

Policy Brief

PLANNING AT LOCAL LEVEL TO COMBAT HOUSING EXCLUSION: TOWARDS DEVELOPING A SOCIAL RENTAL AGENCY IN THESSALONIKI*

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Back in 2017-2018, when the Municipality of Thessaloniki, with support from the URBACT Arrival Cities Network[1] was co-designing with city stakeholders the *Integrated Action Plan for the Integration of Refugees and Migrants*[2], the pressure on the housing market was already becoming visible. During the participatory planning process it became increasingly clear that access to decent and dignified housing and measures to ensure housing justice had to be part of the Municipal strategy, not just for refugees and migrants but for an increasing number and diversity of denizens in Thessaloniki, including re-integration of the homeless population as well as to combat housing insecurity and risk of homelessness among low-income households. This trajectory, with vulnerable populations dependent on temporary shelter options, combined with an

increasingly shrinking affordable housing market, led the Municipality of Thessaloniki to seek partnership with 8 other EU cities under the URBACT ROOF network[3], assisting the City to embark on an action planning process on affordable housing, combating homelessness[4] and adopting Housing First[5] and Housing Led policies with the final goal of functional zero homelessness[6]. The Municipality designated the Major Development Agency of Thessaloniki (MDAT)[7] as the operational arm in the planning and implementation of the action plans[8].

As an evidence base for action planning within the framework of ROOF and right to housing for vulnerable groups and the population at large, MDAT launched a city-wide baseline study on affordable and social housing[9]. The study aims to

[1] <https://urbact.eu/arrival-cities>

[2] For a summary of the Action Plan see https://urbact.eu/sites/default/files/media/iap_thessaloniki_arrival_cities.pdf

[3] <https://urbact.eu/roof>

[4] The ROOF network adopts the ETHOS light definition of homelessness for data collection purposes: <https://www.feantsa.org/download/fea-002-18-update-ethos-light-0032417441788687419154.pdf>

[5] Housing First, Peer Review in Social Protection and Social Inclusion, 2016, European Commission

[6] <https://housingfirsteurope.eu/research/housing-first-housing-led-solutions-rough-sleeping-homelessness/>

[7] The Major Development Agency Thessaloniki (MDAT) is a development agency of 11 local governments covering the greater metropolitan urban district of Thessaloniki and other institutions of the wider public sector and city organizations (General Director, Chrisostomos Kalogirou, c.kalogirou@thessaloniki.gr and Ozgunes@mdat.gr)

[8] On behalf of the Municipality of Thessaloniki the Operational Planning and Programming Department is the Municipal service in charge of the overall planning the intervention (Contact person: Andreas Karadakis, ROOF Project Coordinator, a.karadakis@thessaloniki.gr)

[9] The baseline study is funded by Open Society Foundations and is implemented within the framework of the MDAT managed programme entitled "Technical Assistance to the Municipality of Thessaloniki for the implementation of the Integrated Action Plan for the Integration of Migrants and Refugees".

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provide a thorough understanding of housing market and housing injustice (due to housing conditions, housing cost burden, territorial stigmatization and marginalization) which effects the enjoyment of a range of other basic rights of denizens (right to education, ESCR among others). There are a number of factors which contribute to an increasing concern that old and new communities and denizens in the city do not have equitable and viable access to housing solutions which endangers prospects for dignified living and social inclusion. Thessaloniki is experiencing a similar phenomenon as in Europe, what is widely recognized as a housing crisis effecting the most vulnerable[10].

While there are specific structural reasons behind the housing crisis in Europe, we will focus on the specificities and responses in Thessaloniki. While compared to other EU countries Greece has high property ownership, in tandem, it has also no social housing stock nor any authority that plans and implements housing policies[11] horizontally[12]. The issue of access to housing is primarily a subsidy policy and in the case of homelessness relies primarily on shelterisation and temporary accommodation.

The increasing rents in the past years and lack of affordable housing has been especially detrimental to low-income households. According to EU-SILC

data at national level, while the housing cost overburden for low- income households –those households spending more than 40% of their disposable income on household costs- was at 60% in Greece in 2010, this figure reaches 90.7% by 2018, the highest among all EU member states[13]. In addition to the structural reasons behind the shrinking housing market, a number of recent factors have either impacted the availability of affordable housing or have meant that specific groups of people were suffering from housing exclusion, even if they were receiving subsidies, exacerbated by the lack of affordable housing:

1. Short-term rental platforms such as Airbnb which shrunk the availability of housing in central locations of the city leading also to 'renovictions'[14].
2. Increasing demand for housing units from temporary accommodation programmes for vulnerable groups, asylum seekers and refugees geared to support these vulnerable groups, such as ESTIA, HELIOS.
3. Intervention in the field of access to housing is limited to rental mediation with lack of interventions that can overcome barriers related to the quality, affordability and discrimination that need to be overcome in the private rental market.
4. The lack of investment in the creation of new

[10] <https://www.eesc.europa.eu/en/news-media/press-releases/we-need-eu-strategy-social-and-affordable-housing-says-eesc>

[11] Note that conceptually many programmes providing accommodation to vulnerable groups are at one point or another baptized as 'social housing', including references to temporary housing of asylum seekers as social housing. However, social housing is not a broad term that defines any type of accommodation provided to vulnerable groups. We use the definition provided by Housing Europe which defines social housing as housing for rent or accession to ownership for which there are defined rules governing access to households with difficulties in finding housing. Core elements of social housing are: affordability, the existence of rules for the allocation of dwellings, a strong link with public policies at the local level, security of tenure, quality standards and a strong involvement of beneficiaries. See also Anna Granath Hansson & Björn Lundgren, 2019, Defining Social Housing: A Discussion on the Suitable Criteria, Housing, Theory and Society, 36:2, 149-166, DOI: [10.1080/14036096.2018.1459826](https://doi.org/10.1080/14036096.2018.1459826)

[12] The Workers' Housing Organisation (OEK) which implemented social housing policies in the past (with differing approaches to housing provision) was abolished in 2012.

[13] EU SILC data on Income and Living Conditions: <https://ec.europa.eu/eurostat/web/income-and-living-conditions/data/database>

[14] Loss of homes or evictions resulting from urban regeneration projects, either at neighbourhood level or at the level of housing units.

housing units combined with aging stock and closed homes[15].

5. Increasing demand in the rental market due to forthcoming auctioning of primary residence, bad loans, pushing prior homeowners to the private rental market, pressuring an already existing supply shortage.

6. The suspension of accommodation support to recognized refugees. Asylum seekers, once recognized as refugees are required to leave their temporary accommodation with a one-month notice. They are faced with a limited safety net available to ensure housing solutions and serious barriers in accessing subsidies available to support households, namely rent subsidies[16] and minimum guaranteed income[17].

It is this picture with alarming numbers of persons facing housing exclusion that has led MDAT to seek ways in which it can embed structural interventions in the action planning process of the Municipality of Thessaloniki with the ROOF network.

Within this framework in the upcoming period it is planned to:

- Establish a social rental agency in Thessaloniki adapted to the policy and legal context in Greece and which can promote innovative housing-led responses to housing exclusion[18].
- Design a business plan for the social rental agency under MDAT which can manage this stock and provide affordable housing to the market, tapping into data provided by the baseline study.
- Conceptualise an innovative funding scheme for the housing provider developing incentives for owners such as municipal tax reductions, home renovations using the national programme funding energy saving interventions[19] among others. While national programmes and grants will be important to kick-off the provider, the long-term aim is for the housing provider to self-finance its operations through mixed methods.
- Use the small scale actions fund under ROOF and use know-how of ROOF members to: improve data collection methods at local level (*ROOF members*), implement outreach strategies for identifying housing units to be managed by the agency (*Liege*), strategies to regain empty properties in the market (*Glasgow*), bring into the affordable housing market municipal and public properties (*ROOF members*), design housing provision criteria (*Poznan and ROOF members*), pilot and test Housing First (*Braga*) with homeless population (*Odense, Ghent, Toulouse Metropole, Glasgow*).
- Establish referral pathways between the housing provider and existing public services such as employment, psycho-social services etc. without creating a service bubble within the agency but nevertheless providing key tenant services, primarily service brokerage.
- Support the Municipality in developing a harmonised data collection system on homelessness which can inter alia underpin evidence-based and tailored policy-making.

It is widely recognized that restricting housing policies to subsidies and housing assistance creates

[15] According to initial data and estimates from the baseline study of MDAT, only in the Municipality of Thessaloniki the number of properties off the electricity grid in the past decade are 38,000. Even when considering that some have returned to the market with other electricity providers and others are not fit for residence (shops, basements) the realistic estimate is still more than 60% would be considered empty properties fit for residence.

[16] Access to the subsidy necessitates a 5-year legal residence in the country.

[17] Access necessitates a 6 month rental contract on the name of the beneficiary.

[18] https://www.feantsa.org/download/2012_06_22_sra_final_en-2-2292903742234225547.pdf

[19] <https://exoikonomisi.yopen.gr/to-programma>

a dead-end or bottle-necks at best, due to lack of moving-on housing, be it from homeless shelters or temporary accommodation for asylum seekers, to the detriment of durable housing solutions for the most excluded. Cash for rent type subsidies, rent mediation and similar interventions ignore structural factors perpetrating exclusion from the housing market, namely lack of housing supplies at affordable prices. Social programmes for homeless re-integration, housing of asylum seekers and refugees, housing programmes for Roma and a range of other programmes for low-income households with an accommodation component rely almost entirely on the private rental market. And for those without an accommodation component but with an aim to combat poverty, the burden of housing costs, segregation and exclusion from dignified housing will remain a distress factor in achieving sustainable outcomes.

In order to test the most innovative approaches to combating homelessness, to cater to the shifting policy paradigms in combating exclusion and homelessness, such as Housing First, an affordable, accessible and equitable housing stock is necessary. We need to be aware of the fact that the intervention plans to operate in a country where there is no social housing stock and no governmental body in charge of implementing horizontal and structural housing policies. This is precisely why in a context where the private rental sector is the main source of supply for housing where there is an abyss between affordable housing supplies and demand as well as specific barriers such as segregation and discrimination for vuln-

erable groups in accessing housing, investing in a housing provider becomes critical.

The intervention as described in this brief invests in the idea of the cycle of innovation through bottom-up approaches inspired by promising examples in EU cities and regions such as in Flanders where the model of social rental agencies, a purely grassroots initiative, that were gradually developing in the 1970s as a response to shortcomings in homelessness services by homeless service providers were upscaled from an initiative to an integral part of housing policy in Belgium as it was deemed to provide a successful response to support individuals exit homelessness and move in to long-term housing with security of tenancy. These agencies lease dwellings from private landlords through a number of incentives to sub-let them at affordable prices to vulnerable tenants.

The first social rental agencies established in the 1970s were tested by a pilot grant funded by the government in the 90s and were to be then legally recognized through a housing law with attached funding in 1997[20]. Similar models have been implemented in a number of other EU countries, in a context where a sweeping reduction of capital investment in social housing is being observed across EU countries[21].

Garnering know-how across European cities through the ROOF network, joining forces with local stakeholders, mobilizing evidence and data based local policy building, the Municipality of

[20] For detailed information on the case of social rental agencies see: Good Practice Briefing, Social Rental Agencies: An Innovative Housing-led response to Homelessness, FEANTSA, May 2012, https://www.feantsa.org/download/2012_06_22_sra_final_en-2-2292903742234225547.pdf

[21] e.g. Agences Immobilière à Vocation Sociale (AIVS) in France

Thessaloniki together with MDAT aims to provide responses to structural factors driving homelessness; building bridges and exploring synergies between actions of support and systems in order to provide holistic responses to a violations of right to housing and housing exclusion.