

REAL ESTATE AT EXPOSURE

NEW CHALLENGES, OLD PROBLEMS

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Social Rental Agency in Warsaw – a Program Increasing Access to Affordable Housing Run by Habitat for Humanity Poland

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Introduction

Social Rental Agency (SRA) is a housing-led model of social services, combining rental housing support, employment services and social work within a single institutional framework.

SRA acts as a middle man between property owners (public and private) and households in need of housing. It provides access to affordable housing, offering the tenants, e.g. good quality accommodation, ongoing support and debt management mechanisms. As for the landlords, SRA asks for lowering the rent by circa. 20%, offering good quality property and being open to all candidate-tenants. In return it offers for example guarantee of rent payment and tenancy management.

This solution was tested in Poland by Habitat for Humanity Poland (Habitat Poland) during a pilot project HomeLab, that was preceded by a research project on feasibility of SRAs in Poland. Habitat Poland established SRA in Warsaw offering support to 41 households (including 30 who received effective housing service). The pilot project

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was thoroughly monitored and evaluated by Metropolitan Research Institute. The final results proved the model to be effective in improving people's housing situation along with other aspects of their life, e.g. employment.

The article presents SRA model and its Polish implementation with reference to housing situation in Poland posing a question whether this model should be introduced in Poland on a broader scale. After analysis of the positive results of the HomeLab pilot project, and listing challenges along with possible solutions thereto, a positive answer is presented. Social rental agencies with their potential of being an innovative solution (at least in Poland and CEE region) should be incorporated into housing policies as a mechanism responding to housing problems.

The main objective of this article is to present a social rental agency model in the context of Polish housing situation. The article aims at responding to the question whether, after the introduction of the pilot project of a social rental agency in Poland and given the results of the project, social rental agencies should be implemented on a broader scale.

The article focuses on the analysis of the most vulnerable groups of Poles who struggle to meet their housing needs. This group comprises mainly people suffering from or at the risk of homelessness or housing exclusion. Also a group falling into a rent gap is taken into account, namely people who do not meet income criteria for social housing and, at the same time, cannot afford renting or buying a flat in the private market. Some of the people falling into the rent gap could also be deemed as falling into the category of housing exclusion, however it is not always the case.

The paper is organized as follows. The first section presents general overview of the housing situation in Poland. In section two one of solutions, namely social rental agency model, is described. In the next section, the history of the implementation of this model in Poland within the HomeLab project framework is presented and the results of this research pilot project are discussed. Finally, the authors would like to propose an answer to the question posed above in more detail – analyzing the outcomes of the pilot project and knowing the obstacles, should the model of a social rental agency be implemented on a national scale in Poland, introduced in various Polish cities and granted public funding? Would it improve the housing situation in Poland?

1. Housing situation in Poland – general overview

The housing situation in Poland can be regarded problematic from many aspects. ***“The Polish population remains largely housed inadequately with a rate of overcrowding and severe housing deprivation that is among the worst in Europe [...]”*** (Feantsa, 2019).

Approximately 14% of the population lives in poor housing, defined as living under substandard conditions (National Housing Program, 2016), and almost 40% of Poles live in overcrowding (the EU average is 15.5%) (Eurostat, 2018). The deficit of affordable housing units is estimated on alarming level between 600,000 and 2 million. The diagnosis of the housing situation for many years remains the unchanged and underlines **the necessity to develop the sector of affordable housing** (in particular dwellings for rent with a moderate rent rate) (Muzioł-Węclawowicz and Nowak, 2018).

Poland has a greatly underdeveloped rental housing sector: due to the massive privatization of the housing stock starting by the early 1990 s, currently almost 85% of the housing stock is owned by private individuals (Eurostat, 2017a). Private rental is very small: less than 5% people live in properties rented in the private market at market price while 11,5% of Poles rent flats at reduced rent prices or fees (Eurostat, 2017b).

Slightly less than 6% of the total housing stock is publicly owned (belongs to municipalities or State Treasury) (National Statistics Office, 2019). At the end of 2018 there were 149,329 households waiting for allocation to municipal housing (National Statistics Office, 2019). The average waiting period for allocation of social housing in Poland in large cities is between 2–7 years, and in smaller cities up to 20 years.

When it comes to assessing the situation of homeless people, it is quite difficult as *“there is no systematic strategy at national level for collecting data on homelessness in Poland”*. (Feantsa, 2019). The Ministry for Family, Labor and Social Assistance conducts a periodic survey counting homeless people over one night. The result of this survey for 2019 was 30,330 homeless people (Ministry for Family, Labor and Social Assistance, 2020). This number refers only to homeless people living in shelters and facilities or in public places and non-habitat spaces while it doesn't include all of the groups indicated in ETHOS definition of homelessness and housing exclusion. According to the ETHOS definition there are four categories of living situation:

- roofless, e.g. living in public spaces / night shelters,
- houseless, e.g. living in transitional supported accommodation / women's shelter accommodation / people due to be released from institutions,
- insecure [housing], e.g. living temporarily with family or friends / no legal (sub) tenancy / living under threat of eviction / living under threat of violence,
- inadequate [housing], e.g. non-conventional buildings / dwellings unfit for habitation / living in extreme overcrowding (Feantsa, 2017).

The 'National Housing Program', introduced at the end of 2016 by the Polish government, set positive goals for the development of the Polish housing market, addressing the housing needs of low-income households. According to the assumptions made for this program, 40% of Polish households (and 50% of those under 34 years old) cannot afford buying or renting a flat adequate for a multi-person family (National

Housing Program, 2016). This corresponds with another statistic, according to which circa. **40% of Poles fall into the so-called “rent gap”**. They do not meet income criteria for municipal housing and, at the same time, cannot afford renting or buying a flat on a private market.

It was stated in the ‘National Housing Program’ that mechanisms supporting people in meeting their housing needs should be introduced. However, the Program implementation is not as successful as planned and it cannot be observed that the number of affordable housing units is raising rapidly.

As for the labor market situation, in Warsaw the registered unemployment rate remains very low, standing at 1.3% in February 2020 (National Statistics Office, 2020). However, since the employment of numerous groups (e.g. unqualified employees, immigrants, young people entering labor market) is not very stable and salaries are low, the barriers to renting accommodation in Warsaw are still in place. In numerous cases, landlords are reluctant to rent flats to certain groups of tenants, e.g. individuals/families with low-income, single mothers and immigrants. In general, the lack of affordable rental accommodation in cities offering employment opportunities is considered the main barrier for interregional migration, an obstacle to labor mobility and a deciding factor in family planning process.

Having all that in mind and being aware of the difficult housing situation in Poland, Habitat for Humanity Poland (“**Habitat Poland**”) was looking for opportunities of implementing new solutions that would be housing-led. The main goal was to **test a solution within a pilot project frame, and in case of positive results, advocate for scaling up and implementing the solution as one of national mechanisms**.

The solution sought-after should give the possibility to (i) create more affordable housing units – focus on rental more than on private ownership, (ii) respond to the needs of both, people suffering from homelessness and housing exclusion and/or at the risk thereof, (iii) use the existing housing stock to provide a faster and more cost-effective solution. It should be underlined that with such assumptions, the solution itself would not respond to all of the housing problems in Poland (there would still be a pressing necessity to build thousands of new affordable housing units and implement a comprehensive system of housing support addressing many different problems). However, it should become one of the components of the system.

After considering different options Habitat Poland took their interest in testing the model of a social rental agency.

2. Social rental agency model as a solution to a problematic housing situation in Poland

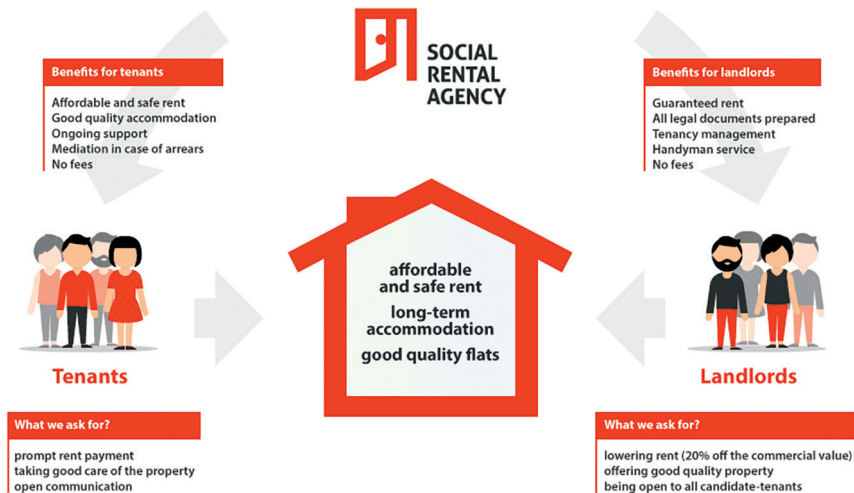
The social rental agency (“SRA”) combines rental housing support, employment services and social work within a single institutional framework. It addresses the issue of **housing shortages/poverty and unequal work opportunities, based on the evidence that these issues should be addressed in an integrated approach.** It provides access to affordable housing for people in housing need, e.g. those who are excluded from the private market, cannot afford the mortgage, do not qualify for social housing or are on a long waiting lists for municipal housing and/or their housing needs are not met.

SRA acts as a not-for-profit intermediary that negotiates between property owners and households in need of housing. In other words, it is a middle man.

In the general model, SRA provides the tenants with (i) affordable and safe rent, (ii) good quality accommodation, (iii) ongoing support, (iv) debt mechanisms, (v) no fees. In return it asks the tenants to (i) pay the rent on time, (ii) take good care of the property and (iii) communicate openly.

Landlords, generally, are guaranteed (i) payment of rent, (ii) tenancy management, (iii) legal documentation preparation, (iv) handyman service and (v) no fees. Instead, they are asked for (i) lowering the rent by circa. 20%, (ii) offering good quality property (or arranging for a renovation), (iii) being open to all candidate-tenants.

Figure 1. SRA model



Source: materials of Habitat Poland.

The model of a social rental agency seems beneficial for all parties involved. Firstly, the tenants may satisfy their housing needs even though their income is not significant (a general guideline is that the rent and additional payments for the flats they are offered should not exceed 40% of their total income). Secondly, private owners – especially those who do not want to invest their time searching for the tenants, managing the flat or taking the risks associated with leasing their apartments, benefit. As a result – the whole society benefits – there are more flats on the rental market (assuming that there are people possessing flats but not interested in managing rental, thereof who decide to rent the flats to SRA). With a significant scale SRAs could influence local rental market. Additionally, if individuals have their housing needs satisfied, they can focus on and improve other areas of life – look for a better job, get involved in community life and consequently, contribute to the society.

SRAs operate on a not-for-profit basis. To cover the costs of its operations, stable public funding is necessary (as for example in Belgium or France). Otherwise, SRA needs to obtain private financing (e.g. through donations) and/or charge some moderate fees from the clients to cover at least the operational costs (e.g. employees' salaries) and establish guarantee fund for situations when tenants do not pay their rent.

3. Initiating SRA in Poland

While SRA model has a long history and is well embedded in homelessness policy in countries such as Belgium or Great Britain, in Poland the introduction of such a housing-led solution is still regarded as a true novelty and considered to be at the pioneering stage.

Habitat Poland became acquainted with the social rental agency model at the Housing Forum in Geneva in 2013. As a result, a decision was made to review it and verify the possibility of implementation in Poland.

A research project to examine the feasibility, fine-tune and pilot the model was carried out between May 2015 and January 2017 in partnership with the University of Warsaw and the University of Silesia. It was funded through a grant provided by the Polish National Center for Research and Development (as part of the “Social Innovations” program).

Research found that the a social rental agency model is feasible within the Polish legal environment via the Tenants' Rights Act and that a local municipality can coordinate the SRA via its departmental structure. In addition, the economic feasibility of the model was assessed, determining the target tenant groups and the level of the required income. Following target beneficiaries were identified:

- people threatened with homelessness,
- people threatened with exclusion (single parents, migrants, refugees),
- people living in substandard conditions,
- low and medium income earners.

According to the research, in Poland SRA could be run by non-governmental organizations, municipalities or a consortium of the above. It was recommended to use the combined model in order to benefit from municipal resources (including stable financing) and non-governmental organization's flexibility and openness to innovation (Muzioł-Węclawowicz, 2017).

HomeLab project in Warsaw

Turning theory into practice, and starting the actual social rental agency in Poland, became possible thanks to the HomeLab project („*HomeLab – Integrated Housing and Labor Services in the Social Rental Enterprise Model*”), funded under the EU Program for Employment and Social Innovation (EaSI).

The project run between 2016 and 2019, and included 5 pilot projects implemented by a consortium of NGOs in four Central European countries: Poland, Slovakia, the Czech Republic and Hungary. Polish pilot was run in Warsaw. The lead applicant and leader was Metropolitan Research Institute (MRI), based in Budapest in Hungary.

MRI was responsible for overseeing and coordinating the pilot operations and also for carrying out the evaluation. In the latter the work was shared with Budapest Institute (BI), which provided both analytical and methodological support in the process, focusing more on the employment aspects, whereas MRI concentrated on housing. The two of them made up together the Central Monitoring Team of the project.

Focusing on vulnerable and marginalized groups and those at the risk of losing their homes, the project aimed at **establishing and institutionalizing the social rental agency model**, with the goal of creating an adaptable and scalable solution that can break the vicious circle of poverty and the constant danger of eviction for the selected target group households. The project's starting point was the need to provide affordable housing for those who cannot enter the housing market, have no or restricted access to municipal housing and due to their precarious financial situation are unable to maintain their homes even if they have one (Szemzo et al., 2019).

Clients of the SRA in Warsaw

The HomeLab project supported 41 households (30 of which received effective housing service – clients who stayed in SRA's flats), who were in danger of poverty

and social exclusion, characterized by three features: poor housing conditions, i.e., living in institutions (refugee centers, shelters, etc.) or in overcrowded, substandard houses, bad employment situation, i.e., unemployed (getting income from benefits) or working in bad conditions, e.g. black market, unsafe civil contract, very low income, migration – external migrant (e.g. refugees) or internal migrants (those not born in the town in which they reside).

Clients of SRA in Warsaw included, for example:

- a family of four from Chechnya who used to live in a molded 14 sq.m. room paying 400 EUR. They (sub) rented a two room flat for 380 EUR from SRA. Additionally, with the support on labor market, they changed jobs and their family income grew up to 1,800 EUR / month;
- a single mother who was a victim of domestic violence. After (sub) renting a flat from SRA, she was able to leave a shelter for single mothers and improve her life. At this point she is involved in supporting other vulnerable mothers;
- a family of six from Uzbekistan was able to improve their living conditions and find schools for their children. They were waiting for a municipal flat, where they finally moved early 2020.

Employees of the SRA in Warsaw

In order to operate and sustain the SRA, Habitat Poland has created a team of **specialists in social rental management – combining rental administration and social work** (in a form of employment counseling and orientation to other assistance services), whose work is coordinated by a project manager and supported by a finance specialist. Social rental specialists assist clients in engaging in the job market and maintaining secure tenure. They also ensure that clients are taking full advantage of social services available to them from the government, e.g. housing allowances and public employment agencies. They do it either directly, if they possess required skills or refer their clients to respective partner organizations (with whom Habitat Poland has signed partnership agreements) or other third parties. Each of the three social rental specialist handles 13–15 clients over 2 years.

Dwellings operated by SRA in Warsaw and rental model applied

The agency procured **14 flats from the municipality of Warsaw** (12 of which were renovated by Habitat Poland) and **16 flats from the private market**. Procuring flats from the private market required verification of different strategies – it was observed that the best strategy was to combine social and economic arguments.

Within economic arguments it was underlined that SRA guarantees rent payment, manages the property and can arrange flat renovation, whereas the latter was referring to the social sensitivity of landlords, emphasizing the importance of helping the vulnerable.

As 12 municipal dwellings were renovated for the project, the same possibility was offered to the private landlords. The renovations were conducted by Habitat Poland at the expense of the owner (a small loan with no interest was offered). Costs of adaptation of the flats amounted, at average, to: 4,000 EUR for the renovation and 780 EUR for the equipment.

Habitat Poland applied **the subletting model of the social rental agency** for municipally owned housing (entirely) and for most of the rentals from the private market.

In this model Habitat Poland rents the apartment from landlords (either private or public) and sublets it to the clients. This model provides guaranteed rent towards landlords – Habitat Poland is a party to the agreement with a landlord and is obliged to pay the monthly rent and utility costs (even in case of potential voids or when the tenant does not pay the rent duly). Habitat Poland collects the rent and other payments from the tenants. Therefore Habitat Poland bears the risk of non-payment, taking it over from the landlord.

To **mitigate the risk of financial loss**, Habitat Poland implemented a system of debt prevention based on regular monitoring of tenants' payments as well as checking the condition of the dwellings to avoid damages. If any tenant falls into arrears with payments, Habitat Poland takes an immediate action and discusses the situation with the tenant asking for reasons and agreeing a repayment schedule with the tenant. Until the full payment by the tenant is regulated, Habitat Poland covers the costs towards the owner from a guarantee fund (which Habitat Poland was successful to establish from fundraising). However, this guarantee fund will not be sufficient to manage a broader portfolio or in case of a crisis (especially economic crisis that would impact the majority or even all of SRA's clients).

As far as housing distribution is concerned, **flats were offered based on tenants' housing needs and financial possibilities**. SRA's flats were sublet on a short-term basis (contracts for up to two years with a possibility to extend after the project was over), so such a solution did not provide enough housing security. Therefore, lots of the clients (with a help from social rental managers) were applying for social housing. Throughout the HomeLab project four households have been granted social housing and so it was possible to rotate some properties and sublet them to the clients who were on a waiting list. There are still 2 households in need of privately rented flats awaiting social rental managers' action.

While the impact of this project was limited to 41 households (30 of which received effective housing service – clients who stayed in SRA’s flats), once proven successful and once the structure is in place, it presents a high potential to scale. Sustainability and scalability were prerequisites in order to receive the initial EU funding.

4. Way forward – should the model be upscaled?

Habitat Poland’s assessment of the project implementing SRA in Warsaw was positive – after the project came to its end (30 September 2019), Habitat Poland decided to turn SRA into its constant program. After a few months, the official results of the HomeLab project were presented confirming that the model proved successful in Poland. However, a decision to continue SRA in Warsaw brought new challenges.

Results of the pilot project

The HomeLab project was thoroughly monitored and evaluated because of its experimental character. To carry out the in-depth analysis a sophisticated methodology was developed, incorporating the system of process monitoring – where implementers registered the services provided and the main results of their interventions – and three rounds of quantitative and two qualitative surveys. The main goals of the research were to (i) compare changes in living conditions / opportunities between the Treatment and the Control Group during the project and (ii) establish if there was a causal link between integrated services and outcome differences under the HomeLab project.

“[Metropolitan Research Institute] gathered survey data and developed composite housing and employment indices to measure client and control household position at the start and final phase of the project. Housing indices measured change in three dimensions (quality, affordability, security); and employment indices followed two main factors (employment status and income level).” (Szemzo et al., 2019).

According to the results of the HomeLab project, **the social rental agency model proved successful** in Poland. A table below presents the summary of the outcomes provided by the Metropolitan Research Institute.

As clearly visible, the outcomes in the **Treatment Group showed greater improvement** in comparison with the outcomes in the Control Group:

- in 80% of the final indices the Control Group achieved worse results than the Treatment Group (the only exception was Employment Status);
- **in all of the indices the Treatment Group achieved higher increases;**

- Housing Security index increased more in the Treatment Group between the Baseline and the Final Survey. For the Control Group it also increased, however on a smaller scale. It indicates that within the Treatment Group more households secured legal title to their premises during the project;
- Housing Affordability index increased for the Treatment Group, while it decreased for the Control Group between the Baseline and the Final Survey – housing affordability improved for the Treatment Group, while it declined for the Control Group;
- Housing Quality index was higher for the Treatment Group in the Baseline Survey and the difference increased in the Final Survey. Therefore, it was the Treatment Group, whose housing quality improved more;
- Employment Status index improved more for the Treatment Group. However, due to the initial worse position of this group, the increase was not sufficient enough to compensate for the worse position at the beginning of the project;
- Income decile index increased more in case of the Treatment Group adding to initially better position than the Control Group had.

Table 1. Treatment group vs Control group: average of housing and employment related indices at the time of baseline and final surveys (Polish pilot)

Indices	Housing Security	Housing Affordability	Housing Quality	Employment Status	Income deciles
Treatment Group					
Baseline	1.89	2.00	1.97	2.58	2.39
Final	2.71	2.45	2.71	3.03	3.26
Differences between Final and Baseline	0.82	0.45	0.74	0.45	0.87
Control Group – weighted					
Baseline	2.35	2.08	1.92	2.93	2.14
Final	2.49	1.87	2.55	3.08	2.75
Differences between Final and Baseline	0.14	-0.21	0.63	0.15	0.61

Source: Szemzo et al. (2019).

Summing up, the model proved beneficial for its participants (the Treatment Group). They were able to improve their housing stability, housing affordability and quality as well as their employment situation.

Given the above, after the end of the HomeLab project, **Habitat Poland decided to continue SRA's operations**. The clients (beneficiaries) of SRA decided to continue their involvement in the project that was turned into a permanent program. Also the landlords (both public and private) decided to prolong lease agreements (that were initially concluded for the time of the HomeLab project). It indicates that all of the actors involved in the pilot project found it to be beneficial, useful and worth continuing.

Sustainability of SRA

Sustainability and scalability were prerequisites in order to join the HomeLab project and receive the initial EU funding. Based on the experience with SRA to date, in Habitat Poland's opinion, this solution has a great potential as it was also proven by the success of SRAs in Belgium, UK and France. The HomeLab pilot's results evidently showed that SRAs could be implemented in the CEE region, especially with appropriate governmental involvement.

At this point, SRA in Warsaw is facing several challenges. **It is crucial to obtain sustainability of the agency and secure financing of the operations.** To achieve that, a sound and realistic business and operational plan needs to be established.

One of the first goals would be for SRA **to balance the group of its beneficiaries.** In order to provide sustainability, this group should be diversified in terms of needs and incomes. The results of the research project (run between 2015 and 2017) indicated that the group of beneficiaries should combine people with high needs and low income (20%) with those having medium or low needs and medium or high income (80%) (Muzioł-Węclawowicz, 2017).

Theoretical assumptions were confirmed during the realization of the pilot. It became apparent that renting to people with relatively high needs and low income left SRA exposed to significant risk of making a loss which could have quickly made the venture no longer financially viable. Diversification of the client group could help to generate some additional income from lower risk rents to mitigate any potential losses when renting to higher risk groups. At this point, SRA takes efforts to reach to people in slightly better (financial) situation.

Secondly, **the scale of operations should be increased,** new flats procured and lease agreements should be concluded for longer periods of time. Having more flats in the SRA's portfolio could lead to offering a range of tenures and rent levels, thus serving more people in need. This combined with long-term contracts would provide the tenants with stable, sustainable accommodation in which they could improve their lives. As a result, a well-developed SRA has a big potential to contribute towards reducing social and housing exclusion.

In order to be able to serve a diversified group of clients, flats should still be procured from both the private market and the municipality. There are several incentives that should be underlined to prospective landlords, such as: (i) guaranteed rent, (ii) providing tenancy paperwork (tenancy agreement, management agreement, etc.), (iii) regular management visits and management of tenancy issues, (iv) maintenance services and (v) possibility of refurbishment (a small loan with no interest for the private landlords).

Last but not least, **securing financing of the Social Rental Agency** beyond the EU funding is of a crucial importance. At this point Habitat Poland is financing SRA's operation mostly from private donations. However, in order to scale-up this solution it seems essential to secure public financing. Such a support could be realized in several ways or forms:

- subsidies covering operational costs (especially employees, administration and a guarantee fund);
- housing supplement that could be effectively used on the private market. In this case, supposing the beneficiary could cover standard or only slightly lowered rent thanks to the supplement and SRA could negotiate with the landlord to lower the rent significantly, the difference could be used to cover SRA's costs and/or to establish a guarantee fund. Beneficiaries and landlords would still be interested in SRA's services, such as tenancy management or social and employment services;
- subsidy for a guarantee fund. As SRA guarantees rent to the landlords, it is highly exposed to a financial loss when tenants are unable to cover their rent / other payments. To mitigate such a risk SRA should possess a guarantee fund that could be used to cover those losses. If such a fund was publicly subsidized, it would allow SRAs to operate with more financial security. The practice shows that it is uncommon for SRA's tenants to run into significant debts, but they are regularly in arrears for a few weeks.

In order to scale up the model, there are also **certain competencies and services that should be included within SRA's operations** (some of the specialists could be external service providers), such as:

- real estate agent: in order to grow and generate revenue, SRA needs a new pool of privately rented flats. Therefore, the need for an expert in negotiating and finding best deals on the highly competitive market;
- handy man: a person who will be supporting SRA with urgent and other repairs that could not be arranged differently. It would be an added value especially from the landlord's perspective in the process of flat management;
- monitoring and evaluation system: regular reports of SRA's performance to present its value to the decision-makers, municipal partners, beneficiaries and NGOs;
- appropriate communications / marketing: regular and consistent advertising for recognition growth, which as a result would ensure service's growth;
- IT system: to monitor and record basic property and tenancy details;
- team supervisor (psychologist): such a specialist would be of great value for SRA team when dealing with complex cases. It could improve client care by allowing the employees to gain more insight and understanding as well as developing

- adequate strategies. As a result the employees could become more professional in their methods and attitudes;
- legal services provided on regular (rather than ad hoc) basis to review documents, procedures, agreements, process maps to ensure more professional client service (including tenants and landlords).

Advocacy

Habitat Poland undertakes intense activities in order to promote the model of social rental agencies and to **advocate for the implementation of specific legal regulations that would facilitate establishing and financing of SRAs in Poland.**

Firstly, an informal campaign increasing awareness of the housing situation and positive effects of the social rental agencies are being run. This includes providing decision makers with information on the housing situation and the idea of social rental agency as well as informing society about housing issues.

Secondly, there are certain legal regulations and incentives which would facilitate operations of SRAs that Habitat Poland is presenting. Those include:

- a necessity to introduce regulation of social rental agencies on national level legislation in order to encourage local governments to use this mechanism,
- presenting local governments (municipalities) with information on SRAs with the aim of establishing social rental agencies by those municipalities (preferably in cooperation with NGOs),
- amendment of regulation on housing allowances / providing housing supplement (in particular for people renting flats on the private market),
- providing long-term financing for social rental agencies (subsidies, guarantee fund),
- providing tax incentives for landlords, for example tax-free income when renting a flat for a social rental agency.

According to Habitat Poland, if the above recommendations (or some of those) are implemented, social rental agencies would be an interesting tool responding to housing deficits in many municipalities. As this mechanism could be used to support different groups of people, it may be very effective strategy for many local governments.

Conclusions

Answering to the question posed in this article whether the model of a social rental agency should be implemented on a national scale in Poland, Habitat Poland would firmly say “yes”. To those who have seen the effects of the project, who have met the

families, who have witnessed how people's lives could turn around thanks to a stable housing situation, the answer is obvious.

Habitat Poland answered this question when making the decision to maintain SRA in Warsaw even after the funding for the HomeLab project finished.

Setting aside emotions, also **the outcomes of the pilot project proved the model to be successful**. The results of thorough analysis evidently showed that the Treatment Group in the project achieved better results and was able to improve their housing and employment situation to a bigger extent than the Control Group. One of the main factors contributing to such positive outcomes is that **SRAs have potential to facilitate the integration of housing and support services, where housing, labor and social aspects are considered together**.

Taking the above conclusions further, **the potential for social change presented by SRA model seems vast**. It presents new opportunities for filling in the gap in providing alternative sources of housing for people whose housing needs cannot be met by other means, therefore offering new and flexible solutions to tackle a dire housing situation in Poland. With appropriate involvement of public authorities and stable financing, SRA model could become one of the most sought-after housing-led solutions for reducing homelessness and housing exclusion in Poland and other CEE countries.

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Photos of beneficiaries





Photos of flats before and after renovation performed by Habitat for Humanity Poland

