

7TH OVERVIEW OF HOUSING EXCLUSION IN EUROPE 2022



Image property of Shutterstock, Pavel Kubarev

Executive summary

With the release of the Seventh Overview of Housing Exclusion in Europe in 2022, the Foundation Abbé Pierre and FEANTSA warn of growing arrears in Europe and consequently the risk of an increase in the number of evictions as the exceptional and temporary protection measures adopted during the past two years marked by the pandemic gradually come to an end.

Faced with rising living costs, the Foundation Abbé Pierre and FEANTSA forewarn of a surge in rent arrears across Europe

The pandemic has made it more difficult for both low-income households and those on the poverty line whose circumstances have worsened due to the economic downturn to remain in housing. **8.3% of poor households have been in arrears with their rent or mortgage payments** across the European Union since the COVID-19 pandemic began. This proportion increased by 20% between 2019 and 2020.¹

According to a Eurofound survey conducted during the pandemic,² **5.4% of households surveyed in March 2021 said that they were at risk of having to leave their home in the next three months because of their inability to pay rent** – a slightly lower rate than in pre-pandemic times, with the highest rates emerging in Cyprus 12%, Portugal 9.7%, Greece 9.6%, and Poland 8%.

House price inflation has accelerated through the various waves of the pandemic, including by 16% in just two years between December 2019 and December 2021. Compared to the reference year (2015), residential property prices increased by more than 50% in 16 Member States, and as much as doubled in the Czech Republic and Hungary.

Another factor contributing to the crisis is the surge in the household costs across Europe. Between 2020 and 2021, **the burden of housing and utilities (water, electricity, gas and other fuels) costs further increased for European households, accounting for more than a quarter (25.7%) of total expenditure, i.e. an increase of 2.2 percentage points in the space of just one year.**³ Over this same one-year period alone, households faced a **10% increase in their energy bills**, against a background of steadily rising rental expenditure over the last decade (up 16% between 2010 and 2021). The increase in living costs has had an unprecedented impact on household budgets, with 31.8% of poor households being overburdened by housing costs in 2020.⁴

Data on accelerating price inflation, particularly where energy is concerned, point to a severe cost of living crisis in the near future, reinforced by the economic impacts of the Russian invasion of Ukraine

¹ In the EU27. Eurostat EUSILC, 2022.

² <https://www.eurofound.europa.eu/sites/default/files/wpef20005.pdf>

³ <https://ec.europa.eu/eurostat/web/products-eurostat-news/-/ddn-20211227-1>

⁴ Compared to 7.8% of the total population and 3.1% of non-poor households. The housing cost overburden rate is when a household spends more than 40% of its average disposable income on housing costs: housing cost overburden rate by age, sex, and income group - EU-SILC survey [ilc_lvho07a], https://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=ilc_lvho07a&lang=fr

7TH OVERVIEW OF HOUSING EXCLUSION IN EUROPE 2022



Image property of Shutterstock, Pavel Kubarev

with electricity, gas, and other fuel prices rising by 43% between February 2020 and March 2022.

A significant risk of more evictions in the medium term...

These alarm bells raise fears of a surge in evictions with significant social consequences for especially vulnerable households.

The onset of the pandemic in 2020 was marked by cuts in the number of households actually evicted from their homes to varying degrees following the adoption of moratoria suspending evictions in many countries. In the Austrian capital of Vienna, for example, actual evictions fell by 28% between 2019 and 2020. Meanwhile, in France, the number of forced evictions has been halved, and in Italy, 70,000 evictions were suspended in 2020 and in 2021. Furthermore, in Germany, the number of rental eviction notices issued at federal level fell by 8% between 2019 and 2020 although judicial enforcement of eviction was still ordered for almost 30,000 households in 2020 (equivalent to an average of 81 evictions per day).

As emergency moratoria are by definition temporary, they have merely had the effect of delaying the implementation of eviction procedures – the vast majority of which are due to late rent or mortgage payments, now identified as the key cause of eviction proceedings. In Spain,⁵ for example, 70% of evictions in 2021 were due to rental arrears (up 37% on 2020) and 24% to mortgage arrears (up 46% on 2020). Meanwhile, in Italy, 90% of evictions in 2020 were ordered as a result of arrears.⁶ Household over-indebtedness is not new: the coronavirus pandemic and the economic and social challenges that came with it arrived at a time when many vulnerable groups in Europe were already exposed to debt and arrears.⁷

Moratoria varied in length and scope in the different Member States. Their gradual lifting may have given rise to a higher number of actual evictions in 2021. In Spain, for example, over 41,000 evictions took place in 2021 representing an increase of 40% on 2020. And in Ireland, eviction notices rose by 60% between 2020 and 2021 with the number of homeless people climbing by 14% in the six months following the lifting of lockdown measures in April 2021. Meanwhile, in England, legal proceedings initiated by landlords to evict their tenants rose by 43% between the second and third quarters of 2021 with one out of every 17 renters on the private market at risk of losing their home by winter 2021.⁸ Furthermore, in Italy, 2022 could see a wave of 100,000 evictions taking place,⁹ compared to the 70,000 evictions that were suspended in the last two years (32,000 in 2020 and between 40,000 and 50,000 in

5 <https://www.poderjudicial.es/cgpi/es/Poder-Judicial/En-Portada/La-tendencia-al-alza-de-los-concursos-durante-2021-supuso-un-aumento-del-37-5-por-ciento-respecto-a-2020-y-del-57-en-relacion-con-2019>

6 Some 28,024 evictions took place out of 32,536 ordered in total. Italian Ministry of the Interior, available at <https://www.cisl.it/notizie/notizie-societa/notizie-societa-casa/sfratti-2020-i-dati-del-ministero-dellinterno/>

7 Eurofound (2020), 'Europe's pre-existing household debt condition likely to be exacerbated by virus crisis', <https://www.eurofound.europa.eu/fr/news/news-articles/europes-pre-existing-household-debt-condition-likely-to-be-exacerbated-by-virus-crisis>

8 Shelter (2022), '14,000 renters face eviction as living costs soar', press release dated 10 February 2022, https://england.shelter.org.uk/media/press_release/14000_renters_face_eviction_as_living_costs_soar

9 Union de Locataires (Unione Inquilini). <http://www.italianinsider.it/?q=node/10762>



2021).

A sudden mass enforcement of evictions could lead not only to a surge in the number of people in material and psychological distress, but also to a backlog in the courts if no prevention measures are taken.

... which adds to the significant challenges in achieving the now Europe-wide target of ending homelessness by 2030

Although all 27 Member States pledged to end homelessness at the launch of the **European Platform on Homelessness in Lisbon** in 2021 for the first time in the European Union's history and the French Presidency of the EU Council outlined a work programme for this new platform, there is still a long way to go. The implementation of the right to housing enshrined in the European Social Charter's Principle 19 inevitably involves the effective prevention of evictions.

Most Member States have not seized the opportunity of the post-pandemic economic recovery to invest substantially and strategically in the eradication of homelessness. There are, however, inspiring advances and initiatives that can be found in the national recovery and resilience plans of countries such as **Italy, Spain** and **Portugal**. Measures of varying degrees of ambition to promote the provision or renovation of social housing are also contained in the plans for Belgium, France, Germany, Slovenia, Latvia, Greece, Bulgaria, Luxembourg, and Ireland. In recent years, systemic shifts towards policies that focus on rapid access to decent housing and eviction prevention have been initiated in a number of proactive municipalities in **Denmark, Germany, the Netherlands, Italy, Spain, Ireland, and Scotland**.

Despite this positive news, saturated housing markets and a lack of decent, affordable housing in a majority of Member States remains alarming. Although fears of a mass closure of accommodation places when lockdown restrictions came to an end seem to have been allayed for the time being, the adjustment of services during the pandemic sometimes corresponded to reductions in the number of places available as not all services had the organisational and financial capacity to make the necessary transformations.

The displacement of millions of people as a result of the war in Ukraine is likely to add to an already substantial pressure on existing services. The question of quality and sustainability of reception accommodation will then arise. The lack of adequate, dignified, and sufficient solutions for homeless people leads to increased competition between groups with intersectional vulnerabilities. Having said that, the past decade has been marked by an unprecedented reception crisis,¹⁰ i.e. the result of managing migration flows to the detriment of basic rights and the adequate care of those seeking protection. Non-standardised reception conditions combined with dysfunctional housing markets have

¹⁰ FEANTSA and the Fondation Abbé Pierre (2020), 'Exiled and homeless: reception and accommodation conditions for asylum seekers and refugees in Europe', *Fifth Overview of Housing Exclusion in Europe*, available at: <https://www.feantsa.org/en/news/2020/07/23/fifth-overview-of-housing-exclusion-in-europe-2020>

7TH OVERVIEW OF HOUSING EXCLUSION IN EUROPE 2022



Image property of Shutterstock, Pavel Kubarkov

made people with a migration background – be they refugees or asylum seekers – particularly vulnerable to homelessness. Not forgetting either the specific problems faced by asylum seekers who are in detention, affected by the Dublin Regulation, or in transit, as well as undocumented migrants, whose fundamental rights are systematically violated.¹¹ This constantly undermines the Member States' duty of unconditional reception posing a challenge which the whole of the European Union must be in a position to respond to.

Despite the exceptional improvement in circumstances brought on by the pandemic, life on the streets is still deadly in Europe. In **England**, for example, 1,286 deaths of homeless people were recorded in 2021 representing an increase of 80% in just two years.¹² Meanwhile, in the **Irish capital of Dublin**, 115 homeless people died in 2021 representing more than double the number of deaths recorded in 2019.¹³ In **France**, the Collectif des Morts de la Rue counted 623 deaths of homeless people in 2021, up 6% from 2020.¹⁴ Furthermore, in the **Italian capital of Rome**, a man died of hypothermia in January 2021 after settling down for the night in front of the entrance to an emergency shelter which had been closed due to the pandemic.¹⁵

¹¹ https://migreurop.org/IMG/pdf/note_13_fr.pdf

¹² <https://www.theguardian.com/commentisfree/2022/mar/31/homeless-deaths-uk-solution>

¹³ <https://www.98fm.com/news/number-of-homeless-deaths-in-dublin-double-1332966>

¹⁴ http://www.mortselarue.org/IMG/pdf/RESUME_RAPPORT_2020_EN_2021-2.pdf

¹⁵ <https://www.theguardian.com/world/2021/feb/01/rome-covid-rough-sleeper-deaths-italy>

7TH OVERVIEW OF HOUSING EXCLUSION IN EUROPE 2022



Image property of Shutterstock, Pavel Kubarev

Recommendations

- ↪ **Nobody should be evicted without being rehoused**, and thus become homeless, regardless of whether a pandemic has broken out, in accordance with international law.
- ↪ **Good quality data on evictions** are necessary to bolster and adapt prevention measures
- ↪ Strategies to prevent evictions should include:
 - **A legal framework** to foster protection of the right to housing for those in need.
 - **Specialised services as far in advance of the actual eviction as possible**, with expertise available right along the procedure to provide **advice** on housing and budget management.
 - **A guarantee of rapid rehousing**, with significant **social supports** if needs be for evictees who find themselves homeless.
 - **A guarantee of an affordable and accessible stock of adequate housing** for those on low incomes or with no income.
 - **Cross-cutting cooperation** between relevant departments, **coordination** of local strategies through a national strategy, and **exchange of** best practices.
 - **Sufficient budgets**: effective eviction prevention is not compatible with budget cuts to social and housing policies.
- ↪ Strategies to prevent evictions should be based on the best practices identified:
 - **by upgrading financial aid**, for example, by providing funds to help with rent and service charges
 - **by revaluing transfer incomes** in line with inflation
 - **by supporting households in accessing their rights** via combating non-use of properties and also facilitating an effective defence before the courts
 - **by protecting occupants**, limiting unjustified evictions, and punishing fraudulent notices to quit
 - **by combating the financialisation of housing**: a new regulatory regime at EU level for institutional investors in housing should be devised in order to control speculation by vulture funds and a European housing fund set up to reduce the counter-cyclical role of institutional investors.¹⁶
- ↪ **Let's not repeat the mistakes of the past by cutting support to vulnerable households**, as occurred under European austerity policies but instead provide assistance to address the cost-

¹⁶ Greens/EFA (2022), *op. cit.*

7TH OVERVIEW OF HOUSING EXCLUSION IN EUROPE 2022



Image property of Shutterstock, Pavel Kubarev

of-living crisis. Ambitious, cross-cutting, and long-term strategies to **repair the structural dysfunctions of Europe's housing markets** must be devised.

- ↪ **Align the objective of combating energy poverty with the fight against housing exclusion and homelessness**, i.e. scale up investment in energy efficient renovation while ensuring social safeguards for occupants in order to prevent gentrification and rising housing prices (also supporting especially vulnerable households during renovations by providing tailored financial assistance).
- ↪ **Use recovery budgets as leverage to achieve the goal of eradicating homelessness.**
- ↪ **Define the exact meaning of 'social impact' investing**, and the clear obligations it entails in accordance with fundamental human and social rights and apply this to housing markets.
- ↪ **Make the European Platform on Homelessness an effective tool to ensure a shift in public policy.** The voice, needs, and experiences of those affected must be put back at the centre of dialogue and action.