigration department (Office des Étrangers) on their residence permit and, if applicable, their appeal to the immigration tribunal (Conseil du Contentieux), take time - sometimes over a year. This period allows people to find more long-term solutions in the job and housing markets. Community solidarity and, in general, a resourcefulness made easier by the existence of an already-established community compensates, at least in part, for the lack of a safety net for new arrivals.

This survival strategy adopted informally, thanks to the existence of a social network, is extremely important to break the vicious cycle of destitution and have access to a residence permit which, despite being a short-term one, paves the way for access to essential services and welfare benefits. Such survival strategies should not, however, substitute the role of the state, be it host or origin country, and more structural measures should be set in place and made available to all mobile EU citizens at risk of destitution. A guaranteed minimum income can be a safety net and, in many cases, a route to social inclusion.

<sup>&</sup>lt;sup>1</sup> Striano, M. and DIOGENES (2020). *Intra-EU migrants experiencing homelessness in Brussels*. *Analysis of field data gathered by DIOGENES street outreach workers* https://www.feantsa.org/public/user/Resources/reports/BRU\_3690\_RapportMigrants\_EN\_1\_BD.pdf <sup>2</sup> *Ibidem* 

<sup>&</sup>lt;sup>3</sup> Homelessness among mobile EU citizens: A tool for legal experts and local authorities working with mobile EU citizens in destitution (feantsa.org)

<sup>&</sup>lt;sup>4</sup> FEANTSA (2022), 'PRODEC: Protecting the Rights of Destitute Mobile EU Citizens. Third phase 2022 – 2023': https://www.feantsa.org/en/news/2022/04/15/?bcParent=27

# A minimum income to address homelessness

Homelessness is a multidimensional phenomenon that is often associated with a wide range of individual problems and obstacles, such as mental illness, addiction, family breakdowns, administrative status, and discrimination.

However, homelessness is fundamentally a structural housing problem, caused by the inaccessibility of stable and affordable housing.

Between the choice of addressing the causes of homelessness at the structural level or individual level, existing research shows that most liberal welfare states intervene to only ensure basic survival.<sup>5</sup> In most liberal welfare states, including EU Member States, people experiencing homelessness are mostly supported through short-term measures, based on the provision of emergency accommodation and shelters. The provision of stable housing, typically through social housing and 'housing first' programs, is limited to a small subgroup of 'chronically' homeless people whose needs are deemed so complex that they are unable to access market housing.<sup>6</sup>

Research in the United States shows that housing market conditions, such as rent levels and vacancy rates, are far better predictors of differences in rates of homelessness between regions than non-housing risk factors like mental illness, drug use, and individual-level poverty. Given that homelessness responses often overlook the role played by structural processes, they have largely failed to reduce homelessness.

One of the measures that can address the structural problems related to homelessness would be access to a **guaranteed minimum** income - addressing the affordability issue/ income or demand side of the housing problem. According to the definition given by the European Commission, 'minimum income benefits comprise last resort means-tested support offered by national authorities in EU countries to combat poverty and social exclusion. Minimum income schemes are part of the wider welfare systems and (...) are usually available for people of working age and aim to ensure a minimum standard of living for individuals and their dependents, when they have insufficient or no other means of financial support'.9 The main objective of a minimum income is therefore to guarantee a safety net in the case of lacking other financial means.

There is a dearth of existing work on homelessness in the minimum income literature. As a consequence, it is very challenging to assess the impact of a minimum income on the possibilities for homeless people to find a durable housing solution. A few interesting arguments are provided by Andrew Clarke, who has tried to answer the question of whether a basic income can help address homelessness. It must be noted, however, that in this paper we explore the importance of a **minimum income** - thus a means-tested social benefit - and not of a basic income, which is a universal measure, granted to all, regardless of the individual available income. As in the case of a basic income, a guaranteed minimum income has the capacity to address the income side of the housing affordability crisis. 10 It ensures income security for people who are not entitled to unemployment benefits and, in general, for people experiencing homelessness or at risk of homelessness.

In addition, a basic income is an unconditional payment that people receive regardless of their willingness/capacity to meet behavioural conditions, meaning that it would effectively eliminate the risk of homelessness that arises from conditionality and sanctions. In any case, a minimum income alone - or a universal basic income - would not be enough to solve the housing affordability problem. To address homelessness structurally, it is paramount to boost the supply of affordable housing and reduce competition for low-cost private rentals'. Access to social assistance for mobile EU citizens



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<sup>&</sup>lt;sup>5</sup> Evans, J., Stout, M., Collins, D., & McDowell, K. (2021). The reticent state? Interpreting emergency responses to homelessness in Alberta, Canada. *Housing Studies*, 1–14. https://doi.org/10.1080/02673037.2021.1977783

<sup>&</sup>lt;sup>6</sup> Clarke, A., Cheshire, L., Parsell, C., & Morris, A. (2022). Reified scarcity & the problem space of 'need': Unpacking Australian social housing policy. *Housing Studies, 1–19.* https://doi.org/10.1080/02673037.2022.2057933

<sup>&</sup>lt;sup>7</sup> Colburn, G., & Aldern, C. P. (2022). *Homelessness Is a Housing Problem: How Structural Factors Explain U.S. Patterns* (1st ed.). University of California Press. https://doi.org/10.2307/j.ctv2kx88m9

<sup>&</sup>lt;sup>8</sup> Evans, J., & Baker, T. (2021). Breaking through the epistemic impasse: Ending homelessness with the invention of 'functional zero' in the Anglo-American world. *Futures*, *129*, 102730. https://doi.org/10.1016/j.futures.2021.102730

<sup>9</sup> European Commission website, 'Minimum income': https://ec.europa.eu/social/main.jsp?langld=en&catld=1092

<sup>&</sup>lt;sup>10</sup> Clarke, A. (2022). Can a basic income help address homelessness? A Titmussian perspective. *Journal of Sociology. Special Issue: A basic income for a complex society.* Pp. 1 – 19. Sage Publishing. https://journals.sagepub.com/doi/10.1177/14407833221135986 
<sup>11</sup> Kerman, N. (2021). The role of universal basic income in preventing and ending homelessness. *International Journal on* 

Homelessness, 1(1), 3–13. https://doi.org/10.5206/ijoh.2021.1.13337

<sup>12</sup> Clarke, A. Ibidem.

## Access to social assistance for mobile EU citizens

Within the framework of welfare benefits, a distinction must be made between **social security benefits** and social assistance benefits. The minimum income is part of the **social assistance benefits**. These are non-contributory benefits granted to persons who do not have sufficient resources to meet their needs. Eligibility for social assistance benefits is based on applicants' needs and not on prior contributions, which is the conditionality to receive social security benefits.

The Directive 2004/38/EU is the main piece of secondary legislation setting the conditions for the exercise of the right to free movement for EU citizens, and their family members. According to the Directive, the legal category under which EU citizens exercise their right to free movement determines access to social rights in the Member State of residence and implies a different level of access to the welfare state, and thus to social assistance benefits. As pointed out by Mantu and Minderhoud, 'the Member States still enjoy a residual power to exclude EU citizens and the right to mobility is conditional upon the performance of economic activity or **financial self-sufficiency**. The latter condition is linked to the desire to protect the social assistance systems of EU states from free riders and abusers.'13 Besides the individual's economic situation, another important factor is the duration of the stay, since after acquiring a permanent residence status (5 years of legal residence), EU citizens enjoy equal treatment with nationals concerning access to welfare benefits.

EU citizens who meet the conditions set in Article 7 of Directive 2004/38, and thus are considered 'legally resident', enjoy equal treatment with nationals of the host state regarding non-discrimination. Union citizens meet the conditions of Article 7 and have the right of residence on the territory of another Member State for a period of longer than three months, if they: (a) are workers or self-employed persons (...); (b) have sufficient resources for themselves and their family members not to become a burden on the social assistance system (...) and have comprehensive sickness insurance cover (...); (c) are enrolled at a private or public establishment (...) for the principal purpose of following a course of study, including vocational training, and have comprehensive sickness insurance cover (...) and assure the relevant national authority, by means of a declaration or by such equivalent means as they may choose, that they have sufficient resources for themselves and their family members not to become a burden on the social assistance system (...); or (d) are family members accompanying or joining a Union citizen who satisfies the conditions referred to in points (a). (b) or (c).

Article 7 of the Directive also specifies that a Union citizen who is no longer a worker or self-employed person retains the status of worker or self-employed person in the following circumstances: (a) he/she is temporarily unable to work as the result of an illness or accident; (b) he/she is in duly recorded involuntary unemployment after having been employed for more than one year and has registered as a job-seeker with the relevant employment office; (c) he/she is in duly recorded involuntary unemployment after completing a fixed-term

employment contract of less than a year or after having become involuntarily unemployed during the first twelve months and has registered as a job-seeker with the relevant employment office. In this case, the status of worker shall be retained for no less than six months; (d) he/she embarks on vocational training. Unless he/she is involuntarily unemployed, the retention of the status of worker shall require the training to be related to the previous employment.

However, the Directive fails to clearly explain the legal consequences for an economically inactive mobile EU citizen after requesting social assistance. In relation to this, the Directive does not clearly define what sufficient resources are or when an EU citizen is an unreasonable burden to the social assistance of the host state. Combined with fragmented and strict implementation of the legislation at the national level, such gaps lead to ignoring the needs and situations of a significant number of people who fall into destitution when they exercise their right to free movement.

In practice, unconditional access to social assistance benefits – including minimum income – is granted to workers, whatever the duration of their stay and to all mobile EU citizens who obtained a permanent resident status (residence of over 5 years). For economically inactive citizens, who are resident in the host country for more than 3 months and less than 5 years, access to social assistance benefits is not excluded. In this case, habitual residence<sup>14</sup> is to be proved and eligibility may enter into conflict with the condition of having sufficient resources.

As far as first-time jobseekers are concerned, Member States do not have an obligation to grant access to social assistance benefits. Even though an expulsion measure cannot be the automatic consequence of a Union citizen's recourse to the social assistance system, if she or he is deemed to become an unreasonable burden because of the reception of minimum income, the right of residence could be terminated.<sup>15</sup>

Within the framework of the EU free movement, one could argue that access to the social assistance system – thus to a safety net – is granted to those who do not need it or need it less, since they have a work-related income, and not to those who are destitute. This is particularly evident in the first period in which a Union citizen exercises the right to free movement. Indeed, job-seekers who worked enough to retain the status of worker obtain access to social assistance, while people who have just arrived in the host Member State and are looking for a job do not have any right to receive support even if they are experiencing destitution.

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<sup>&</sup>lt;sup>13</sup> Mantu, S., & Minderhoud, P. (2023). Struggles over social rights: Restricting access to social assistance for EU citizens. *European Journal of Social Security*, 25(1), 3-19. https://doi.org/10.1177/13882627231167653

<sup>&</sup>lt;sup>14</sup> The European Commission published in 2014 a guide to define the concept of 'habitual residence': https://ec.europa.eu/commission/presscorner/detail/en/IP\_14\_13

<sup>15</sup> Art. 14, Directive 2004/38/EC

Given the lack of a clear legal framework, the case law of the Court of Justice of the EU becomes more relevant. Verschuren points out there has been a shift over the years in the doctrine of the Court: from the first judgements with a generous interpretation of Union citizenship and the host Member States' obligation concerning solidarity, to the most recent case law, which is seen as too restrictive. 16 Indeed, in the 2022 CG v. The Department for Communities in Northern Ireland ruling<sup>17</sup>, the Court further restricts its case law and interpretation of the provisions of Directive 2004/38/EC on the right to social assistance for economically inactive Union citizens. According to the Court, a Member State can refuse social assistance to economically inactive Union citizens who do not have means of subsistence, since they are likely to become an unreasonable burden on the social assistance system of the host State. As observed by Verschueren, "the likelihood of a person becoming an unreasonable burden now appears to be sufficient for the Court to decide that this person is not entitled to a right of residence (..) and, therefore, he/she cannot invoke equal treatment. Yet in previous case law, the Court has stated that the risk of a Union citizen becoming a burden on the host country's welfare system in future is not a reason to refuse them the right of residence".18

The Court's recent restrictive interpretation of the access to social assistance for economically inactive mobile EU citizens is being translated into national laws and administrative practices.<sup>19</sup> In 2019, Austria introduced federal legislation that limits the granting of social assistance to Austrian citizens, beneficiaries of international protection and long-term migrants who resided in Austria for at least five years.<sup>20</sup> Germany also adopted stricter social assistance legislation: economically inactive mobile EU citizens are excluded from social assistance for the first five years of residence.<sup>21</sup>

As said before, when social assistance is provided in case of need, it can have consequences for the right of residence in some Member States, and in other EU states the introduction of new social benefits has been accompanied by residence conditions that reserve indirectly those benefits to nationals (France, Spain, Italy). Important to mention as well is that the restrictive approach to the social rights of economically inactive EU citizens has spill-over effects for categories of EU citizens whose economic participation in the EU internal market is weak, such as part-time or low-wage workers.<sup>22</sup>

Verschueren, H. (2022). The right to social assistance for economically inactive migrating Union citizens: The Court disregards the principle of proportionality and lets the Charter appease the consequences. *Maastricht Journal of European and Comparative Law*, 29(4), 483-498. https://doi.org/10.1177/1023263X221116229



<sup>&</sup>lt;sup>17</sup> Case C-709/20 CG v. The Department for Communities in Northern Ireland, EU:C:2021:602.

<sup>&</sup>lt;sup>18</sup> Verschueren H., *Ibidem* 

<sup>&</sup>lt;sup>19</sup> Mantu S., Minderhoud P., *Ibidem* 

<sup>&</sup>lt;sup>20</sup> This federal legislation has not yet been implemented in all Länder: six have implemented the new legislation, Vienna has partially implemented it. Therefore, in some Länder, their previous legislations apply https://www.sozialministerium.at/Themen/Soziales/Sozialhilfe-und-Mindestsicherung.html

<sup>&</sup>lt;sup>21</sup> Mantu S., Minderhoud P., *Ibidem* 

<sup>&</sup>lt;sup>22</sup> Ibidem

## An overview of the existing minimum income benefits

In this section we will examine the existing minimum income benefits in some of the EU Member States, and whether they are accessible or not for mobile EU citizens. In a final section, we will gauge whether the amount provided in the minimum income schemes is enough to prevent homelessness and comment on the residence conditionality to obtain the minimum income benefits.

#### Austria<sup>23</sup>

Austria foresees two types of guaranteed minimum resources: cash benefits for the provision of living requirements; and supplementary benefits.

Guaranteed minimum resources are provided for as long as the situation of need persists. In 2023, the maximum amount of social assistance for single persons and single parents is €1.054. A maximum amount of €1.475 has been set for couples. The amounts are granted 12 times a year. The Länder (federal provinces) are free to determine the benefits for children, and almost all Länder apply a sliding scale according to the number of children. Furthermore, the Länder can grant a supplement for single parents, graded according to the number of children (between €32 and €126 per month for each child). In addition, the Länder must grant a mandatory supplement for persons with disabilities (approx. €190 as maximum in 2013), unless they have already provided for equivalent benefits.

The sum of cash benefits of adults in a household may not exceed the amount of €1,844 ("capped provision").

Particularly vulnerable groups of persons, such as persons with disabilities, may be exempted from the cap.

Since the cost of housing can be considerably higher in some regions, some Länder grant additional benefits either from social assistance funds or as housing support from housing subsidy funds. In their implementation of the new federal legislation, provinces can also increase the level of social assistance by up to 30% to cover higher housing costs.<sup>24</sup>
Benefits provided by the Länder can include support to cover special and additional needs, such as heating allowances or the purchase of essential appliances like refrigerators.
The benefits are always provided individually and may therefore vary.

Besides the conditions related to having an income below a minimum threshold and actively looking for a job (some exceptions exist relating to age, provision of care or ongoing vocational training, among others), it is required to be resident in Austria to have access to social assistance benefits. As far as EU citizens are concerned, they have an unrestricted claim to social assistance as long as they are considered 'workers' or if they have legally resided in Austria for more than five years, thus acquiring a long-term residence status. EU citizens who are first-time job seekers in Austria are therefore not automatically entitled to social assistance, even if they meet the income criteria.

#### **Belgium**

In Belgium, the minimum income scheme is called *social integration income* (RIS, in French). In July 2023, this benefit amounted monthly to €1238.41 for a single person, €825.58 for a cohabitant (member of a couple, or who lives with a parent) who does not have another person financially dependent; or €1,673.65 for a cohabitant with a person financially dependent (a child, or a parent, for instance)25. Additional existing social assistance allowances are the guaranteed income for persons who have reached 65 years old (GRAPA), which in July 2023 amounted to €1,489.23 for single persons and €992.82 for cohabitants<sup>26</sup>; and the income replacement allowance for persons whose disability limits their capacity to work (the amount depends on the degree of the disability, the age and on the family situation).27

To obtain a minimum guaranteed income, being willing to work and not having enough resources is paramount. Moreover, it is necessary to be effectively resident in Belgium. An EU citizen who has been residing for more than 3 months in Belgium has access to the minimum income and cannot be expelled in the following cases: she or he obtained a permanent residence (EU+ card) after having resided for more than 5 years; she or he has resided for less than 5 years but is a worker (employee or self-employed) and earns less than the RIS (currently, €1238.41).<sup>28</sup>

Therefore, a jobseeker who has an address where to register and who is registered in a municipality could in principle obtain a minimum income, but at the risk of losing the right of residence. The fact that she or he receives a social benefit can lead to the issuing by the Foreigner Office of an order to leave the territory because the individual concerned is considered an 'unreasonable burden to the social assistance system'. In any case, the main obstacle, particularly for persons who are in a precarious living situation, is to have an address where they can register.<sup>29</sup>

<sup>&</sup>lt;sup>23</sup> Information on this country section is from the source of European Commission, 'Austria - Social assistance / guaranteed minimum resources' (information from an update in 2022): https://ec.europa.eu/social/main.jsp?catld=1101&langId=en&intPageId=4409

<sup>&</sup>lt;sup>24</sup> Bundesministerium für Soziales, Gesundheit, Pflege und Konsumentenschutz: https://www.sozialministerium.at/Themen/Soziales/Sozialhilfe-und-Mindestsicherung/Leistungen.html

<sup>&</sup>lt;sup>25</sup> Droits Quotidiens: https://www.droitsquotidiens.be/fr/actualites/1er-juillet-2023-augmentation-du-ris

<sup>&</sup>lt;sup>26</sup> Service Fédéral des Pensions: https://www.sfpd.fgov.be/fr/droit-a-la-pension/grapa

<sup>&</sup>lt;sup>27</sup> Service rederal des Perisions. https://www.sipu.igov.be/ii/droit-a-ia-perision/grapa

<sup>&</sup>lt;sup>28</sup> Droits Quotidiens: https://www.droitsquotidiens.be/fr/question/je-suis-citoyen-dun-pays-de-lunion-europeenne-ai-je-droit-au-ris

<sup>&</sup>lt;sup>29</sup> FEANTSA (2022). *Mobile EU citizens experiencing homelessness in Brussels: access to rights, employment, and healthcare:* https://www.feantsa.org/public/user/Resources/reports/2022/Mobile\_EU\_Citizens\_Brussels\_EN\_v2138637.pdf

#### **France**

In France, income support (in French revenu de solidarité active, or RSA) quarantees a minimum level of income for unemployed people, which is variable according to the number of people in their household. In 2023, a single person, with no other person financially dependent, is entitled to an amount of €607.25, €911.63 with one person financially dependent, €1093.96 with two, €1337.06 with three, and €243.10 for each additional financially dependent person. A pregnant woman without a partner is entitled to €780.42, a single parent with one dependent child to €1,040.56, with two children to €1,300.70, and for each additional child to €260.14 more. A couple is entitled to €911.63, with one dependent child or person to €1,093.96, with two children or dependent persons to €1,276.79, with three children or dependent persons to €1,519.39, and for each additional child to €243.10 more.30

In order to obtain income support, a mobile EU citizen needs to be legally resident, which implies falling within the scope of the directive 2004/38. Therefore, as for the previous countries analysed, a worker – or someone who maintains the worker's status, as well as an EU citizen who obtained permanent residence status (more than five years) is entitled to equal treatment with French nationals when it comes to accessing income support.

Among the conditions, it is explicitly mentioned that EU citizens who are first-time job seekers are not entitled to income support.<sup>31</sup>

#### **Germany**

German law guarantees the basic right to a minimum subsistence level for people residing in Germany. Two kinds of social benefits - the benefits under the Twelfth Social Code (SGB XII) and the basic income support for jobseekers under the Second Social Code (SGB II) - aim to secure a minimum subsistence level. Within the framework of the SGB II, however, those who are fit for work are encouraged to take up employment. This means that those who have obtained benefits must exhaust all possibilities to end or reduce their need for assistance. Anyone who does not actively seek work or misses appointments at the Job Centre without justification may have the amount of their subsistence benefit reduced.32

The amount granted in both benefits depends on the age of the person concerned, on whether she or he lives alone and on whether she or he is institutionalised or not. In 2022, the amount was €449 for a single person, €404 for each person composing a couple, €360 for an adult living in an institution or for an adult under 25 living in the parents' household, €376 for a teenager between 14 and 17 years old, €311 for a child aged 6 to 13, €285 for a child aged zero to five.

In addition, there are benefits for accommodation and heating and, if necessary: supplements for additional needs of specific groups (e.g. single parents, pregnant women, people with specific diseases, etc.); one-off benefits, e.g. clothing during pregnancy and at the birth, or an allowance for furnishing accommodation for the first time; educational and integration packages for children and young people.<sup>33</sup>

For more than ten years, there has been a vehement political discussion about the granting of benefits to EU citizens, which has led to numerous legal changes that drastically limit entitlement to benefits. With regard to access to subsistence benefits for mobile EU citizens, both SGBII and SGBXII exclude EU citizens who are not economically active during their first three months of residence, those who are residing in Germany for the purpose of finding work and those who do not have a right to stay.<sup>34</sup> In practice, as previously seen for other EU Member States, only those who are considered workers and, regardless of whether they are economically active or not, those who acquired a permanent residence permit are entitled to equal treatment.

In order to make the exclusion of benefits constitutional, the German legislator created the possibility of so-called bridging benefits at the end of 2016 with § 23 of the Twelfth Social Code, which can essentially only be directed at EU citizens. The bridging benefits contain reduced benefits that are to be granted for a maximum of one month, including the return journey to the country of origin. The benefits are to be claimed at most once every two years. A hardship clause, which affects both the length of the benefit and the amount, is intended to ensure that the benefits are interpreted in conformity with the Constitution in individual cases. These benefits are purely emergency assistance and are granted very differently throughout Germany.

<sup>30</sup> Mes Allocs.fr: https://www.mes-allocs.fr/guides/rsa/montant-rsa/

<sup>&</sup>lt;sup>31</sup> Service Public de la République Française: https://www.service-public.fr/particuliers/vosdroits/F19778/personnalisation/resultat?lang=&quest1=1&quest=

<sup>&</sup>lt;sup>32</sup> European Commission, 'Germany - Guaranteed minimum resources': https://ec.europa.eu/social/main.isp?catId=1111&langId=en&intPageId=4556

<sup>33</sup> Ibidem

<sup>&</sup>lt;sup>34</sup> H&M Kanzlei (2018) Fitness Check Report for Germany: A review of the state of compliance of Germany's implementation of Directive 2004/38 on residence rights of EU citizens and their family members: https://www.feantsa.org/download/prodec-legal-fitness-check\_germany7239069577092575326.pdf

#### Italy

In Italy, what is called 'citizenship income' (reddito di cittadinanza) was introduced in 2019. The benefit consists of two parts: one integrates the family income up to the threshold of €6,000 multiplied by the equivalence scale, which depends on the number of adults and children who are part of the household; the other, intended only for those who rent, increases the benefit by an annual amount equal to the rent, up to a maximum of €3,360. There is also a supplement for families who own a house where a mortgage has been taken out: in this case, the supplement, equal to the maximum of the mortgage payment, cannot exceed €1,800 annually. Therefore, a single person, who rents an apartment, can obtain a maximum of €780 monthly, a single person with a child a maximum of €880, a couple €980, a couple with one child €1,080, and a couple with two children €1,180. The maximum granted is €1380 for a family of four adults (or three adults and two minors), including a seriously disabled or non-selfsufficient person.35

With regards to the conditions granting access to the citizenship income, it is required to have resided in Italy for at least 10 years (of which the last two must have been consecutive). Therefore, although EU citizens are in principle entitled to this benefit, this requirement automatically excludes those who have just arrived in Italy. In reality, it even excludes those who acquired the permanent status after five years of legal residence, because they have not yet reached the 10 years minimum.

In February 2023, the European Commission decided to open an infringement procedure

by sending a letter of formal notice to Italy because its minimum income scheme is not in line with EU law on the free movement of workers, citizens' rights, long-term residents, and international protection. The Commission reminds Italy that 'under Regulation 2011/492 and Directive 2004/38/EC, social welfare benefits like the "citizenship income" should be fully accessible to EU citizens who are workers, self-employed or who lost their job, regardless of their residence history'. Also, 'EU citizens who do not work for other reasons should be eligible for the benefit, with the only condition that they have been legally residing in Italy for more than three months'.36

It is important to notice that in 2023, the Italian Government decided to drastically reduce the amount granted, except for families that include people with disabilities, minors, or people older than 60 years old.<sup>37</sup> As of 2024, the citizenship income will disappear and will be replaced by the 'inclusion allowance' (assegno d'inclusione or ADI). The Inclusion allowance will be granted to households in which at least one member has one of the following conditions: is a disabled person; is a minor; is at least 60 years old; or is in a vulnerable situation and included in a care and assistance programme, certified by the public administration.

At the time of application and throughout the duration of the benefit, the applicant must: a) be a European citizen or a member of his/her family, who must have the right of residence, meaning a third-country national holding a long-term EU residence permit, or a beneficiary of international protection; and b) have resided in Italy for at least five years, including the last two years uninterruptedly.

The amount of the Inclusion Allowance is made up of a family income supplement of up to €6,000 per year, or €7,560 per year if the household is made up of persons all aged 67 or over, and other family members are in a state of severe disability or non-self-sufficiency. To this amount may be added a contribution towards the rent of the dwelling in which the household resides, up to a maximum of €3,360 per year. The economic benefit cannot be less than €480 per year. The benefit is paid monthly for an uninterrupted period not exceeding 18 months and may be renewed for a further 12 months after a one-month break. Citizens aged 15-59 years old, who don't meet the above conditions (households with members who are minors, disabled, aged over 60 years old, or in a vulnerable situation and included in a care and assistance programme certified by the public administration), are considered "employable" and will not be able to apply for the ADI. Instead, they can only benefit from a new scheme, called Training and Work support (Supporto per formazione e lavoro), which provides a monthly allowance of €350 for 12 months and active labour market measures. However, in case of refusal of a job offer, people will be excluded from the economic benefits.

As a consequence, the new legislation makes access to minimum income accessible to certain vulnerable groups and, even though it decreases the number of continuous years of residence needed from ten to five, it still discriminates against people who are not Italian, including mobile EU citizens.

#### Spain

In Spain, the Minimum Living Allowance (Ingreso Mínimo Vital) has the objective to guarantee the fulfilment of the basic needs of those who are destitute. The monthly guaranteed income amount in 2023 is of €565.37 for an individual beneficiary; €734.99 is granted for a cohabitation unit consisting of one adult and one minor or two adults, €904.60 for a cohabitation unit consisting of one adult and two minors, two adults and one minor, or three adults; €1,074.21 for a cohabitation unit consisting of one adult and three minors, two adults and two minors, three adults and one minor, or four adults. If a single parent has sole custody of her or his children, he or she is entitled to €859.37 if living with one minor, up to €1,028.98 with two minors, €1,198.60 with three minors, and €1.368.21 with four or more minors.38

A supplement equivalent to 22% will be added to the monthly amount corresponding to the cohabitation unit if the cohabitation unit includes a person with a recognised degree of disability equal to or greater than 65%.<sup>39</sup>

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<sup>35</sup> Repubblica Italiana, Ministero del Lavoro e delle Politiche Sociali: https://www.redditodicittadinanza.gov.it/schede/come-si-calcola

<sup>&</sup>lt;sup>36</sup> European Commission, February 2023 infringements package: https://ec.europa.eu/commission/presscorner/detail/en/inf\_23\_525

<sup>&</sup>lt;sup>37</sup> Istituto Nazionale della Previdenza Sociale (INPS), 'Reddito di cittadinanza 2023: riduzione della durata': https://www.inps.it/it/it/inps-comunica/notizie/dettaglio-news-page.news.2023.07.reddito-di-cittadinanza-2023-riduzione-della-durata.html

<sup>&</sup>lt;sup>38</sup> Gobierno de España, 'Ingreso Mínimo Vital': https://www.seg-social.es/wps/portal/wss/internet/Trabajadores/PrestacionesPensione sTrabajadores/65850d68-8d06-4645-bde7-05374ee42ac7/requisitos#Requisitos

<sup>39</sup> Ibidem

In addition to the amounts indicated, a monthly child allowance is paid for each minor in the cohabitation unit (on the date the application is made), depending on their age on 1 January of the corresponding financial year, in accordance with the following brackets: €115 under the age of three; €80.50 over the age of three and under the age of six; €57.50 over the age of six and under the age of 18.40

Among the requirements needed to obtain this social benefit, individual beneficiaries or members of households must have their legal and effective residence in Spain on a continuous and uninterrupted basis for at least one year before the application is submitted.

The one-year time limit is not required for: minors incorporated into the cohabitation unit by birth, adoption, family reunification of sons and daughters, foster care or permanent family placement; persons who are victims of human trafficking and sexual exploitation; or female victims of gender-based violence.41

This residence requirement therefore excludes EU citizens who are first-time job seekers. It also excludes economically active EU citizens, who are entitled to a residence permit, in their first year of residence. One could argue, as is the case for the Italian "citizenship income", that this requirement makes accessing this social benefit easier for Spanish nationals than for mobile EU citizens. Even though a residence period of one year is more reasonable than that of ten years, the Spanish minimum income scheme seems not to be in line with EU law on free movement.

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Besides the residence requirements, in June 2023 the Independent Fiscal Responsibility Authority (AIReF) identified in a report several obstacles in the rollout of the benefit. In terms of non-take-up of the benefit, it is interesting to notice that the number of recipients of the Minimum Living Allowance remained at 284,000 households, which is only around 35% of the 800,000 households that could be eligible for it. Almost 470,000 eligible households, 58% of the total, did not apply for it in 2022, and 69% of the applications were denied.

Among the reasons identified for the non-takeup, the fact that the application must be made online excludes people who are not digitally literate. Also, a domicile is needed to apply, thus being homeless is a difficult obstacle to overcome, or the application forms use a complex lexicon and require data that citizens do not usually know.

#### Sweden

In Sweden, the "livelihood support" (ekonomiskt bistånd) aims to ensure a reasonable standard of living. It is provided for reasonable expenditure to cover basic costs like food, clothing and footwear, housing or domestic electricity supply. In 2023, the amount granted is around €398 (4,620 Swedish Korona) for a single person and around €650 (7,550 SEK) for a cohabiting partner without children.<sup>42</sup> Other amounts apply to children and young people and these vary depending on age. The amounts are decided every year by the government and apply as minimum levels. Social workers can calculate higher or lower amounts than the national standard if there are special reasons.

EU citizens who enjoy a right of residence do have a right to social assistance under Chapter 4, Section 1 of the Social Service Act. Besides all the EU citizens who have a right to reside as workers or as permanent residents, **EU citizens** can also obtain residence rights as job seekers and have access to "livelihood support" if they can show to have a genuine chance of finding work. 43 However, if an EU citizen is not registered as a resident at the Tax Agency, even though it is not a formal requirement, it can impede the enforcement of the right to social assistance. For Swedish citizens, where they are staying and where they are residing is often the same municipality and the applicant's population registration can prove it. For EU citizens who enjoy a right of residence, but without being registered as a resident at the Tax Agency, it is harder to prove which municipality is responsible.44 In the case the EU citizens fail to provide sufficient evidence of their right of residence, they may only be eligible for the type of assistance necessary to resolve an acute emergency. However, assistance is limited to essential needs like food, lodging, or travel expenses to return to the EU citizen's home country.

<sup>&</sup>lt;sup>42</sup> Socialstyrelsen (2022), 'Riksnormen för försörjningsstöd 2023': https://www.socialstyrelsen.se/globalassets/sharepoint-dokument/ dokument-webb/ovrigt/riksnormen-for-forsorjningsstod-2023.pdf

<sup>&</sup>lt;sup>43</sup> Alien Act, chapter 3a, section 3

<sup>&</sup>lt;sup>44</sup> Enquist Källgren M., Vittoria F. (2020). Fitness Check Report for Sweden: A review of the state of compliance of Sweden's implementation of Directive 2004/38 on residence rights of EU citizens and their family member: https://www.feantsa.org/public/user/ Activities/projects/Prodec/Prodec\_Legal\_Fitness\_Check\_Sweden.pdf

<sup>40</sup> Ibidem

<sup>41</sup> Ibidem

#### The adequacy of the minimum income schemes to alleviate poverty

The amounts granted in the minimum income schemes analysed are all below the risk of poverty threshold. The reception of a minimum income is therefore not enough to exit poverty if only taking into account the measurement of poverty thresholds in each country.

	Minimum Income (single person)	Risk of Poverty Treshold (single person)
Austria (2022)	€ 978	€ 1.392 <sup>45</sup>
Belgium (2023)	€ 1.238	€ 1.366 <sup>46</sup>
France (2023)	€ 607	€ 1.110 <sup>47</sup>
Germany (2022)	€ 449	€ 1.250 <sup>48</sup>
Italy (2021)	€ 78049	€ 1.127 <sup>50</sup>
Spain (2022)	€ 565	€ 841 <sup>51</sup>
Sweden (2023)	€ 398	€ 1.961 <sup>52</sup>

Within the same country, the amount needed to make ends meet might differ according to the city in which the beneficiary lives, or whether they live in a city or the countryside. However, mobile EU citizens tend to settle and look for a job in the biggest cities – often the capitals – which are also those where the cost of living tends to be higher.

	Minimum Income (single person)	Average price rent of a studio apartment <sup>53</sup>
Vienna (2022)	€ 978	€ 828
Brussels (2023)	€ 1.238	€ 800
Paris (2023)	€ 607	€ 1.311
Berlin (2022)	€ 449	€ 1.190
Rome (2023)	€ 780 <sup>54</sup>	€ 770
Madrid (2022)	€ 565	€ 825
Stockholm (2023)	€ 398	€ 1.120 <sup>55</sup>

It is evident that in these capitals, it is hardly possible for a single person beneficiary of a minimum income to afford a studio apartment. Even after adding the amount granted through the housing allowances, in the countries where this benefit exists, the cost of housing would still be higher than one-third of the income available. In the best-case scenarios, the cost of housing would amount to 50% or 66% of the social benefits received. In addition, being a beneficiary of a minimum income could be a reason to be discriminated against by the house owners. In Belgium, with regard to accessing the private rental market, the discrimination experienced by the beneficiaries of social assistance is well documented. Therefore, in many cases, the obtention of a minimum income alone is not sufficient to prevent or to get out of homelessness.

<sup>&</sup>lt;sup>45</sup> Statistics Austria: https://www.statistik.at/en/statistics/population-and-society/income-and-living-conditions/poverty

<sup>46</sup> Statbel: https://statbel.fgov.be/en/themes/households/poverty-and-living-conditions/risk-poverty-or-social-exclusion

<sup>&</sup>lt;sup>47</sup> Ouest France: https://www.ouest-france.fr/societe/regards/cest-quoi-etre-pauvre-aujourdhui-en-france-voici-letat-des-lieux-en-chiffres-f8608cea-fe41-11ed-a6e9-8b0f9ca2841f

<sup>&</sup>lt;sup>48</sup> Destatis: https://www.destatis.de/EN/Themes/Society-Environment/Income-Consumption-Living-Conditions/Living-Conditions-Risk-Poverty/\_node.html

<sup>&</sup>lt;sup>49</sup> This amount has not changed between 2019 and 2023.

<sup>&</sup>lt;sup>50</sup> This amount was calculated with information from the ANSA (Italian Press Agency), according to which the median income in 2021 was of €22,540 euros, thus €1,878.3 monthly. 60% of this amount is equivalent to 1,127€: https://www.ansa.it/english/news/business/2023/04/20/median-income-22540-euros-in-2021\_3b596e35-08c6-4592-b3c1-aa6cba3c57e8.html

<sup>51</sup> Datosmacro: https://datosmacro.expansion.com/demografia/riesgo-pobreza/espana

<sup>52</sup> According to Salary Explorer, the median income in Sweden is SEK 39,000, which is equivalent to €3269. Building on this data, the risk of poverty threshold (60% of the median income) is equivalent to 1961€: https://www.salaryexplorer.com/average-salary-wage-comparison-sweden-c209

<sup>&</sup>lt;sup>53</sup> All the information about rent prices is taken from the rent index of Housing Anywhere, except for Stockholm: https://housinganywhere.com/rent-index-by-city

<sup>54</sup> This amount has not changed between 2019 and 2023.

<sup>55</sup> Expat Arrivals: https://www.expatarrivals.com/europe/sweden/stockholm/cost-living-stockholm

<sup>&</sup>lt;sup>56</sup> Alter Echos, 21-01-2015, 'CPAS, s'abstenir': https://www.alterechos.be/cpas-sabstenir/; Bruxelles Logement: https://logement.brussels/la-discrimination-au-logement-cest-aussi-inegal-quillegal/

#### The conditionality for mobile EU citizens

#### to access minimum income schemes

For mobile EU citizens, access to the minimum income generally depends on fulfilling the residence criteria. Performing an economic activity or having obtained a permanent residence status guarantees the possibility to apply to a minimum income scheme, except in Italy – where ten years of residence is required – and partly in Spain, where even economically active people are required to be residents for at least one year.

Therefore, EU citizens who move to another Member State to look for a job – and have never worked in the host country - are by and large excluded from accessing social assistance benefits, including the minimum income. In some countries, first-time job seekers are explicitly excluded (Austria, France, Germany, Italy and Spain), in others (Belgium, Sweden) they need to fulfil the residence conditions and show they have a genuine chance to find a job.

In countries where first-time job seekers could potentially obtain a minimum income, being homeless is an important obstacle.

Not having an address prevents homeless people from registering in a municipality and proving they have residence rights.

In addition, for economically inactive people, asking for social benefits could result in being considered an unreasonable burden to the social assistance system, and therefore in receiving an order to leave the territory as a consequence.



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## **Conclusions**

Homelessness is fundamentally a structural housing problem and is caused by the inability to access stable and affordable housing.

One of the measures that can address the structural problems related to homelessness could be access to a guaranteed minimum income. However, since there is a lack of research on the minimum income as a solution to homelessness, it is very challenging to assess the impact of a minimum income on the possibilities for homeless people to find a durable housing solution. Nonetheless, it is evident that a guaranteed minimum income has the capacity to address the *income side* of the housing affordability crisis.

Concerning mobile EU citizens, the right to mobility is conditional upon the performance of economic activity or financial self-sufficiency. In practice, unconditional access to social assistance benefits - including minimum income - is granted to workers, whatever the duration of their stay and to all mobile EU citizens who obtained a permanent resident status (residence of over five years). For economically inactive citizens who have been resident in the host country for more than three months and less than five years, access to social assistance benefits is not excluded but habitual residence is to be proved and eligibility is not likely, as the right of residence is subject to the "sufficient resources" criterion. As far as first-time jobseekers are concerned, Member States do not have an obligation to grant access to social assistance benefits.

The European Court of Justice's recent restrictive interpretation of access to social assistance for inactive mobile EU citizens is being translated into national laws and administrative practices. Austria and Germany adopted stricter social assistance legislation in the last years; in some Member States (Belgium, Sweden), when social assistance is provided in case of need, it can have consequences for the right of residence; and in other EU states the introduction of new social benefits has been accompanied by residence conditions that seek to reserve indirectly those benefits to nationals (France, Spain, Italy).

Even when it is granted, the amounts for the minimum income schemes analysed in this paper are all below the risk of poverty threshold. Although the minimum income could be useful to guarantee a safety net that can decrease the risk of homelessness for mobile EU citizens, it might be not enough to lift people from poverty. Indeed, given the excessive cost of housing, the obtention of a minimum income is often not sufficient to prevent or get out of homelessness. Regarding EU citizens who move to another Member State to look for a job, these are by and large excluded from accessing social assistance benefits, including the minimum income. In some countries first-time job seekers are explicitly excluded; in others, they need to fulfil the residence conditions and show they have a genuine chance to find a job, and in the countries where first-time job seekers could potentially obtain a minimum income, being homeless is a difficult obstacle to overcome.

These national policies, which exclude EU citizens who move to another Member State to look for a job, and that are permitted by the current EU legislation and acquis on free movement, prevent low-income or destitute mobile EU citizens from exiting this precariousness, increasing the vulnerability to homelessness. An analysis of data gathered in Brussels has shown that access to the minimum income has a positive effect on living conditions, allowing mobile EU citizens who have just arrived in the host country to find more long-term solutions, including housing and employment. Early access to social welfare is therefore key to prevent or help exit rough sleeping and access housing solutions, together with adequate support services if necessary. Even if minimum income is below the poverty threshold, it can help newly arrived mobile EU citizens to stabilise their situation and prevent homelessness.

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