

NEW BULGARIAN UNIVERSITY

# Housing, homelessness and social policy in Europe.

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How to tackle social exclusion?

*Preliminary report*

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In this preliminary report, our team introduces the current state in the situation with homelessness in Bulgaria. Furthermore, it takes a close look at practices that are adopted in order to tackle this problem, along with comparing those policies and their success to the ones implemented in EU.

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## 1. Current situation in Bulgaria

### Number of homeless people/ people at risk of losing their homes

According to the latest census, undertaken in 2011, the population of Bulgaria is 7 364 570 people. The Bulgarian ethnic group comprises 5 664 624 persons or 84,8% of persons who declared their ethnic identity on a voluntary basis. The Turkish ethnic group is the second highest number - 588 318 persons. It represents 8.8% of the population. The Roma ethnicity is traditionally the third one numbering 325 343 persons, with a relative share of 4.9%.

The economic crisis in Bulgaria brought unemployment, social instability, poverty, even misery that lead to different forms of social exclusion. All those phenomena cast a harsh light on the homelessness crisis and make clear the role of social housing both in humanizing modern society and providing it with stability.

22,3 % of the population is viewed as being at-risk-of-poverty (2011) and that rate is increasing by at least 1,5 percentage points every year. Different groups in society are more or less vulnerable to monetary poverty – female at-risk-of-poverty rates were 2,8 percentage points higher in 2011 than the corresponding rates for males. More than the half of the unemployed was at-risk-of-poverty. 28,3 % of all retired persons were at-risk-of-poverty. Most vulnerable are those who live in households composed of two adults with three or more dependent children. There are also inequalities in the distribution of income – 20 % of the population received at least 6,0 times as much income as the bottom 20%, while the income of the elderly was equal to 70% and 80% of those recorded for people under 65. The relative median at-risk-of-poverty gap in Bulgaria is 30%. 59,5 % of the at-risk-of-poverty population were found to be lacking indoor flushing toilet and 43,5% - lacking bath or shower. The population at-risk-of-poverty or social exclusion is 49,1%.

Reports from the end of September 2013 state that the current number of registered homeless people in Bulgaria is 1370 (860 of them used social services, 26 – health services, 83 – other services).

Despite the fact that Bulgaria has a higher figure of the indicator “housing per 1 000 habitants” (467/1 000) than the average European level (420/ 1 000) the population living in overcrowded dwellings is estimated to 47,4 % and more than the half of all people at-risk of poverty live in overcrowded housing. The country has a large percentage of unoccupied housing, whereby the real availability of housing in certain population centres (chiefly in the large cities) is much lower than the European standards.

30,8 % of the population has the household been in arrears, i.e. has been unable to pay on time for any of the housing costs: loan repayment for buying the main dwelling, rent for the main dwelling, running costs for electricity, water, heating, contributions to repay loans.

## **Availability of affordable and social housing for different social groups**

In 2004 the Bulgarian government adopted a national strategy entitled National housing strategy of the Republic of Bulgaria. For Bulgaria is typical the “residual” or targeted approach which means that the social housing targets only the neediest. Social housing in Bulgaria consists of municipally owned dwellings let to particularly needy people and represents 3% of the total housing stock in the country. Housing policies include also measures supporting households with utility payment (meant for both – rental and owner occupied sector) covered by state budget, as well as assistance to homeowners through subsidies for purchase and renovation of dwellings.

The Ministry of Regional Development and Public Works is responsible for housing policy at the national level. Municipalities own and manage the public rental stock, which is diminishing progressively. They suffer from a chronic shortage of funds and have limited possibilities to maintain their existing stock and there has been no investment in the construction of new public housing for almost two decades. Furthermore, municipalities have been selling the existing stock (sale to sitting tenants is allowed, according to administrative procedure).

Municipalities allocate available dwellings on the basis of waiting lists. Criteria for the application for public housing include that applicants do not own real estate, have not made transactions with properties, have had a permanent address registration in the settlement for the last five years, do not have bank deposits and other properties and 25% of their annual income cannot cover any rent on the market. The allocation process is targeted at households with special needs: orphans, disabled, chronically ill, elderly and single parents.

## **2. Current policies in Bulgaria**

### **Policies tackling homelessness**

Bulgarian policy in the field of homelessness and housing exclusion is a combination of common and targeted policies with the latter being predominant. The implementation of the national housing policy is based on the vision for establishing balanced, proportionally developing and sustainable housing system by providing conditions for access to quality housing (rental or private) that will satisfy the needs of all Bulgarian citizens. The policies for combating

homelessness and housing exclusion are developed, implemented and monitored at all three levels of governance – national, regional and municipal. It should be noted that the main actors are the bodies of the executive authority at central level and the bodies of the local self-governance (the municipalities).

Some of the key priorities in order to increase the efficiency of the implemented policy in the field of homelessness are: development of suitable institutional framework of the housing system; clearly defining and actual undertaking of the public responsibility in relation to housing; strengthening the participation of the municipalities in the processes of forming the housing policy; decentralization of the functions and the responsibilities on the housing policy. Due to a lack of comprehensive statistics concerning the homeless people in Bulgaria, there is no strategy on a national level for combating homelessness. Therefore, the National Reform Programme of the Republic of Bulgaria (2012-2020) provisions the conducting of a survey on homelessness and setting up a statistical database on homelessness and its dimensions, as well as development of a comprehensive strategy against homelessness. Homelessness is also being identified as an issue within the National Strategy for Reducing Poverty and Promoting Social Inclusion adopted by the Council of Ministers at the beginning of 2013. One of the key priorities set out in the Strategy is “Improving the living conditions of vulnerable groups and providing support to homeless persons”. The measures for the implementation of this priority are related to providing access to housing and developing integrated cross-sectorial services for homeless people, including begging children and adults.

### **Social services available to homeless people**

Bulgarian policy in the field of homelessness is primarily aimed at providing social services. Bulgaria’s social service system has expanded considerably in recent years as a result of actions aimed at deinstitutionalization and provision of more community-based services and services in family environment. The following community-based social services provide shelter and support for homeless persons and children: Centers for temporary accommodation; Shelters; Protected housing; Centers for Street Children; Crisis Centers; Transitional homes; Supervised homes; Units “Mother and baby”; Family-type centers. According to the data collected by the Agency for Social Assistance as of September 30, 2013 at the territory of the country there are 13 Centers for Temporary Accommodation with a total capacity of 625 places (442 occupied), 53 Centers for Family Type of Accommodation with a total capacity of 677 places (621 occupied), 11 Transitional Homes with a capacity of 100 places (95 occupied), 4 Crisis Centers for persons with a total capacity of 45 places (30 occupied), 2 Shelters for Children with a total capacity of 70 places (51 occupied), 13 Centers for Street Children with a total capacity of 231 places (212 occupied), 15 Transitional Homes for Children with a total capacity of 126 places

(115 occupied), 104 Centers for Family Type of Accommodation for Children with a total capacity of 1,201 places (1,046 occupied), 14 Crisis Centers for Children with a total capacity of 145 places (105 occupied), 10 “Mother and baby” Units with a total capacity of 75 places (34 occupied). Local authorities also have specific and very important responsibilities in initiating and implementing measures to combat homelessness and housing exclusion. Sofia Municipality provides various social services to support homeless persons including young people. In 2011, Sofia Municipal Council adopted the city’s Strategy for Prevention of Social Exclusion 2011-2015. One of the strategic goals is “full life in the community” targeted at wide range of groups such as homeless people, refugees, immigrants, young people leaving institutions, etc. This goal is in full compliance with the Regional Development Strategy of Social Services in Sofia 2011-2015 that is aimed at the development of alternative support services such as services for crisis accommodation, transitional housing, supervised housing, etc. One of the target groups of the Strategy are children and young people who have been living in institutions in Sofia.

Currently there are 3 Centers for Temporary Accommodation on the territory of Sofia Municipality with a total capacity of 510 places which are usually occupied. One of them, Centre for Temporary Accommodation “St. Sofia” is specifically targeted at young homeless people aged between 18 and 25 years. The amount of the allowance for one user per year is BGN 2,401 (approximately EUR 1,228). In 2009 Sofia Municipality has launched a campaign to provide temporary shelter for homeless people during the winter nights. In 2011 and 2012 the Sofia Municipal Council established and financed a Centre for crisis accommodation for homeless people during the winter months in order to accommodate a large number of people in need of accommodation. From 1 December 2012 until the end of March 2013 more than 465 homeless persons were residing at the Centre. Due to the growing demand for such services and the traditional migration of people from the country to the capital city as well as the influx of refugees in recent months, Sofia Municipal Council approved the establishment of another Centre for crisis accommodation for homeless people, which will be funded entirely from the local budget of Sofia Municipality. Both emergency accommodation centers have a capacity to accommodate 170 people in total. They are designed to provide homeless people not only with shelter, but also to offer a variety of services including psychological services for better realization in the society.

### **Inclusion of different social groups via housing**

Homelessness is a multi-dimensional and complex problem. Therefore, effective policies addressing homelessness must include actions in different policy areas directed towards specific target groups. Among the most vulnerable groups regarding homelessness are: the Roma, young people leaving the specialized institutions, elderly people, people with disabilities,

single parents with children, children at risk, people from ethnic minorities, migrants, refugees, etc. Young people leaving institutions can be particularly vulnerable in terms of homelessness unless they receive adequate help in their after-care life preparation, along with sufficient follow-up support (e.g. assistance finding housing).

Social services for children and young people play a very important role in promoting their social inclusion and preventing the risk of homelessness. There are lots of different types of community based social services for children. Some of them which are directed towards homeless people include the Shelters for Street Children, the Centers for Street Children and the Centers for Temporary Accommodation. Regarding the homeless children deprived of parental care the following options are available: accommodation in family of friends or close relatives; accommodation in foster family; adoption; accommodation in Family-type centers accommodation in specialized institutions.

### **Civil society and NGOs initiatives regarding homelessness**

In order to improve the quality of life of the most vulnerable groups including homeless people and children a project “Public Canteens” has been successfully implemented since 2009. The project’s goal is to improve the quality of life and to provide support to the most vulnerable persons and families with low monthly income. The funding is provided by the Social Protection Fund under the Ministry of Labor and Social Policy. The amount of the funding of the service for 1 person is up to BGN 2.50 (approximately EUR 1.28) per day that includes a hot meal for lunch - soup, main meal and bread, as well as other costs such as transport, utilities and supplies – up to 10% of the food value. Since 2013 the service “Public Canteen” has been provided throughout the whole year not only during the harsh winter months of the year. For the period December 2009 – May 2013 the total number of the users of the services is 9,734 persons. Currently 181 public canteens are functioning throughout the country including 525 villages. 11 of the public canteens are on the territory of Sofia city and provide hot meals to more than 1,200 persons from vulnerable groups including homeless people. In addition, a project “Soup Kitchen” has been implemented by Paribas Bulgaria in cooperation with Sofia Municipality over the recent years. This initiative consists of a regular provision of hot meal for lunch (soup and a loaf of bread) every working day during the winter months (December - March). Beneficiaries are single mothers, elderly persons, homeless people and other disadvantaged groups. The Soup Kitchen initiative marks significant success: the current total number of 1,750 meals per day over the entire winter period is 10 times bigger than at the beginning of the project. Another initiative for food provision to homeless people is the initiative “Charity on the street - food for the homeless”, organized by the “Mission without Borders” Foundation in partnership with Sofia Municipality. Other projects, currently implemented by Sofia Municipality are “The

street is not a home – Samusocial for Sofia”, a pilot project for homeless people living in three areas funded by the Embassy of France; “Social inclusion through the creation of community centers for children and families at risk on the territory of Sofia Municipality” funded by the World Bank, etc.

### 3. Evaluation of policies and social services in Bulgaria

#### Advantages and failures of the housing policies in Bulgaria

##### Advantages

- **Approval and support by the target group.** The target groups approve the initiatives aimed at improving housing conditions. The housing poor welcomed possible assistance both in raising the quality of their housing and in construction of new dwellings. The programs aimed at assisting the target groups focused on employment and education, protection of their civil rights, etc. In this sense, the initiatives to improve the housing conditions were deemed timely, relevant, and important.
- **Commitment and support from Municipalities.** In the official documents it is declared the most important housing objectives of the Bulgarian Municipalities are: housing construction for socially weak households; better maintenance of municipal housing and enabling ownership housing construction on land owned by Municipality. Some Municipalities are ready to provide construction lots and thus become co-organizers of the homeless housing projects.

##### Weaknesses

- **A major problem remains funds.** It has been observed repeatedly that major efforts and resources will be required. Bulgaria is facing many urgent economic problems. Lack of internal and external resources and poor financial management is the principal obstacles to the successful projects.
- **Lack of skills for good project management.** There is poor organization and planning of the projects, as well as poor coordination among the participating bodies. Bad

calculation and timing cause fails of some project' initiatives or even stop the project work. Sometimes the project design is conducted before the preliminary survey and evaluation of housing needs causing disapproval by the local population. In other cases the period between the project development and its implementation is too long and the final outcomes differ considerably from the initial objectives.

- **The number of provided housing units is much smaller than the real needs of the housing poor.** The largest projects will provide housing for several hundred people and some projects achieved building of 3 to 5 new houses. This number is very small indeed having in mind the real housing needs of the targeted groups.
- **The proper use of housing funds is doubtful.** Despite the realization of some projects with more modern and expensive dwellings, local people's opinion is that the money could be used for construction of much larger number of cheap dwellings at ordinary living standard.
- **Unclear concept of the loans' repays.** Most of the projects are made with loans what have to be repaid. Having in mind the poverty and the "social assistance attitude" of targeted groups, Municipalities will collect small rents for the new built dwellings and have no vision how they could achieve to repay the loans.
- **The infrastructure projects are not enough effective and efficient.** They are too costly, require dealing with many legal, technical and organizational issues, and do not address the urgent problems related to the housing conditions of individual families.
- **Possibilities to use the large uninhabited housing stock.** It is possible to use, after repair and adaptation, the uninhabited houses for satisfying urgent housing needs.

## Evaluation of housing policies

1. As it stands housing policies in Bulgaria are unable to cope with preventing homelessness which is mainly due to various factors and weaknesses in the National Strategies. The plans usually fail at specifying concrete targets for reducing homelessness at national, regional, and local levels. Plans are often intended to provide short-term crisis accommodation, thus the National Strategy is lacking a long-term vision for supported or permanent accommodation. Setting realistic scope for projects is the first step for better evaluation and will provide much clearer goals to pursue. This, in combination, with the acknowledgement that

preventing long-term homelessness is the most efficient way to tackle this problem, can mark significant improvement in the National Strategies.

2. Efforts regarding the timely contact with tenants and early identification of people at risk of homelessness are insufficient. As a result the range of anti-eviction measures, including financial measures, is severely limited.

Policies that identify people at risk of losing their home should be improved. As a follow-up, mediation services such as third parties settling landlord, family and credit institution disputes can be a logical measure. Other policies could be a legal minimum for rental contracts, regulation of rental prices, special mortgage schemes, and for those who are evicted instant re-housing programmes.

3. Currently there is a lack of cooperation between social and health systems. It is advisable to strengthen this cooperation to better meet the needs of homeless people, by creating special public health insurance packages to remove upfront financial requirements for vulnerable groups, and providing training of health care professionals and shelter staff. Another measure to tackle this is the creation of effective social nets, focusing on people in the process of deinstitutionalization.
4. While the state is providing income support and housing support, funds are often misused. Ensuring that funds are appropriately spent, while ensuring that housing support covers real costs and flexibly adapt for fluctuating incomes can be a start for better functioning systems.
5. Although there are various policies aiming to integrate homeless people, the target groups are still relatively excluded from society.  
In order to improve the situation, policies which improve service delivery by promoting integrated approaches, while enabling greater service access to homeless people could be a step in the right direction.
6. Mechanisms and procedures for obtaining state accommodation is a slow and cumbersome procedure, which makes people who just lost their accommodation highly susceptible and vulnerable to become long-term homeless.  
Easing the process of obtaining an state accommodation, along with providing emergency dwellings which are locally available, and accessible will ensure that more people benefit from help in that regard. Furthermore, ensuring that information is

reaching the vulnerable groups, along with involving users in running and managing shelters is a way to tackle homelessness.

7. Extreme weather conditions are always surprising for various institutions in Bulgaria, and homeless care during these times is no exception.  
Solutions in that regard could be the preparation for seasonal bad weather in time. Introducing mechanism enabling quick mobilization of services, and enhancing service capacities, and ensuring a wide local outreach by involving public spaces such as subway stations for example, can prevent people from being exposed to extreme weather.
8. The problem with employability is plaguing the country, and is one of the main reasons for homelessness. Furthermore workplace discrimination towards homeless people, amplifies the sense of exclusion from society.  
Mobilizing the employment services, while offering training for the vulnerable groups, are important steps to tackle the abovementioned problem. To compliment these policies, incentives for homeless people to seek employment and providing adequate income support to stay in employment, is important to create a sustainable plan.
9. One of the reasons why the policies which are tackling homelessness are not effective, is because institutions do not cooperate with the targeted groups.  
Ensuring that homeless people participate in service delivery and the relevant policy-making, and making sure that their basic human and civil rights are respected is vital for the success of measures tackling issues related to homelessness.
10. Currently affording permanent housing for homeless or low-income people is luxuries which close to impossible, especially in major cities where the problem with homelessness is entrenched.  
This problem can be mitigated by considering procedures to guarantee the right for housing, and offering supported ownership schemes for the most vulnerable people.
11. As a conclusion it is safe to say that Bulgaria is struggling to cope with many issues at the moment, which puts the problem with homelessness in the periphery.  
The problem with homelessness can greatly benefit from more publicity. Making sure that a wide range of stakeholders, national ministries, public authorities, NGOs, charity organizations, and the society as a whole are involved in the solution of this problem is hugely important.