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POST-2020 MULTIANNUAL FINANCIAL FRAMEWORK: FEANTSA CALLS ON THE EU TO STAND UP FOR HOMELESS PEOPLE

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INTRODUCTION

This position paper outlines how and why the post-2020 MFF can make a decisive contribution to the fight against homelessness in Europe.

Recent EU policy developments have set the stage for greater ambition, action and impact when it comes to tackling homelessness in Europe. The most important of these are:

1. The proclamation of the European Pillar of Social Rights by the Commission, Parliament and Council. The Pillar provides a new framework for the social dimension of the European Union by committing the EU and its Member States to 20 principles and rights in the areas of equal opportunities and access to the labour market, fair working conditions, and social protection and inclusion. The 19th principle is *housing and assistance to the homeless*. It commits Member States and the EU Institutions to playing their full roles in ensuring that quality social housing and/or housing assistance is provided to those who need it; vulnerable people are protected from eviction and provided with necessary assistance; and that adequate shelter and services are available to ensure the social inclusion of homeless people. As things stand, almost all Member States are a long way from delivering on this principle. Concerted action is required at EU and MS level to make progress in this direction.

2. The emergence of homelessness as a priority in the context of the European Semester for economic and social policy coordination. Since its launch in 2010, the Semester has gradually engaged more with homelessness as a priority for Member States. The Commission flagged concern about levels of homelessness in several countries in 2017 (Czech Republic, Denmark, Ireland, France and Italy). For the first time, the 2018 Annual Growth Survey underlines that investment in adequate social housing and other housing assistance is "essential", focusing specifically on the need for Member States to tackle homelessness and protect vulnerable people against unjustified forced eviction and foreclosures.
3. The adoption by the EU and Member States of the UN Sustainable Development Agenda. Delivering on the Sustainable Development Goals (SDGs) by 2030 will necessitate rapid progress on homelessness in Europe, most notably to eradicate extreme poverty for all people everywhere (SDG1.1) and to ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums (SDG 11.1). Crucially, the Sustainable Development Agenda commits to **"leaving no-one behind"** and is a global agenda, equally applicable within the EU as in development cooperation. Homeless people are evidently amongst the most "left behind" in Europe and concerted action is required to overcome this situation by 2030. The implementation and localization of the UN Sustainable Development Agenda is supported both by the Habitat III Urban Agenda and the EU's own Urban Agenda, which focuses specifically on housing and on homelessness in the context of urban poverty.

These recent milestones build on prior initiatives taken at EU level to support Member States to address homelessness, for example in the framework of the Social Investment Package and the Social Open Method of Coordination. All players - EU institutions, Member States, regions, cities and stakeholders have a role to play in turning these milestones into action and progress. The future EU budget can and should help them fulfil this role.

TOWARDS THE POST 2020 MFF

At his State-of-the-Union speech on 13 September 2017, President Juncker underlined that the European Union needs a budget that can match its ambitions and meet future challenges. The Reflection Paper on the Future of EU Finances has helped frame debates on what the EU's next long-term budget should look like. Next, the European Commission hopes to publish its proposals for the post 2020 MFF in the first half of 2018. A public consultation is expected soon. The Regulation for the new MFF and for each of the financial instruments will determine the role that EU funding can play in the fight against homelessness in the post 2020 period.

In a context of downward pressure on resources, competing priorities, simplification, a drive for flexibility and the merging of instruments, there is a risk that homeless people will be left behind in the post 2020 Multiannual Financial Framework. FEANTSA calls for measures to ensure that the future financial instruments designed to support solidarity and cohesion actively reach out to the most deprived, notably homeless people, and make a genuine difference to their situation. This is the fifth demand of FEANTSA's Be Fair, Europe – Stand Up for Homeless People campaign.

THE CURRENT MFF AND HOMELESSNESS

The current MFF includes a range of instruments that support action to fight homelessness in the Member States. The most important of these are:

- European Social Fund
- European Fund for Aid to the Most Deprived
- European Regional Development Fund

Overall, FEANTSA considers that the current Regulations governing these instruments have created important opportunities for Member States to tackle homelessness. Key elements include:

- The overall thematic objective ***promoting social inclusion, combating poverty and any discrimination***, particularly the concentration of at least 20% the ESF in each Member State for this thematic objective; and the inclusion of the following investment priorities in the ERDF: ***investing in health and social infrastructure*** and ***support for physical, economic and social regeneration of deprived communities in urban and rural areas***.
- The existence of a specific instrument dedicated to ***people in the most deprived situations*** – the Fund for European Aid to the Most Deprived (FEAD).
- The inclusion of ***output and result indicators*** on the extent to which some instruments reach homeless people, namely the FEAD and the ESF.

However, there are many gaps remaining both at the level of regulation, programming and implementation. The extent to which Member States have been able to use these instruments

to effectively address homelessness in the current period is therefore mixed. Important learning points from FEANTSA's monitoring in the current period include¹:

- EU funds often struggle to reach people experiencing extreme forms of poverty and social exclusion, like homelessness. Despite the EU's ambition on social inclusion and combating poverty, penetration of the funds to homeless people is limited. EU funding manifestly does **leave people behind**.
- The main added value of the FEAD has been to focus specifically on people in the **most deprived situations**. However, the instrument's small size and specific focus on food and material assistance have frequently limited its impact. Measures supporting social inclusion of people in the most deprived situations, rather than just meeting their most basic needs, are essential to ensure **no one is left behind** in the future. The use of accompanying measures and the deployment of Operational Programmes entirely dedicated to social inclusion (known as OP2) as in Denmark, Germany and Sweden have demonstrated that it is possible to generate significant impact by going beyond basic material assistance.
- EU funding can act as a lever to improve policies and services to tackle homelessness. The best EU-funded initiatives on homelessness are in line with a **shift from "managing" to "ending" homelessness**. This reflects EU policy guidance on homelessness². It also reflects the broader shift from institutional to community based services for people with support needs, which has become a priority of EU cohesion policy. It entails increased investment of resources into **prevention** of homelessness; and into the **provision of sustainable solutions**. It means investing in policies and services which enable homeless people to access **adequate and affordable housing**, and which facilitate their **full inclusion** in society. Unfortunately, much EU funding spent on homelessness does not support such transformative programmes. Most investment in homelessness in Europe, whether it be from national or EU funds, focuses on relatively short-term management of the problem, rather than on a strategic approach to ending homelessness. There is, overall, relatively little investment of EU funds in housing infrastructure to provide permanent solutions to homelessness.

¹ NB DG Regio is currently carrying out a mapping exercise on how EU funds are used to address homelessness in 7 Member States. It will be published in 2018.

² See, for example Social Investment Package, European Pillar of Social Rights, EU Urban Agenda Action Plan on Urban Poverty.

- Excellent practice exists, whereby EU funding is used as a lever to transform policies and services addressing homelessness, both at the level of programmes and projects. Two of these are outlined as case studies in annex 1³.
- Administrative complexity, and the financial insecurity that NGOs are often exposed to through EU funding is an important challenge when it comes to reaching the most vulnerable. Significant delays in payment, cumbersome controls, lack of flexibility and associated risk are major barriers to absorption of the funds for the fight against homelessness.

In addition to the funds described above, there are also centrally managed instruments such as the EU Programme for Employment and Social Innovation (EASI) programme and Horizon 2020, which make a valuable contribution to the fight against homelessness by supporting innovation and evidence-based practice, improving knowledge and understanding and supporting sharing of best practice and mutual learning.

OUR VISION FOR THE POST 2020 MFF

FEANTSA believes that the EU budget could deliver a lot more on homelessness post 2020 if the following 5 principles were integrated into the MFF:

1. A Rights Based Approach

Respect for human rights, human dignity, freedom, equality and solidarity are embedded in the EU treaties and *inter alia* in the Charter of Fundamental Rights. Furthermore, the EU's social rights agenda has been given new impetus by the proclamation of the Pillar. The EU budget must help to deliver on the EU's commitment to human rights. It should therefore prioritise areas where there is a strong normative human rights basis, and where Member States are manifestly struggling with implementation. Homelessness is a gross violation of human rights and most Member States are clearly struggling to deliver on the housing rights laid out under Principle 19 of the Pillar. A credible EU budget must actively address this gap.

2. Prioritising Social Inclusion and People in the Most Deprived Situations

The reach of EU funding to people living in extreme poverty, like the homeless, is limited. Homelessness is increasing rapidly in most Member States. To overcome "creaming effects" and leverage maximum impact on poverty, the new MFF should maintain at least the current thematic concentration on social inclusion and the fight

³ For further examples, see FEANTSA (2017) [Ending Homelessness Awards: A Handbook on Using the European Social Fund to Fight Homelessness](#)

against poverty. Furthermore, a specific focus on the most deprived or those living in extreme poverty, including homeless people, is required. In the future, this should not be limited primarily to food and material assistance as is currently the case for the FEAD. FEANTSA calls on the European Commission to consider establishing a dedicated instrument or ringfencing of funds to address extreme poverty and destitution. Only through such thematic concentration can the EU deliver on its commitment to **leave no-one behind**. Such thematic concentration should be supported by the inclusion of effective output and result indicators on homeless people for the new instruments.

3. EU Funding as a Lever to End Homelessness

The primary responsibility for tackling homelessness, and for ensuring the deployment of adequate resources for this purpose, lies with States, regional and local governments. However, the EU budget can play a significant role as a **lever to improve policies and services**, in line with EU policy objectives, such as those laid out in the European Pillar of Social Rights, the European Semester and the Sustainable Development Agenda. Underpinning these policy objectives is a strong legal basis; namely Article 9 of the TFEU and the Charter of Fundamental Rights, which was given legal effect by the Lisbon treaty. As outlined above, a shift is required from the inadequate management of homelessness towards its progressive elimination and the realisation of the right to adequate housing for all. By supporting this shift, EU funds could play a transformative role in addressing extreme poverty in Europe. This would help make social Europe more tangible and credible for citizens.

4. Enabling Organisations working with Homeless People to Access EU Funds

Organisations working with homeless people face many barriers when it comes to accessing EU funding. The simplification agenda should in theory make it easier for them to access funds by lightening the administrative load. However, increased flexibility on programming may increase “creaming out” of the most vulnerable. Furthermore, increased use of fixed cost options, “off the shelf products”, flat rates etc. may also expose organisations working with the most vulnerable people in our societies to increased risk by providing insufficient flexibility and by failing to cover the full costs of actions carried out. In some Member States, State Aid Regulations have proved a significant barrier to investing EU funds in housing solutions for homeless people. The European Commission and Managing Authorities should use the opportunity of a new MFF to address this barrier. Organisations working with the most vulnerable in society should be actively engaged in partnership in designing and implementing the future EU budget.

5. Ensuring that the EU Investment Plan Delivers for the Most Excluded

In a context of fragile economic recovery, the EU budget should help ensure that the EU Investment Plan benefits all citizens, including the most vulnerable. In the US, the stimulus package launched by the Obama administration in the immediate aftermath

of the Great Recession including a major investment in the fight against homelessness, namely \$1.5 billion for rental assistance to address homelessness. This investment led to a considerable decline in homelessness levels. The EU could learn from this and better include the needs of the most vulnerable as part of its efforts to relaunch investment in Europe. The increased focus on financial instruments and blending in the context of the EU funds should include measures to boost investment in social infrastructure, including housing solutions for the homeless. So far, only 4% of the EFSI has been spent on social infrastructure.

For more information, please contact Ruth Owen: ruth.owen@feantsa.org

ANNEX 1: CASE STUDIES

Case Study 1: Ending Family Homelessness through Housing First in Brno: A Randomised Control

This project aims to test and showcase whether family homelessness of both Roma and non-Roma families can be ended through a Housing First approach. The total ESF grant for the project was €369,656 and the total budget €372,290. The project started in 2017 and will last 1 year.

Housing First has been proven to end long-term homelessness among people with high support needs. Rather than granting housing to homeless people when they are deemed “ready,” (e.g. show sobriety and engagement with treatment), it provides the person with a house first, as well as a range of support services. Housing First takes a human rights approach which views housing as a right, not something you need to qualify for. The goal of the project is to design an action plan to end family homelessness in Brno, based on the Housing First approach.

The Municipality of Brno works closely together with IQ Roma Servis, a pro-Roma social service provider, the University of Ostrava and different other local authorities. Fifty homeless families are provided housing and intensive Housing First case management. As Roma families make up for two thirds of all families experiencing long-term homelessness in Brno, the expertise of IQ Roma Servis is essential.

So far, the project has demonstrated positive impacts on family well-being, children’s behaviour, security and employment. The project is expected to have positive effects in the future on family reunification, school attendance, physical and psychological health, family budgets, and the overall quality of life. These outcomes will be compared with those of a test group consisting of one hundred families. Both groups have been randomly assigned. If the results are positive after a 12-month evaluation, the city of Brno will adapt the Housing First approach to all homeless families in the city.

The project has been well received in the media. It is the first time a randomised control trial has been used in the Czech Republic to gather evidence on the impact of a social project. If the results of this implementation turn out be positive, which seems to be the case so far, other municipalities and national actors will adopt the Housing First approach. The project contributes to shifting the narrative about Roma families, which is essential to prevent discrimination on the housing market.

This project is a good example of how EU funds can be used to support innovation in order leverage a shift from managing to ending homelessness.

Case Study 2: ESF & FEAD Operational Programmes, Italy

Since the definition of the Partnership Agreement in 2014, the Italian Ministry of labour and social policies has shaped the national policy for homeless persons through the complementary use of EU and national funds, underpinned by a common policy framework. Key goals of this framework include overcoming emergency approaches, promoting systemic and structured responses (including Housing First and Housing Led) and ensuring tailor-made interventions.

The FEAD is used not only on the provision of basic relief for emergency situations, but a strategic instrument for social inclusion of the most vulnerable people. The ESF Inclusion National Operational Programme strengthens public services networks and facilitates early social intervention, working in complementary to FEAD funded activities.

In 2016, a joint call was launched integrating the ESF Inclusion National Operational Programme (Axis 1 and 2 Action 9.5.9 (*Funding projects in major urban areas with specific interventions aiming at reinforcing early social interventions for homeless people and supporting them in independence paths*)) and the FEAD OP (Measure 4 *Homeless and other vulnerable groups material deprivation*). A total of € 100 million was made available to cities and regions for actions aiming at integrating services (social, health, education, employment etc.); supporting cooperation among service providers and implementing social intervention plans at local level. This is an example of creative use of EU funds, in a holistic and blended fashion, as a lever to support the shift from managing to ending homelessness.