



Roma-Net

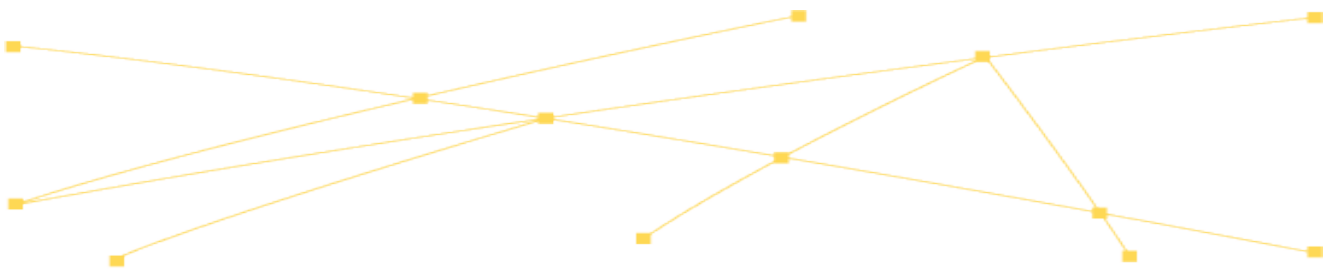
Integration of Roma Population



Case Study

Inclusive housing policies and area based regeneration programs

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EUROPEAN
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DEVELOPMENT





Cities participating in Roma-Net share the common the feature that each has a neighbourhood with high rate of Roma population and also share the goal to establish measures in order to help integration of marginalized Roma communities into the local society. These neighbourhoods can be considered as socially and physically deprived areas and also being segregated from other parts of the cities. However the nature and degree of their segregation is very different providing examples to the different kinds of segregated urban deprived neighbourhoods.

Problem description

Segregation of deprived Roma neighbourhood is manifested along several dimensions: location, extension, concentration of social and physical deprivation. Regarding the dimension of **location** the spatial relation of deprived neighbourhood to the city is examined, in other words how it is located in the spatial structure of the city. Basically three simplified cases can be differentiated:

- isolated location: there is a physical distance between the deprived neighbourhood and the compact part of the city
- peripheral location: the neighbourhood situated at the edge of the city
- integrated location: the neighbourhood is in the integrated residential part of the city.

It can be said that usually the segregation is stronger as the physical distance grows from the core city. But it is not only the physical distance that matters but other physical barriers as well which aggravate the accessibility of the deprived neighbourhoods. Such physical barriers are unpaved roads, big roads without safe crossing possibilities, railway tracks etc. In the case of peripheral location the neighbourhood is located at the edge of the core city but often isolated from the main residential areas being next to industrial areas and/or being cut off by physical barriers from the main part of the city. Deprived neighbourhoods with integrated location are situated in residential areas and though often they have no physical barriers but the significantly worse physical conditions draw the boarder of the neighbourhoods.

The **size of deprived neighbourhoods** varies a lot from small with 100-200 persons up to large with several thousands of persons. The **social composition** of such neighbourhoods differs substantially as well; some of them are socially more mixed while others inhabited by socially more homogenous marginalised groups. The physical deterioration is manifested in neglected and unhealthy living environment, lack of infrastructure and often substandard and overcrowded housing conditions.

Segregation has severe consequences in terms of **access to public and other kind of services**. The deprived neighbourhoods especially the ones with isolated and peripheral location have no or weak public transport connection to the main part of the city. Segregated neighbourhoods have worse quality or no basic public services such as schools, social, health and public safety services as public sphere often channel insufficient resources to such areas. Segregation does not mean only physical isolation from the integrated part of the city but significant social distance from the majority of society as well. Segregation also means that people have very limited personal connection, communication with the “outside world”, which results in a serious lack of information on education, training, labour market, social service possibilities etc. The marginalized situation of people is often manifested in segregated education and high discrimination in the labour market enabling them only to get low qualified, temporary jobs on the black labour market. Thus segregation cause **limited choices in every spheres** of



life that highly contributes to the reproduction of poverty and marginalized situation in the case new generation.

Examining **housing problems of Roma neighbourhoods** more closely several aspects have to be taken into consideration. **Legal issues** make a main part of the problems that such neighbourhoods have to tackle though there are a high variety of illegal situations. The **illegal settlements** face the most severe problems as in this case the inhabitants do not have any legal title either to the land or to housing, the houses are illegally built on a land that is publicly owned or owned by a third private/legal person. Such areas often not included in the master plan of the cities as residential areas and they are displayed to forceful eviction and eradication. In the case of eradication the inhabitants have no right to alternative housing accommodation at all. In the case of privately owned housing a common problem is that only pocket contracts are made and the ownership is not registered officially. Other typical situation is that in private rentals the landlords do not let the households to be officially registered for residential address. This means that the households may not be entitled to a social benefits and public services. In municipal rental housing many households have no legal title to their housing either as the contracts were terminated because they fell into arrears with rent or as they moved illegally to an empty unit or to their relatives' homes. Affordability problems appear not only related to rent but also to payment of public utilities. In the latter case as the result of the accumulated arrears the public utility services such as electricity, water, heating are often cut off leaving many households in critical situation.

Housing quality ranges from shacks through self-made solid construction, old substandard housing stock to housing estate units. Neighbourhoods especially illegal ones can lack the basic infrastructure of water, heating facilities, etc. There many small, overcrowded units with unhealthy circumstances such as wet units with mildew. **Affordability is a crucial problem** as the marginalized households cannot pay for housing expenditure even in social housing. The reasons for affordability problem is the growing gap between the increasing prices of energy and other public utilities and the decreasing or not sufficient housing allowances and low level of income because of lack of regular or any kind of jobs. The non-payment results in that authorities, landlords, public utility companies terminates the families' contract to services and it can often cause eviction as a final consequence of non-payment.

Residential segregation is a result of **deliberate actions** of public players such as municipalities, public housing companies and other authorities and/ or of **spontaneous mobilization** of poor marginalized groups into areas with peripheral location but with affordable low housing prices. Both processes, deliberate and spontaneous mobilization have economic reason at the background, namely that the most marginalized poorest people cannot pay cost of housing of acceptable quality and location and the public sphere cannot/ do not want to provide efficient help for such groups. Furthermore the strong discrimination in the housing market against some marginalized groups, among them Roma also highly contributes to the residential segregation.

Strategies to integrate segregated deprived neighbourhoods

To tackle the problem of segregated deprived neighbourhoods basically three options can be applied according to whether the area can be integrated into city. **Regeneration** is an option when the neighbourhood is located in a more integrated part of the city with a socially more





mixed composition, while **eradication** is more a must when the neighbourhood has an isolated, peripheral location with high concentration of marginalized people especially when it is located in an environmentally hazardous area. However often a **combination of the two strategies** can or should be used, for example when the neighbourhood is too large to eradicate even on longer run or it has a fairly good location but the deprivation is very deep.

The **area-based integrated approach** is an effective tool to tackle spatially concentrated physical and social problems as it focuses different kinds of sectoral (physical/hard and soft) measures simultaneously to the problematic area. It is important to use integrated approach as the aim is not only to physically upgrade urban areas but to integrate marginalized groups of people into the local society. Therefore the soft programs are as important as physical ones and they have to precede the physical interventions by preparing and enabling local people to active participation of planning, implementing and sustaining the physical interventions. The area-based approach has relevance in both basic strategies - regeneration and eradication -, but differs in some points. In the case of regeneration the whole program is concentrated in one area therefore the physical and soft measures are implemented mainly in one location. While as for eradication the soft programs are concentrated to the deprived neighbourhood only while the program is planned with local people and the people are prepared for mobilization. However even in the latter case such preparation phase should last at least for one year, and in the case of larger neighbourhoods it can last for several years as well.

Beside integrated approach main preconditions of the programs are to be **of long term and participative nature**. Long term program are important because the deep and complex problem of deprived neighbourhoods that can be tackled only through long lasting interventions. The participation of the community and the individuals themselves in planning and implementing the program is crucial as the offered solutions and support have to be adjusted to their needs and interests without it the results of the program cannot be sustainable.

Consequently a first step should be setting up a **long-term integrated strategy** for the area which should be already of participative type. The strategy has to be based on the assessment of the level and type of segregation, the main problems and causes of such problems. On the base of such problem mapping the main field of interventions, the measures to ease the physical and social segregation have to be defined. Such measures are the improvement of physical connection of the segregated area through removing physical barriers; develop public transport roads, communication with other areas, developing the urban environment establishing quality and functional public spaces. Measures have to aim the decrease of the high concentration of social deprivation and social exclusion through social, education and employment measures that empower people to have better opportunities in life and consequently achieve a higher life quality including more decent housing circumstances.

Integrative housing policies

Inclusive housing policies are a crucial part of programs aiming the integration of segregated neighbourhoods. Thus housing measures should target not only the **improvement of housing conditions** but also should be implemented by **desegregation** criteria in order to break the spiral of ghettoisation. Therefore they should open up housing choices according to the needs and financial capacities of the individual households and they should offer sustainable solutions. It is also important that they should deal with **illegal and uncertain housing situations** which many segregated neighbourhoods struggles with.



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The housing measures for marginalized households living in segregated neighbourhoods do not really differ from the ones for low income households in general. The difference between the measures for the two target groups – low income and marginalized/excluded groups - lies in the methods of planning and implementing the measures. Namely the degree of **complexity of linking housing and different social measures together** that varies according to different target groups.

Housing measures can support

- the access to housing of higher quality,
- the refurbishment of existing housing inhabited by the target groups,
- the affordability of housing maintenance,
- the settlement of illegal and uncertain housing situation.

All the four types of measures can be linked to different forms of tenements: social rental housing, private rental housing and owner occupied housing.

Regarding the support to have **access to housing of better quality** different kinds of tenancy could be provided regardless the original forms of tenancy that the household had, whether they lived social or private rentals or owner occupied housing. Most frequently **social housing** is provided for socially marginalized households as they are financially not able to contribute and maintain owner occupied housing. But as in many cases there are not enough available social rental units, new construction or purchase of apartments from the housing market are needed for social housing provision.

However in many countries there is no efficient social housing policy that would provide sufficient financial resources to enlarge the social housing sector for marginalized groups. In such cases the involvement of **private rental sector** can be an effective solution. The measures can include helping the households to find private rentals as usually there is strong discrimination against the so called “high risk groups”, among them Roma in the housing market. The solution against discrimination can be that the public sector through social housing company or a social organization provides a kind of guarantee for the private landlords or that they rent apartments on the market and sublet them to marginalized households. Additionally to this, rent allowance also should be provided for tenants in private rentals as the market rents are not affordable for the low income households.

To provide **owner occupied housing** is applied less frequently because of the already mentioned reasons. However in some cases it is used especially when the marginalized households originally owned there housing and they have some own resources that, together with sufficient help, could be used for purchase a home¹. So the target group here is not the most marginalized but those who are a little bit better off. In this case a one-time cash type subsidy can be provided in order to contribute to the own resources of the families and/or subsidized loans can be offered if the households have some kind of stable income. Such measure often used together with saving programs that precedes and combined with the former two subsidies.

Measures to support **housing refurbishment** are also important to increase the quality of life of marginalized groups in social and private rentals as well as in the owner occupied sector. The renewal of social units is often applied measures both in the case of the regeneration of the

¹ Owner occupied housing is more provided in rural areas where social housing is not so acceptable culturally for people and where is no institutional background for social housing management.





deprived neighbourhoods and of purchasing apartments outside of the area. The support to renew private rentals is a rarely used form but can have relevance if the private landlords provide their apartments for marginalized households for a longer time of period. Such arrangement can be implemented in the framework of the above mentioned public coordination. The support to renewal of owner occupied units can be implemented with subsidized saving programs and loans. The active participation of the concerned households in housing renewal activities is often used tools which also contributes the better sustainability of refurbishment.

Housing allowance programs supporting rent and public utility payments are crucial to ensure the sustainability of housing measures and to avoid the accumulation of housing related debts. As it was shown the affordability is a severe problem for marginalized groups. As a result of housing interventions the households acquire a bigger housing unit of higher quality with better facilities (water, sewerage, gas services) but it also means that their housing expenditures are increased. However many marginalized households already have housing related arrears and as a consequence many of them suffer from cut-off utility services (water, electricity, gas, district heating). Therefore **debt management schemes** also should be applied in a way that allows households to pay the actual housing expenditures simultaneously as well² and enable them to reconnect to terminated public utilities. Service providers also have to be involved in such programs in order to elaborate schemes that efficiently manage housing debts. There are some good examples for such schemes e.g. if the households make a debt repayment agreement with the service providers the amount resulted from the extra interest rate on non-payment is fully or partly remitted for the households. Another good practice for very low-income households is the pre-paid gas or electric meters that works with a refillable card and enable them to pay for their consumptions in advance. Thus they can use a limited amount gas or electricity which also helps them to economise their consumption, avoid the cut-off the services and save the cost of reconnection of services. The card can be refilled anytime when the households have money.

Measures tackling **illegal housing situation** include the legalization process of illegal settlements, the restoration or establishment of rental and public utility contracts and support land registration in case of owner occupied housing without clear registered rights (e.g. pocket contracts). Legalisation measures should be an integrated part of the strategies for deprived neighbourhoods. The legalization has to be implemented for the sake of the marginalized groups through transparent mechanism of legalization procedures. However the cost of legalization can be very high especially when the illegal settlements are not included in the master plan of the city and if the land is owned by a third person. But also in the case of unclear ownership structure the registration fee and the related legal procedures can be very costly. The establishment and restoration of rental and public utility contracts should be implemented along housing expenditures related debt management schemes if necessary. A minimum aim should be to get registered address for the people that entitle them to services and social benefits.

As it was mentioned above the housing interventions for marginalized groups have several specificities that ensure the success and sustainability of the programs. Programs should **use a combination of housing measures** according to the needs, choices and capacities of the households. It is important to note that even deprived neighbourhoods are not fully homogenous;

² In Hungary a separate debt management subsidy program exists separately from the housing allowance schemes. This debt management subsidy support households with larger debt.



there are better off and more motivated households, with better abilities and qualification who can make better use of their resources if effective support is provided.

It is also important that the different housing measures have different time scale. While support to access of housing of better quality and refurbishment schemes are a one-time intervention for a household, the housing allowance scheme usually should be long lasting measures. The housing interventions have to be accompanied by soft measures including strong and efficient social work and community development to empower the households and the local community to make responsible decision during the planning of the measures and to actively participate in the implementation. Training and employment programs targeting income generation for households are also a basic condition for maintaining the improved housing situation of households even though housing allowances are provided to them. Many experiences show that without such programs marginalized households have severe difficulties to pay even the subsidized housing costs and social housing rents below the market level. It is also important that there should be a sufficient level of interventions to make visible and tangible changes in housing conditions.

Location of housing interventions is a crucial aspect to ease and eliminate segregation. As it was mentioned the housing interventions have to fit into the broader strategy for integration of deprived neighbourhoods. In the case of eradication of segregated neighbourhoods dispersal of marginalized households to residential areas should be a priority instead of creating a segregated neighbourhood even with newly constructed housing. Dispersal programs can be implemented by purchasing apartments in other part of the city with average social status. If programs include new construction of social housing then it is desirable to mix marginalized households with tenants of higher social status. In case of dispersal programs not only the relocated marginalized households have to be prepared for the new living environment but the program should be also effectively communicated to the majority who already live in order to avoid social tension. Therefore the community development and social mediation are crucial part of both the dispersal and area based regeneration programs.

In case of regeneration of deprived neighbourhoods the main focus is to improve locally the living conditions and the social capacities of households and the community. Thus the segregation is basically tackled by raising the physical and social quality of the neighbourhoods. However in such cases the concentration of poverty and marginalized groups should be decreased as well in order to break the mechanism of ghettoisation. Thus dispersal related mobilization should be a part of the program as well while creating a better social mix in the neighbourhood itself by attracting households with somewhat better social status. It is also important to open up housing choices on the long run for the marginalized people by establishing a local social housing policy that could include not only publicly owned social rentals but also support for moving to private rentals if relevant and/ or to support access to affordable owner occupation.

As it was mentioned large, extremely segregated neighbourhoods perhaps cannot be eradicated even on a longer, ten year term. But even in such cases strategy should be developed for integration. A first step is to stop the spontaneous and/or directed influx of people to the area. Then a gradual dispersal programs should be started in accordance with the financial capacities, which also could mean the gradual decrease of housing units in the neighbourhood. Meanwhile the most needed interventions should be implemented locally that generate an improvement of living conditions on a tangible level. Such interventions can be the improvement of local



infrastructure, the restoration of public utilities, basic amendment and renewal of housing conditions.

Regarding the **funding structure** of such interventions for deprived segregated neighbourhoods they can be feasible only if **all the available resources are used**. This means that national, regional, local and EU funds should be combined and furthermore one-time subsidies for investment or project kind of interventions should be harmonized with continuously provided resources such as resources for social benefits and public services. Such mix of funding is substantial because as it was shown only programs with integrated approach can bring real results and changes in the neighbourhoods. However it requires a substantial coordination and organization of different activities to ensure the desirable amount and mix of funds. This can be implemented only if a powerful management organization is established with the needed competencies which are able to coordinate the actions of different stakeholders.

A fairly new tool for segregated marginalized communities, among them Roma communities is provided by the recent **amendment of Art 7. of ERDF regulation**³. The new regulation allows countries to use ERDF funds to improve the housing conditions of marginalized communities on a broader scale: the renewal of social housing, the renewal of commonly owned part of multi-unit buildings can be financed from the funds, and furthermore the replacement of dilapidated housing independently from the type of ownership. This latter means that even those can be provided another housing of better quality who do not live in social housing with the condition that the provided housing is publicly owned social housing.

Material that was used for the article:

VADEMECUM, Improving housing conditions for marginalized communities, including Roma in Bulgaria, Czech Republic, Hungary, Romania and Slovakia through the absorption of ERDF. Authors: Eszter Somogyi-Nóra Teller, Metropolitan Research Institute. Commissioned by Open Society Institute, 2011. <http://lgi.osi.hu/documents.php?id=3274>

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³ Regulation No 437/2010 of the European Parliament and of the Council of 19 May 2010 amending Regulation (EC) No 1080/2006 on the European Regional Development Fund as regards the eligibility of housing interventions in favour of marginalised communities.

