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# **HomeLab - ‘Integrated Housing and Labour Services in the Social Rental Enterprise Model’**

## **Final Report**

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1	Executive Summary .....	6
1.1	Project activities and structure .....	6
1.2	Main results and recommendations .....	8
1.2.1	HomeLab’s main research results .....	9
1.2.2	HomeLab’s implementation results .....	9
1.2.3	HomeLab’s main policy recommendations – overview .....	11
1.2.4	Sustainability and dissemination .....	11
1.2.5	Difficulties and challenges .....	12
1.2.6	Structure of the report .....	14
2	Introduction: Background and objectives .....	15
2.1	Background .....	15
2.2	Objectives .....	16
3	Social Rental Enterprise models realised .....	20
3.1	Habitat for Humanity (HfH) Poland – HomeLab Warsaw (HLW) .....	20
3.1.1	Overview: The Warsaw SRE model .....	20
3.1.2	HomeLab Pilot launch and setup .....	21
3.1.3	Cooperation with partners .....	22
3.1.4	Treatment Group, Waiting Group, and recruitment rounds .....	25
3.1.5	Integrated service provision .....	26
3.1.6	Dissemination activities .....	32
3.1.7	Main challenges, achievements, and the next steps for the Warsaw SRA .....	35
3.2	People in Need (PIN) .....	39
3.2.1	SRE model in rural Slovakia .....	39
3.2.2	Setting up the pilot in five pilot localities .....	40
3.2.3	Evolution of Partnerships .....	43
3.2.4	Treatment Group and managing dropouts .....	44
3.2.5	Integrated service provision: housing, employment, and social integration .....	45
3.2.6	Dissemination .....	52
3.2.7	Overall impact of HomeLab .....	53
3.3	Romodrom .....	56
3.3.1	The SRE model in three Czech localities .....	56
3.3.2	Overview: HomeLab pilot in Czech regions .....	57
3.3.3	Evolution of project partnerships .....	58
3.3.4	Pilot implementation and integrated service provision overall and by pilot locality ...	62

3.3.5	Dissemination .....	66
3.3.6	Major achievements, major challenges over HomeLab .....	66
3.4	From Streets to Home Association (ULE) .....	69
3.4.1	Housing First SRE model in Budapest.....	69
3.4.2	ULE in HomeLab.....	70
3.4.3	Major developments over the final Project Year .....	71
3.4.4	Integrated service provision, including cooperation with external service providers ..	71
3.4.5	Dissemination activities.....	76
3.4.6	Main achievements and challenges during and after HomeLab.....	77
3.5	Hungarian Charity Service of the Order of Malta (HCSOM) .....	80
3.5.1	The Veszprém SRE model .....	80
3.5.2	Overview: initial conditions in Veszprém .....	81
3.5.3	Clients, Control Group, dropouts, and replacement.....	82
3.5.4	Integrated service provision .....	86
3.5.5	Evolution of Partnerships .....	89
3.5.6	Main achievements and challenges throughout the project .....	90
4	Evaluation of HomeLab .....	93
4.1	Main outcomes.....	93
4.2	Pilot level innovation.....	98
4.3	Pilot level challenges to learn from.....	99
5	Disseminations, sustainability and scaling up .....	102
5.1	Connecting public and donor funding with the social economy.....	102
5.2	Working with local authorities .....	103
5.3	Internal development: diversifying target groups and expanding resources .....	104
5.4	Shaping policy: dissemination on the national level and international level.....	105
5.5	Policy Recommendations .....	107
5.5.1	EU level .....	107
5.5.2	Member state and local level .....	109
6	Outcome evaluation .....	114
6.1	Methodology of the evaluation.....	114
6.1.1	Selection of Treatment and Control Groups .....	114
6.1.2	Treatment and Control Groups; the problem of dropouts .....	116
6.1.3	Matching the Treatment and Control Groups.....	123
6.1.4	Measurement tools: constructing housing and employment indices.....	125
6.2	Descriptive analysis of the outcomes.....	129
6.2.1	Changes in tenure structure in the five pilots .....	129

6.2.2	Results of Polish Pilot .....	133
6.2.3	Results of Czech Pilot.....	137
6.2.4	Results of Slovak Pilot.....	140
6.2.5	Results of Veszprém (HCSOM) Pilot .....	143
6.2.6	Results of Budapest (ULE) Pilot .....	149
6.3	Statistical analysis of changes in outcomes.....	151
6.3.1	Our approach.....	151
6.3.2	Results for the Polish pilot in Warsaw.....	152
6.3.3	Results for Slovakia.....	154
6.3.4	Results for Czech Republic.....	155
6.3.5	Results for Veszprém .....	156
6.3.6	Results for Budapest.....	157
6.3.7	Subgroup analysis based on pooled data .....	158
6.4	Process monitoring results (statistics on service provisions).....	161
6.4.1	Summary of outcomes from Process Monitoring data .....	161
6.4.2	Statistics on the main service types: housing, employment and social services .....	163
6.4.3	Dominant intervention types in housing, employment and social services by pilot ..	166
6.5	Other background variables and overall satisfaction.....	168
6.5.1	Household indebtedness.....	168
6.5.2	The role of social transfers .....	171
6.5.3	Subjective self-assessment.....	175
6.5.4	Assessment of the project and overall life satisfaction.....	179
	Bibliography.....	182
	Annex: Matching procedures .....	184

## 1 Executive Summary

HomeLab (Integrated Housing and Labour Services in the Social Rental Enterprise Model) was an **experimental project** implemented in the four Visegrad countries (Hungary, Slovakia, Poland and the Czech Republic) between 2016 and 2019. Focusing on vulnerable and marginalised groups and those of at the risk of losing their homes, the project aimed at **establishing and institutionalising the Social Rental Enterprise (SRE) model** in five pilot locations, with the goal of creating an adaptable and upscaleable 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.

The incubated SRE model promoted the **combined housing, social and labour market integration** of this target group through the horizontal integration of individualised case handling. It created a system of integrated service delivery in the multidimensional framework of social protection and social inclusion, employment and housing policy. The SRE model was adapted to the reigning welfare conditions in the target countries, which are determined both by the privatised housing markets and relatively austere welfare system. Further features of the region are low levels of social provisions and the very restricted availability of social housing. Finally, all countries are characterised by underregulated private rental markets that have been severely affected by the sudden increase of the real estate prices as part of the post-crisis development, which is worsened by the lack of sufficient housing allowance and the lack of rent subsidies.

In this environment a growing number of households find themselves under precarious conditions, either being unable to secure themselves any home or being on the verge of losing their homes. In this context increasing their income by improving their employment possibilities and labour market situation and providing integrated services in the framework of SREs where housing-labour- and social aspects are considered together, has offered a rare opportunity allowing many households to stabilize their housing situations and improve their economic positions.

### 1.1 Project activities and structure

The project ran for 36 months, the first 6 of which were spent on finalizing the implementation methodology of the individual pilots. From month 6 onwards the five pilot projects started to operate. The five pilots ran in different locations, helping households coming from a variety of vulnerable social groups. The project’s target group was rather diverse, which was a conscious decision to create an SRE model that serves the interest of a variety of vulnerable households, in need of housing and employment support. Thus, the project assisted people with housing difficulties, people living in overcrowded and/or unaffordable and/or precarious housing conditions, homeless persons, people leaving institutions, refugees and a special emphasis was placed on the Roma population. The households always faced serious labour market problems: they were unemployed or were in unregistered, uncertain and low-income employment, or were low-skilled internally migrating workers.

The project was led by Metropolitan Research Institute (MRI), which 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. The five pilots were

implemented by local NGOs (ULE, HCSOM, HfH Poland, PIN and Romodrom) all embedded and active in their own countries. Finally, three monitors helped the work of each pilot in Slovakia, Poland and the Czech Republic, while the monitoring works in Hungary were carried out by MRI. An important feature of the project was that no public actors were official partners, although all implementer organisations had very strong relations with them and used their support in service provision.

Among the five pilots two were in Hungary, and one in Poland, Slovakia and the Czech Republic. Altogether 245 were involved but in the evaluation only 175 households participated as the number fluctuated due to drop-outs in the course of the project period everywhere.

- 1.) The pilot project run by **ULE (Utcáról Lakásba Egyesület - From Street to Home Association)** in Hungary focused on a special segment of the **homeless population** of Budapest: those living in huts on their own. ULE, in the framework of HomeLab not only provided housing for 17 households but helped them maintain it through intensive social work and labour market training.
- 2.) The **Hungarian Charity Service of the Order of Malta (HCSOM)** also worked in Hungary, providing complex services in the town of Veszprém. The town itself suffers from a lack of labour shortage, which in turn influences greatly its housing market. The pilot was the largest one of HomeLab, involving 65, and focusing on **different types of vulnerable groups including households applying for municipal apartments, tenants accumulating arrears, homeless people/families mainly staying in institutions, former inmates leaving detention facilities, and people having lost the ownership of their apartments to the state as a result of the financial crisis and being in debts with housing costs.**
- 3.) Similarly broad was the target group in Poland, where **Habitat for Humanity Poland (HfH Poland)** following its former advocacy work built up a new service provision for its clients. The pilot in Warsaw involved 62 households including **homeless persons, foreign migrants, persons with substance abuse problems, families escaping domestic violence or living in overcrowded, bad quality housing.**
- 4.) **People in Need (PIN)** in Slovakia worked with **marginalised rural Roma** communities in three microregions of Eastern Slovakia. The pilot's strongest pillar was increasing the employability of its clients. In housing it aimed to provide better and legal housing solutions, as most of their clients lived in illegal settlement and /or in overcrowded buildings lacking basic utilities like water, sewerage and legal connection to the existing utility system (electricity). Besides the efforts to legalise the settlements, self –help housing construction was also in the centre of PIN housing actions. In the framework of HomeLab PIN helped altogether 46 households.
- 5.) Finally, the pilot project realized by **Romodrom in the Czech Republic** operated in three regions – Moravian Silesian Region, Olomouc Region and Pardubice Region - where it supported 53 households in total. The aim was to improve the housing and job situation of **socially excluded persons, overwhelmingly Roma**. The main focus was on housing in their case, allowing the households to break out of segregation, and to move to towns. The pilot was based on the concept of help to move the households living in unfavourable housing (legal/illegal hostels, shelters, poor quality housing etc.) to standard housing for affordable price and to help them manage their financial situation.

Both for the Czech and Slovak pilot the preparation of families for moving to conventional housing was an important aim: in the Czech pilot the moving from segregated areas to the integrated part of the localities was a key target, while in the Slovak pilot desegregation could not be a realistic target.

**Housing in HomeLab was provided in various ways:** by the mobilisation of the existing unused vacant stock both in private and municipal hands; and the refurbishment of mainly municipal units – here financing came from the implementing NGOs' own resources. Municipal housing stock played a very important role both in Hungary and Poland, where the surging real estate prices in employment rich cities made the integration of private apartments more difficult than originally expected. In order to utilise the vacant municipal stock partners established cooperation with municipalities, who provided a certain number of units for the NGOs. Whereas in the Polish pilot HfH directly rented the units from the municipality and sublet them to their clients, ULE gained an informal right for five years to select the tenant in exchange for the refurbishment, while their clients had direct tenant contract with the municipality. A different model was followed by HCSOM, which established a joint venture non-profit company with the Veszprém municipality and took over the management of the municipal housing stock. Dwellings rented from the private housing market were used almost exclusively in the Czech pilot, and partially in the Polish.

**Employment related services** spread from activities aiming at increasing employability of clients (basic competence development trainings) through help in job searching, preparing to job interviews to help in after-placement. Direct relation with employers, surveying their labour needs, matching the need of employers with the suitable clients were all part of the services provided by HomeLab.

**Service provision models** varied greatly by pilots. In some pilots' model the provision of housing and employment related services were divided among the different branch organisations of the implementer NGOs (e.g. PIN, ULE). In all pilots some elements of integrated services were provided by other organisations (public or non-governmental). Such services were related mostly to health sector provisions (overwhelmingly related to mental health and substance abuse problems), and training programs related to employability of clients.

The unit of the intervention was on the **household level** everywhere. Although there was no explicit emphasis on women, the pilots involved a high share of women-led households, which made up finally 17%, divided between single households and single parent households.

Finally, **knowledge exchange** between partners was a crucial part of the project, and it helped coping with difficulties during implementing and elaborating national SREs models. Further help was provided by the monitors who consulted the pilots regularly. Monitors also were instrumental in carrying out the research component of the project – writing three-monthly reports, carrying out quantitative and qualitative questionnaires.

## 1.2 Main results and recommendations

HomeLab promised to deliver two main types of results: **research results** and **implementation/policy results**. The first ones promised to provide scientific evidence on the efficiency of integrated and intensive service provisions and give hints about their cost-effectivity. The second ones on the other hand promised to incubate the SRE model locally and create a version that is upscalable nationally, including European recommendations for further promotion.

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 questionnaires were asked to register changes, challenges and results in the life of the clients and members of the control group. Additionally, three-monthly reports written by monitors focusing on the recent developments in each pilot. These also provided valuable information regularly, creating a picture of how the pilots operated on a daily basis, what were the biggest challenges they faced and

what risk mitigating measures were taken. All this information helped to gather enough data to provide a nuanced and sensitive system for analysis.

The research results have been summarized in four reports – an inception report that was submitted after month 6 and gave an overview of how the pilot themselves were set up. The three consecutive reports, produced at every year of the project, created an analysis of the pilot developments. The first two annual reports relied mostly on the results of the monitoring reports and the process monitoring with an initial analysis of the baseline questionnaire survey, while the current final analysis makes use of the results of the questionnaires – both qualitative and quantitative - as well.

### 1.2.1 HomeLab's main research results

The proposal counted with the uncertainty of outcomes early on, funding this idea based on the evidence that there are always major risks associated with introducing new models. It has foreseen the importance of regular counselling from the Central Monitoring Team. This has been carried out properly, as both BI and MRI not only followed closely the development of the pilots but were involved in decision making processes and gave advice, when necessary. Nevertheless, some original placement aims could not be met. The outcome indicators were also constructed in slightly different way than it was described in the proposal making the research tools more suitable to measure the different types of services for very diverse target groups.

Project results and their evaluation showed that

- **In all five pilots, integrated service provision led to significant improvement in the housing conditions of the Treatment Group – usually significantly more than the change in the Control Group.**
- In terms of **housing position**, we can see that the **interventions had a particularly pronounced effect** on those who **started from a marginalized position**, while it was also successful for those households which already had a **less marginalized position**.
- **The change in employment position of HomeLab client and Control Groups is more varied, but points towards overall significant improvement** (although less clearly distinguishable from the favourable development of external conditions)
- **In the case of three pilots, there was also a correlation between the clients' level of initial marginalization and the volume and frequency of services provided.**
- **HomeLab improved the employment status** of both those with marginalized housing and also vulnerable labour market positions, while not of those who began in a relatively good position.
- We finally also considered **general satisfaction with life, where we also found a positive effect for the HomeLab interventions** – with the largest improvements for those in marginalized starting housing position, somewhat smaller, for those with vulnerable labour market position, and none for those who started from a relatively less disadvantaged situation.
- However the last finding draw the attention to the problem that developing a measurement tool appropriately sensitive to a very diverse target group is a main challenge and in the case of small sample size its feasibility is very limited.

### 1.2.2 HomeLab's implementation results

One of the biggest successes related to HomeLab is the development of the local SREs. It can be stated that all implementer partners have diversified their service portfolio, laying down the groundwork for a successful SRE in the pilot locations. This indicates a serious institutional development for all five of them, as they not only elaborated the method of integrated services provision for SREs but developed their formerly missing service elements. For ULE and HCSOM this meant the integration of employment services into their portfolio, for PIN the strengthening of their housing services, and for

Romodrom the improvement of its employment engagement. For both PIN and Romodrom it also meant the adoption of a new, integrated strategy. The change was the biggest for HfH Poland, where the project also meant the launch of its service provision branch, as formerly HfH had concentrated on advocacy and occasional housing construction. MRI, BI and the monitors supported this organisational development in case of every implementer partner.

1. It is **impossible to talk about cost-efficiency at the incubation stage**, as incubation of a model means that it requires a lot of energy (working hours) from the implementers to develop and crystalize a way of working that can be standardized. During the project all pilots went through crisis periods, creating a situation, where part of their former work was dumped, as new ways of intervention were sought. Thus, it was impossible to talk about cost efficiency measurement, since the implementers were still seeking standardisation to establish a more every-day mechanism of service provision.
2. **Housing needs need to be met first**, any model that makes housing a high threshold service increases the drop-out rates, leaving many vulnerable households to their own devices. On the other hand, access to decent housing can stimulate/motivate vulnerable, marginalized and disadvantaged groups as they feel the immediate change.
3. The follow-up services such as checking the housing related payments is easier in schemes/ models where the clients feel that the organization providing social services has full or some control over their housing. Otherwise many clients begin to neglect cooperation with the implementer organisation.
4. **Rapid housing interventions** that provide housing combined with efficient social work can boost clients’ interest to improve their employment situation. However, to maintain this employment can pose considerable challenges for vulnerable and marginalized groups because of health issues, or other occurring crisis situations, but even as a result of the lack competences to handle difficulties at the workplace.
5. **Debt counselling and private bankruptcy** services are essential for deeply indebted households. Without solving their debt situation neither their housing nor their employment position can be improved. Indebtedness proved to be the most important barrier to take up legal employment.
6. **Research and service provision needs can become conflicting**: for marginalized groups especially for family households the three round survey proved to be too demanding. Also, to measure all the needed dimensions where changes were anticipated, many questions had to be included in the questionnaire, which made it a challenge to ask from the clients. Similarly, selecting the treatment group members from the target group raised ethical questions for all pilot implementers, causing conflicts in some cases among them and supporting NGOs.
7. Some pilot experience suggests that commercial job agency practices make the integration of vulnerable groups very difficult as they often provide only temporary work (3-4 months at one time) and do not offer long term employment.
8. Even if long term employment is challenging, newly gained job experiences help to convince marginalized groups that they should support their children’s education.
9. Changing economic cycles could influence the sustainability of the employment results for HomeLab. The current climate was very favourable regarding employment opportunities, and less favourable regarding housing. But previous economic cycles and crises have shown that it is the most vulnerable and least skilled who lose their jobs first, if markets falter. An optimistic view may suggest that HomeLab clients’ work experience gained thanks to the project will help them even in harsher times.

### 1.2.3 HomeLab’s main policy recommendations – overview

#### EU level

- 1) EU could put pressure on individual member states to create grounded, just and efficient national housing strategies, where it is missing, or place stronger pressure on the implementation of existing housing strategies (where relevant).
- 2) In the 2020-2027 budgetary period it could provide assistance to the member states in developing and implementing their national programming with the aim of making sure these include more efficiently and effectively the social and affordable housing schemes.
- 3) It is recommended that the EU also support social rental enterprise schemes among possible tools for housing provision and labour market intervention. Besides direct support the setting up of a guarantee fund could be an option.
- 4) Targeted funding to pilot SREs most importantly in the CEE region could provide further support for their sustainability. While many households will be able to manage independent living and workplace integration once their housing situation is resolved, SREs can support those, who need more intensive and complex integrated services for full social integration.
- 5) With ESF funding EU could support integrated employment focused projects in integrated service provisions. HomeLab’s experience in integrated provision clearly points to the conclusion that very vulnerable and marginalized groups need more than just cheap housing or information on job vacancies.

#### National level

National level recommendations mainly pertain to proposed changes in national legislation. These, again, are firstly targeted at CEE member states, as both the existing expertise of the authors as well as the experience of HomeLab pilots are most closely relevant in this region.

- 1) Introduction of a clear and unified legal definition for social housing, which is currently missing from national legislations in this region.
- 2) introduction of transparent and efficient private rental regulations, as part of the national housing strategies and policy packages.
- 3) Further development of Public Employment Services in the direction similar to Employment Pacts: even though developing their capacity to provide social work on their geographic area may be unrealistic, ways could be explored to help their cooperation with civil society and public social providers, allowing them to offer more than information on job vacancies for clients.

#### Local level

- 1) Given the combination of weak, largely locally coordinated welfare provision in the fields of housing and social support, successful cooperation with local authorities is crucial for any successful SRE. Thus, building and expanding cooperation with municipalities is essential both for improving pilot outcomes, and for ensuring sustainability after the pilot period.
- 2) To get the long-term commitment of municipalities a guarantee fund would be crucial. This could be provided either by the EU or by national governments.

### 1.2.4 Sustainability and dissemination

Building up networks with other local, regional and national social service providers, municipalities and government bodies was also a crucial part of HomeLab activities. Networking aimed both at ensuring the smooth provision of other needed services, and to minimize problems created by uneven funding streams. It supported the institutionalisation of the SREs on a national level, which was part of every

partners’ dissemination activity. The latter aim was also served by the national workshops, which were organised in every country. These served the mobilisation of their national networks, helping the sustainability of the SRE models, improving also possibilities of being scaled up. The underlying assumption was that each of the locally elaborated Social Rental Enterprises can only become sustainable if they can be implemented on a larger scale.

In the framework of HomeLab the main activities undertaken by the implementing organisations to **mainstream and ensure the sustainability of their activities included**

- (1) exploring additional external resources, especially in terms of funding (grants, donors) which could allow for the further development of one or more model elements;
- (2) mobilizing private funding especially through social entrepreneurs and or social banks;
- (3) strengthening cooperation with local and/or regional municipalities to expand the available affordable rental housing stock, and also to make local and regional social and housing policy more inclusive towards the target groups;
- (4) cooperating with local and regional authorities to convince them to develop more flexible and efficient employment related interventions available to the marginalised, vulnerable clients, and furthermore to include NGOs more in service delivery;
- (5) lobbying for improved regulation for the support and integration of low income and marginalized groups; and
- (6) refining the models developed in the pilots, to improve their (institutional and financial) sustainability.

Important steps were taken toward sustainability on the part of all partners, where their work focused on engaging in actions that in the future will ease the development/maintenance of their services. In Poland the advocacy work of HfH Poland has led to the initiation of a national call to fund similar experiences, and a separate legislative process on a national level has begun with the aim to include SRA/SREs in housing legislation and support more social housing issues. In Hungary, both implementer organisations could develop their networks, and as a result have additional municipalities they cooperate with, allowing them to apply the newly developed model in other locations. In Slovakia the sustainability of services will be helped by the employment training activity developed in the framework of HomeLab and by the planned establishment of a social employment agency with the support of a regional government. A genuine interest seems to exist for the latter from the side of employers, who are willing to find this after the ending of the project. Finally, Romodrom created a new occupation – that of the social rental agent – which can serve them after the project’s ending. The funding stream for it is still unclear, but they are working on the solution.

The project’s sustainability has been further enhanced by its **dissemination activities**. These included setting up a homepage, creating newsletters and attending scientific conferences. The most important event organised by the project was the closing conference in September 2019. On a national level the workshop organised in every country also served as vehicles of dissemination. Additionally, members of the Dissemination Board (Habitat for Humanity International, Feantsa and Housing Europe) used their own channels to inform the larger audience – most importantly policy and decision makers and NGOs about HomeLab’s goals and achievements.

#### **1.2.5 Difficulties and challenges**

As with all experimental projects, there have been difficulties that influenced the outcome of both the project, and also the way the sustainability and EU level recommendations were developed. Some of these difficulties were foreseen by the proposal, in some cases however the project had to improvise.

Despite the differences in the institutional context in which the various implementers have worked, overarching themes could be established. These can be grouped into three distinct categories:

1. Organisational difficulties related to implementing an experimental project;
2. Difficulties arising from cooperation with municipalities – in part foreseen in the project proposal;
3. Difficulties arising from the project's specific, vulnerable target group – in part foreseen in the proposal.

Completely unforeseen by the proposal, the first difficulty was related to the often precarious conditions many NGOs work under in the CEE region. Despite the very high value of the work they provide, NGOs typically struggle with financial problems related both to project-based financing and their lack of financial resources in general, resulting in very low salaries and high fluctuation rates among their employees. A particular difficulty was created by the complexity of the HomeLab project, requiring well-educated and experienced workers. This has been further aggravated by the fact that the labour market shortage in the entire region has led to wage increases across a variety of sectors, which could not be replicated among NGOs. In HomeLab this manifested itself in the frequent change of personnel in a few locations, mostly affecting social workers. The result these processes were easy to observe in the problems faced by Romodrom in the Czech Republic. The mitigation measures in place – most importantly the special focus paid both by the implementing partners and the consortium leader MRI – helped to stabilize the situation, allowing the pilots to perform very well.

The second problem, the cooperation with municipalities was embedded into the very complex relation between these NGOs and municipalities, which is determined by their interdependence but also the easily changeable local political goals. Conflicts arising from overlapping competences and difficulties working with partner organisations were originally foreseen, but cooperation with municipalities proved to be more challenging. Whereas the NGO involved in HomeLab partially overtook the tasks municipalities would have to do themselves, their activities can become politically risky, meaning that even in a cooperative environment, municipalities are afraid to put helping the vulnerable people on the forefront of their political agenda. This was the most apparent in case of NGOs working to secure homes and welfare for the Roma population. Cooperation between NGOs and municipalities thus mostly depends on the goodwill and interest of the elected representatives and can be easily subject to change as a result of a sudden turn of public opinion or simply the election results, resulting in difficulties to plan ahead from the side of the municipality. Furthermore, even in a very supportive environment, bureaucratic processes take long, often way beyond the time span that would serve the efficient functioning of the NGOs. In case of HomeLab the first problem this most importantly created difficulties for PIN in Slovakia and ULE in Hungary, whereas the second was acutely felt by HfH Poland. In these cases, this meant the need to search for other local partners, and also a certain time loss for service deliveries, where time could later be recuperated by increasing the effort of the implementing partner.

And the last, but most complex difficulties resulted from the particular target group of HomeLab, leading to high fluctuation in certain pilots. Foreseen mostly as a difficulty for evaluation, the actual main challenge was caused by the fact that for a few households indebtedness and the high rate of arrears – often not admitted at first – created insurmountable difficulties, that were too much for the project to handle, as the organisations involved did not dispose of appropriate funds for that. Also, mental health problems led to many clients leaving the Polish pilot first, despite the social workers' determination to handle them. As a risk mitigation measure, some implementer partners had a carefully developed selection process in place, not only decreasing the chance of drop-outs but allowing a swift replacement of clients for the smooth running of the project.

### 1.2.6 Structure of the report

The following report first provides an overview of HomeLab’s background and objectives, describing on a general level the implemented SRE model. The ensuing two chapters focus on introducing the main learning from the implementation and evaluation process, and the activities focusing on dissemination and sustainability. Lessons learned and recommendations build on the coordinator and research team’s expertise, the experience of implementers and other practitioners, but also on the valuable feedback of external expert and policy partners, among which experts of international organisations, and representatives of the European Commission.

This is then followed by an in-depth description of the actual SREs implemented in the pilots, placing them in national socio-economic and welfare context. Each description begins with a visualisation of the specific SRE and closes with the timeline, so the process of development can be followed easily.

This is followed by the detailed presentation of the outcome evaluation results, drawing on survey data collected in three points over the project; pilot implementation data; outcomes regularly registered by implementers; a qualitative research stream; and additional data sources auxiliary to the three-year institutional development and service provision efforts.

## 2 Introduction: Background and objectives

### 2.1 Background

HomeLab’s starting point was the aim set up **structures for innovative service design and delivery**, specifically to integrate two major social services – housing and employment – through personalized social work and in a mutually reinforcing manner, through Social Rental Enterprises (SREs) in the insecure welfare and housing environment of the Visegrad four countries. The elaboration of the project’s specific goals and the SRE model was influenced by strategic EU goals, like the Europe 2020 strategy for growth and jobs, and EC recommendations and guidelines steering member states towards economic recovery and greater employment activation. The development of the project unfolded against the backdrop of two significant framework conditions:

- 1) the post-transition welfare and housing market conditions prevalent in the Visegrad four countries, and
- 2) the prolonged post-crisis environment characterizing many of the Central and Eastern European economies after the first crisis years.

Regarding the first point, research has shown that in the Visegrad four member states, **social and affordable (public) housing provision is limited, rental markets are small, costly and insecure**; whereas homeownership – including low income, precarious, and substandard homeownership – is widespread (CEB 2017; Pittini et al. 2017; Hegedüs-Horváth-Somogyi 2017; Hegedüs-Horváth-Elsinga 2016). As a result, in-country mobility is very limited, workforce movement struggles to follow the evolving spatial patterns of economic development (OECD 2019; Inchauste et al. 2018; Eurostat 2016). Working age people stuck in lagging areas face high barriers in accessing job markets and are especially hampered in their move by the underregulated, costly and insecure private housing rental markets. Parallel to the austere welfare provisions mean that social benefits are not only available for the most vulnerable, but their value is not sufficient to reach minimum living standards.

Regarding the second point, HomeLab’s concept was influenced strongly by the post-crisis environment, where **financial and social differences have grown considerably**, and a growing number of households find themselves in precarious conditions, both regarding housing and employment. Contributing to the difficulties in the post-crisis environment has been the upsurge of housing prices near dynamic job markets, where vulnerable job seekers were forced to explore substandard housing options. Enhancing the difficulties was also the lack of sufficient housing allowance and rent subsidies in the region (with the sole exception of the Czech Republic).

In addition, any improvement has been hindered by the fact that many of the regions most marginalized populations face **systemic discrimination** in the job and rental housing markets, and in some cases in the public sector as well.

While at the time of the project’s conception, housing and mortgage markets barely began to stabilize, and most of the relatively new CEE member states were still plagued by high levels of unemployment, as the project unfolded conditions changed. The early stage of project implementation took place at a time when **swift and significant structural (economic and social) changes** swept across the EU, transforming some of the underpinning ideas and framework conditions of the project, and especially influencing the CEE member states of the EU.

The ones affecting labour and housing markets can be summarized as follows:

- **Labour shortage** has become severe in the CEE region, where it began to jeopardize major private investments. In part this was thanks to the post-crisis recovery and intensive economic

growth; but partly due to intensifying out-migration of workers towards more attractive labour markets, particularly in Western European member states. Unlike the latter, CEE economies have not seen significant in-migration of workers, as on the one hand, they are less attractive migration targets than their Western and northern European counterparts, but also as many countries remained politically hostile towards migrant jobseekers. This shortage of work force by 2019 not only increased wages for high status occupations, but the scarcity of labour force has already begun to affect semi- ad unskilled positions. While this has been a challenge for CEE economies, **it also produced the relative ease of finding job placements for vulnerable clients**, including low skilled and unskilled workers. Many employers proved more open to hiring job seekers that would have been considered too risky under more favourable labour market conditions

- **A steep increase in house prices and market rent levels** over the past few years strongly **narrowed opportunities to secure appropriate and affordable housing in the private market**. House prices and rent levels rose to an extent they even became unaffordable for the (lower) middle class, and much more so for poor and socially excluded households. This is also a Europe-wide phenomenon. From 2015 to the second quarter of 2019, the house price index in EU-28 rose to 119 (where 2015 house price index = 100). In the same period it rose to 162 in Hungary, 139 in the Czech Republic, 131 in Slovakia and 121 in Poland (with vast spatial differences between urban and rural areas and among different urban housing markets; Eurostat House price index [prc\_hpi\_q]).

For HomeLab the developments meant **primarily more room for improvement in the employment pillar**, as formerly closed job market segments became available for the project's clients. At the same time, it also meant that **opportunities to enter the private housing market significantly decreased, creating a larger reliance on municipal providers and prolonged waiting for housing by the clients**.

## 2.2 Objectives

Taking the economic and social background of the CEE member states into account, HomeLab was developed to **achieve two interlinked objectives**:

- (a) to establish and test the efficiency of integrated service provision in the fields of housing, employment, and social integration through implementing the Social Rental Enterprise (SRE) model
- (b) to carry-out an in-depth evaluation of the model, to see how well it can perform under the prevailing circumstances of the Visegrad four countries.

The idea of piloting SREs was rooted in the need for secure and affordable housing for vulnerable populations, at risk of severe housing cost overburden and/or substandard housing, even homelessness. Going beyond housing affordability and security, HomeLab sought **a broader social integration, in which integrated social work supports the financial maintenance of housing through employment integration and improved household income**. Employment integration, that supports improved income situation and smoother social integration for vulnerable households, was expected to underpin and mutually reinforce the results of housing and social support services. SREs were considered a rare opportunity to break the vicious circle and allow the households/families to stabilize their positions.

The SRE model developed by HomeLab was based on the premises of Social Rental Agency model but complementing its existing housing and social counselling components with employment counselling and labour market placement activities. HomeLab served not only to finetune the SRE model under diverse circumstances but helped to adapt it to the very specific welfare circumstances of the Visegrad

four countries. The realized SRE models were everywhere relying on three essential components: **integration of services** and **personalized service provision**:

- 1) **Housing services** are based on either acquiring the right to municipal social tenancy for the SRE client and his/her family or on finding stable housing on the private market. In both cases the client has a secure tenure, which is not only affordable, but also provides a long-term solution to solving his/her housing problem. The SREs act as the manager of the housing stock – like in the Veszprem pilot – or are intermediary actors, like in Warsaw.
- 2) **Employment services** include networking with local employers, assessing needs in terms of human resources, and recruitment in job-scarce areas/settlements (with an excess supply of labour force). Additional services may help the integration of mobile workforce into their new environment. This activity requires coordinating with employment and social services in weak market regions.
- 3) **Social services** provide the third leg of the SRE. They are partly provided by the personalised case handling of the social workers, partly by the national/local institutions. Building partnerships with them and making sure that social benefits available for the clients are duly received is an important task of the SRE.

To carry out the SRE services the model foresees that:

- the SRE is established and run by **NGOs**, who work as able and independent intermediary, connecting public and private spheres with the vulnerable population. Their flexibility is a great advantage when reaching out and building trust towards people in need, who have often been left to their own means by the public sphere beforehand;
- the SRE provides **the integrated case handling**, overseeing the **client journey** of each client, but does not do it alone;
- the **SRE maintains very close ties with the private sector** – using available housing to give accommodation at acceptable price for its clients, and building strong connections with employers;
- and it **builds close ties with the public sphere**, both to leverage available support for their clients, to use their available housing stock and rely on additional services it can provide.

The **close ties with the municipalities** is a further divergence from the classic SRA model, and it has played a **crucial role** in HomeLab. The importance of municipalities was multi-faceted in the project:

- given the relatively insecure condition NGOs in the region, close cooperation with municipalities resulted that they had a more stable financial and economic background;
- unused municipal housing stock has grown in importance with time, especially as private rental markets have become partially inaccessible to the project;
- cooperation could be mutually beneficial, helping the municipalities as well: the involvement of NGOs allowed the renovation of derelict apartments and to reach out to clients formerly out of the scope of their services.

In all cases SREs were established to provide services for a variety of low-income vulnerable groups, but their exact composition varied. To satisfy the research objective and in order to achieve a reasonably large target and control population for this statistical measurement, and to have a multi-country, yet comparable perspective with quite similar starting points and framework conditions. Hence implementer partners were selected from the so-called “Visegrad Group” or V4 countries – Czech Republic, Hungary, Poland, and Slovakia – with relatively close backgrounds, recent histories, economic development and welfare provision levels, and regional characteristics.

The following target and treatment groups were selected in the five locations. The definition of the exact target groups was followed by the selection of the treatment groups, who were then matched by control groups to provide adequate information for the project’s research component.

**Table 1. Target groups, treatment groups, criteria and selection mechanisms by pilot**

<b>Implementer</b>	<b>Target Group</b>	<b>Treatment Group (size, selection criteria)</b>
<b>Romodrom, Czech Republic</b>	Socially excluded people who (1) live in substandard housing according to ETHOS classification <sup>1</sup> (subgroups 3.2, 4, 6 and 8 to 13); and (2) At least one adult household member is without a steady job (unemployed, low job security, informal job etc.). Employment, Housing and Income level indexes were used to identify the HomeLab target group.	53 households in 3 regions  To be involved as Treatment Group members, candidates had to commit to cooperate with the implementer; and had to have the ability to pay housing costs once in standard housing.
<b>From Streets to Homes Association (ULE), Budapest, Hungary</b>	(1) Clients had to be homeless persons living in self-built shacks in Budapest. (2) ULE aims to ensure adequate household income, but does not normally use restrictions regarding its sources; it is often old age pension or disability benefit. In HomeLab, preference was given to persons who are able to work, but have no formal income from the primary job market.	17 households in Budapest. Treatment Group members are selected based on reliability and cooperation; level of addiction (the most severe cases had to be excluded due to lacking capacity in specialized care); health condition (in relation to ability to work). Pairs (friends, family members or couples) were prioritized, so that financial and other resources could be pooled for maintaining a household. Persons and families in distress were prioritized.
<b>Hungarian Charity Service of the Order of Malta (HCSOM), Veszprém, Hungary</b>	The overall target groups coincided with the vulnerable, low income and socially excluded client group of HCSOM; with the following planned sub-groups: (1) Applicants for municipal housing via VESZOL; (2) Tenants in municipal housing, with arrears in housing expenses; (3) Homeless people and families, including couples and families in institutional accommodation; (4) People receiving mobility support to migrate from undeveloped regions; and (5) People living in housing owned by the state (via National Asset Management Company), at risk of eviction. <sup>2</sup> Regarding employment, preference was given to unemployed or underemployed persons, and people in informal or inadequate jobs.	65 households, made up of the 5 sub-groups.  Changes in sub-groups: (A) Instead of families, single homeless persons were involved in the pilot; as after project launch HCSOM realized they have extremely limited access to affordable housing which is suitable for families; (B) Employment picked up quickly in 2016/2017, and the number of jobseekers from other regions plummeted. Sub-group 4 was replaced by inmates to be released from the county penitentiary institution.

<sup>1</sup> ETHOS - European Typology of Homelessness and housing exclusion, as used by FEANTSA, the European Federation of organisations working with the people who are homeless: <https://www.feantsa.org/download/en-16822651433655843804.pdf>

<sup>2</sup> National Asset Management Company was set up in 2011 to buy the homes of defaulted ForEx mortgagors after the financial crisis, which was transferred into state owned housing. Rent levels for former debtors were very advantageous, but as regulations for non-payment were missing for years after the launch of the Company,

<b>Implementer</b>	<b>Target Group</b>	<b>Treatment Group (size, selection criteria)</b>
<b>Habitat for Humanity Poland</b>	<p>Target group criteria included poor housing and employment situation. Referring Organisations (ROs) recruited potential clients, of whom 186 households were compiled into an initial Target Group pool, and randomly divided into Treatment, Treatment Waiting, and Control Groups. These included people in institutional accommodation, external/internal migrants etc.</p> <p>Criteria included:</p> <ul style="list-style-type: none"> <li>- cooperation with RO (at least 3 months), followed by the RO's recommendation;</li> <li>- ability to cover affordable housing costs.</li> </ul>	<p>62 households were in the Treatment Group.</p> <p>Due to larger-than-expected dropout rate at the beginning, the second round of selection not included households with substance abuse problems, creating a more balanced composition for the entire treatment group.</p>
<b>People in Need (PIN), Slovakia</b>	<p>Target group: socially excluded households in marginalized (predominantly Roma) localities. Housing situation: illegal and/or overcrowded housing, or otherwise precarious housing conditions;</p> <p>Employment situation: unemployed or informal employment in the past 12 months preceding intervention;</p> <p>Specific criteria of different housing interventions:</p> <ul style="list-style-type: none"> <li>- not eligible for commercial mortgage;</li> <li>- dwelling is appropriate for legalisation in technical and legal terms.</li> </ul>	<p>46 households selected from target group for mixed housing intervention (construction, housing legalisation, rental mobility).</p> <p>Treatment Group criteria:</p> <p>(1) Willingness to participate in a savings programme, or willingness to move; and</p> <p>(2) Demonstrating motivation and willingness to cooperate during a preparatory phase: participating in at least 75% of agreed meetings; complete at least 60% of steps agreed with social workers; participate in at least 75% of financial education meetings.</p>

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a significant share of former mortgaged owners accumulated significant rent arrears. Eventually the contract of non-payers was limited to a 2-year term, during which many received social work and accompaniment to manage their situation. Some of these households in the Veszprém area were included in this HomeLab sub-group, and the corresponding Control Group.

### 3 Social Rental Enterprise models realised

The actual SREs were the results of intense and meticulous work, and as a result of the experimental nature of the project, were subject to changes in the course of the project. In every case, the establishment led to the diversification of the implementer NGO's portfolio of services. As the below description shows the established SREs provided institutional growth for the participating NGOs, allowing them to diversify their services and create a model that is **sustainable**.

The following descriptions first create an overview of the individual SREs established in the five pilot locations, then provide a detailed overview of this development process. The descriptions show that despite the fact that all SREs have been carried out by an NGO and they all have 3 distinctive pillars, their specific setup is very context dependent, influenced by the national and regional institutions, as well as the profile of the NGOs and available funding streams

#### 3.1 Habitat for Humanity (HfH) Poland – HomeLab Warsaw (HLW)

##### 3.1.1 Overview: The Warsaw SRE model

**A unit in HfH called Social Rental and Employment Agency** was established (abbreviated SANIZ, after its Polish acronym). Personalized support was provided by the Social Rental Managers (SRMs), which encompassed support in housing, employment, and social integration. SRMs' work was coordinated by a HomeLab project manager.

**Housing** was provided through a combination of municipal social housing and private rentals. HfH agreed with Warsaw Municipality to renovate and rent out social rental apartments and rooms, which it then sublet to clients. For private landlords the implementer guaranteed regular rent payment and maintenance (if needed, renovation) of the dwellings; again, the dwellings were sublet to clients.

**Employment** related activities in the Warsaw pilot emphasized the activation, support and empowerment of clients. HfH staff did contact employers directly, by placed more emphasis on supporting clients in searching for vacancies and apply for jobs independently. After gaining employment, SRMs focused on maintaining work motivation.

**Social work** provided by the SRMs encompassed personal, family and administrative support and mediation, legal counselling, communicating with external providers and so forth; but also housing and employment services. The helped clients get information about job opportunities, apply for jobs, and maintain motivation for long term employment; and also gave support in household budgeting, monitored the proper use of rental dwellings, and gave swift support in case of rent or utility arrears.

**External providers** were involved to help recruit clients, and advise on the needs of specific client groups (Referring Organisations). Other civil society partners were also involved in social provision, but also in the Warsaw pilot's housing and employment related work. The Warsaw Municipality and private landlords were key external partners in housing, but other NGOs also played various supporting roles. Regarding employment, a Referring Organisation provided training for clients with disabilities.

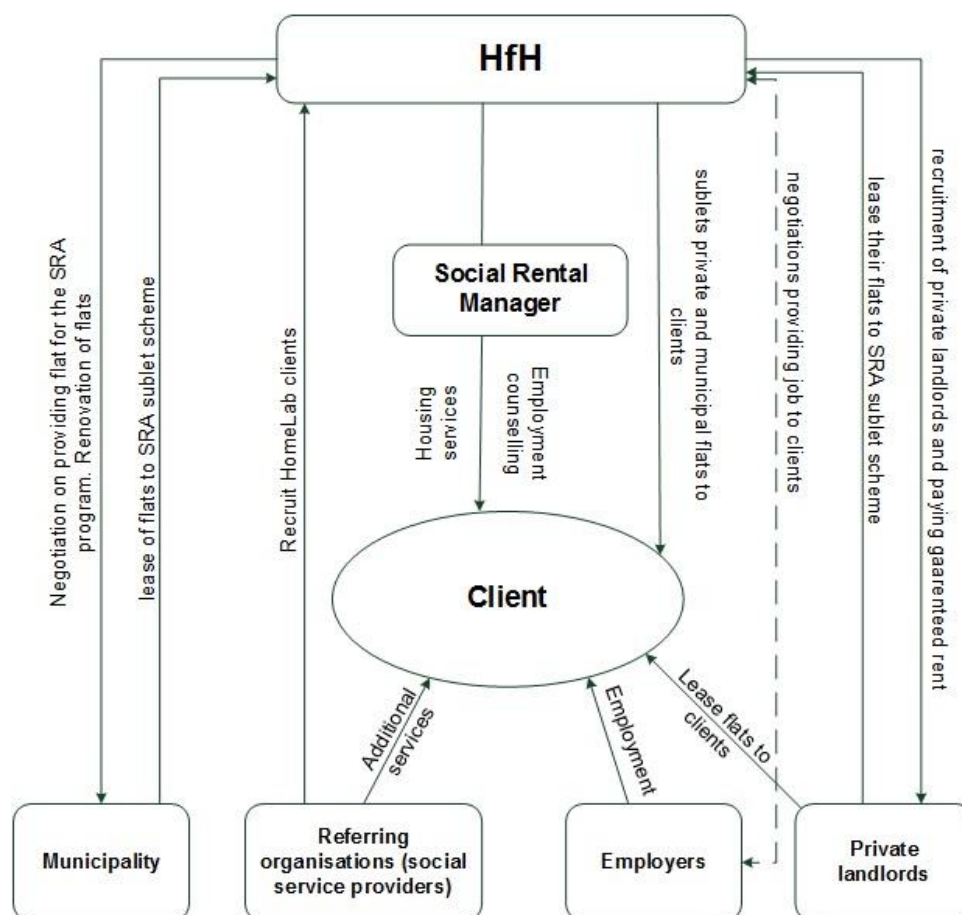


Figure 1. Schematic overview of integrated service provision by HfH Poland

### 3.1.2 HomeLab Pilot launch and setup

As described in previous annual reports, before the HomeLab project Habitat for Humanity Poland focused primarily on a small scale volunteer housing construction and renovation for low-income and vulnerable people. In 2016 its coordinators decided to undertake substantial change with the help of HomeLab: to launch their service provision for the housing poor and excluded. The **HomeLab Warsaw (HLW)** team began to be set up in summer 2016, continuing into late 2016. In autumn 2016 the organisation established its **Service Provision Unit**, to implement the Social Rental Enterprise model. The unit's Polish name is "**SANIZ**", standing for "**Social Rental and Employment Agency**". Project coordination was carried out by lead staff, while three **Social Rental Managers (SRMs)** undertook the integrated service provision.

**Social Rental Managers (SRMs)** run everyday operations of the Social Rental Agency. SRMs provide integrated support services including rental administration, social integration and employment. They also work on ensuring the required auxiliary specialized support forms but also use the generally accessible services to low-income clients.

The most important **external challenges** that emerged in implementation were closely related to the novelty and limited experience in service provision for HfH. Early on, the team was optimistic about the possible pace of securing affordable housing; but had to manage serious delays both in the public and private rental sectors. Following an agreement with Warsaw municipality, HfH was promised a number of municipal rental dwellings, which were provided significantly later than initially agreed. This

led to prolonged waiting times for already involved clients, and led to a number of dropouts; the caseworkers, therefore, had to face the challenge of maintaining client motivation.

At the same time, HLW set out to rent affordable housing on the private market, experimenting with a Social Rental Agency Scheme applying the subletting model. They offered greater security through damage and regular payment guarantees in return for below-market rent levels. After this approach proved ineffectual, the team began emphasizing the social, solidarity aspect of the model using social media campaign – which significantly increased the effectiveness of private rentals procurement. By the end of the project, the private rental leg of housing provision also became successful and sustainable. Nonetheless, finding the right approach took time and generated difficulties throughout the project.

Recruitment of Target Group and Control Group members was implemented through the **Referring Organisations (ROs)**, a network of civil society organisations working with various vulnerable and excluded groups in Warsaw. The three original SRMs had close connections with ROs, either previously being employed by them or previously working with them on projects. This supported clients’ trust in SRMs, and HLW’s pilot. On the other hand, it also led to an inadvertent conflict source. HfH Poland pilot applied a randomized controlled trial approach to select clients and control group members, where only treatment group received integrated services

**Internally**, procedures and the balancing of workload took months to develop, and initial difficulties sparked tensions within the team. This, together with delayed housing provision and the initial dropouts from clients with substance abuse, led to tensions and a number of staff changes over the first half of the project. Many of the dropouts who left the project in the first year were very vulnerable, high intervention need clients, particularly former drug addicts, who lost motivation due to the delay in housing provision, and for whom HfH could not provide the necessary specialized support. Nonetheless, the committed staff of HfH Poland supported the continuity of pilot implementation. The national monitor provided substantial support to new team members to help make transitional periods seamless.

The original HomeLab programme coordinator, Sebastian Musioł, was replaced by Agnieszka Głusińska in summer 2018. The new Project Manager established a system of one-on-one meetings with SRMs, who in turn discuss cases and challenges in an ongoing manner. In October 2018, the national monitor assessed that the *“PM is competent to manage this team and even provide sort of ‘in-house supervision’ which is new to the HLW project. All SRMs are competent experienced and devoted to their tasks”*.

Besides the missing capacity for the effective treatment of clients with a history of substance abuse, the greatest intervention needs were in the field housing. Eventually, the Polish HomeLab pilot proved successful, but providing affordable and adequate housing to vulnerable clients was by far the greatest challenge of this pilot. The implementer has been in negotiation with various actors for the continuation of integrated services, as the positive outcomes are clear, but the team had to go through years of struggle and frustration during the course of HomeLab.

### **3.1.3 Cooperation with partners**

HLW has been intent since the beginning of HomeLab to build a reliable network of organisations around itself as part of the project implementations. This has contributed substantially to the particular advocacy achievements – an additional grant to expand its housing basis for its activities as well as the public support for other SRE projects - and also to HfH Poland’s overall success in putting the Social Rental Agency/Enterprise model on the agenda.

### **Referring Organisations (ROs)**

Cooperation with the Referring Organisations was crucial and intensive in the early phases of the project. The pool of potential clients, from which Treatment Group, Treatment Waiting Group, and Control Group members were selected, was recruited following the recommendations of the ROs. These organisations played a crucial role in this phase, but the implementer had to overcome severe tensions in working with them. As laid out in the Annual Reports, the Randomized Controlled Trial (RCT) methodology to select treatment and control groups seemed morally less acceptable to ROs. RCT in social provision has always been debated, for providing unequal support to equally needy people, however in case of HomeLab only limited number of clients could be involved. Importantly by the time the intensity of cooperation necessary for project implementation decreased substantially. As it was noted by the Monitor, the looser cooperation in this stage of the project has been completely sufficient for successful implementation.

In September 2018 Chlebem i Solą, an informal network of about 100 volunteers, was granted Referring Organisation status to acknowledge their already existing engagement with HLW clients. CiS was previously coded as an “external provider” in HomeLab’s monitoring system. The transition to RO took place after the organisation provided substantial help in furnishing HLW dwellings during the earlier periods of 2018.

**Table 2. List of Referring Organisations (ROs) in HLW as of September 2019**

<b>English name</b>	<b>Polish name (short name)</b>	<b>Short description</b>
Caritas of Warsaw Archdioceses, Homeless Centre	Caritas Archidiecezji Warszawskiej, Ośrodki dla Bezdomnych (CARITAS AW)	Homeless centre run by local Caritas in support to people experiencing homelessness (night shelter, shelter, congregate training apartments, bath and social economy)
The Open Door Association	Stowarzyszenie Otwarte Drzwi (SOD)	Local NGO supporting homeless people (shelter, employment centre, social economy restaurant, training apartment)
Salvation Army	Armia Zbawienia (AZ)	Polish chapter of the international NGO supporting people in poverty (daycentre, street work, counselling)
Monar Association in Wyszaków and Zaczerny	Stowarzyszenie MONAR w Wyszakowie i Zaczerny (MONAR)	Warsaw chapter of national NGO supporting young people exiting homelessness with substance dependency (centre for substance addiction therapy funded by National Health Fund)
Caritas of Warsaw Archdioceses, Centre for Migrants and Refugees	Caritas Archidiecezji Warszawskiej, Centrum Pomocy Migrantom i Uchodźcom (CARITAS CIM)	Refugee centre run by local Caritas providing citizen’s advice and minor benefits to refugees and foreigners
Association for Legal Intervention	Stowarzyszenie Interwencji Prawnej (SIP)	National NGO providing legal advice to foreigners including refugees in refugee status procedure
Różnosfera Foundation	Fundacja Różnosfera (ROZNOSFERA)	National NGO providing psychological counselling and therapy to foreigners including refugees in status procedure
Social Welfare Centre for the Wola District	Ośrodek Pomocy Społecznej dla Dzielnicy Wola (OPS WOLA)	Local government body responsible for public welfare services (including benefits, social work, and domestic violence services)
„Spoza” Society	Towarzystwo „Spoza” (SPOZA)	Local NGO providing education, employment and social services to people with disabilities
„Bread and Salt” Foundation	Fundacja Chlebem i Solą (CiS)	Voluntary organisation to support the wellbeing and integration of refugees in Poland

The intensity of communication and cooperation dropped significantly after the recruitment and early support process (granted, this lasted well into the middle of project duration). It appears that no further support of the ROs was required for HLW’s continuation of pilot implementation.

Caritas, besides being a Referring Organisation and thus providing clients for HomeLab, also helped HfH in their campaign to contact socially sensitive private landlords by promoting the scheme in communities that support their activity. Also Spoza Association provided regular training to HL clients with disabilities.

#### *Public sector partners*

A multi-party partnership was set up in the framework of a **HomeLab Programme Council**. Despite its name, this is an informal body of information exchange and mutual support among the organisations involved. It includes

- the Referring Organisations – although with decreased interest, especially in the second half of the project;
- representative the Housing Policy Bureau of the Municipality of Warsaw;
- representatives of the Ministry of Infrastructure, and the Ministry of Family, Labour and Social Policy (*ad hoc*, i.e. invited when relevant).

Initially, the municipality showed great interest; however, in subsequent project phases, the slow and bureaucratic municipal procedures proved a significant challenge. At an early stage of the project, the *Municipality of Warsaw* officially decided and announced contributing 14 apartments with regulated rents to HL clients. This did eventually materialize, although the length of the bureaucratic delay surprised the HLW team and Monitor. This delay led to numerous early-stage dropouts, and significant tensions in pilot implementations. Eventually, the cooperation proved a success, to be prolonged beyond the lifetime of HomeLab; the efforts undertaken by HLW team are described below (the section on Housing).

Discussions with other public sector partners, such as representatives of the Ministry of Infrastructure and Ministry of Family, Labour and Social Policy in every 3-4 months, aims to generally broaden stakeholder involvement and establish the conditions of long-term sustainability of project results.

#### *Other partners related to employment*

HLW team has come in contact with a gradually increasing number of employers to support the job market integration of its clients. These included, among others, Ibis, Whirlpool, Castorama, Biedronka (Geronimo Martins), and various public sector and civil society actors. Over the second project year, the team established regular contact with some major employers and a number of smaller local businesses.

Altogether though HfH’s approach was less emphatic on establishing connections with employers and focused more on motivating and empowering clients to seek jobs on the open market. On some occasions, the goal of contacting a private business was not necessarily to seek employment opportunities. HLW team members also presented their activities to private enterprises as part of their general dissemination activities for awareness raising, fundraising, and advocating for in-kind donations. This way, the team raises awareness at private companies, gains information about various vacancies and possibilities; still focusing strongly on helping clients find vacancies and apply for positions themselves.

The lower intensity in employment support services was sufficient in part thanks to the strong demand for workers in Warsaw. The Polish capital is one of the most dynamic labour market hubs in the region;

and many adult members of local target groups were relatively healthy and skilled compared to extremely marginalized beneficiaries in some of the other pilots.

### 3.1.4 Treatment Group, Waiting Group, and recruitment rounds

With the help of the ROs, HfH created a target pool of 186 households. From this extensive group, three sub-groups were created: the Treatment Group, the Treatment Waiting Group and the Control Group, through random assignment (134 of the original pool was assigned in one of the sub-groups). Waiting Group was established to replace dropouts, as the implementer did suspect this could be important. The original Treatment and Waiting Groups consisted of 67 households altogether, from them 42 households were surveyed with the Baseline Questionnaire, which also meant that they can be considered as clients actively involved into the pilot from this group. The original Control pool was 96 strong, of which 37 were involved in all rounds of surveying (baseline, mid-term and final).

By the end of 2017 the number of dropouts increased substantially (24 clients), and the problem chiefly concerned one specific group: young people with substance abuse problems. Two ROs provided 19 clients originally from this group and 15 of them dropped out by the end of 2017. This happened on the one hand because they lost interest because of the long waiting period for housing; and on the other, as some of the clients found the option of private renting unaffordable. Moreover, the Warsaw pilot team could not provide the specialized help that some of the clients needed, particularly in comparison with Monar’s expertise in relapse prevention. The possibility of replacing dropouts from the waiting list was limited because some members of this group also quit the program. At this point HfH decided to extend their target group towards lower intervention need households. It arranged for a second round of recruitment focusing on clients with lower social and health care support needs, to balance out the very high overall support needs and very low income of the initially recruited TG. The new recruitment round began in January 2018.

As a result of the new recruitment 22 households got involved in the HomeLab project out of them two households were recruited after June of 2018 thus they were not involved in the Baseline Survey. Out of this 22 households, five dropped out.

**Table 3. Clients involved in the 1<sup>st</sup> and 2<sup>nd</sup> recruitment rounds**

	<b>1<sup>st</sup> recruitment round</b>	<b>2<sup>nd</sup> recruitment round</b>	<b>Total</b>
Selected households	67 (Treatment and Waiting groups)	22	89
Involved in Baseline Questionnaire	42	20*	62
Dropouts from those involved in Baseline	26	5	31
Total number of pilot clients at project end	16	17 (incl. 2 households not in survey)	33
Housed through pilot (from all Warsaw clients)	17	15	32
Employed with the help of SRMs			22

\* 2 newly recruited households got into the pilot after June of 2018.

Through the project life 62 households were surveyed with Baseline Questionnaire and two other households were active beneficiaries of the project (no Baseline Survey because of late entry). Almost half of these overall 64 households dropped out from the programme; by the end of the project altogether 33 clients remained. However, the number of overall active and involved beneficiaries varied broadly throughout the project, sometimes rising above 40 (when a previous dropout re-entered the project).

Regarding the main results of the pilot, 32 households received effective housing solution in the project being placed to either municipal or private rental flats, and 22 persons (in 21 households) got access to (better) job (mostly full time, and registered jobs, with only two unregistered jobs) with the help of employment related services of HfH. On average, the clients (32 households) who received effective housing service spent 58 percent of their project participation in HLW dwellings; the average waiting time for the HLW apartment since signing Participation Agreement was 7.4 months.

**Table 4. Eligibility criteria in the 1<sup>st</sup> and 2<sup>nd</sup> recruitment rounds**

	<b>Eligibility criteria – 1<sup>st</sup> round</b>	<b>Eligibility criteria – 2<sup>nd</sup> round</b>
Income (net income for single households)	between PLN 1,208 – 2,160	between PLN 1,208 – 2,160
Income (net for multi-person households)	between PLN 604 – 2,160 PLN	between PLN 604 – 2,160 PLN
Housing situation	Lives in institutional accommodation (homeless, refugee, rehabilitation centre), or in private rental (overcrowded, low standard, unaffordable)	Other unstable housing situation (e.g. victim of domestic violence, favour based housing)
Employment situation	Registered job Unregistered job No job because of	Head of household or their partner had (formal or informal) employment in the past 6 months
Local connection/ migration status	Wants to stay in Warsaw AND refugee (with or without refugee status) or other foreigner Polish citizens without registered permanent address in Warsaw	Households with registered permanent address in Warsaw also eligible Persons from rehabilitation institution for substance abuse are not eligible

All recruitment conditions were changed in the new recruitment round, except for the required minimum household income level. New – lower intervention need – clients had to have a more stable employment history; additional factors of unstable housing situation were taken into account; and permanent residents of Warsaw also became eligible. People with a history of substance abuse (coming from a rehabilitation institution) were excluded from the new clientele, as HfH has become aware of their inability to provide adequate support to this special need client group.

As it was described in the Action Plan of HfH, the 2016 net full-time minimum wage was 1,356 PLN in Poland (*cca. EUR 315 in current exchange rate*). In 2016 in Warsaw approximately 10 percent of adult residents earned a net monthly income of PLN 2,200 (*cca. EUR 510*) or less, and 25 percent earned a net monthly wage of less than PLN 3,300 (*cca. EUR 770*). In 2016 the upper income limit to qualify for a municipal flat was PLN 1,700 per person (PLN 1,940 PLN for a single person household – equal to about EUR 400 and 450, respectively).

### 3.1.5 Integrated service provision

#### *Housing*

HfH applied the subletting model in case of municipally owned housing entirely and in case of private rentals partially. In the subletting model HfH rents the apartment from the private/public landlords and sublets it to its clients. The subletting model includes guaranteed rent toward landlords, which means that HfH pays the monthly rent and utility costs to the landlord (whether or not the dwelling is inhabited in a given month, and whether or not the tenant duly pays it) and collects the rent and other costs from the tenants. Thus HfH takes over the risk of non-payment from the landlord. If tenants accumulates arrears with housing related payments, HfH makes an agreement with the tenant on a repayment schedule, and pays the rent and utility costs from a guarantee fund. HfH has succeeded to

establish a small guarantee fund from fundraising; however, it is not sufficient to manage a more significant portfolio. Nevertheless, HfH implemented a debt prevention system by regularly monitoring tenants’ payment, and also checks the condition of the flats to avoid damages.

To ensure contractual safety of both landlords and tenants, HfH used professional legal advice, and elaborated a standard rental contract which covers subletting as well as direct landlord-tenant contractual relations. Additionally, in sublet dwellings the implementer it also undertakes the maintenance services.



Figure 2. Outline of HfH’s Social Rental Agency model in Warsaw (Source: HfH Poland)

To professionalize its housing related interventions, a stable cooperation was established with Mzuri property management company. The latter provided know-how in the field of housing management, and it also promoted the project among private landlords.

SRM tasks in the field of housing interventions include

- looking for apartments for tenants in the private rental market if relevant (in later project phases real estate agents were also involved);
- regular monitoring of the tenants’ payments and proper use of the flats;
- in case of arrears, elaborating the debt repayment schedule and monitoring its progress;
- reporting maintenance needs or equipment failures to the SRA;
- and providing assistance in applications for social housing.

Client households were steered towards social or private rental housing depending on the level of household income (i.e. only relatively higher income households were placed into market rental housing). Even though clients had to cooperate (accept the offered standard housing) to participate, some of them still found the lower-than-market rate rent levels still too high. They turned down the offer, and some even quit the programme.

As for acquiring **municipal housing**, in the first year of the project, the implementer secured an agreement with the Municipality of Warsaw, which offered to provide 14 affordable rental apartments to the programme, for the duration of the project (prolonged for another two years upon project

closure). In the longer run, this is a very important achievement; however, over the project course it proved to be a lengthy process, where the Municipality first identified the dwellings, which it then transferred to the use of HfH. The implementer then executed major renovations and improvements (e.g. fully replaced electric wiring and plumbing, changed doors and windows) and furnished the dwellings. Between spring and autumn 2018 the Municipality eventually handed over all 14 rental dwellings to HfH. Out of these, 12 units were completely renovated by HfH (the expenses of refurbishment was covered by HfH in the case of 7 units, and Warsaw Municipality covered the costs for 5 units).

In summer 2018 the municipality began technical checks of the renovated flats. After all of the contracted jobs were approved by the municipal engineers, the flats were handed over for the HomeLab pilot, and clients began to move in. As the recruitment of clients began in 2017, the delay inevitably caused a significant number of dropouts.

The reason for delay was primarily bureaucratic: the municipality had no clear procedure foreseeing handing over municipal housing management to a non-profit organisation, and had to develop and check the procedure along the way. At the City Municipality, HLW team has also been in contact with the Director of the Budgeting Unit to speed up the process of overtaking the dwellings in 2018. In a later phase of municipal bureaucracy, HfH had to advocate for municipal approval so that clients could finally move into the dwellings when they were nearly finished, and remaining renovation and furnishing needs were so minor that they did not influence the safe usability of the apartments. Eventually the HLW Programme Manager had an in-person meeting with the Municipality representative, after which an agreement was made that early move-ins are accepted if the remaining deficiencies of the municipal dwelling is minor, which was a huge progress for the flow of the project (retention of clients and start of meaningful integrated service provision).

In the meantime, the HomeLab team also communicated with various Warsaw District municipalities to ensure housing or social allowances for clients who moved to the respective districts, and thus became eligible for the local municipality's support. This was also necessary for clients to be able to move in and safely cover their housing costs.

Another important achievement was that HfH managed to agree with the Warsaw Municipality on the interpretation of the rules for application for social housing. Originally, the interpretation of the regulation of Warsaw Municipality on social housing was that people who lived in appropriate housing conditions were not eligible for social housing. The security of tenure (that it was only temporary solution for them) was not taken into account. This was an important issue also because tenants had rental contracts for municipal flats for a maximum two-year period, after which it was not sure if they will be able to stay in the dwelling. This uncertainty retained several clients from accepting HomeLab housing solutions, and some of them even dropped out of the programme after realising this. Therefore HfH proposed a change of regulation, which the Warsaw Municipality did implement later on. As a result, several tenants already staying in HomeLab flats could apply for social housing, and four of them even moved to social housing during the pilot.

In July of 2019, the Warsaw Municipality extended its contract for another two-year period with HfH, which allows HfH to continue managing the 14 municipal apartments after HomeLab project's closure. This is an important step for the tenants' housing security, and for the sustainability of the projects' results.

HfH also planned to secure rental housing through the **private rental market** through a social Rental Agency model, whereby HfH offers better-than-market conditions, e.g. HfH enters into contract with the owner as a reliable contractual partner, with a longer lease, provides renovation at the end of

contract termination and others. In return for taking on many of the risks related to letting, the implementer hoped private owners would accept a lower-than-market rent level. After a few months, this strategy did not prove efficient; so in autumn 2017 HfH changed its approach, and started advertising their apartment search with emphasis on the project’s social mission. The conditions remained the same as before. As the Monitor wrote, *“local media played a supportive role in the process of acquiring apartments for HLW. Two newspapers published a free ad, which resulted in long expected offers from the private owners”*. Additionally, a campaign in regular media (radio and local newspapers) was financed through external grant funding.

HfH was finally able to rent from the market at an affordable price, and began accommodating HomeLab clients in privately owned rental dwellings more systematically from early 2018 onwards (although the first private rental flat was procured in July 2017). By September 2018, 22 clients were accommodated in various forms of private rented housing.

During the project altogether 17 private rental units (including 3 room rentals) were procured by HfH (three of them in the first half of 2019). In the case of nine units HfH rents the flat from the landlord directly, and sublets it to the tenants. The rental contracts were initially signed until the end HomeLab. Nearing project closure in summer 2019, HLW staff surveyed private landlords, who provided predominantly positive feedback, and indicated their willingness to continue the rental contracts concluded under HomeLab. Survey responses showed that the most crucial benefit for the vast majority of the landlords was the guaranteed rent payment, followed by the regular monitoring of the condition and appropriate use of the dwellings, as well as HfH’s contribution to renovation. Points for future improvement were timely payments (delays sometimes occurred due to HfH’s limited resources), and the implementer’s website (according to some landlords the provided information is insufficient, and some important pieces of information difficult to find).

**Table 5. Size and rents of dwelling procured in HomeLab**

		Municipal flats	Private flats
<b>Rent (EUR)</b>	Highest	181	418
	Lowest	35	232
	Average	89	312
<b>Property size (m<sup>2</sup>)</b>	Largest	71.4	64
	Smallest	18	16.26
	Average	35	40

According to the Action Plan of HfH pilot, municipal rent in Warsaw<sup>3</sup> varied between PLN 6-11 (cca. EUR 1.4-2.6) per month per square metre per month for communal housing, and PLN 2-3 (cca. EUR 0.5) per month per square metre for social housing. On the private rental market, the average rent was PLN 44 (EUR 10) per square metre per month in 2016, which increased to PLN 50 (EUR 12) by 2019. Market rent prices for smaller apartments and studios (which are very popular among tenants) are significantly higher, in some cases up to PLN 100 per square metre (EUR 24). In the HomeLab pilot the average private monthly rent level was PLN 33-34 per square metre (EUR 7-8), below usual market rents, but still significantly costlier than municipal housing. There are different reasons for which HfH managed to agree on lower rents. First, as HfH takes all the risks and provides full flat management, landlords are open to reducing the price by 10-20 percent. Second, the flats are adequate, but usually

<sup>3</sup> In Warsaw the municipal housing represents 11 percent (97,000 units), the private rental stock 15-20 percent of the total stock (740 thousand units). (Source: Action Plan of HfH pilot)

lower standard (with usable but outdated furniture and interior design). Moreover, some landlords also request the help of HfH in renovating their flats.

### **Employment**

HLW strongly supported the idea that clients take on formal (legal, taxed) employment; however, this was not always the case for vulnerable and excluded clients. Accordingly, SRMs prioritised incremental steps towards stable income. First they supported clients in getting a stable job position and retaining it for a prolonged period. Then, when the clients proved able to retain a job, SRMs guided them towards more secure forms of legal employment.

Many of HfH's vulnerable and excluded clients have various histories of marginalisation, ranging from substance abuse, to homelessness spells, very limited experience on the formal job market, and international migrants also need support in communicating on the local language. Hence prolonged job retention in itself turned out to be a challenge, where the intervention and continued support of the SRMs was vital. Working age clients were usually able to get hired, even if for low status and often unreported, informal jobs; but many struggled to retain their jobs.

Unreported employment was widespread in two client groups: indebted households and single mothers. Both groups have very real financial incentives to avoid legal employment.

The issue of debts accumulated in the past (towards utility providers, private service providers or others) proved a major issue in the Polish case as well as in the other pilots. First of all, clients with pre-existing debts have little information on how to address the issue themselves. In many cases they are simply scared of the difficult and bureaucratic process of requesting information, and negotiating a potential solution (including payments in instalments), so much so that it takes time until they manage to bring up the issue with social workers. Secondly, clients with previous debt often prefer unreported jobs, especially if at the moment they are in the phase of hiding debt from the case worker. Otherwise part of their wage could have been withdrawn automatically from their bank account by debt collectors.

The issue of single mothers was also pointed out in Annual Report 2. If single mothers on maternity benefit take on a legal job, they lose their benefit. As a result they end up with significantly more work (child rearing and household work besides a full time, low income job), but not significantly more money. They are therefore incentivized to take on unreported jobs – and, of course, to hide as much as possible from the case worker as well.

As for legal employment, the HLW team made significant efforts to build one-off or longer term, strategic cooperation with employers to inquire about vacancies, and hopefully secure job placements for clients. Although such clients are generally considered “risky” from the employers' viewpoint, the labour force shortage, combined with HfH's positive reputation, supported this activity. Large employers included Ibis, Techem, Whirlpool, Castorama, Halinów, Eco-Fenix, and Biedronka; smaller ones included both private businesses and public bodies, such as a preschool, a dentist's office, small production and cleaning companies.

HLW's key final goal was to support clients in applying for job placements independently while providing them with all the necessary information, accompaniment and support. As preparation, the case workers set up a diagnosis for individual client's employability: they assess skills and experience, job preferences and expectations, and so forth. They then help clients discover job announcements on various media, and in some cases go through ads together with the client. They also help clients with drafting and submitting CVs and applications. Occasionally they make suggestions when the team learns that a particular employer is hiring.

Some HomeLab clients are involved in the sheltered employment form provided by the social enterprise “Distribution of Wealth”. The company was founded in 2014 by MONAR, one of HLW’s Referring Organisations, which mainly helps persons with addiction issues with shelter and therapy; to provide its clients with employment opportunities, and to help reduce stigmatization. HLW made an informal agreement with the social enterprise that clients referred by MONAR could seek employment here.

### *Social services*

As mentioned above, the case workers in HLW go by the term Social Rental Manager (SRM), who undertake general social work, complete with housing and employment intervention. However, some of the clients need some forms of specialized intervention, such as therapy for mental illness or substance abuse (dual diagnosis in some of the cases); some need legal counselling; for others, a language course is necessary for local job market insertion. SRMs provide the general integrated provision of housing, employment, and social support services; they also constantly work on ensuring the required auxiliary specialized support forms, but also use the generally accessible services to low income clients.

In the first period, SRMs divided their cases by RO – that is, the case manager who had previous working connection with the RO took on all cases coming from that particular organisation. This seemed so logical to the case managers that they stuck to this case allocation method even when it turned out that this results in a very uneven workload among the three SRMs. However, this approach proved unfeasible in the longer run. In the second project year, case managers began to revise their allocation of workload, and modified the initial setup. Later in the second project year, there were also staff changes in SRMs. By the later project phases, case managers preferred to make sure that cases as well as workload are allocated more or less evenly among them, which turned out to be a more feasible and sustainable method.

Social work in HLW was expected to be deeply intertwined with housing and employment: aside from providing support in managing their households and stabilizing their lives, SRMs anticipated that much of their work would also serve to support stability in secure housing, and providing in-depth support with looking for, obtaining, and retaining employment. The two streams of social work that the HLW team did not anticipate was maintaining client motivation when the waiting time for stable housing turned out to be much longer than planned; and that the most vulnerable clients, especially those with past substance abuse issues, would likely need specialized support beyond social work. The former of these troubles resulted in the high share of early stage dropouts, as laid out in previous sections. The latter was part of the reason for SRMs uneven workload: especially the clients coming from the RO MONAR, an NGO supporting substance addicts, needed more time and interventions than most other clients. In later project phases, HLW had to cut back on clients recruited from MONAR; but even then the implementer’s access to affordable specialized support was limited, as is usually the case in CEE countries.

By later project phases, case management had been significantly smoother. Particularly as most clients finally entered stable and secure housing, providing adequate support to help them improve other aspects of their lives became much easier (although still requiring intensive social work). Social care emphasis could therefore shift towards the long term stabilisation of clients in secure housing, and in gradually improving income security; addressing issues such as family conflicts, administrative lags, substance use relapses, or previous debts.

### 3.1.6 Dissemination activities

The HLW organisational setup and budget foresaw a separate part-time position for advocacy to being with. This position was undertaken by advocacy experts, and despite several personnel changes HfH implemented a coherent advocacy policy through the project life. HLW’s dissemination efforts were implemented in three streams:

- a) Part of dissemination activities addressed stakeholders that had to be involved for successful pilot implementation: potential employers or employment-related professional networks, social providers or their networks, the public sector, or others. These aimed at establishing and strengthening pilot outreach to ensure high quality services for clients.
- b) Another stream was targeted at the general public, including laypersons as well as various professionals – general information and dissemination. This also included activities organised by external parties, where HLW staff could inform the audience about HomeLab strategies and activities;
- c) The third stream of dissemination and advocacy addressed decision-makers, politicians and enforcement authorities to disseminate and provide with information on the SRE; and to foster long-term policy change and advocate for more appropriate public funding of social intervention (including NGO involvement and funding for operation as well).

#### **Specialized networking, fundraising and dissemination activities included**

- Advocating for the SRE model, where integrated service provision is underpinned by intensive social work, especially at the early support phase: in December 2017, the Polish Ministry of Regional Development issued a call for subsidy requests to local governments for implementing Social Rental Agencies, partly as a result of the HomeLab Warsaw staff and the national monitor’s long standing advocacy effort. HfH Poland considered this one of its greatest advocacy successes of the past years. The housing policy content of the bid was partly based on the recommendations Habitat Poland and its partners.
- HfH Poland co-organised a conference in Stargard with TBS Housing Association in April 2018. The event attracted 110 participants, experts and practitioners of non-profit housing rental. Habitat Poland National Director presented SRE pilot project as an innovative tool for supporting vulnerable tenants in their efforts towards stabilizing the difficult personal situation and building motivation for seeking professional assistance and better job opportunities.
- In May 2018 HomeLab Warsaw was presented at the expert meeting of the Ministry of Investment and Development at the occasion of debate on new Act on the Protection of Tenants’ Rights, submitted by the Polish government for consultations.
- The HLW pilot and the SRE concept was presented on two parallel sessions of the “Forum for Housing Dialogue” in June 2018. The event was organized by the commercial wing on the State Bank for Development, responsible for implementing the key component of the National Housing Program in Poland – Home Plus Program on affordable rent schemes. Habitat Poland National Director presented and led workshop discussion with municipal experts on specialised assistance to social housing tenants from vulnerable groups and the HomeLab Project Manager co-chaired the session on innovative solutions for the development of rental market in Poland. The HomeLab economic growth aspect was presented to the parallel workshop participants. The event, being a governmental initiative, was attended by over 300 participants, decision makers, four Polish ministers, and had significant media coverage.

- In August 2018 the Department for Housing Policy in the Polish Prime Minister’s Office officially launched public consultations on promoting the Social Rental Agency concept in Poland. The document presenting the SRE concept, HLW, and the Social Rental Agency initiative incubated by the city of Poznan (Municipal Rental Agency) run by the municipality of Poznan, was distributed to list of Ministries and Institutions being involved in developing innovations in housing with the request for recommendations. HfH Poland received an invitation to participate in this public consultation and submitted its recommendations.
- In September 2018 HLW was presented at the panel discussion on innovative tools for housing policy, held within the framework of the TBS Bytom conference (Silesia), co-organised by TBS Bytom and Habitat for Humanity Poland.
- In autumn and winter 2018 the pilot coordinator presented HLW to a variety of private enterprises for two objectives: to obtain private financial and in-kind support; and also to encourage employers to hire vulnerable workforce (often deemed risky). These included Castorama, Kingfisher, and others.
- Private donors and some of the HLW clients participated in the HfH Poland Donor Breakfast in February 2019. It is an annual meeting to summarise what HfH did in the previous year and to publicly thank those who were involved in supporting HfH’s programmes and initiatives.
- A meeting with the Director of the Housing Policy Office of the Municipality of Warsaw in spring 2019 aimed at discussing the extension of municipal rental contracts concluded under HomeLab – and resulted in a mutual agreement to continue SRE activities beyond the project duration.
- In June 2019 HfH Poland staff submitted an article about HLW describing the findings from the pilot and functioning of SRE to FEANTSA’s forthcoming publication “50 Out-of-the-Box Housing Solutions for the Locked Out project”.
- HfH Poland took part in the preparations of the Urban Policy Forum in Kielce (cca. 1,000 participants) in November 2019. As part of preparations a panel of experts drafted an interim report “Municipal policy on Poland”, which includes the SRE model description and recommendations for upscaling the model.
- In October 2019 HfH Poland met with representatives of European Commission (DG Employment) and the Ministry of Investment and Economic Development (ESF Department) to discuss dissemination and upscaling of the SRE model in Poland and HLW activities and results.

#### **General dissemination activities included**

- Presenting the HomeLab project at Habitat for Humanity Poland’s conference “Przeciwdziałanie bezdomności i wykluczeniu mieszkaniowemu” (Preventing Homelessness and Housing Exclusion), co-organised by the Commissioner for Human Rights in Warsaw in October 2017;
- On Habitat for Humanity Poland’s annual Housing Forum in March 2018, the HomeLab project was presented at one of the main sessions of the conference, gathering over 100 stakeholders, including decision makers, business representatives, NGOs, and municipal partners. It was preceded by a press conference. The presentation by the HomeLab Project Manager focused on analyzing stages of development of the project on its way towards economic sustainability, growing effectiveness of service provision. It also presented a case study of a HLW beneficiary’s way towards stabilizing employment and resolving specific health problems.
- In May 2018 the HomeLab Warsaw project and profiles of HLW tenants were presented by Habitat Poland National Director at the Housing Forum in Sofia, Bulgaria, organized

within the framework of the global Habitat for Humanity campaign “Solid Ground”. The SRA concept was received with a lot of interest by Bulgarian housing experts (numerous questions and discussions). The materials from the sessions were disseminated by Habitat for Humanity EMEA channels in Bulgaria and on regional EMEA website.

- In September 2018, HfH Poland’s National Director presented HomeLab Project at the Romanian Housing Forum, upon invitation of HfH Romania, gathering over 70 housing experts and gaining significant media coverage.
- The HomeLab coordinator’s participation and session contribution on FEANTSA’s annual research conference in Budapest, in October 2018;
- Also in October 2018 HfH Poland’s National Director was invited to take part in high level expert commission preparing recommendations for the Housing Council, composed of 4 ministers, director of the State Bank for Development and Prime Minister. This body is responsible for coordinating the implementation of the Polish government flagship Programme Home Plus. At the meeting Magdalena Ruskowska-Cieślak (then HomeLab staff member) was asked to present among others on innovative housing policy tools and the SRE concept, as well as practical recommendations on upscaling.
- The Programme Manager participated and presented on HLW in Tallinn, in the Working Group for Housing Systems in Transition, at the invitation (and in cooperation with) MRI in April 2019.
- The Polish National Workshop under HomeLab attracted 101 participants in April 2019.
- The Annual publication of HfH Poland on the condition of housing in Poland in 2019 was devoted to the future of social renting; this included a chapter on HLW (April 2019). Also, an English language article was published about HLW in “Habitat Magazine” distributed globally in May 2019.<sup>4</sup>
- In April 2019, Gazeta Wyborcza, the most widely read national newspaper in Poland published an article on HLW and its SRE initiative, complete with a short film about the project.<sup>5</sup>
- HfH Poland applied for external funding to provide integrated support in the SRE model to tenants of ten municipal apartments, and was awarded by CMT Supported Housing Centre. This project will last 3 years and will be implemented in close cooperation with the Municipality of Warsaw, which provides apartments and participates in the recruitment of the clients. HfH Poland was approached by the Municipality and encouraged to submit a proposal in an open competition for local non-profit service providers in the field. The Municipality’s informal invitation and the awarded the competition showcase the increasing recognition of HfH Poland as a specialist in SRE type interventions in Warsaw.
- In the framework of HomeLab’s national dissemination efforts, the HLW Program Manager participated and presented in May 2019 in Prague on the Czech HomeLab National Workshop organised by Romodrom.
- In June 2019, HLW staff met with the head of Warsaw Municipality’s Housing Policy Office in preparation for the visit of the President in HLW apartments, and receiving information on HLW activities and future cooperation.

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<sup>4</sup> Habitat for Humanity: Who can afford rising rents? <https://www.habitat.org/emea/stories/who-can-afford-rising-rents>

<sup>5</sup> Gazeta Wyborcza: Społeczna Agencja Najmu nie tylko pomaga znaleźć nowy dom, ale również stanąć na nogi <http://wyborcza.pl/10,82983,24687885,spoleczna-agencja-najmu-nie-tylko-pomaga-znalezc-nowy-dom-ale.html>

- In the same month, the team contributed to the meeting of the Executive Council of the Polish Committee of the European Anti-Poverty Network. HLW staff also presented the HLW pilot on the regional debate organized by the Ministry of Labour and Social Policy and Polish National Federation for the Eradication of Homelessness in Kielce. They also submitted an article to a peer reviewed journal on good practice in creating an exit from homelessness.
- In September 2019 HfH Poland initiated another round of talks with the Ministry of Investment and Economic Development regarding the SRE model, with the purpose of disseminating the model and advocate for its introduction into the Polish legal framework.
- In September and October 2019 HfH Poland monitored housing policies during parliamentary elections campaign along with presenting major housing issues in Poland (which included a deficit of affordable housing units in Poland). HfH Poland presented, among other topics, the SRE model, and raised questions about housing policies of election committees and (in cooperation with another NGO) asked candidates about affordable housing and presented SRE as a solution (this message was delivered to more than 2,000 people).
- In October 2019 HfH Poland launched Housing for All campaign in Poland presenting urging need to increase number of affordable housing units in Poland (this campaign will be closely linked with the dissemination of SRE model in Poland).
- HfH will present the social rental agency model during a conference organized by the Polish National Bank in late 2019 and in publication after the conference.

### 3.1.7 Main challenges, achievements, and the next steps for the Warsaw SRA

As laid out above, perhaps the single most important opportunity for HfH Poland in the HomeLab project was **institution building**. Prior to HomeLab, the key profile of HfH Poland was small-scale volunteer housing construction and renovation for persons in need, in combination with advocacy in support of people in housing poverty. HLW team became a separate unit inside HfH dedicated only HomeLab tasks providing integrated support services to clients. The three-year pilot period gave the new team time to learn the possibilities and challenges related to service provision; and despite serious setbacks and changes in staff, the results show that the team succeeded in overcoming obstacles.

For this, however, the team had to go through the steps of learning about the required time and effort level for affordable housing provision. The team continues to face the challenges which are present for all other HomeLab pilots, such as the limitations of welfare provision available for the most vulnerable low income clients; seeking a balance between less and more vulnerable beneficiaries to keep their operation functioning and sustainable; and dealing with issues for which public social provision is ill-prepared, such as managing vulnerable clients with addiction issues, mental illness, or dual diagnoses. HLW experimented with various forms of the organisation of tasks, balancing workloads, developing efficient internal communication, setting up contracting and cooperation rules, and so forth. At the same time, the HLW team undertook **the institutional network building** that was key to success in all five pilots. The agreements established in 2019 show that the integrated approach HLW developed appears to be promising to public and private individual and institutional partners, who are willing to continue cooperation beyond the time frame of HomeLab.

At the end of HomeLab project, **HfH turned its pilot into a continuous programme** called “Social Rental Agency” (SRA). It continues to serve people in housing need, combined with employment support and

social work as needed. SRA provides a client-oriented, integrated service based on affordable housing along with employment and social support. The majority of HomeLab client households are still receiving HfH support; and the organisation continues its work to expand the group of beneficiaries.

HfH, based on the results of HomeLab and its related advocacy activities, succeeded to gain access to other resource that finance SRA related activities even during the project life (SRA – Warsaw – Centre for Training Apartments contracted by Municipality of Warsaw). The project is dedicated for people who were evicted due to restitution of formerly (in the communist period) privatised housing; and includes 10 households with flats delivered by the Municipality of Warsaw.

In July 2019, the pilot staff was informed that their contracts would be prolonged until the 30<sup>th</sup> September 2020; with a view of extension once a new source of financing has been secured. Municipal rent agreements are extended until 31<sup>st</sup> December 2021. It reflects the Municipality’s satisfaction with the scheme. The HLW team began gathering feedback from **private landlords** over the course of spring 2019. By June, all owners but one declared willingness to prolong their contracts after September 2019, including those who initially reported dissatisfaction with the cooperation.

HfH succeeded to further develop its cooperation with Municipality of Warsaw by winning a project which provides so-called “training apartments” for people who were evicted from their homes and were at risk of homelessness, or were homeless due to the gradual restitution of formerly privatised buildings). The project will last three years and will be implemented in close cooperation with the Municipality of Warsaw which provides apartments and participates in the recruitment of the clients. HfH has been approached by the Municipality and encouraged to file a proposal in an open competition for all local non-profit service providers in the field. This informal “invitation” and the fact of winning the competition are both the proof of growing recognition of HfH as a specialist in SRE modelled interventions in Warsaw.

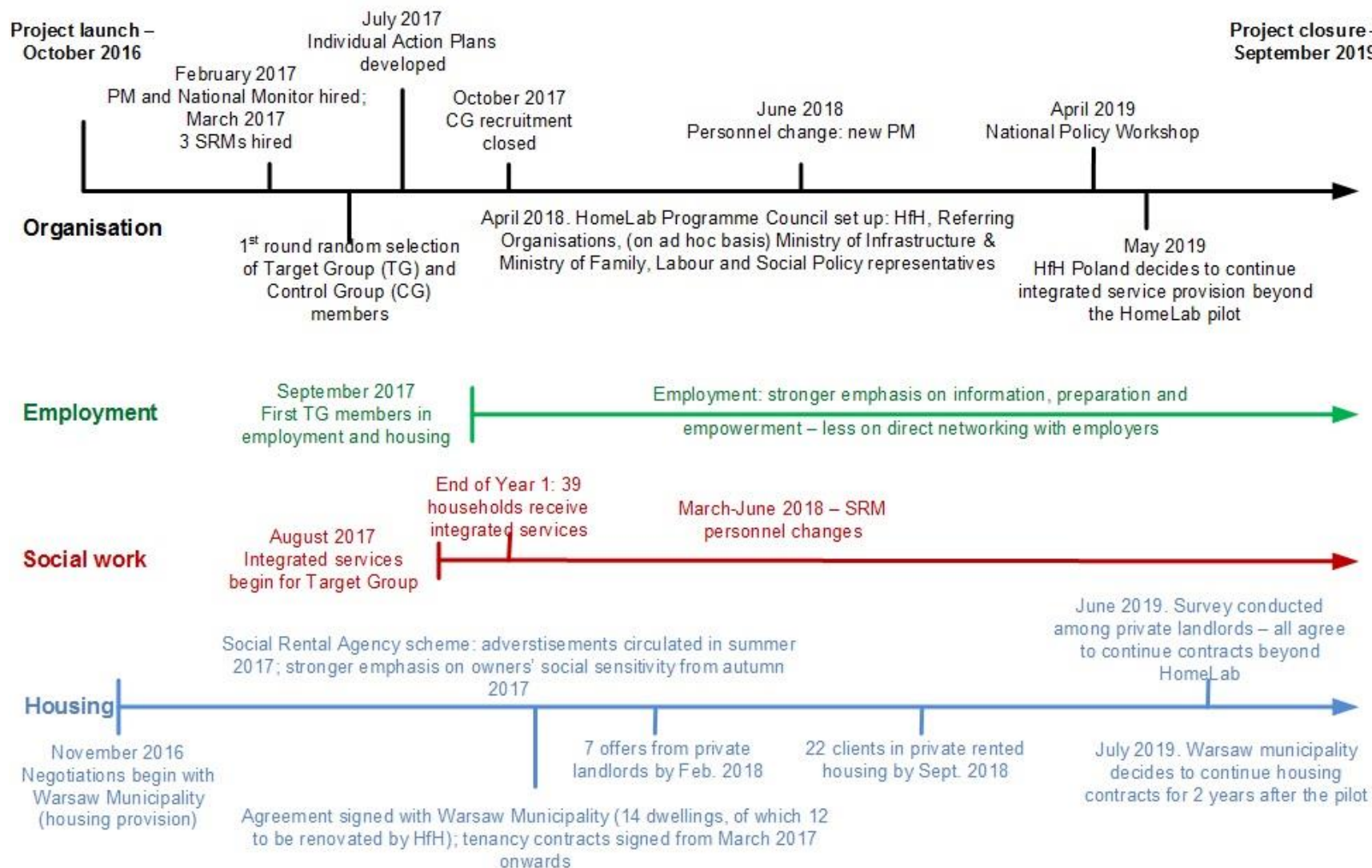
Based on HLW experience, the programme coordinator has devised her proposed staff composition for the continuation of service provision, including at least three case workers, a real estate agent, a maintenance worker, a financial officer, legal and communication services, a team supervisor specializing in psychological support, as well as external monitoring and evaluation (to assure regular reports of agency’s performance). In the post-HomeLab period, with regards to client composition, the team continues to strive for a 20:80 ratio, where 20 percent of clients come from very vulnerable backgrounds, and 80 percent have lower support needs and more stable income, in order to ensure sustainability.

However, still some **important challenges remained** after HomeLab to sustain and scale-up HfH social rental agency activities. These include:

- the establishment of continuous financing of SRA activities of HfH, which actually means that HfH should switch from project based to program based financing,
- the establishment of effective ways of the financing guarantee fund,
- the establishment of effective procedures to procure private rental flats on a larger scale and establish long-term lease (at least 3-5 years) which would contribute to creating more secure tenancy for clients and a more predictable housing pool for HfH,
- SRA tenants should get access to more sufficient rent allowances in order to include vulnerable people in the scheme,
- further dissemination of the model along with advocating for legal regulations and public financing of the model.

To disseminate, promote and scale up SRA model, HfH has been presenting the model on various events and conferences, and has been disseminating it in diverse publications addressed at researchers, policy makers, and lay audiences. Additionally, HfH is advocating for regulatory changes and government subsidies to better serve vulnerable social groups, and to enable the introduction of the SRA model in other of Polish cities as a solution to the shortage of affordable housing.

Figure 3. Warsaw pilot timeline – Habitat for Humanity Poland



## 3.2 People in Need (PIN)

### 3.2.1 SRE model in rural Slovakia

**PIN Slovakia** developed their model on the basis of its existing organisational structure; and in some cases combined their activities with ESIF funded municipal social work.<sup>6</sup> The main organisation provided employment related services and community social work through community centres in near marginalised Roma communities. Its main partner, DOM.ov, launched the self-help housing construction scheme in the selected localities. In the framework HomeLab, existing employment interventions were integrated with DOM.ov’s housing activities, and provided to HomeLab clients, tailored to their needs.

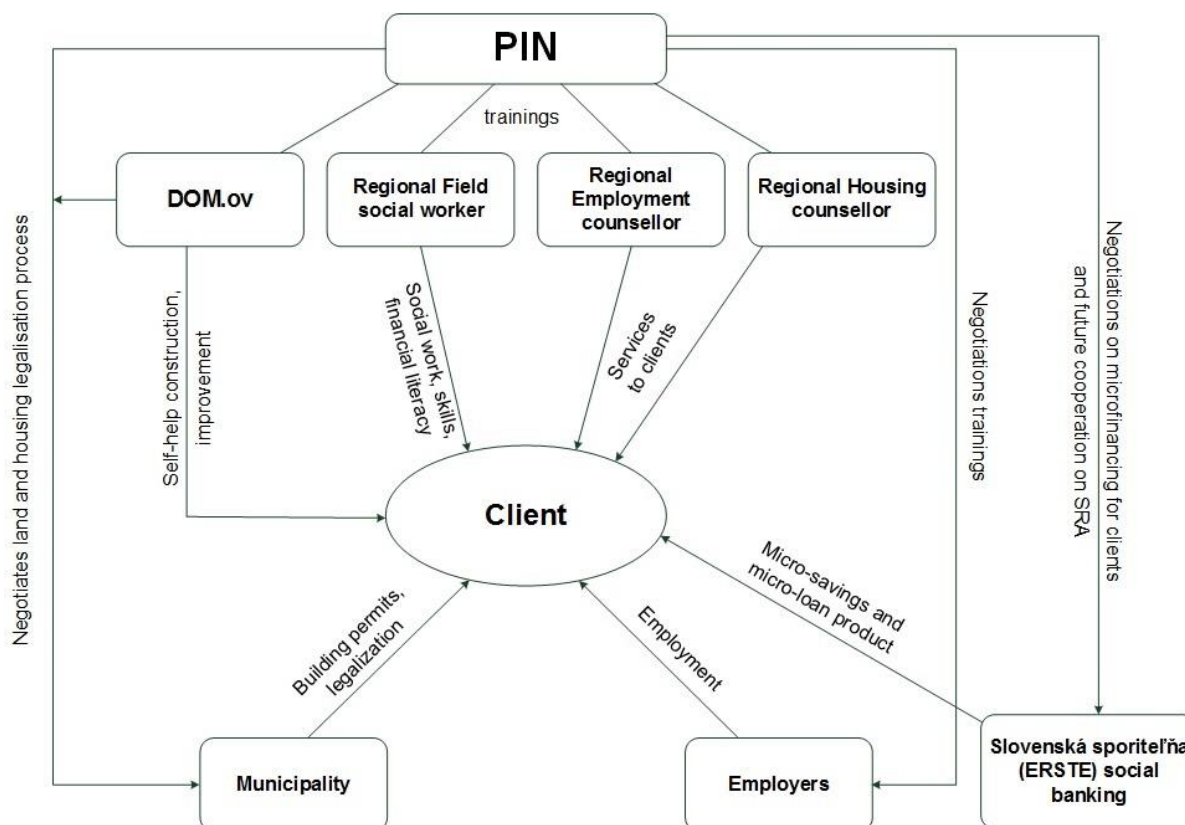


Figure 4. Schematic overview of integrated service provision by PIN Slovakia

**Housing** activities were organized around self-help construction and improvement with DOM.ov, coordinated with HomeLab activities by PIN’s staff. A micro-finance scheme was developed in cooperation with Slovenská sporiteľňa. PIN also negotiated with municipalities about the legalization of existing housing. **Debt management** was also a crucial part of provision; former debts were unearthed in part thanks to the requirements of the micro-finance component.

**Employment** support was coordinated by employment counsellors, who helped clients find, obtain and keep job positions. An important part of PIN’s work in this aspect was their strong network with employers, in which they also offered sensitization training for workers, and on-job support of clients,

<sup>6</sup> In Slovakia, field social work is may be provided from ESIF funding. Its arrangement differs by municipality, as service providers have to apply directly for funding. PIN provides field social work in several localities, while it involved ESIF funded municipal social workers in others, and employed them part-time. PIN also runs community centres using EU funding.

to help stable workplace integration. Supported employment programmes were developed with public employment offices.

**Social work** comprised of the “classic” field work of family counselling, help with administrative tasks and communicating with authorities and external providers. This was extended to include housing and employment oriented activities. Trainings in basic employability skills (literacy, numeracy, communication etc.) were deemed necessary and were provided by social workers, who also received training for skill development. Field workers accompanied clients to great lengths into their workplace integration process.

**External providers** were involved in all aspects, like municipalities and Slovenská sporiteľňa for housing; employers, especially those willing to build longer term cooperation; and municipal social workers for social accompaniment.

The strong inclusion of field social workers and housing counsellors created a model for service integration. Monthly coordination meetings were held in all regions where all the concerned parties participated. This established the basis of organisational structure to sustain the integrated service provision in the future.

### 3.2.2 Setting up the pilot in five pilot localities

People in Need Slovakia (PIN), national branch of international non-governmental organisation People In Need working with extreme poor and vulnerable groups worldwide, has been realizing HomeLab pilots in five small communities in Eastern Slovakia, in Prešov and Košice regions.

Slovakia is a high-income country with a developed economy and a member of the Eurozone, whose average per capita income (in PPS) approached 80 percent of EU average in recent years. However, in-country spatial disparities are huge: while the capital city Bratislava and the region surrounding it has seen outstanding economic performance, its easternmost region is the least developed within the Eurozone. Per capita GDP measured in Purchasing Power Standard (PPS) was 53,800 in 2017 in Bratislava region, the eastern Slovakian region (the NUTS 2 territorial units comprising Prešov and Košice regions) has a per capita GDP of PPS 16,300. The selected locations are each small municipalities (with population ranging between 200 and 1,100) in this underdeveloped region.

The Slovakian branch of PIN focuses on very low income, low status Roma families. They seek to support the social and economic integration of these – often extremely poor – communities, typically residing in the most deprived areas of the country. They usually face double marginalization, in the form of open discrimination and strongly negative attitudes added to very low income and status, and exclusion in all major aspects of life (work, education, access to healthcare and so forth). At the same time, they also have to address the significant social tensions surrounding the Roma in these underdeveloped regions, where the general population often struggles with serious limitations in income and opportunities.

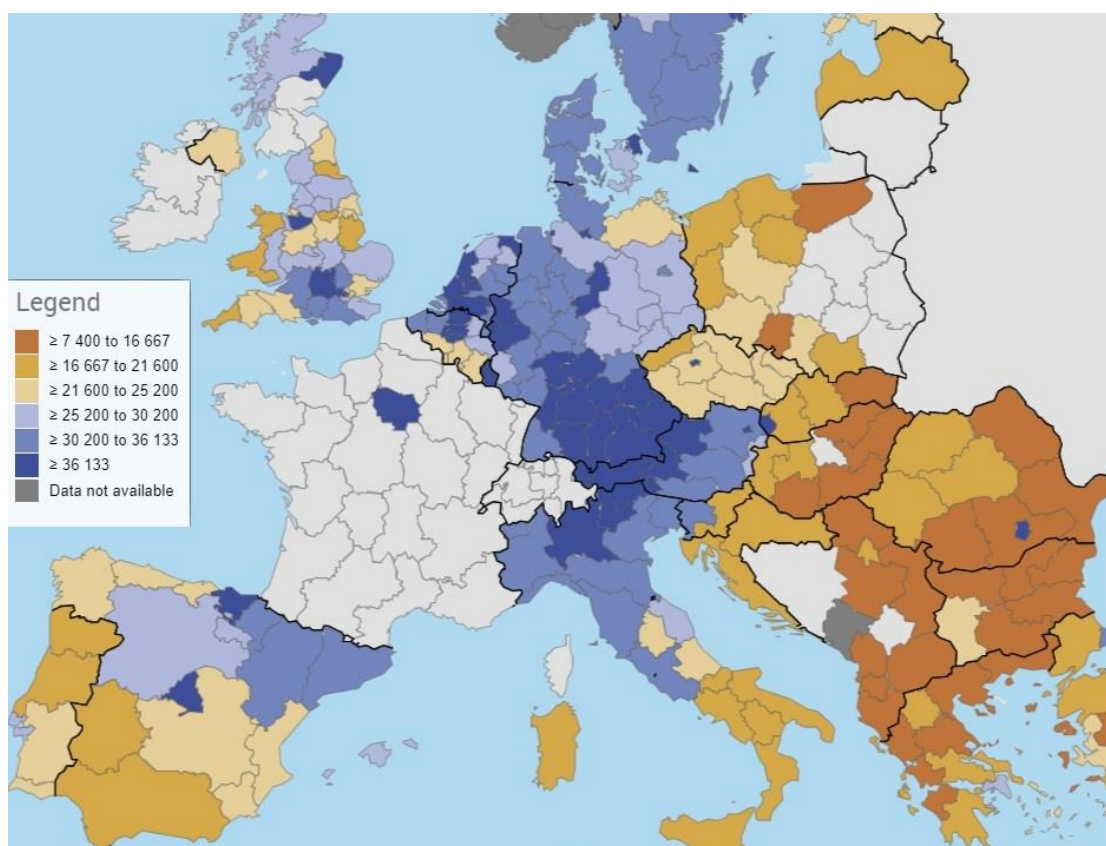


Figure 5. Overview of per capita GDP in PPS across NUTS 2 regions in 2017 – showing outstanding spatial disparities between Bratislava region and the rest of (particularly eastern) Slovakia. Source: Eurostat (Regional gross domestic product (PPS per inhabitant) by NUTS 2 regions – Code: TGS000005; map view)



Figure 6. Treatment Group and Control Group localities in Eastern Slovakia

A reform of welfare system in 2003-2004 brought radical cuts in social aid (“aid in material need”), driven by the “activation” discourse – implicitly based on widely shared anti-Roma prejudices.<sup>7</sup> The reform set the social aid allowances far below the threshold of legal minimal subsistence.<sup>8</sup> Currently,

<sup>7</sup> See for example: Drál, P. (2009) „Lenivosť ako ‚esencia‘ rómskej etnickej identity: kritická analýza diskurzu slovenskej sociálnej politiky“ in: Drál, P. and Findor, A. (eds.) *Ako skúmať národ. Deväť štúdií o etnicite a nacionalizme*. Brno, Tribun EU.

<sup>8</sup> Act no. 601/2003 Coll. on minimal subsistence and amendment of certain acts.

the minimal subsistence for the first mayor person in the household is 198.09 EUR, for any other mayor person in the threshold is 138.19 EUR and 90.42 EUR for any minor person or a person younger than 25 years, who is student or ill.

The current amount of social aid allowance, depending on composition of household, is:<sup>9</sup>

	<b>Single person</b>	<b>Couple</b>
no children	61.6 EUR	107.1 EUR
1-4 children	117.2 EUR	160.4 EUR
4+ children	171.2 EUR	216.1 EUR

The social aid allowance can be increased through a variety of supplements (e.g. for activation, housing, children). Overall, however, these do not come close to the actual costs of housing or living (except in the case of substandard housing, which is hardly conducive to exiting extreme poverty). In addition, in the Eastern regions where the HomeLab pilot has been implemented, the number of persons in need eligible for social aid is above the national average, but the share of households receiving housing supplement is below average, since the poorest are often excluded from the eligibility criteria.

Before preparing and launching the Slovakian HomeLab pilot, PIN's focus was on advocacy, social and education activities, and the employment integration of their target populations through establishing community centres, providing social work and accompaniment, and setting up close cooperation with local municipalities. The team had very little experience in supported housing, or actively fighting housing poverty; and began exploring realistic opportunities during the conception of HomeLab, in part through establishing the main partner organisation DOM.ov. The approach followed in HomeLab had to be modified in multiple rounds during project implementation.

As in other pilots, a steep increase in real estate and rent prices was ongoing as the project was launched and the pilot set up, to which the Slovakian pilot had to adapt, and which posed an immediate challenge upon initiating social, employment and housing provision activities. The huge income and development level differences between the Western, the Central, and the Eastern Slovak regions especially raised a barrier before East-West housing mobility, which would otherwise have been a possibility of moving job seekers towards more abundant labour opportunities. For PIN clients, renting standard housing from the private market would probably have been a viable option before 2015-2016; but at the start of HomeLab, it quickly proved unfeasible.

In addition, clients were often strongly opposed to the idea of moving for a remote region for work. For them, this was perceived as being uprooted, and sent away from their personal networks and familiar grounds. It did succeed in some places, to some extent; but eventually the goal of housing intervention became to improve and legalise housing.

The most marginalized Roma, PIN's clientele in Eastern Slovakian regions, live in segregated settlements in housing built without legal permit and without legal title to use the land.

In 2012, out of 29,404 dwellings in Roma settlements in Slovakia, 10,635 were apartments in blocks, 8,903 legally settled houses, 986 family houses without final building approval, 4,061 houses built without permit, 4,744 substandard dwellings (such as huts) and 669 in buildings not intended for housing. The situation is the most severe in regions of Prešov, Košice and Banská Bystrica.<sup>10</sup> Košice and

<sup>9</sup> Act no. 417/2013 Coll. on help in material need and amendment of certain acts.

<sup>10</sup> UNDP (2014) *Atlas rómskych komúní na Slovensku 2013*. Bratislava, UNDP, p. 45-46.

Prešov were target regions in the pilot. Unemployment rate was still soaring in these regions at the start of HomeLab, at over 10 percent in each.

The goals addressed in the proposal remained the same throughout: to address the challenges of illegal, substandard housing. The original idea was to undertake self-building. However, a modification of the building legislation made this practically impossible. Eventually, it was still implemented in numerous cases; but only for those whose **previous debts** could be tackled first, after which they can begin a micro-savings and micro-loan scheme.

Previous, unmanaged debt proved a major obstacle in the Slovakian pilot, and it emerged into spotlight especially in relation to the micro-loan scheme. The issue of unmanaged debts proved extremely widespread among the lowest income groups in CEE countries. As its consequence, many low income workers actively avoid reported jobs, as their debts could be automatically drawn from their salaries. However, pocket wages do not grant them neither a future pension, not eligibility for mortgage lending. This was one of the most demanding challenges throughout project implementation. Debt management had to be added as one of the positive project outcome indicators, as it turned out to be one of the most important positive outcomes for the majority of client families, which would have remained practically invisible and unmeasurable otherwise.

However, economic upturn not only meant house price increase, but a growing demand for workers. **Employment outcomes were better than expected – and were vital for making good housing outcomes sustainable.** Individualized and specialized labour support services were implemented largely in line with the proposal, although occasionally modified if field experience suggested the need (e.g. providing basic literacy and numeracy skills to adults was also necessary in one location), and can be considered overall very successful.

As presented in the annual project reports, PIN’s most important strategic partner in HomeLab was **“Projekt DOM.ov”** (“domov” means “home” in Slovakian), funded by PIN and NGO “Association for a Better Life” (Združenie za lepší život). Pilot implementation was carried out in close cooperation with DOM.ov, in part through staff interlinkages (HomeLab team members coming from either organisation). DOM.ov’s main focus is self-construction of owner-occupied housing for the benefit of low status Roma inhabitants of rural settlements, including auxiliary activities such as legalising existing dwellings, and securing financial support for connecting housing to utility grids (this too required legalisation and proper housing permits). They combine donor funding with the beneficiary families’ micro-savings, connecting them with micro-loan opportunities. The key condition of their support is that the beneficiaries cooperate and actively work on improving their circumstances.

### 3.2.3 Evolution of Partnerships

#### *Local municipalities*

PIN made significant efforts to maintain a good working relationship with the local municipalities in its target localities; however, the openness of local authorities to cooperation varied greatly, and the implementer itself could do little when a municipality proved uncooperative. Nonetheless, the project team experienced an overall fair or good working relationship with municipal offices and councils in the five localities. The direct role of local municipalities in this project was relatively small; even where a municipality refused to cooperate, it did not substantially compromise pilot implementation.

#### *Cooperation with partner organisations*

By far the most important partner in housing provision has been **Slovenská sporiteľňa**, the Slovakian subsidiary of Austrian Erste Sparkasse bank, particularly thanks to its **social banking** ambitions. This institution is the number one provider of housing microloans and micro financing for low income

clients. In addition, the Bank's debt consolidation programme also provides help for the social integration efforts in HomeLab, which is very useful in the implementer's debt management efforts.

With regards to employment, PIN staff has been in contact with various local municipal employment offices in the towns where clients have a realistic chance to commute for work. These include the local and regional Employment Offices' headquarter in the capital Bratislava, but also employment offices in Prešov, Levoča and Bardejov (some of the important employment hubs in eastern Slovakia). However, contacts with public employment offices did not prove fruitful. They have a number tasks to undertake within their national network, such as gathering statistics and distributing income benefits. Overall, they appeared to have limited capacity for activating job seekers; particularly persons coming from socially excluded and vulnerable backgrounds, who face disadvantage even beyond their low skill level. In the pilot coordinator's assessment "their roles in job finding {if any} is minor".

On the other hand, PIN's **network building with private employers** was crucial for successfully supporting the job placement of clients on the labour market. This, too, was a prolonged and complex procedure, through which PIN team members contacted numerous employers before locating positions that are suitable for the skill profile, health status, and commuting range of HomeLab clients. Thanks to HomeLab, PIN piloted cooperation with businesses, including large employers, and received the Via Bona Award for Corporate social Responsibility, the most prestigious such award in Slovakia.

As a result of media attention and recognition in the social worker and social policy expert community, PIN was invited by Banská Bystrica self-governing region to start similar networking activities in the city of Banská Bystrica. Together with the regional Development Agency, PIN elaborated a business plan for the local employment support office, in order to provide comprehensive assistance to clients. The approval process of the initiative was ongoing in September 2019 by the regional council; it is planned to begin operation in Lučenec.

Over the second and third project years, field workers have placed increasing attention to working with private job placement agencies, and establishing direct contacts with employers. Direct employer contacts had proved by far the greatest source of stable employment for clients. Public sector employment offices, on the other hand, appeared to be of very little use for PIN's socially excluded and low skilled target group.

### 3.2.4 Treatment Group and managing dropouts

As PIN had a well-established system of service provision before HomeLab, and had been working with its target clientele, client recruitment has been quite smooth.

**Table 6. Project localities (microregions): planned and final**

Project locality	Treatment group*		Control group	
	Planned	Final	Planned	Final
<b>Košice region</b>	15	14	15	5
<b>Prešov region</b>	15	27	15	28
<b>Malacky region</b>	15	0	15	0
<b>Total</b>	45	41	45	33

\*Including only those who were involved in the final evaluation.

All possible localities for intervention and research (control) were familiar ground to PIN, whose staff has been involved with the local communities previously. The organisation operated community centres and provided employment support prior to HomeLab. Even though some of the final localities changed in implementation compared to the possibilities laid out in the proposal, all remained settlements where PIN was already well-established.

**Table 7. Project localities (settlements) and number of households involved in HomeLab**

Locality	Location in Slovakia	Population (2017)	Nr. households involved
<b>Rankovce</b>	Košice region, eastern Slovakia	889	14
<b>Kojatice</b>	Prešov District, eastern Slovakia	1,126	10
<b>Roškovce</b>	Prešov Region, far north-eastern Slovakia	158	12
<b>Lukov</b>	Prešov Region, north-east Slovakia	576	3
<b>Lenartov</b>	Prešov Region, north-east Slovakia	1,136	2
<i>Total nr of households involved</i>			<b>41</b>

Clients were recruited by case workers, who were already familiar with potential target (and control) group members. Overall, the treatment group remained quite stable in HomeLab; the number of dropouts remained insignificant throughout the three years of the project.

### 3.2.5 Integrated service provision: housing, employment, and social integration

#### *Housing*

In the first year of the project PIN faced serious challenges in housing services, due to the legal changes described in earlier reports; particularly restrictions on mortgage lending as well as stricter energy efficiency requirements. The Consumer Credit Act made mortgage financing stricter in Slovakia, which is prudent on the one hand, but also problematic because there is very limited rental housing available (both market rate and affordable), and low income persons have little access to either rented or own dwellings. This widespread illegal housing is because of this in large part. The Act on Energy Efficiency meant a significant increase in construction costs, which meant that a micro-saving and loan would allow a family to have enough money after a 12 month saving period to build a 33 square meter house. PIN's original plans were for 50 square meter houses – which was also approved by clients. In 2017 therefore there was a serious risk that PIN would have to limit its integrated service provision to employment and social integration support; however, this would have not been sufficiently distinct from the organisation's existing service profile.

PIN therefore looked into diversifying its housing provision options, adding the notion of a social rental agency, and also the option of legalising existing but unregistered housing of Roma households. Due to the house price peak, the social rental agency approach was hard to realise for the time being. In the other two options, PIN made significant progress over the second project year: both the legalisation of existing housing, and eventually own construction, became important legs of PIN's housing support.

Over the second project year PIN made significant progress in overcoming initial obstacles, partly thanks to the micro savings/loans scheme of Slovenská sporiteľňa. Negotiations with the Bank began in October 2017; and PIN actively contributing the development of the microloan product under HomeLab. With its help, a number of client households could eventually begin self-help construction and improvements. Others received help from PIN to legalize their existing dwelling.

In its housing purpose micro-savings and micro-loan scheme, Slovenská sporiteľňa demands that a client accumulated savings on a micro savings account for at least 12 months before they are eligible for a micro loan. HomeLab clients were therefore supported in contracting under this scheme and making micro savings in order to begin their self-help construction, and thus secure standard housing of acceptable size and quality.

In the winter months, during construction breaks, PIN focused on social work related to housing, such as helping with financial literacy, household budgeting and accumulating savings. The actual building

activities can take place in the warm seasons (typically March through October). Over multiple rounds when a group of families starts construction, PIN so far helped 17 families finish the construction of a higher quality home in three out of five target localities. Table 8 shows the distribution of families over the five target localities which have finished self-building, and those in a preparatory phase for beginning construction (there are no currently ongoing constructions). The “preparatory phase” here means either the 12 month saving period, which allows a family to access Slovenská sporiteľňa’s housing purpose micro loan; or a debt management process which will eventually allow the family to enter into contract with the bank, and begin the micro saving scheme. As for finished buildings, they were completed in the first half of 2019; their documentation was submitted to the Surveyor’s office in the respective localities; and are awaiting permits by the end of 2019.

**Table 8. Number of households currently constructing or in preparatory phase, September 2019**

Locality	Nr. of finished constructions	Nr. of current constructions	Nr. of households in preparation	Nr. of legalized pre-existing dwellings
Rankovce	14	0	0	0 (3 in process)
Kojatice	1	0	2	0
Rošovce	0	0	1 (addition to existing building)	1
Lukov	0	0	0	0
Lenartov	2	0	0	0
<b>Total</b>	<b>17</b>	<b>0</b>	<b>3</b>	<b>1 (4)</b>

The legalization of existing housing was significantly more difficult than anticipated; even when case workers managed to convince clients of its usefulness, the procedure was fraught with a mix of discrimination and bureaucratic barriers. HomeLab staff members eventually managed to fully legalize a single dwelling in Rošovce, while the legalization procedure is on its way (with the end date uncertain) for three homes in Rankovce.

PIN also intended to relocate families closer to strong labour markets, to facilitate the stable job market integration of active age family members; but excluded families embedded in small rural areas are extremely shy of leaving behind their familiar surroundings and networks. As a result, only few candidates were willing to commute to Western Slovakia for work, and no one was relocated closer to a stronger labour market.

### **Employment**

PIN’s HomeLab team began contacting large employers from the early phase of the project; although some of these were in the Western Slovakian regions, which were eventually not included among PIN’s target localities. The number of persons in employment fluctuated to some extent over the second Project Year; on average at around 70-80 percent of persons involved in HomeLab were in employment (including both Treatment and Control Group members), although the share of informal employment was quite high, often accounting for one third of all job placements in the client team. The distribution of employment and unemployment spells in the Control Group was similar, as was the proportion of formal and informal work – albeit also with fluctuations over the year.

**Table 9. Number of clients and Control Group members in employment (both formal and informal), September 2019**

	Total nr. TG/CG members	Total employed	Formal	Informal
			employment	
<b>Treatment Group</b>	44	32	28	4
<b>Control Group</b>	38	35	22	13

By project closure, the share of employed persons actually rose in the Control Group: 35 out of 38 final CG members were in employment. At the same time, the Treatment Group grew (from 41 to 44), but the share of employed household members stagnated at 32 between October 2018 and September 2019. Notably, four adults did secure gainful employment in the TG; but four women went on maternity leave in this period. Additionally, it is an important development that HomeLab clients' improved the share of formal employment significantly, whereas the same indicator worsened for CG members. At the same time, the relative share of formal and informal employment has been fluctuating in both groups; and the reasons behind their changes are essentially the same.

Activities of case workers to support labour market integration entailed a range of activities, depending on client needs, from counsel with job seeking, to help with submitting job applications, directly contacting employers (both larger and smaller); as well as providing complementary life and household management support, things such as help solving indebtedness, other personal problems, without which clients' capacity to work would be compromised.

PIN too found that due to the current labour market shortage, many employers were willing to take on workers that would otherwise be considered too risky. The organisation also strives to establish regular and relatively strong contacts with some major employers; because of the labour shortage it seems realistic that once one or a few clients were successfully placed at a company, it would be possible to recommend others as well.

The most important direct employer contact was with GGP (with the director general and HR staff), where the company was willing to hire clients, and even establish long term (informal) cooperation despite some difficulties with vulnerable work force; see later under the description of integrated service provision.

PIN's cooperation with Poprad based GGP is an outstanding initiative. The Slovakian GGP subsidiary, part of the international STIGA Group (and locally currently rebranded as STIGA), was contacted by PIN to help secure job placements for HomeLab clients. The cooperation so far is very promising. Besides support provided during the recruitment process and on-going on-the-place support, PIN also agreed on the assistance related diversity management and provision of series of sensitizing training designed for the needs of lower-management working directly with Roma from marginalized Roma communities. In September 2018 the company organised a site visit, and eventually hired 42 PIN clients (although only a fraction of these clients are involved in HomeLab). The HomeLab staff feels that the STIGA/GGP cooperation enjoys strong support from the side of top management, which is very much open to further and deeper cooperation. The training and sensitizing programme supported GGP Team Leaders to understand and manage the main barriers for employees accepting and working with new colleagues from marginalized Roma communities; this took place in early September 2018. This is considered to a part of the package of actions undertaken before the start of the new work season, and the recruitment of a larger group of PIN clients. The cooperation between STIGA and PIN earned the two organisations a CSR award.

Important employers throughout the duration of the project also include

- Trim Leader (Bardejov region) and LUNYS (Poprad, same location as GGP): close cooperation established between PIN and these two companies, as both parties rely on further worker recruitment;
- Samsung and Wincott people employed multiple clients, including HomeLab clients;
- Work placement agencies included EUROTRADE, Andromeda, Manpower, and some individual private entrepreneurs;

- Public bodies, like self-governing regions (e.g. Prešov, Bardejov), local municipalities, and schools for maintenance jobs like cleaning;
- one-off contacts for job placements at Whirlpool, Lenovo, Howe Leather, Drogerie Markt, Tesco, and various smaller employers.

For employment support and recruitment purposes, PIN also contacted a series of public sector actors, especially local and county municipalities, as well as small and large human resource companies (Manpower Prešov, small local recruitment entrepreneurs). Field workers have been intensively cooperating with job placement agencies; direct contacts with employers and collaboration with job placement agencies so far both proved successful and very promising for the future in the PIN team's assessment.

In the field of employment and provision of comprehensive individualized employment services, important is also cooperation with Banská Bystrica region which resulted to the launch of the joint venture on the field of employment and placements. The operation of the venture will start in fall 2019, the joint initiative has a potential to become a key initiative in Roma employment in Slovakia.

Staff members of PIN recently also began to consider the establishment of a not-for-profit job recruitment agency itself; although so far this is just a very basic notion, inspired by the success of intense job search support under HomeLab.

Finally, PIN has been experimenting with setting up supported employment schemes throughout HomeLab, since autumn 2017. This is also a slow process, dependent on public sector processing and decision on subsidization. In September 2019, Prima in Poprad was in the process of designing a supported employment scheme for 20 vulnerable clients of PIN, which will involve (by then) former HomeLab clients and Control Group members as well.

### *Social services*

Providing social support services to clients has been a routine task for PIN for many years now, it therefore did not pose many challenges to the HomeLab field worker team. However, in relation to expanding PIN's housing and employment support services, the team faced the issue of previously accumulated debt on a new scale.

As pointed out previously about overall project development, the former debt of households gets in the way of securing decent housing, and strongly discourages job seekers from taking on formal employment, as debt recovery is managed through bailiffs, who contact formal employers and request deduction from the debtors wage – which further reduces their already low wages. In addition, the debt management services available through external service providers (the welfare system) are limited, and discrimination may be an issue towards PIN's target group.

A huge help for PIN was Slovenská sporiteľňa's debt management system, in the framework of the Erste Group's Central and Eastern European social banking initiative. Under the initiative's debt consolidation pillar, the bank may provide the personal assistance to clients in need of debt management. This is only a small program, and not specifically directed to PIN's clientele. However, clients involved in PIN's self-build housing construction programme can enter Slovenská sporiteľňa's micro-savings and micro-credit scheme, in which case the bank – after underwriting – can choose to provide this assistance. The programme is therefore very useful for HomeLab clients – but is still more an exception than a scheme with short-term views to upscaling.

In March 2018, PIN's field workers took place in a small financial literacy support project. In Accenture corporate foundation's social responsibility programme, the field workers were trained in debt

management and personal bankruptcy process; after which they were better prepared to provide personalized financial literacy assistance to project clients in need of this service.

Between January and March 2018, PIN field workers provided general literacy and basic communication skills trainings to clients in two pilot localities, Kojatice and Roskovce, after the HomeLab team assessed that the educational profile and the general preparedness for employment is lower in these two locations based on their employability diagnoses.

#### *Assessment of pilot progress by locality*

##### **Kojatice (10 households)**

Kojatice is a small and segregated village near the region seat Prešov, with slightly more than 1,100 inhabitants. The municipality is in a poor socio-economic situation. The number of interventions throughout the project has been high compared to other localities, mainly due to the low education and skill profile of the community, and very low and intermittent incomes. The pilot implementer assessed that there is a strong dependence on social workers, but also a high level of trust in their support.

One construction process began in May 2018, and was finalised in the first half of 2019 when the client household could move in. Out of the remaining nine HomeLab households, five improved their housing conditions by some extent through small renovations or refurbishment. By summer 2019 eight existing brick houses were improved and legalised retroactively. Nevertheless, case workers have been struggling to convince the households of the usefulness of this procedure.

The low overall skill level of clients in this locality was a major challenge, and case workers implemented a complex set of interventions and support measures to improve the situation significantly throughout the duration of the project. To improve overall employability, social workers have been providing daily literacy and numeracy training for adults from the local community, with classes typically lasting for 30 minutes. Some clients were channelled into a soft skills and communication training of the local labour office; and over a dozen found low income employment through a municipal activation scheme. In addition, some adults obtained regular, legal jobs by 2018, including at the local municipality with their wages subsidized by the European Social Fund (subsidy secured with the help of local PIN case workers).

By the last project phase, the share of clients in employment reached a peak, inspiring optimism on behalf of the implementer; thanks in part to the favourable labour market conditions, and in part to the prolonged complex intervention, with individualised support.

Out of the ten client households, seven had household heads (economically most important household members) in relatively stable jobs, compared to their skill level and employment history. One was on maternal leave, and two were unemployed, with one quitting their job quite recently. Among the second most important earners in the ten households, two were employed, four were on maternity or paternity leave, and four continued to be unemployed.

In addition, clients in Kojatice were the most open to moving to another location to improve their employment opportunities. People from near Kojatice moved or began commuting for work to Nitra region, and more recently to Kutý region in Western Slovakia. This was in part thanks to concerted efforts of PIN headquarter staff, who also contacted and negotiated with potential employers in Western Slovakian regions.

### **Lenartov and Lukov (2+3 HomeLab clients)**

The adjacent communities of Lukov and Lenartov are located in the relative vicinity of Bardejov, a small town of about 33,000 inhabitants, near the Polish border in North Eastern Slovakia. Both are, however, small and marginalised communities, where locals have limited access to formal, stable jobs.

Lenartov has a population over 1,100, more than half of whom are Roma, comprising of about 100 families; Lukov had 641 inhabitants in late 2017. The two communities both started with the 5 clients, but due to major challenges and dropouts, the two retained 2 and 3 client households respectively by project closure. This is explained in part by

- challenges related to the delayed recruitment of the field worker;
- uneven and eventually unfruitful cooperation with the municipality; and
- low beneficiary skill levels and very scarce local and nearby employment opportunities.

Lukov and Lenartov are located in north-eastern Slovakia, close to the Polish border. The labour market is strongly influenced by cross-border migration and commuting; and it is characterized by high competition for low-skilled jobs. In addition, PIN was unable to develop viable partnerships with employers. This is a huge shortcoming, as such strategic networks were crucial in every location where PIN was successful in placing a large share of clients in employment, including support in job search if a client's employment was terminated for any reason. In Lenartov, three of the four household heads (most economically active persons) are in employment, and one is unemployed. In Lukov, two out of the five household heads are retaining a relatively stable job, one is on the maternal leave and two are unemployed.

Housing interventions here too were connected with Slovenská sporiteľňa's micro-savings and microloan programme. In Lenartov, cooperation with the local municipality first appeared very promising, especially discussions were opened about the construction of a social rental block with 24 dwellings. Nonetheless, the mayor was cautious at the time, due to the autumn 2018 municipal elections. Sadly the promises fell short after the election, even though clients were hoping to move into these dwellings; and in part this promise discouraged clients from entering the self-construction scheme instead. Currently four client families are still involved in the project, one of whom began their self-building process in 2018, after going through a debt consolidation and then a contracting and micro-savings process; they are expected to move in by the end of summer 2019. The three remaining families live in overcrowded social rental dwellings, and seemingly it is too late to improve their housing conditions in the framework of HomeLab.

In Lukov, two families showed prolonged interest in self-building, but case workers eventually realized that the clients were in no condition to enter such a scheme, and began to provide a financial literacy and debt management support training in the locality. In this locality the prior debts of clients proved debilitating; and the local case worker eventually had to be replaced due to the poor results. The financial literacy training and active work on identifying and consolidating old debt is a major component of work here. This however also points to the fact that even with intensive social work, stabilising the lives and conditions of extremely deprived and socially excluded families may take longer than a one-off three year period. In the Lukov cases, for instance, determining all old debts takes a few months; consolidation could take a year or more; a micro-savings scheme lasts 12 months; and even after construction is done, the family will likely need various support measures before it can be considered socially properly integrated.

The two small localities started with 5 clients each. The difficulties which emerged here caused the largest share of dropouts, ranging from poor employment results, deep difficulties like former debts,

and uneven and unreliable support of the local municipalities, often leading to weakening client motivation, whose maintenance was a huge challenge for case workers.

#### **Rankovce (14 HomeLab clients)**

This municipality, about 25 km from the regional centre Košice in south-eastern Slovakia, had about 900 residents by late 2017. This locality proved quite successful in HomeLab, despite the lack of openness and cooperation on behalf of the municipality. Important tension stemmed from the fact that a PIN staff member ran for the mayor's office in autumn 2018. Even though the incumbent mayor was re-elected, he refused any

Of the 14 HomeLab client households, 13 were actively involved in the housing intervention: by October 2018, they were involved in the construction process, and the last household was involved in the preparatory savings scheme through Slovenská sporiteľňa's micro-savings and microloan programme. This also indicates that their debts were previously consolidated, and programme entrants secured regular income from formal employment. Three families moved to their new home by May 2019, and another 10 were expected to move in during the summer months. The technical inspection process of the houses was foreseen to take place in the early fall.

With regards to employment, out of the 14 households nine had the head of household (the primary economically active adult) in stable jobs. Two household heads were on maternity leave. Three active age household heads were unemployed, of which two had quit their last employment quite recently. As for the second earners in the families, five had stable jobs, six were on maternity or paternity leave, and three were unemployed.

PIN's initial strategy was simply to provide help with job search, with emphasis gradually shifting towards approaching potential employers, both private and public bodies; and empowering clients to engage in job search and applications themselves. Networking and cooperation with four Košice based employers and several other employers (small family businesses) in the region was crucial to successfully boosting employment rate among client households. This yielded significant improvement with the income level and stability of HomeLab client households by project closure, also resulting in a significant increase in living standards.

#### **Roskovce (12 HomeLab clients)**

Roškovce is a small village with a quickly decreasing population, which was 194 in 2011, and barely 158 by late 2017. Housing interventions were the most behind planned schedule in this locality throughout project implementation, and eventually no housing interventions were managed during HomeLab. One household is currently in a preparation phase to improve and build to their existing housing unit; however, this will not begin during the project runtime.

The local municipality in Roškovce did not show any interest in cooperating with the project. The mayor seemed in favour to sell municipal land at a reasonable price for new construction until summer 2018; but the local committee members were sceptical, and preferred to delay decision until after the municipal elections in November 2018. However, after the election, the previously showed interest was simply discontinued.

In the early project phase the HomeLab team tried to encourage locals to move out of the area closer to more promising labour market opportunities: the community, located in North Eastern Slovakia and isolated from larger towns, offers little in the way of regular work income. Nonetheless, people here have safe tenure, and live in legal, good quality brick houses. They would face significant difficulties securing a similarly stable and decent quality housing position in a location closer to strong labour

markets and residential services – they were, accordingly, very unenthusiastic about moving. In addition, also most of the HomeLab clients in the locality have small children, and rely on strong family support. As a result, the team mostly supports the clients' employment search, including plans for commuting.

### 3.2.6 Dissemination

PIN utilizes a set of dissemination tools and networks, including within the global People in Need network. The organisation's own homepage<sup>11</sup> uses the same engine and styles as the main (Czechia based) PIN website.<sup>12</sup> However, up-to-date news – including those about HomeLab and integrated service provision related pieces – are distributed on the organization's Slovak language Facebook page, followed by over 13,000 users.<sup>13</sup>

Much of PIN's dissemination activities served to organise and network with employers, and to establish synergies with other charities and social providers. Other dissemination activities were addressed to policy makers on the local, regional and national level, as well as to the general public, to inform and sensitize their broader audience.

PIN has been leveraging the ever increasing workforce shortage in Slovakia to secure stable (and preferably legal) job placements for clients, although also for control group members and other PIN beneficiaries, who kept receiving PIN's baseline employment support. In October 2017 PIN participated in the event organised by PINTIS Foundation, a broadly acknowledged private foundation promoting corporate social responsibility, and cooperating with the private sector for social goals. The event called "Pro Bono Action Forum – Practical steps towards employment of marginalized Roma in you company" aimed at sensitizing medium sized and large employers. It was here that PIN successfully contacted GGP Slovakia (based in Poprad) and Trim Leader (based in Bardejov); who both became important employers of PIN clients, both HomeLab and others. As laid out in the Employment section, GGP was by far the most important contact, who also launched an employee sensitization training to non-Roma colleagues.

Thanks to the project, PIN piloted the solid cooperation with the business sector and large employers. The cooperation was also awarded by the Via Bona Award (the largest and highly recognized CSR award in Slovakia). Based on the media and expert community attention, PIN was invited by the Banska Bystrica self-governing region to start similar activities in Banska Bystrica. Together with Developmental Agency of the Banska Bystrica self-governing regions PIN elaborated business plan for the work agency providing comprehensive assistance to the clients. The initiative is currently being approved by the regional council. The launch of the initiative is planned for fall 2019.

HomeLab was discussed on the Business Breakfast organized by American Chamber of Commerce in Poprad with the topic of Roma Employment (spring 2019). The event offered the great opportunity to discuss about structural obstacles in Roma inclusion, which are still existing in Slovakia. Based on the feedback, for number of participants it was ever the first time to listen about the wider context of Roma unemployment and non-inclusion, which was highly appreciated.

Based on the business breakfast, solid cooperation with the Director General of the Office of Labour, Social Affairs and Family was established and the discussion about financial support of individualized assistance started.

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<sup>11</sup> <https://clovekvohrozeni.sk/> and <https://clovekvohrozeni.sk/about-us/>

<sup>12</sup> <https://www.clovekvotisni.cz/en>

<sup>13</sup> <https://www.facebook.com/clovekvohrozeni>

In the framework of HomeLab’s key dissemination activities, PIN’s project coordinator participated and contributed to FEANTA’s 2018 Annual Research Conference in Budapest. In June 2019, the National Policy Workshop was held in the capital Bratislava.

HomeLab was also presented and discussed during the establishing meeting of the Platform for the Roma Inclusion and the meetings of the National task group for upskilling and expert group updating the Roma Inclusion National Strategy 2020 Action Plan. PIN is member of both groups.

### **3.2.7 Overall impact of HomeLab**

The main successes happened in the field of employment – by the late phases of the project, most clients were in employment. Their improved income situation also proved helpful in improving their housing conditions, not only thanks to higher household income levels, but also because of the greater stability provided by the regular income.

With regards to supporting employment, the HomeLab team focused on strengthening the cooperation with employers, and upscaling the portfolio of clients ready to work to meet labour market requirements. PIN had experience in employment support prior to HomeLab, but found the integrated provision significantly more efficient; and professionalized their personalized employment support methods significantly during the course of the project.

By project closure **PIN established a broad and diverse network with employers** within most localities’ commuting zones, in which they managed to connect client needs and employer demands. On one occasion PIN also agreed on supporting diversity management and provision of series of sensitizing training designed for the needs of the mid-level management working directly with Roma employees, predominantly from marginalized Roma communities. Once again, due to massive labour shortage in the post-crisis economic upturn, employers gradually turned towards including sources of workforce that they would have shunned in other circumstances, which was a very important opportunity for HomeLab implementers to achieve great successes in impacting employer behaviour in their regions.

Overall, labour shortage affected employers in the region to the extent that many employers have become willing to hire job seekers usually considered too “high risk”. One large employer even entered into a diversity and sensitization programme with PIN. Nonetheless, field workers still had plenty of work in improving both clients’ motivation to take on jobs, and even their basic employability. The latter consist of two arduous tasks: **debt management** for numerous households; and improvement of **literacy and communication skills** in the two most deprived localities.

As for housing, challenges were not limited to market affordability. PIN eventually had to accept that families in economically backwards areas are not willing to move closer to good labour markets, if they would have to give up their current safe tenure in relatively good quality housing. Eventually, housing interventions in these locations focused more on legalising existing dwellings, and provide new municipal rental tenures to support families living in overcrowded housing.

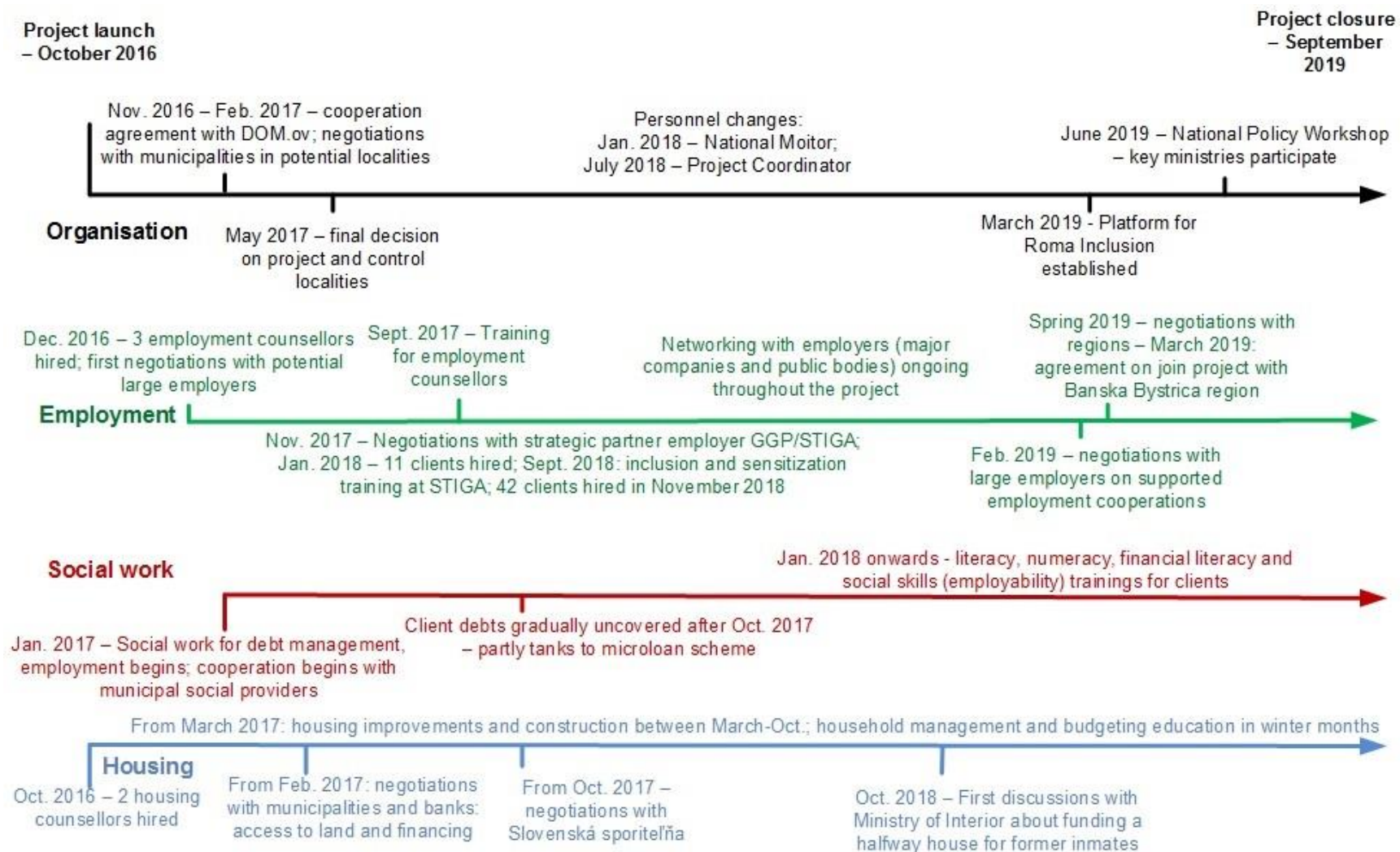
The team informed that some employers in Western Slovakia were considering supporting rental housing for workers if they move from remote regions within the country. However, clients were not willing to move. Such a risk-taking step from a vulnerable family could easily uproot them – they could lose their housing tenure, as well as their supportive networks. In some cases, clients agree to move closer to larger towns in Eastern Slovakia, their home region; but not to the Western part of the country. However, even in the case of intra-regional mobility, the development level and cost of transport may be a huge issue for commuting.

The self-help housing construction programme was greatly helped by Slovenská sporiteľňa's micro-savings and microloan scheme. However, it was hugely set back by household indebtedness. It was over the second project year that PIN had to intensively expand its debt management capacity and services, to tackle this issue with greater efficiency. On the whole, however, the self-construction scheme progressed significantly slower than planned.

Strongly influenced by the experiences gain through the HomeLab project, the Platform for Roma Inclusion was established during the reported period. On its first meeting, some 70 people, representatives of variety of sectors and organizations, participated.

In relation to sustainability, the cooperation with VELUX foundation is being formulated with the aim to ensure financial resources for continuation of the project activities and further provision of services to a broader number of clients. Important step towards the sustainability of the project activities is also intended social enterprise, non-profit job agency, which is being intensively discussed and considered, while first steps towards feasibility study are already being taken by PIN.

Figure 7. Pilot development timeline – People in Need Slovakia



### 3.3 Romodrom

#### 3.3.1 The SRE model in three Czech localities

**Romodrom in the Czech Republic** was the only pilot that could rely on nationally regulated and provided sufficient rent supplement allowance. A significant part of Romodrom’s work lay in helping their treatment group members move out of private hostels to integrated urban areas. Before HomeLab, Romodrom already provided field social work in marginalized localities and for socially excluded persons, many of them Roma; and implemented a pilot housing mobilisation project in Moravian Silesian region. Based on the former experiences the integrated service provision model was elaborated in the Moravian Silesian region and replicated in the other two regions (Pardubice and Olomouc regions).

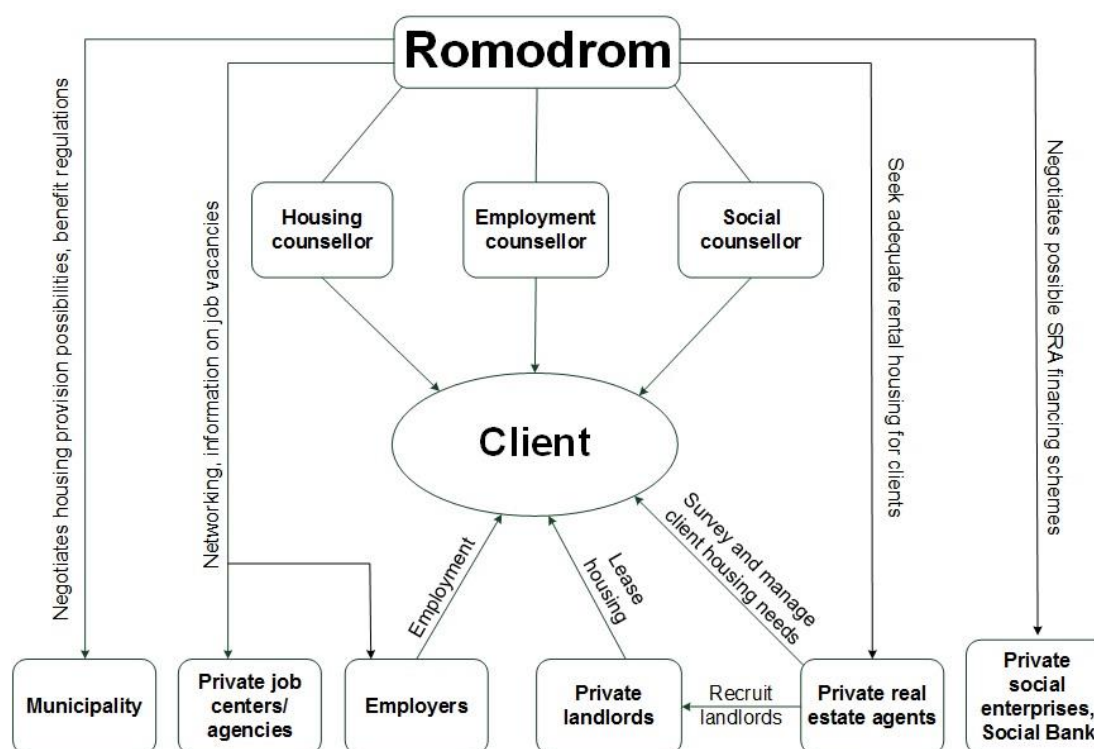


Figure 8. Schematic overview of SRE model, Romodrom, Czech Republic

**Housing** activities in Romodrom’s pilot therefore focused on moving people into standard private rental housing on integrated urban areas, and supporting them during and after moving in. Social workers helped with household finances and regularly paying rent and bills; but also in the practical aspects of maintaining a household and living independently. They set up partnerships with real estate agencies, cooperated with landlords, and mediated with neighbours if necessary. A **social real estate agent** was brought in first as an external provider, and later as a HomeLab team member.

**Employment** services were a novelty for Romodrom in HomeLab. They focused on individual support and counselling to clients in finding, preparing for, obtaining, and keeping jobs. They worked with labour offices and private job agencies, and networked with employers (private, public, and also social entrepreneurs) to connect clients with appropriate vacancies.

**Social work** intervention was complex beyond housing and employment support. Field workers helped clients in managing administrative tasks and communicating with authorities and social service providers. They provided family and child related counselling (school attendance and behaviour issues). **Debt counselling** became a cornerstone of Romodrom’s activities; and many clients needed

support to issue personal insolvency claims. The implementer sought external cooperation as well as developed its own debt management and support capacities,

**External service providers** were involved in all three aspects of integrated provision. In housing, Romodrom worked with real estate agents and landlords (private, municipal and NGO). The team cooperated with public sector labour offices and private job centres. Social providers were important for case management, especially if part of the treatment group was recruited through a specific provider. External services had to be mobilized for mental and substance abuse issues. Finally, debt management specialists were a crucial addition.

### 3.3.2 Overview: HomeLab pilot in Czech regions

Romodrom as an organization specializes on the support of socially and economically marginalized households, primarily – but not exclusively – of Roma origin. Institution building and the professionalization of new or ongoing activities had been a major added value for all pilot implementers. Romodrom has been an established service provider, although its profile was more closely matched with social integration and field social work and piloting housing desegregation intervention in one of the regions where they operate. In HomeLab, the organization has been able to expand its activities in the direction of mobilizing affordable housing, and worked on raising it into its mutually reinforcing integrated service provision scheme.



Figure 9. Pilot regions in the Czech Republic: small settlements and villages in Pardubice (orange); the city of Olomouc, capital of Olomouc region (grey) and surrounding smaller settlements; and the towns of Bohumín, Karviná, Orlová and Ostrava in Moravian-Silesian region (red)

The organization implemented its HomeLab pilot projects in three regions of the Czech Republic: Olomouc, Pardubice, and Moravian-Silesian region. Overall activities were coordinated from the central office of Romodrom in Prague.

- Pardubice region in Eastern Bohemia has the town of Pardubice as its centre; here, Romodrom has been present and working with socially excluded families for many years before project launch. Aside from the central municipality, the implementer successfully developed its cooperation and support activities across a series of smaller towns in the vicinity of the regional capital.
- In the Moravian-Silesian region, Romodrom again had long standing contacts, and could build on existing cooperations with other NGOs in some of the localities. Its most important centres of activities in this region were concentrated the towns Bohumín, Karviná and Orlová near the

Czech-Polish border, and in the regional centre Ostrava. However, the public sector in this region proved hostile, which placed a grave barrier before the local pilot.

- In Olomouc region Romodrom did not have any previous activities or office; hence the first task was the establishment of the local office and its networks. Due to initial troubles, the regional office had to be relocated early in the project, and the pilot launched with delay; nonetheless, in later project phases it made significant progress in terms of client inclusion, as well as network and institution building, which will serve as the foundation of the organization’s continued activities in this region.

Similarly to other the HomeLab countries, the provision of adequate affordable housing to marginalized clients has been a challenging task. Private residential renting could theoretically be quite straightforward in the Czech Republic, where generous subsidization is available nationwide (from the central budget) to low income private sector tenants. However, deep rooted systemic discrimination and marginalization of the Roma still means a massive challenge, as landlords may choose to turn down applicants even when they are able to pay the rent. The same phenomenon also weakens clients’ chances on the labour market, despite strong demand for work force.

In parallel to the rather generous rent supplement, national regulation enabled municipalities tasked to outline locations where residents are not eligible for rent supplement on the basis of low income. The original goal of this was to prevent the generation of segregated areas: municipalities were tasked with indicating existing segregated areas, and exclude these from eligibility for rent supplement, to decrease the concentration of marginalised population in existing slums, and prevent the spread of new slums. However, some municipalities use this right in practice to drive poor and excluded people from town centres; or even to push them into certain neighbourhoods (as it happened in one town in Moravian-Silesian region). So far there are no legal mechanisms in place which could be mobilize to rectify such abuses of power.

In addition, where benefit is available, it often contributes to concentrating poor households in an excluded locality, where housing is so poor quality that mid-income market tenants would show no interest. In such areas private developers build or refurbish “hostels”: poor quality accommodation composed of small rental units (often just one room for a family), whose price is in line with the full amount of the available subsidy. Even though the rental and social subsidy for poor tenants covers the cost of their accommodation, this constitutes costly and substandard housing in a peripheral location. One task of social workers in HomeLab has often been to help families leave slums and hostels, and secure a rental contract in standard housing. For this, they had to overcome discrimination against poor clients on behalf of private landlords of standard housing.

In terms of employment support, Romodrom’s approach was similar to PIN’s: team members contacted both job placement agencies and potential employers to establish a network where clients had a fair chance to apply for jobs successfully. Potential employers included public and private sector entities; and smaller and large companies. Romodrom was also content to realize that the current labour market is willing to absorb its usually excluded clients to a greater extent than in previous years. However, the low soft and professional skill level, as well as the low self-esteem and motivation of clients still required intensive support to realistically improve clients’ labour market integration.

### **3.3.3 Evolution of project partnerships**

#### ***Local municipalities and other public sector actors***

The central office in Prague has been in contact with the Ombudsman (Public Defender of Rights) in the Czech Republic to advocate non-discrimination of its Roma (and often socially excluded) clientele.

Multiple advocacy associations, as well as the Secretary General of the Associations of Real Estate Agencies in the Czech Republic, took part in a series of meetings with the Ombudsman. This process dates back to the beginning of the HomeLab project, and aims to alleviate and erase ethnic discrimination on the market. The issue is addressed from multiple aspects: NGOs prepare clients for the procedure of renting, and negotiating with a landlord; and the Association works with real estate agencies, to help working and cooperating with Roma clients.

The central Romodrom team is also in contact with the Ministry of Regional Development. The organisations goal in its discussions with the Ministry is to explore options for a systemic solution of standard housing for socially excluded people, especially the Roma, in the Czech context which provides some great opportunities, but systemic discrimination is still a major obstacle. The issue of “hostels” was laid out above: even though the generous rental subsidization would financially allow excluded families to live in market rental housing, they are often turned down by private landlords – it is therefore the systemic discrimination operating on the private rental market which gives ground to the phenomenon of “hostels”.

As for the pilots themselves, relationship with public sector partners varies by region.

Cooperation with public sector bodies has been the smoothest in **Pardubice region**, with numerous cases of successful cooperation and support. Both the regional authority and Pardubice town’s Municipal Council for Housing has been supportive of Romodrom’s activity. Romodrom has been in informal cooperation with the Association of Mayors and Representatives in Pardubice region, which allowed establishing regular – although typically informal – contacts with the localities most relevant to pilot implementation. By spring and summer 2018 the Romodrom team had monthly meetings with the Mayors of Luž, Skuteč, Hroubovice, and Kladruby nad Labem. These cooperations were successful and continued throughout the project, opening up future possibilities beyond the scope of HomeLab project.

The HomeLab team has become an active member of an inter-municipal organisation, MAS SKCH (*Local Action Group Skutečsko Košumbersko Chrastcecko*), a sub-regional social service planning cooperation in Pardubice region (named after the three microregions Skutečsko, Košumbersko, and Chrastcecko), seated in Luže. Together with other members of this association, Romodrom team is contributing to the concept for social services, promoting the topics of housing and employment for its primarily Roma target group.

The relationship with public sector actors has been a bit more strained in the Moravian-Silesian region and the Olomouc region, especially during the first half of the project; however, by project closure Romodrom had made progress in both.

In **Olomouc region**, activities were delayed because of the difficulties that emerged in the first year; but even in the subsequent periods the attitude of the public sector was uneven. In late 2017, once the regional Romodrom office was relocated to Olomouc and operating in order, HomeLab was presented on a conference on “Good family”. Here, initial agreements were set up with the local municipality and a range of other social service providers. The local Romodrom team was invited to participate in the regional Working Group on Ethnic Minorities and Foreigners in January 2018, organised by the Municipality, gathering public and social actors. In 2018 HomeLab was presented to a group of social workers and “Roma coordinators” of various municipalities in the region; and cooperation with the municipality of Moravsky Beroun began in autumn 2018. This was the only fruitful municipal cooperation in this region. While other local authorities were not hostile, they did not show interest in providing support (e.g. in the form of social rental dwellings).

In the **Moravian-Silesian region** the public sector was hostile to quite an extent. Bohumín and Karviná were the two towns where Romodrom had extensive target groups, often living in excluded zones. Bohumín local municipal leadership was quick to express negative opinion of the project, as it intended to relocate poor Roma people to the vicinity the city centre. The municipal staff of Karviná seemed less openly hostile, but also showed no interest of cooperation. In late 2017 and early 2018, however, both municipalities began to delineate “no benefit” zones, where low income households were excluded from rent subsidy, in order to keep them away from central areas. In Karviná especially the long term aim seemed to be concentrating poor tenants in a single neighbourhood. Such a regulatory change also means that a client residing in such an area loses their pre-existing eligibility, and has to move away, which places additional strain on an already vulnerable person or family. On top of it, the municipality began a cooperation with the region’s largest private landlord Residomo, as a part of which the landlord also began to turn down vulnerable clients coming from excluded localities. During the course of the project, Residomo also began to turn down the clients of Centrom, a partner organisation whose mission is to support excluded Roma families in accessing adequate housing.

In late 2017 some of the localities in the region ruled that part of social benefits should be paid in vouchers rather than cash; these could only be used in a pre-set selection of shops. This also limits the possibilities of use, stigmatizes recipients, and complicated their household financial planning. Some households sell their vouchers below their nominal value, because they cannot make it to one of the authorized shops, or in order to avoid the attached stigma; which again lowers their already modest means. At the same time, Romodrom managed to set up cooperation with the head of the regional Labour Office, who involved clients in a series pf skills development projects for various target groups (for families with children; for elderly job seekers etc.).

#### *Private partners for employment housing, and social provision*

In parallel to expanding its fields of activities and professionalizing service provision, establishing and mobilizing public, private and civil society partnerships was also a key added value of Romodrom’s activities under HomeLab. And, as partnerships with the public sector were often complicated or ambiguous in the Czech context, networking and partnership building with private actors had a particularly important role in this pilot. To achieve its goals in housing, employment, and social support, Romodrom local offices contacted a variety of private actors and civil society stakeholders, among which individual landlords, commercial real estate agencies, potential employers or employment agencies, and various charity organisations.

The largest **private real estate agency** the implementer worked with throughout the project was BezvaMakleri.cz agency; but Romodrom also contacted and worked with a number of other companies, as well as individual real estate entrepreneurs. Covering a large number of agents and potential landlords was inevitable, as many owners of rental housing would not accept socially excluded tenants.

To make their efforts more efficient, the Pardubice office began closely cooperating with a **social real estate agent** starting in spring 2018. This was an individual entrepreneur, who is able to negotiate conditions of renting out housing to excluded tenants, where she sets up an agreement that is sufficiently secure and advantageous to the owner so that the latter accepts the proposed tenant. She understand both the needs and options of the clients, as well as the business oriented approach of rental property owners. By June 2018, she made agreements with 14 landlords who were willing to take on risky tenants. Her work was used extensively in subsequent project phases too, both in relation to HomeLab and for the benefit of other Romodrom clients.

In terms of private stakeholders in the field of employment, Romodrom contacted both **job placement agencies** and **potential employers** of various sectors, profiles and sizes. Major job agencies in their roster included Lepší práce CZ and Agency pracebrigady.cz, aside from numerous smaller service providers. Potential employers included Inex - ČD, Trendy, Garden Centres, Moravia Steel, Gesemont, Agentura Komfort, Menrike, Arriva Bus, and SENA Logistics among the larger ones, plus a number of small and medium sized enterprises and individual entrepreneurs, as well as a social enterprise ("Kozi farma" goat farm). Romodrom clients, whether in HomeLab or not, tend to be low skilled; hence the implementer focused on locating jobs that are appropriate to their skills, but also their needs, health status, and commuting possibilities. The long term goal was, of course, to find long term, stable and legal job placements; however, in the shorter term social workers first focused on finding temporary or seasonal employment to begin the stabilization and work integration process. Short term contracts for formal job positions were also usually a step forward, especially when there was reason to hope for prolongation.

**Civil society contacts** were created for the overall national pilot level as well as for with regional foci. Romodrom worked together with Open Society NGO (Otevřená společnost) in early 2018 on the analysis of the municipal housing stocks in project regions. The implementer's regional staff members contacted a number of civil society organisations to help obtain in kind support (furnishings; clothes for adults or children; toys, school supplies; Christmas donations) or find appropriate job placements for beneficiaries. Partners in this field included Salvation Army, Catholic Caritas branches (e.g. Caritas Bohumín), SKP Centrum in Pardubice region, CENTROM Rom NGO in Moravia-Silesia region, People in Need, Roma NGO DROM, Podane ruce, and Maltese Aid in Olomouc region, besides various other short term contacts and cooperations.

The Olomouc team in particular needed **legal support** and advice. Initially the local staff built contact with a professor at the Faculty of Law of Jan Palacký University in April 2018 to gain legal advice on issues related to their clients. The professor here was willing to establish cooperation, and give tasks to students as part of their internship experience. However, some students seemed to resent the task, and especially the beneficiaries, and eventually this cooperation attempt was discontinued. The team then established a more successful cooperation with Ritter-Šťastný legal counselling services, who would help out in client issues on a pro bono basis; their support was used extensively in the later phases of the project. Regular, close cooperation was established with the CARITAS College of Social Work in Olomouc, starting in May 2018, including experience exchange, trainings, and other learning and dissemination opportunities.

Finally, the **debt burden** carried by client families was a major challenge in the Czech pilot as well. This also necessitated the establishment of specialized networks and cooperations. In April 2018 Romodrom contacted Czech Non-banking Credit Bureau and Czech Banking Credit Bureau to start untangling client debts. These served so that they could inquire about debts on behalf of clients; to gain information on accumulated amounts, the possibility of negotiations, a full or partial write-off on account of vulnerability and disadvantage, possibility of paying in instalments and so forth. Notably, some clients refused to go through these procedures; but most cooperated throughout the process, and began sorting out their long term finances. In addition, the Pardubice office began working with the nationwide free debt management service Dluhová poradna, which is an accredited agency, entitled to submit personal insolvency claims.

### 3.3.4 Pilot implementation and integrated service provision overall and by pilot locality

#### *Client recruitment*

As Romodrom had an established clientele in two of the three pilot localities. Target group members were recruited from existing clientele here; and in all three location through partner organisations (NGOs, public sector social services) and through contacting families in need, indicated by field workers.

The target group were socially excluded families in substandard housing, as per the categories 3.1., 3.2, 4, 6 and 8 to 13 of ETHOS, the European Typology of Homelessness and Housing Exclusion;<sup>14</sup> wheret here is also at least one adult household member without an employment agreement. This roughly ranges from people in temporary shelters; to houseless persons to be released from institutions (e.g. penal, medical, or children’s); to illegal (sub)tenants and land occupiers; to persons in various non-conventional and temporary structures, dwellings unfit for habitation, and extremely overcrowded homes. Clients to be involved in HomeLab were also expected to cooperate, but also to have sufficient motivation to carry through with the project. At the same time, selecting promising clients by level of motivation is problematic from the point of view of research and comparability. Families selected his way do have a better chance at cooperating in the longer run, and make efficient use of project resources. On the other hand, the Treatment and Control Groups are not reliably comparable in this setup.

In Olomouc region the client base had to be set up as well as the local networks; so client involvement here unfolded slowly, with almost a year of delay compared to established locations. Control Group members were recruited with the help of partner organisations involved in supporting a similar target group of socially excluded (largely Roma) families. Attention was paid that partner organisation clients “mirror” the local Romodrom Treatment Group.

The treatment group was completed in all regions by the end of March 2018. All three regions had 15 clients with a signed agreement and completed baseline survey questionnaires at this point. However, this status was preceded by intense fluctuation, and a number of dropouts also occurred after this date, when the recruitment of additional HomeLab clients was not possible anymore. (This was the case because these new clients would not have benefitted from integrated services for long enough that the effect is comparable to that of Control Group members. Of course Romodrom and other implementers continued to provide integrated services to new clients if they deemed this the appropriate approach; but these clients would not be coded as part of the HomeLab Treatment Group.) Seeing the trends in client numbers, all regions recruited more than the planned 15 clients, expecting future dropouts.

**Table 10. Planned and final number of Treatment and Control Group members, September 2019**

Project locality	Treatment group		Control group	
	Planned	Final	Planned	Final
Olomouc region	15	4	15	5
Moravia-Silesia region	15	8	15	14
Pardubice region	15	9	15	14
<i>Total</i>	45	21	45	33

During the project the implementer started to work with more than 74 households. Of this pool, 52 households were involved in the selection process by March 2018; and a total of 47 signed a

<sup>14</sup> See the full list of ETHOS categories and definitions under <https://www.feantsa.org/download/en-16822651433655843804.pdf>

cooperation agreement. Nonetheless, by project closure the number of actively involved HomeLab clients fell below the target indicators due to additional dropouts.

Some of the municipalities where the socially excluded target population lives has been covertly or openly hostile in its policy making towards the socially excluded and marginalised population. Local policy makers have broad room for manoeuvre in supporting or hindering social integration; and decision makers in some target localities appeared to oppose the dispersion and housing integration of marginalized families. This made integrated service provision complicated; e.g. clients have to move away from a rented house where “no benefit zones” are locally delineated, which could make even keeping contact with clients difficult. In some cases, this led to losing clients. At the same time, 28 households overall found new, better quality housing in the pilot; and 15 household heads signed legal job contracts. Altogether 8 households did both.

Due to the aforementioned delayed office and pilot setup, implementation in Olomouc has faced more challenges, while in the other two localities it progressed much more smoothly. In the first half of the project, the Moravian-Silesian and Pardubice region pilots seemed almost “textbook cases”, with implementation largely unfolding as planned; nonetheless, major challenges emerged in both over the course of the project. In Olomouc, on the other hand, difficulties persistent throughout pilot implementation. Nevertheless, Romodrom succeeded in setting up its local office, and develop a solid professional network in the area, which can serve as basis for its future activities.

#### *Olomouc region*

Initially, the pilot in Olomouc region was to be coordinated from an office in Prostějov, a town of 40,000 inhabitants just off the regional centre Olomouc. However, over the course of the first project year serious difficulties emerged on the side of the staff as well as the local clientele; and when these led to an unacceptably long delay in project implementation, the Prostějov office was shut down, and decision was made for launching a new office in the regional capital. Accordingly, the Olomouc office was entirely new and already in delay in pilot implementation in the summer of 2017.

In most cases, Romodrom leveraged its existing network of clients and field workers for selecting potential participants. However, the Olomouc office was not familiar with local clients, and did not have an established local stakeholder network either. Accordingly, the team introduced a relatively long testing phase, during which the client has to continuously cooperate and fulfil certain criteria (like debt management or making savings).

As a result the Olomouc pilot was the least developed by September 2017 (end of the first project year). Social workers here were still only providing employment and social support to four households; with additional households still in the pre-agreement testing phase. Seven households dropped out previously, when the office moved. Over the second year, nonetheless, the new team worked intensively and caught up in terms of households with a cooperation agreement and individual plans. By December 2017, the local pilot had 10 clients; and by March 2018 the number of client households reached 16, as per the project proposal (15 plus one as “contingency”). The local Control Group was also set up by March 2018.

In line with the office relaunch and aforementioned delays, networking and partnership building here was also initiated roughly from summer 2017 onwards. Despite this shorter timeframe, the local office managed to set up a tight knit network and launch successful cooperation with public and private (including civil society) actors in the region.

The Municipality of Olomouc itself was not open to cooperation; but the team established cooperation with smaller surrounding municipalities. The most successful among these was with Moravsky Beroun

and Šumperk. In addition the team worked with local charity and civil society organisations on occasion as the need arose, e.g. to recruit clients or to obtain in kind support for a family in need. In terms of housing, social rentals were not accessible in Olomouc due to the municipality’s lack of willingness to cooperate, so the team focused on cooperating with private landlords. Some clients did gain access to social housing owned by the municipalities of the smaller surrounding settlements, though.

A closer, stable and mutually beneficial cooperation was established with the CARITAS College of Social Work in Olomouc, starting in May 2018. This included professional exchange, internships hosted in the Romodrom office and field; but also support in local institution and network building and work processes. Romodrom staff received training and counselling for social workers; and parties had opportunities to exchange experience, and coordinate some of their learning and dissemination activities.

With regards to employment support, the social workers faced major challenges. Particularly as they had little familiarity with the local client pool, they felt the limited time frame did not leave sufficient time to build mutual trust with clients. Accordingly, they struggled seriously with steering unemployed, underemployed or informally employed clients towards formal jobs. A number of persons reported to be job seekers, or being dissatisfied with their jobs, but did not seem to be willing to do anything to change their situation. In many such cases, the social workers suspected that they have informal jobs or income sources. A client could be incentivized to pursue informal jobs either for fear of losing their social benefits, or due to unmanageable debts. However, unless the case manager builds a trust-based relation, in which the client him/herself will disclose the issue, little can be done to improve the situation.

Romodrom made extensive efforts to improve its debt management and counselling services in all three locations, including Olomouc region, from the start of the project (although in practice with a delay in Olomouc, see above). In October 2018 the local staff passed a six-day accredited training on “Debt counselling for social workers”; which, aside from its added value to service provision, was also an opportunity for Romodrom to build network with other participants.

Nonetheless, employment support remained the weakest point in the Olomouc pilot; in part because by project closure the local team was still struggling with steering clients towards formal employment; and in part because the local office was less successful than the other two pilot teams in building direct cooperation with employers.

### *Moravian-Silesian region*

In this region Romodrom had established networks and clientele before HomeLab, with work geographically concentrated especially to the regional capital Ostrava; the towns Bohumín, Karviná, and Orlová in Karviná District; and numerous smaller settlements in the vicinity of these larger towns.

The local pilot in Moravia-Silesia Region was a “textbook case” of project development, where activities rolled out largely in line with plans. This pilot had the highest number of clients in 2017 and 2018, albeit followed by dropouts later on. While network and partnership building was smooth and fruitful in the private and civil society sectors, the public sector – particularly municipalities – were not open to cooperation, and in some cases downright hostile. One important takeaway of HomeLab is that in the Central and Eastern European context, cooperation with local municipalities is vital for successful integrated service provision; and despite the positive outcomes achieved by Romodrom in the Moravian-Silesian case, the rejection of municipalities was a huge blow for the local pilot.

The most important challenge in this region have been the “no benefit” zones in Karviná and Bohumín. As laid described before, municipal decisions in these two towns forbid low income households from

eligibility for low income rent supplement, so that poor and socially excluded households cannot start a new tenancy here, nor can they continue existing tenancies after the entry into force of the local regulation. In Karviná especially, the zone had been expanded so that low income persons would be forced into a limited area within the town – which is the polar opposite of the original intention of this regulatory option, namely to prevent the creation of low income rental slums.

As municipal flats were not accessible for Romodrom clients, the focus here too was on private renting, with the help of the rent supplement; with the dual goal of moving housing poor, low work intensity households to formal rental dwellings, while also dodging the expanding “no benefit” zones. The team has been successful in contacting numerous private landlords and concluding many cooperation agreements in the region. In addition, Romodrom made an agreement with the Slezská Diakonie (Silesian Diocese), which has its own small supply of social rental dwellings, so that they would be able to procure safe temporary dwellings to clients in a crisis situation.

Cooperation attempts with the public sector were more successful in the field of employment. In early 2018 the Romodrom office renewed its previous cooperation with the regional Labour Office, and managed to place clients in various training programmes for different target groups (e.g. families with small children; job seekers aged 50 or older). Here, contacts with private employers were also successful. The emphasis in employment support was on helping clients identify and apply for jobs autonomously. Social workers accompanied clients throughout the process according to individual need, providing help in searching, CV writing, preparing for interview and so forth. Information and contact with employers with appropriate job placement was nonetheless vital in this support activity.

The management of previous debts was a major issue in the Moravian-Silesian region as well. Here the team contacted a number of charities to procure financial or in kind benefits for clients to begin debt payment and bridge temporary financial hardship. Most importantly the local office began long term cooperation with the free nationwide debt counselling service Dluhová poradna. Aside from debt counselling services, this organisation is also an accredited agency with the right to initiate personal insolvency claims. In addition, the local Romodrom office worked with Ostrava municipal debt counselling services.

A number of dropouts occurred in this region as well, with the final number of households filling the Final Survey reaching only 8 in place of the planned 15. However, the reason for dropouts is surprisingly positive. The Czech Monitor informed that numerous support projects and programmes operate in the Moravian-Silesian region to help excluded and vulnerable persons, which limits the pool of potential beneficiaries.

### ***Pardubice region***

In the Pardubice region too, work in HomeLab was initiated on the basis of an already well-established network of partners, including NGOs and cooperating municipalities; which was then expanded and professionalized over HomeLab. The recruitment of clients and Control Group members began in early 2017. The recruitment target of involving 15 Treatment Group households with signed agreements proceeded swiftly. However, fluctuation here too was greater than expected, and as a number of clients dropped out in the later phases of the project, new clients could not be involved to replace them. Control Group members were contacted with the help of Charita Nové Hradky and SKP Centrum Chrudim, both regional scope family and social support services.

In January 2018 Romodrom o. p. s. became one of the founding members of the newly established microregional cooperation MAS SKCH (*Local Action Group Skutečsko Košumbersko Chrastecsko*). The Group develops procedures for cooperation within the network of social services, and opens new

opportunities in the field of social housing, social work and other social services. Romodrom’s experts take part especially in Social Service Planning in the region. The Group also serves as a platform to share information and experience. Finally, besides social provision it is also an information source on motivating clients to apply for jobs and retain them; and members also share information on employment integration methods and opportunities.

Clients in this area often came from homeless hostels and other forms of slum-like substandard housing, and had little contact with the world of standard, market based housing in their previous life. As a result, social workers also had to manage clients’ expectations regarding commercial rental housing. Often coming from substandard housing forms, clients often had unrealistic expectations as to what size, type and location of dwelling can be expected for a certain rent amount.

In March 2018 the Pardubice team began to cooperate with a professional social real estate agent, and her activity practically became a cornerstone of Romodrom’s local activities since then. Her role is to negotiate renting out privately owned housing to socially excluded tenants in a way that is safe for the tenant, but also secure and advantageous enough for the owner that they accept a tenant that is usually seen as “risky”. She understands both the perspective of the clients and the business oriented approach of landlords, and has been successfully securing rental accommodation for Romodrom’s clients in the past two years. At the same time, Romodrom has been in contact with many municipalities in the region over the year to help clients enter into social rental housing.

The employment situation of clients was considered satisfactory for most of the project; although informal work and temporary employment spells were a problem here too. Numerous contacts were made by Romodrom with employers, both small (like Hroubovice goat farm) and larger (like SENA Logistics), as well as with municipalities (where, aside from social housing, the team also enquires about employment opportunities).

### 3.3.5 Dissemination

The Olomouc office staff, who began networking and partnership building in late 2017, participated at the conference *Dobré rodiny* (Good family). The team presented HomeLab to municipality staff and social service organisations, and set up initial agreements set up on cooperation and client exchange. In May 2018 a social worker from the Olomouc team was invited to be a main speaker at an inter-municipal workshop called “Methods of social work with people with housing problems”.

The team contributed to the HomeLab consortium’s joint effort on FEANTSA’s 2018 annual research conference in Budapest, presenting pilot results alongside project coordinators and other pilot implementers on a session dedicated for the project.

In November 2018 Romodrom’s staff took part in an experience exchange workshop with IQ Roma servis, a long-term strategic partner, on their lessons learned regarding a Housing First project in Brno.

As an active member of the EU Roma Network, Romodrom contributed to the European Seminar on the use of EaSI funds in the field of supported housing for Roma beneficiaries, in Madrid in December 2018. The presenter shared the implementer’s experience in integrated service provision in HomeLab.

In September 2019, representatives of Romodrom participated and presented HomeLab and integrated service provision on the international seminar Social Innovation for Social Services, organised by DG EMPL and held in Brussels.

### 3.3.6 Major achievements, major challenges over HomeLab

The Czech pilot faced a few country specific challenges. One of these was the relatively larger number of supporting initiatives for the target population. In principle, this is good news; but specifically for

the HomeLab pilot it also meant that beneficiaries were more likely to leave the programme for other available support opportunities. Over the course of the project, Romodrom staff often felt that the conditionalities set up in HomeLab are quite strict for potential and active clients. The initial testing phase in Olomouc, designed to ensure proper selection and motivation, may also have contributed Treatment Group members' impression that expectations in HomeLab are high, and quite strict.

Overall, the Czech pilot on its three locations progressed unevenly, with very promising advancements and results in some localities and periods, and significant delays in others. Variations are in part due to endogenous causes (like the need to reorganise Romodrom's Olomouc office; or the slow pace of building trust with a new client base); and in other parts due to exogenous ones (the very different attitudes of local municipalities in the different regions).

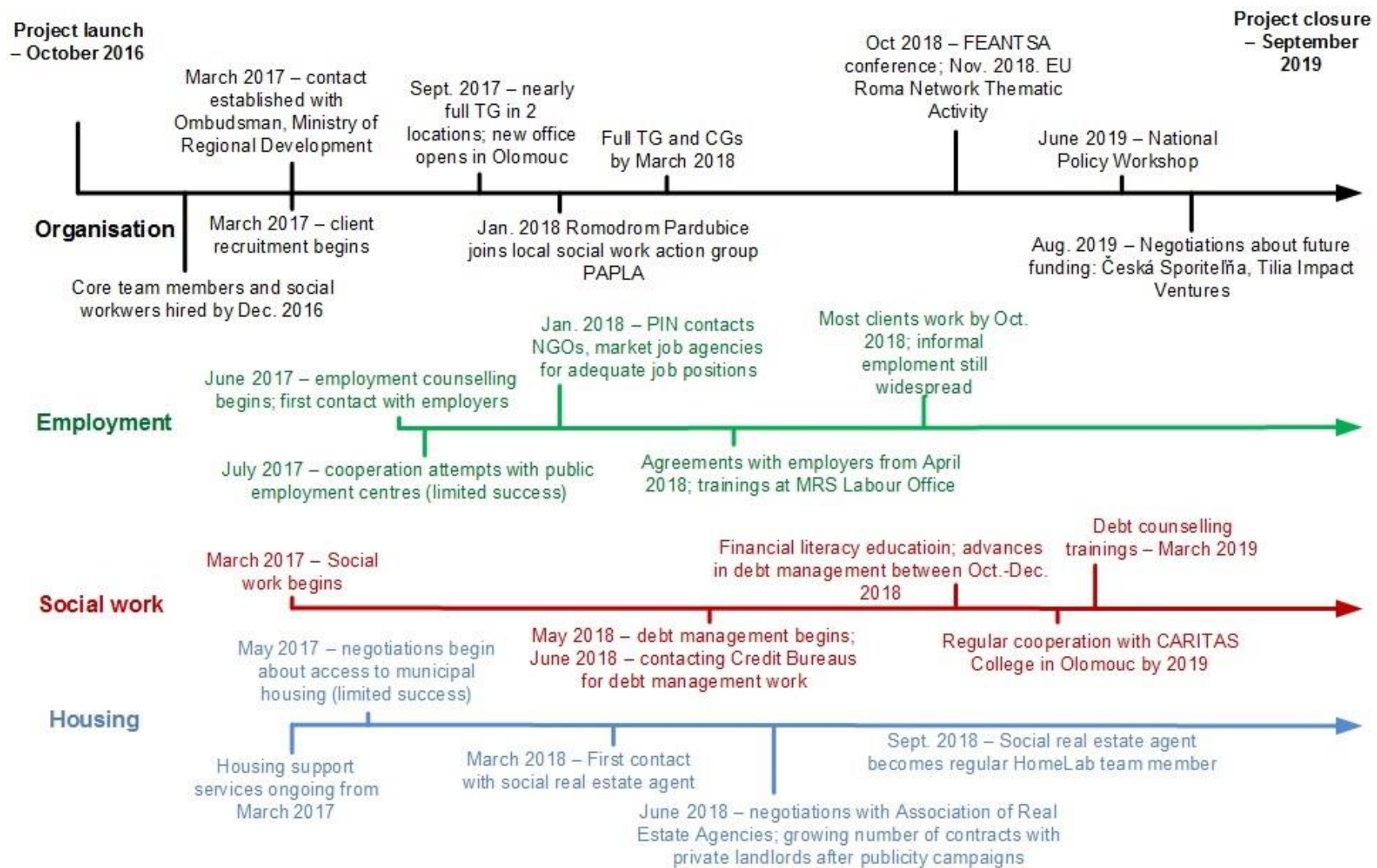
One of the greatest challenges Romodrom faced was keeping up client motivation. Social workers feared that project conditions may be quite strict for clients; nonetheless, the team preferred to keep the high demands from beneficiaries (e.g. the testing phase, during which the prospective client needs to make savings and other efforts to prove willingness for long-term cooperation).

In the field of work, Romodrom's greatest – and least foreseen – difficulty lay in debt management. Due to past indebtedness, clients were strongly incentivized against legal employment. In line with this, the cooperation and capacity building in identifying and managing debt and submitting personal insolvency claims was one of the major fields in which Romodrom developed and professionalized its activity in the project.

Especially as field workers gained the trust of their target group, who remain cautious with public authorities, clients in a number of cases expressed demand for a financial custody role to be played by Romodrom. As the implementer is not accredited for such a task, it cannot legally manage clients' savings. In addition, banks may remain disinterested in very low income clients who would contribute little financially; and banking fees also deter very low income persons. Nonetheless, building networks and internal capacity for financial consulting and debt management indicates Romodrom's first steps in this auxiliary field of support.

Finally, the social rental agent contracted under HomeLab has become a team member, and provided know-how and networks for pilot implementation. In its continued work, Romodrom builds on her experience as well in helping vulnerable clients secure standard, legal and secure housing.

Figure 10. HomeLab pilot development in the Czech Republic



### 3.4 From Streets to Home Association (ULE)

#### 3.4.1 Housing First SRE model in Budapest

**ULE in Budapest, Hungary** was originally created to operate a sustainable Housing First programme for homeless people living in self-built shacks. By the beginning of the HomeLab, it had a very small stock of own dwellings, which it expanded in the project. ULE had been cooperating with municipalities: it renovated run-down, vacant social housing units with its own (crowdfunding based) resources and the help of volunteers; and the municipality let the dwelling to the person(s) selected by ULE. In HomeLab, it developed an employment support scheme, and connected it with its existing housing provision and social work.

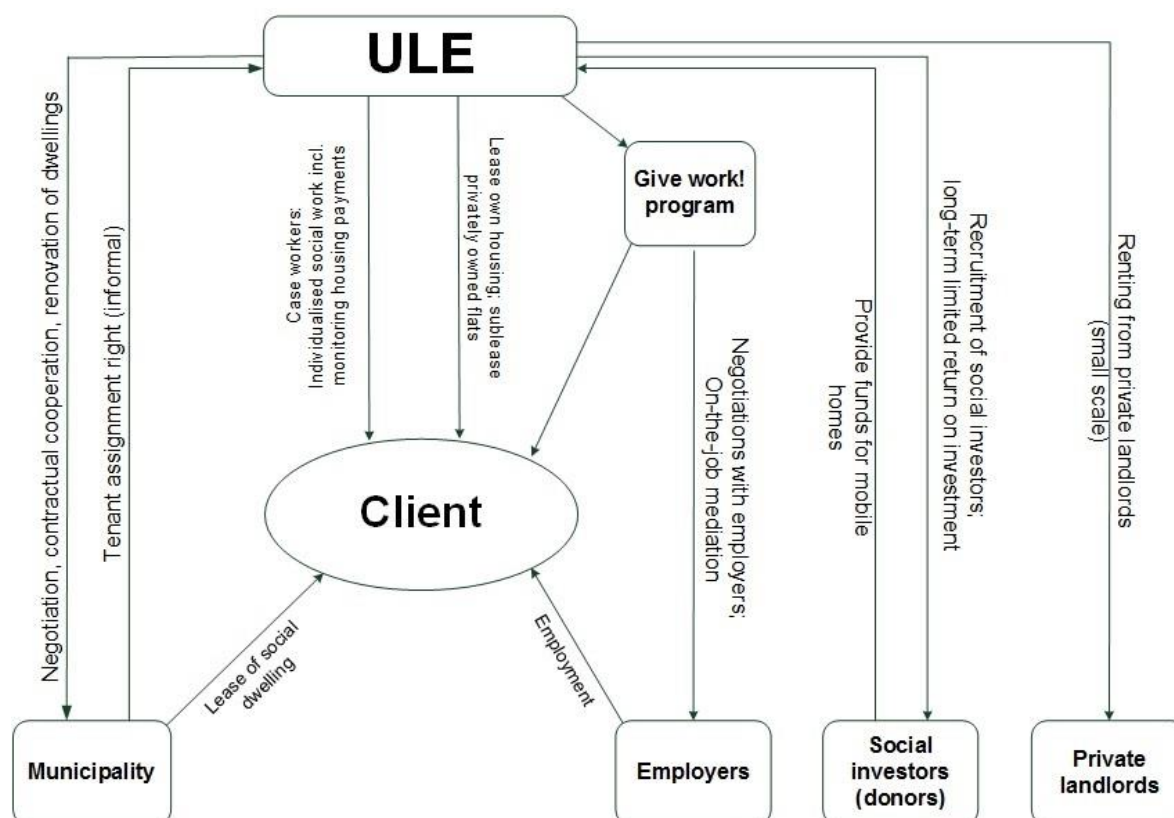


Figure 11. Schematic model of service provision in ULE, Budapest

**Housing** provision involved ULE’s three dwellings, to which two additional affordable units were added in a mobile home construction project. ULE significantly expanded its municipal cooperation during HomeLab. It also launched a small-scale Social Rental Agency scheme, renting small privately owned dwellings from socially sensitive private owners, which it sublets to its clients.

**Employment** support initially relied on ULE’s “Giver Work!” initiative. ULE launched a website, where job seekers post their skills (e.g. cleaning, maintenance, masonry etc.), and regularly organised self-help meetings for job seekers. Over the course of the project ULE developed a small network of employers to facilitate the work integration of clients.

**Social work** is provided in line with Housing First principles: social workers provide very intensive support before and after moving into standard housing. Their goal is to help former homeless persons live independently. Social work is continued as long as the implementer finds it necessary (often for 2-3 years), with decreasing intensity over time. More intensive intervention is reintroduced if a crisis situation emerges (e.g. feud in the household, illness, relapse into substance abuse).

**External providers** were mobilized in all aspects of HomeLab. The majority of the rental dwellings involved in the project are in municipal ownership; ULE expanded its municipal cooperation during HomeLab. Some dwellings were provided by private individual landlords. Employers who contact ULE when in need of workforce, and one in particular that cooperates in the integration of vulnerable workers, were crucial for the pilot. In social work and provision, ULE cooperates with a network of NGOs; e.g. local (district) branches of Red Cross for recruiting clients; small local organisations for various forms of support (e.g. in kind donations).

### 3.4.2 ULE in HomeLab

As described in the Annual Reports, From Streets to Homes (in Hungarian *Utcáról Lakásba Egyesület* – ULE) was officially registered as an NGO in 2014, although the founders' activities as part of an informal working group in the Association's main fields date back to 2012. Its main mission is to contact homeless persons or households who reside in self-built huts (i.e. are capable of running their own household), and help them secure formal affordable rental housing in a Housing First approach.

Due to its recent formalisation upon project start, a number of administrative tasks had to be completed at the time of project launch, ranging from obtaining a bank guarantee regarding their financial viability, to ensuring additional capacity to comply with HomeLab's internal recording and monitoring tasks. Altogether, nonetheless, the past three years have been crucial in expanding and professionalising their activities: the Association's HomeLab pilot coordinator assessed this opportunity as an invaluable addition to the NGO's institution building efforts.

Currently, the organisation's management consists of the original 3 founders. They work with 3 social workers; an employment coordinator; a technical supervisor for home renovations; and a large and diverse pool of volunteers. In addition, the team has built a rich network of external partners to implement its integrated service provision.

ULE's main programmes continue to be

- (1) the Housing Agency, which manages a mix of ULE-owned dwellings and private rented flats (accommodating 9 HomeLab households);
- (2) From Huts to Homes, whose main focus is cooperation with municipalities for the placement of homeless households (accommodating 8 HomeLab households); and
- (3) Give Work!, launched as a self-help group for securing legal jobs for excluded persons, but has become an important networking hub with medium sized and large employers.

In principle, ULE strives to move couples together in a formal dwelling, for multiple reasons. First, even though beneficiaries typically maintained their own household even before moving to a formal rental dwelling, they were often connected to some form of community of peers. Moving to standard housing alone could, in itself, be an isolating and emotionally destabilising factor. Second, even when two formerly homeless persons move into a dwelling together, their overall household income is still likely to be very low. Nonetheless, they have a chance to pool what income the household has to have some leverage if an unexpected expense emerges.

Throughout the preparation, moving, and stabilisation phase the team provides intensive social work as long as it is necessary, and continued follow-up and crisis intervention as needed. The long-term goal is to ensure the households' autonomy and self-reliance. However, as homeless persons often had to adapt to a socially excluded lifestyle, proper social re-integration usually requires a prolonged period of accompaniment. Therefore, sticking to the Housing First approach, ULE provides this prolonged care as long as it is necessary.

### 3.4.3 Major developments over the final Project Year

By January 2019, all HomeLab clients moved to their legal, adequate and affordable rental housing units. With regards to HomeLab clients, the focus of the work has become social work: stabilising household members in their everyday life and income earning activities. Every HomeLab client household has regular income, although in some cases it is a combination of work income (of one adult household member) and some form of pension (of another adult household member).

By January 2019, all HomeLab households had regular income. Often this is a combination of work income (from one adult member) and some form of pension (old age, disability or other, from another adult member). Regular income is crucial for household stability and social integration. Ideally it should be monthly income, as much of formal expenses (e.g. rent, bills) occurs on a monthly basis; however, in some households work income comes mostly from the informal economy, at different time intervals.

### 3.4.4 Integrated service provision, including cooperation with external service providers

#### *Housing*

In Budapest's two-tier municipal system, the capital and the 23 individual districts have separate municipalities; responsibility for housing issues, particularly social housing provision for low income and vulnerable residents, is primarily delegated to district level (local) municipalities.

ULE has been maintaining and developing informal and formalized cooperation with Budapest District municipalities. The primary form of cooperation is part of the **Huts to Homes** programme, in which run down, uninhabitable municipal dwellings are renovated using ULE's resources (as municipalities leave these dwellings run down and empty if they cannot allocate adequate resources for their renovation themselves). The municipality will subsequently allocate the dwelling to a client selected by ULE; usually a homeless person that has already been a client of a charity provider located in the district.

Municipalities have legal obligation to prevent and eliminate homelessness among their own residents, and generally shy away from providing dwellings to "outsiders", due to a general fear of attracting more persons in need that they could realistically provide for. This of course creates a tension between fulfilling their social mission while making sure to discourage newcomers, who may also be in need of support. Hungary's recent anti-poor policy developments (particularly the criminalisation of homelessness, also a prominent theme in state media) have not been helpful in addressing such tensions either. Accordingly, ULE operates in a way that adapts to this backdrop through ensuring that the local authority remains within their own competence: they contact NGOs which work with homeless persons in the respective district, and ask them to suggest potential clients; then they announce the dwelling for applicants based in the district, based on the suggestions; and select the final beneficiary from this (local) pool. These are long-term contracts, where clients have safe tenure as long as the municipality is satisfied with the cooperation – "formally, it is for five years, practically this means forever", says ULE's HomeLab coordinator regarding the term and security of tenure.

In Project Year 2 ULE had formalized, contractual cooperation with District 10 (Kőbánya) and District 19 (Kispest); and by 2019 the Association signed a cooperation contract with District 20 (Pesterzsébet) as well (formalizing their previous orally agreed cooperation).

Their longest ongoing cooperation is with District 10: the municipality has been allocating two run-down dwellings for the Association since 2014. Using their positive experience with Districts 10 and 19, they have been in negotiation with District 14 (Zugló), a municipality known for embracing innovative and inclusive initiatives, including efforts for more equitable housing provision. However, these negotiations were eventually undermined by local political antagonisms. The Association then publicized to all district municipalities its interest of building cooperation, and District 20 was the first

to indicate their interest. Cooperation in ULE's usual activities – identifying run-down municipal dwellings fit for renovation, and allocating them to a homeless household selected by ULE – was already initiated in 2018; but formulating the contract and gaining the acceptance of the District body of representatives required a longer period due to municipal administrative procedures. As a result, while the organisation managed to secure additional 3 dwellings at the first phase of cooperation, the clients who eventually moved in could not be included as HomeLab clients anymore.

As ULE maintains activities in cooperation with district municipalities, some of the NGOs and charity organisations active in the respective districts have been crucial throughout HomeLab, and in general in relation to ULE's integrated service provision activities. In Districts 10 and 20, local civil society organisations suggest potential clients (local branch of Hungarian Red Cross in District 10; and a Christian organisation KERAK Social Foundation in District 20).

The other source of involving dwellings is the **Housing Agency**, which consists of dwellings owned by ULE, and small apartments rented on the market. Nine of these dwellings house HomeLab client households as of August 2019.

The first three dwellings owned by ULE were originally acquired by ULE staff, but using the sources of a supporting foundation, which became their original owner. The organisation managed to buy three dwellings, which were appropriate in price, size, and condition – and then simply could not more find similarly inexpensive and small dwellings in Budapest. Eventually, after years of cooperation, the supporting foundation conferred ownership rights to ULE.

In addition, ULE began its mobile home programme in 2017, in an effort to adapt to steeply rising housing market prices, which effectively eliminated the already very limited supply of inexpensive small dwellings. The Global Financial Crisis, which reached Hungary in late 2008, was followed by a prolonged recession period until around 2012. Real estate markets only began to slowly recover in the years following this recession period, resulting in the structural conditions that have still been dominant to date. From 2014-2015 onwards, a gradually deepening workforce shortage emerged on the labour market (which has been a blessing to vulnerable job seekers), while first market rent levels, and quickly after house prices began to soar, resulting in gravest housing affordability challenges in many years.

By late 2016, ULE's managing team realized there is no way they could continue to find small and relatively inexpensive dwellings – and started exploring other solutions instead. By 2017, the concept of the mobile home programme was born, complete with a social investment scheme. Rather than searching for additional small apartments, the Association switched to looking for land plot for construction. On it, the Association erected two Scandinavian style mobile homes with the help of donors and volunteers (insulated, heated, and fully equipped with utilities). The cost of the units – HUF 2 million, or cca. EUR 6,000 each – was raised with the help of social investors, who would receive a long term return on their investment for a prolonged period; and by the time their scheme expires, they will have received their original investment amount with a small profit.

The construction plot was acquired in District 23 of Budapest. ULE also had to take care of installing utilities, which were already available in the surrounding streets, but had to be connected into the plots. ULE has no formal contact with the district municipality, but its officials have been providing informal support and mediation to the organisation, e.g. when dealing with utility providers or neighbours, which greatly facilitated ULE's activities locally.

The two households who eventually moved into the mobile homes are HomeLab clients; and these households, with the original three who are accommodated in traditional dwellings, brings up the total number of HomeLab households in dwellings owned by ULE to five.

Four additional dwellings were brought into the Housing Agency programme from the private rental market, in Districts 4 and 13. In market renting, ULE builds strongly on the social sensitivity of owners. Most of them live abroad in higher income countries, where the Euro value of the market rent levels they could receive would not be considered significant; so they accept an even lower rent without perceiving a significant loss.<sup>15</sup> ULE renovates and takes care of the dwelling, including ensuring stable rental income and providing social work to the tenants; in return for this and also for the social mission, the owners accept a significantly-lower-than-market rate.

In one example of the operation of a privately owned dwelling, the tenant living in the small one-bedroom apartment pays a monthly rent of HUF 45,000 (cca. EUR 135). Of this, HUF 30,000 (EUR 90) is paid to the owner. HUF 5,000 of the remaining 15,000 is paid in income tax; the rest is channelled into the Housing Agency programme budget.

#### *Employment and stabilising household income*

ULE's key goal with regards to income is to make sure that every client household has a stable, continuous source of income. Typically this either results from two working adult household members, or at least one adult household member with pension income and one adult member with work income. By early 2019, every HomeLab client had stable income, although of the potential sources the work income remained the less reliable. Case workers had to support employability with regards some basic issues, ranging from limited information about the formal job market, to traumatic experiences resulting in learned helplessness, to client motivation, and so forth. Nonetheless, ULE's strategy is to support every working age client to find paid and preferably legal employment.

**Give Work! Programme** was originally devised as a self-help group, where job seekers with various disadvantages (vulnerable or socially excluded, low educational attainment and so forth) would come together, receive support in finding and applying for job applications, exchange experience and information, and so forth. Members did not need to be HomeLab (or even ULE) clients to join in; it is open to all persons in need (although ULE – and within it HomeLab – clients benefitted from this service).

Informal work is very widespread in these groups, which is a major problem in terms of work safety as well as of the later right to old-age pension. It was ULE clients who first indicated the need for a similar self-help work group; as socially excluded persons they struggled with obtaining formal employment, even in terms of temporary employment, and they experienced the associated risks many times. In the short run, their main risk is not being paid for their work; in the longer run it is not being entitled to old age pension. The self-help group was later complemented with the Give Work! website, where job seekers could register and advertise their skills and work experience, to make it easier for employers to contact them.

The original idea behind Give Work! programme was to obtain temporary but legal job opportunities. However, the current major workforce shortage in Hungary is a huge blessing for this group. Following a number of media campaigns – particularly news articles which also mentioned the programme – smaller to larger employers in short of unskilled or low-skilled labour began to contact ULE, and

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<sup>15</sup> For comparison, a small apartment in average condition could be let in these districts for roughly the equivalent of EUR 300 – so some owners just accept a significantly lower rate of about EUR 90-100. This makes little difference for the owners, while being significantly more affordable for ULE clients.

indicated their staff needs. A few proved to be reliable partners, and the Association was successful in connecting jobseekers with them. The most able and reliable members could secure long-term employment, which is a huge help in building up a track record and maintaining their situation even if labour market demand weakens (of which there is no sign as of summer 2019). The more vulnerable people who continue to use the support of the programme – for the most part, people with changed abilities and people who are prone to occasional relapse in substance abuse – continue to use the support of the programme.

A cleaning company contacted ULE as early as 2016, in part because of the pressure stemming from labour shortage. This has become an important contact, as the coordinator on behalf of the company is open to working with vulnerable clients, and is able to manage some difficulties as long as an employee is reliable workforce. (The most typical incidents include occasional relapse into substance addiction. On one occasion a HomeLab client was incarcerated on ignored public transport fines – the employer decided to bail them out and withdraw the amount in increments from their salary, to ensure continuity in work.) This company in particular takes on the responsibility of employing vulnerable and socially excluded persons who have the right skills and abilities, and contact the social worker responsible for the Give Work! programme if there seems to be an issue, rather than firing the person and having to train someone new. As the HR manager of the company underlined on the HomeLab National Workshop in June 2019, this approach to social inclusion as an employer “can be scary at first”, but one can “find the opportunity in it”.

Most clients (HomeLab or not) are committed to making their housing and household finances sustainable through earning legal income, and are aware of the importance of formal work, particularly with regards to their access to healthcare, and future pension prospects. However, despite the huge progress ULE has made over the HomeLab project, informal work remains an issue for a minority of clients.

In some cases, the clients don’t admit to their reason to why they evade formal work, but very likely hide previous debts, which would be automatically deducted from their formal income. Revealing and managing past debts is generally a major challenge for very low income and vulnerable persons across CEE countries, which requires trust building and prolonged cooperation with a client. Nonetheless, in some of these cases the amount of debt may also be way beyond what a low wage earner could realistically manage (and the tools of a small NGO like ULE are also very limited); while the formal social provision system does not foresee systemic solutions either.

One specific case in HomeLab involves a client who leaves formal, low-paid jobs for informal short term positions with better wages. As case workers admit, in the current strong demand for workers, informal work can pay very well, which is undeniably attractive to many in their vulnerable target group. ULE staff has been striving to educate such cases of the long term consequences, but instilling their importance for excluded, low income persons is challenging, and inevitably requires prolonged work.

Another one quite outstanding case is that of fairly well-paid physical workers, who chose not to take on formal jobs. The cited examples (two young men from the same family) work intensively for a few weeks, which usually means long hours on seven days a week; and since they are not committed by contract, they can take off a week or two in between these employment spells. For them this is a conscious choice, and in a way it is comparable to a freelancer life. At the same time the social workers are aware that this situation is strongly dependent on the current favourable economic cycle, and should demand for physical labour dwindle, their clients may once again find themselves in an extremely vulnerable position. However, the resolution of such an issue is far from being clear,

especially considering that they could easily lose formal employment as well in case of an economic downturn. Nonetheless, formal work would still mean contribution to the clients’ future pensions; and this remains so far and abstract to clients that case workers still struggle to make this point through.

Nonetheless, overall the majority of clients are aware of the greater security and benefits of formal employment, and so they stick to it – and, once again, the current strong demand for labour, including low skilled and unskilled labour, is a huge blessing for them. On the other hand, the structural position of vulnerable workers remains insecure. The network structure built up in HomeLab provides a somewhat greater job and income security to ULE’s clients, but a major economic downturn would still be a massive threat for many of them.

### ***Social work***

Case work in ULE’s HomeLab pilot follows Housing First principles. It aims at intensively supporting clients during and right after moving into formal housing, with the final goal of empowering vulnerable clients to manage their own issues in an autonomous manner. The end goal of social work is to empower clients: to help them (re)learn the nuts and bolts of legal household management, communicating with service providers and authorities, and so forth; but also to rebuild their confidence so they will be able to communicate as equal parties. Nonetheless, they still follow up on cases for a longer period, so that intervention can be made if a client faces a crisis period (in work or private life).

The greatest challenge in this work is the years of exclusion, social and physical, from the daily urban life around them; and the learned helplessness and unhealthy coping mechanisms that stem from it, which helped clients survive their darkest days, but pose a barrier to supported reintegration (which can be many things, from the abuse of alcohol or prescription medications, to unpredictable behavioural patterns, or other).

As the goal is to support a sense of autonomy, social workers seek to create space for clients over their support work to participate, and over time coordinate their own affairs; their aim is to swiftly reach a point where they only need to intervene in crisis situations. For this end they also communicate to cooperating NGOs to only give in kind donations to their clients when they can be sure there is a pressing need for it, to strengthen self-reliance as opposed to reliance on charity.

On the level of day-to-day activities, conflict management is a crucial part of social work. ULE moves couples together into formal housing. This does not necessarily mean a romantic couple, it could also be friends who already shared camaraderie before involvement with the implementer. A number of reasons justify this, ranging from financial (larger household income), to practical (more efficient household management) to psychological (mutual support in stressful situations). However, this arrangement also carries its own risk, where conflict emerges between the co-habiting parties; and it is the case workers’ job to manage this. The members of this specific vulnerable group are often isolated, have few and/or unstable interpersonal contacts, which raises the risk of tension in their existing connections. In addition to this, the case worker intervenes when mediation is needed with an external party, like a neighbour.

In social work too, ULE case workers cooperate with a network of local NGOs and charities. Some of these are active in a particular urban district where the implementer has one or more client households; or an organisation with an urban or broader scope. Smaller charity organisations providing local cooperation include ALFA Charity Association in District 23, or Léthatáron Foundation in Districts 4 and 13 (where ULE clients live in private rentals). Menhely (Shelter) Foundation supports homeless people across the capital; and provides support to ULE in a variety of issues of a more technical nature;

like fundraising, or managing the renovation of smaller, previously covert deficiencies, which emerge after the client has moved in.

### 3.4.5 Dissemination activities

Even in its current, somewhat larger structure ULE’s staff does not have a publicity specialist; the organisation’s dissemination efforts are usually intrinsically linked to implementing its mission. Its most emphatic dissemination activities are connected to fund raising, as much of the NGO’s programmes depend on crowd funding; and almost as many relate to advocacy. Smaller scale dissemination efforts usually aim at a limited, specialized audience, such as employers or municipal decision makers.

Crowd funding campaigns are usually conducted online, most importantly through a Hungarian website, *AdjunkÖssze*, especially created for crowdfunding campaigns.<sup>16</sup> ULE’s website has an embedded button linking to its permanent site on the crowdfunding page; donations are always encouraged and appreciated, but occasionally major campaigns are launched for specific programmes related to ULE’s main activities. When crowdfunding events are organised, this method of donation is publicized (while cash donations are also accepted from those less familiar with the online option).

Some major fund raising campaigns are organised or hosted by an external organisation, and in these cases the campaign itself is hosted on its own platform; but most campaigns largely rely on this *AdjunkÖssze* crowdfunding page. Major instances when other platforms were used for online dissemination and crowdfunding include

- (1) In April 2017 the Hungarian Writers’ Union organised a charity event for the organisation’s programmes, with the participation of a number of literary and cultural celebrities and other public figures; crowdfunding for the most part was done offline, i.e. on-spot.
- (2) April to June 2017, when ULE participated in Budapest District 9 municipality’s initiative, “*Swimathon*”, where “swimming ambassadors” raised donations to various NGOs, which was run through the municipality’s own event website.
- (3) In spring 2019 an association of writers organised a fund raiser for the implementer’s benefit, consisting of an online bid for hand-written pieces, together with the works of professional illustrators. This, too, was managed through a separate website of the writer association.

On the other hand, ULE has been combining publicity campaigns with crowdfunding using its regular platform since before the HomeLab project. As the organisation expanded and its approach became gradually more professional, ULE began to connect fundraising campaigns with events. For instance, it organised a charity run in June 2018, preceded by a fundraising campaign. This was already organised using the lessons from the previous year’s “*Swimathon*”. Runners simply participated in a public urban running event, organised by a major commercial bank and open to the general public; but “running ambassadors” were asked to name a fund raising goal amount, and raise it in the months leading up to the actual event. Similarly, a charity run was attached to the public urban marathon organised by low cost airliner WizzAir in Budapest in September 2019.

In a similar structure, the organisation launched a campaign in spring 2019 when various entertainers (including some celebrities) hosted events, in which they encouraged participants to donate in ULE’s

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<sup>16</sup> AdjunkÖssze - <https://adjukossze.hu/> – accommodates initiatives with no, or insufficient, public sector funding for a range of causes in environmental protection, education, social issues, health care and prevention, sport, culture, and other topics. It is run by Non-profit Information and Training Centre Foundation (<https://www.niok.hu/niok-eng>), an organisation working to promote and strengthen civil society participation and effectiveness in Hungary.

usual platform; these included public cook-offs, a dogs-and-owners picnic, yoga class, and others. In winter 2018/2019, multiple concerts were organised for the implementer’s benefit by various groups or performers, with various approaches. One artist, for instance, donated all proceeds to ULE; one event organiser gathered a large group of performers for a free charity concert, and regularly called the audience to donate through the implementer’s own platform. Fundraising related dissemination events reach by far the largest group of people, likely measured in the tens of thousands altogether, thanks to a number of celebrity endorsements.

On the other hand, dissemination to promote policy advocacy goals in the press as well as in academia are also parts of ULE’s activity. Staff members participated in FEANTSA’s research conference in autumn 2017 and 2018; the latter including a HomeLab focused session co-organised by MRI. In addition, in summer and autumn 2019 ULE staff members took part in a series of public events organised by MRI: the national dissemination workshop and the final, closing conference of HomeLab; as well as MRI’s end-September international conference *“Urban and Housing Systems under pressure”*.

In October 2018, a legal and constitutional amendment, banning residing in public spaces, was introduced in Hungary. While legislation banning various activities in public spaces is usually problematic for the homeless population, these are technically non-discriminatory, as the specified activity is outlawed for all citizens. As this law specifically rules out habitually residing in public spaces, i.e. openly only addresses the homeless, it was not only considered inhumane by the general and professional public, but also legally discriminatory. In this issue too, ULE staff engaged in advocacy pointing out the contradictions around the law, and the lacking welfare provision services on the other side of the equation, engaging in local, national and international press.

The organisation engages in lower scale publicity activity to specialized audiences for specific purposes, like reaching out to employers or municipalities across Budapest to build partnership. Finally, ULE has strong online presence with regular updates through its website.<sup>17</sup> In addition, as of October 2019 the organisation’s public Facebook page has 5,700 followers.<sup>18</sup>

#### 3.4.6 Main achievements and challenges during and after HomeLab

Despite its small size, ULE has been very successful in strengthening its position as a provider of integrated services, laying down the foundations of a future SRA/SRE. It used the project’s second year very productively to broaden its contacts and to reach out as much as possible.

Similarly to all HomeLab pilots, the most crucial challenge for ULE is housing provision. Their cooperation contracts with Budapest districts are small-scale; and raising funding to renovate municipal homes or buy or create own housing (through their mobile homes programme) is costly as well as lengthy, the latter partly because the varying pace of local permits and bureaucracy.

An additional risk lies in the attitude of local municipalities as well. Their open approach to cooperating with ULE has been crucial for the organisation’s success so far. Municipalities usually lack the own resources to renovate their run-down rental dwellings, and ULE’s initiative to renovate and utilize them has created a win-win scenario for all involved parties.

Being a small but also new NGO, in a national legal environment that provides little help, ULE will have to slow down its expansion after HomeLab, and reconsider its organisational and activity development options. At this point Budapest municipalities are more aware of, and interested in, their services than

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<sup>17</sup> The website, together with its English sub-page <https://utcarollakasba.hu/about-us/> duly cites the European Commission among its supporters, and includes a link to the HomeLab website.

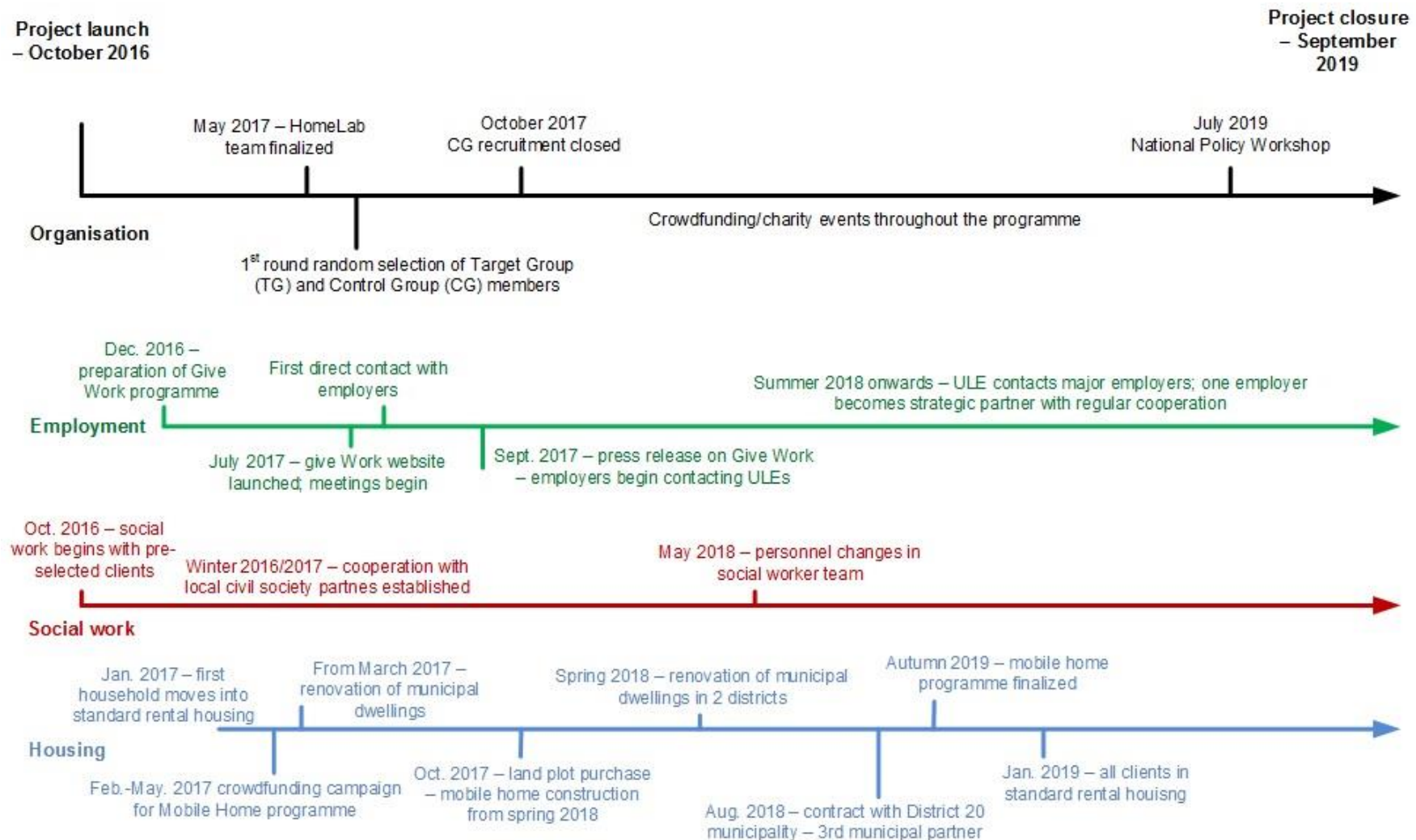
<sup>18</sup> <https://www.facebook.com/utcarollakasba/>

ever before. Nonetheless, for the association HomeLab was a huge opportunity in securing relatively long term and stable funding, during which it was able to involve staff members. In the upcoming months ULE's focus will be on maintaining their current service provision, and explore opportunities that also involve external funding.

The organisation now works with District 19 on developing a cooperation scheme which would expand on their existing cooperation. Other municipalities also communicated tentative interest; but there too cooperation would require a greater financial commitment from the municipality. ULE would also like to involve municipalities in auxiliary activities, like circulating information about their search for affordable, vacant private housing.

In building closer cooperation with municipalities, ULE will also have to expand its target group, and involve lower intervention need clients. Municipalities have a level of preference towards their usual social housing target group: low income, but otherwise not very marginalized households. This is where ULE prefers municipalities to help further their search in affordable private rental housing: their condition for cooperation is that the lowest rent, most affordable dwellings should remain available for the most vulnerable people. Housing agency activities, expanded with the involvement of lower intervention need tenants, would also strengthen ULE's abilities of generating a guarantee fund and a low level of cross-financing for their overall operation.

Figure 12. Timeline of the Budapest pilot



### 3.5 Hungarian Charity Service of the Order of Malta (HCSOM)

#### 3.5.1 The Veszprém SRE model

**HCSOM in Veszprém, Hungary** established VESZOL, a housing management and social work oriented organisation co-funded with the Municipality of Veszprém, directly before HomeLab. VESZOL overtook the management of municipal housing stock, besides managing HCSOM's own social rental stock in Veszprém. It also seeks further syntheses, ways to expand their stock (and leeway), and also provide social counselling and support to tenants, in very close-knit cooperation with HCSOM, who provide various forms of support to other vulnerable persons who do not reside in social housing. The takeover of municipal housing management was finalized by autumn 2016, when HomeLab project was launched.

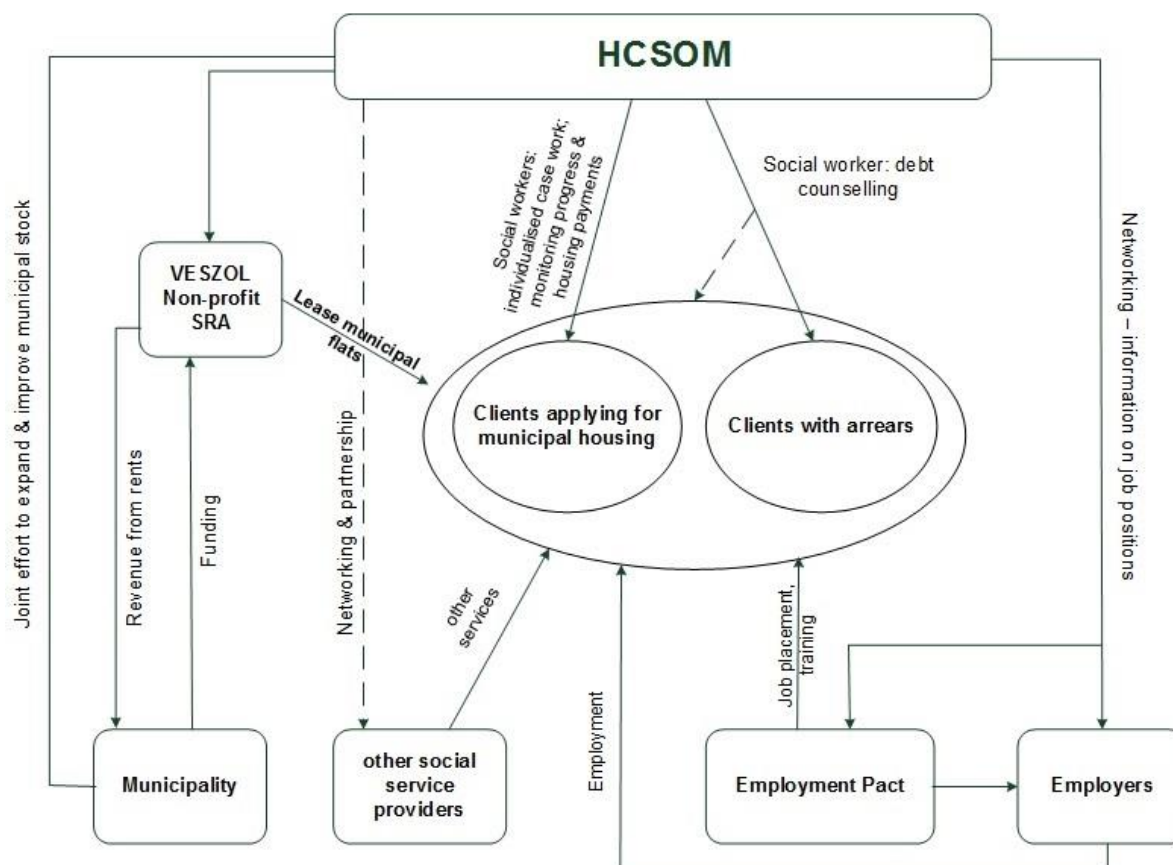


Figure 13. Schematic overview of service provision in HCSOM, Veszprém-HU

**Housing** was provided through the combined pool managed by VESZOL. In HomeLab, HCSOM worked in further expanding and improving this pool, and matching appropriate units to client needs in terms of size and affordability. Social workers helped clients who applied for social housing reach eligibility criteria; and helped those in rental housing stabilize their tenure (e.g. manage debts, regularly pay rent and utilities etc.). HCSOM placed a small number of clients in NGO owned housing, and sought to also involve private landlords. The implementer developed regular cooperation with a civil society partner (Caritas) who contributed financially to client debt repayment.

**Employment** support was tied to social work, including exploring client options, support in searching and applying for jobs, and maintaining client motivation. The role of external partners was vital for helping job market reintegration. HCSOM also made efforts to create sheltered job opportunities for its most vulnerable clients. In some cases, social workers steered clients towards public employment.

**Social work** focused on stabilizing the client households. In all treatment sub-groups, social workers provided personal, family and administrative support, and assessed external provision needs. This was then connected with employment and housing support, tailored to client needs. A specialized social worker managed the cases of clients with high need for managing debt and reconsidering the household budget. The coordinator engaged with external partners to harmonize client and provider needs; he was also the direct contact in the multi-stakeholder working group in the county penitentiary institution to prepare and support future clients after release.

**External service** providers were involved for client recruitment and small-scale social support (NGOs and some municipal social providers). The county Employment Pact office<sup>19</sup> was an outstanding partner for work integration; HCSOM established regular and fruitful cooperation with them. During HomeLab, HCSOM expanded and intensified its cooperation with the municipality (including gaining greater allocation from the city budget), which has been a cornerstone of its model.

### 3.5.2 Overview: initial conditions in Veszprém

The Hungarian Charity Service of the Order of Malta is a long-established church-based NGO, with strong ties to the Catholic Church and within it the Sovereign Order of Malta. It has an international network of religious and charity organisations. In Hungary it operates a nationwide charity network with local branches, the project partner being the HCSOM in Veszprém.

The organisation (referred to simply as HCSOM in the project) has a strong and close cooperation with the local municipality and its institutions. So much so that the local HCSOM branch co-owns the municipal asset management company together with the municipality. In practice, the management of the municipal social housing stock, and the treatment of its tenants, is coordinated by the charity organisation.

The asset management company VESZOL was co-founded and is co-owner at equal shares by the municipality and HCSOM. It was established in April 2016. Long before this date the Charity Service had a long, successful, and deeply committed presence in one of the city’s most run-down and vulnerable areas. The most infamous, run-down large apartment block of Veszprém used to be dubbed “Infernal Tower”, a ten-storey former workers’ hostel, which practically became a one-building slum by the late 2000s. The local branch of the charity began exploring and gradually improving conditions from 2008; and through prolonged presence, plenty of social work and community building, and significant investment into the building’s structure and common amenities (much of it through grant funding), the organisation improved the now-former slum’s conditions and status significantly. In addition, HCSOM gradually purchased ownership of a growing number of apartments in this tower block. The apartments themselves have been very affordable, due to the building’s status as a slum; but this also allowed the charity to obtain say in the condominium’s management; eventually, the organisation gained majority in the homeowners’ association.<sup>20</sup>

It was in light of this impressive feat that the municipality decided to seek in-depth cooperation with HCSOM. In Hungary, too, municipalities are the most important – almost exclusive – social landlords;

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<sup>19</sup> Employment Pacts, connecting the public and private sectors to develop a common territorial strategy, were set up by the EC in 1998 to alleviate unemployment. However, in the post-crisis surge of labour shortage, they found a new role in developing networks with employers in need of workforce, and connecting them directly with appropriate job seekers; see

[https://ec.europa.eu/regional\\_policy/archive/innovation/innovating/pacts/download/pdf/pactfin\\_en.pdf](https://ec.europa.eu/regional_policy/archive/innovation/innovating/pacts/download/pdf/pactfin_en.pdf)

<sup>20</sup> In Hungary, all buildings containing 4 or more separate dwelling units are obliged by law to have a legal homeowners’ association, where owners have votes in proportion to their share of ownership (percentage of floor area). The Infernal Tower’s such association was, of course, dysfunctional prior to HCSOM’s intervention.

and similarly to most of its counterparts, the Municipality of Veszprém it lacks the appropriate expertise in the kind of social work and supportive accompaniment that many of its social rental tenants need. This, together with a number of regulatory shortcomings, makes the municipal role of social landlord a burdensome and financially very risky one: the local authority has little expertise in pooling rental risks and incomes; and ineffective treatment of vulnerable tenants greatly increases the risk of arrears and losses. Hence a decision was made to involve HCSOM as a partner in managing the social housing stock, and providing the necessary support work for tenants. VESZOL was therefore established by the charity service and the municipality. Aside from managing the municipal rental dwelling stock, this body also manages the stock owned by HCSOM, predominantly located in the Infernal Tower; plus the institutions run by HCSOM in Veszprém, particularly its various homeless provision facilities.

The most important internal partner in the Veszprém HomeLab is therefore VESZOL, the body co-owned by the consortium partner HCSOM. Founded in April 2016, the organisation has basically just finished the administrative takeover of the municipal housing stock by the time HomeLab started in October 2016. Accordingly, the integrated provision of support services to clients in need was integrated into VESZOL's overall approach and procedures.

### 3.5.3 Clients, Control Group, dropouts, and replacement

The Veszprém pilot is the largest in terms of involved client and control group members; as its ambitious target numbers were also boosted by the scale of the then-forming close cooperation with the municipality. As the then-shaping VESZOL took over the management of the full municipal housing stock, and was looking into the possibility of managing the city stock of National Asset Management Company housing as well (although the latter eventually did not materialize), and HCSOM was already the largest social provider in the city, in the time of planning the local HomeLab pilot it appeared reasonable to expect a large and diverse pool of clients and control group members.

#### *Client and control subgroups and differences in treatment*

In HomeLab, HCSOM divided its target group into five sub-groups:

- (1) Applicants for social housing;
- (2) Tenants with arrears in in municipal rental dwellings, at risk of losing their tenure;
- (3) Homeless persons;
- (4) Newly released detainees; and
- (5) Tenants with arrears in state-owned housing, managed by the National Asset Management Company, at risk of losing their tenure.

The number of clients involved fluctuated during project implementation; with a number of dropouts and replacements. Some client persons/households left the pilot not because of dropout, but because their situation was deemed sufficiently stable by the implementer, with no or very little further intervention needs. Some target sub-groups were modified compared to the initial plans; and the weight of the sub-groups was also adapted to real-life possibilities during implementation. The table below shows the planned and final distribution of TG and CG.

The subsequent sections briefly summarize the differing treatment needs and goals in the five sub-groups.

**Table 11. Treatment group: number of planned and final clients (households) per subgroup**

Subgroups	Treatment Group sizes, planned	Treatment Group sizes, filled Final Questionnaire	Treatment Group sizes, involved in final analysis*	Control Group sizes
TG1. Applicants for social housing	45	24	24	20
TG2. Municipal tenants with arrears	10	16	16	2
TG3. Homeless persons	5	4	4	6
TG4. Former detainee	5	2	2	0
TG5. NAMC tenants	10	15	14	13
<b>Total</b>	<b>75</b>	<b>61</b>	<b>60</b>	<b>41</b>

*\* A client or Control Group member household was involved in the final analysis if they filled both Baseline and either Mid-term or Final Questionnaire*

#### *Treatment sub-group 1: new applicants for social housing*

The largest sub-group consists of persons who applied for social housing during or shortly after VESZOL took over rental housing management from the municipality. The criteria for eligibility continues to be defined by the municipal decree; therefore, the task of the social workers is to help applicants conform to the eligibility criteria. Importantly, applicants must have a (low) minimum income in order to be eligible, besides and upper threshold to ensure proper targeting. Applicants with extremely low or zero income would not be able to pay even the very modest social rent and low utility costs; the most vulnerable therefore could not maintain even low threshold rental housing without sinking into debt.

As part of preparing for the tenancy application process, the most important task of HCSOM social workers is to help applicants improve their employment (and income) situation, so they would pass the eligibility criteria; and to help them stabilize their situation in the long run, so they can maintain their affordable housing tenure. Some of the HomeLab clients in this group moved into their municipal dwellings at the start of the project, and the main content of social work was to help them stabilize their improved housing and employment status. Others moved into municipally owned rental housing during pilot implementation.

#### *Treatment sub-group 2: municipal tenants with arrears*

Tenants with ongoing rental contracts in municipal dwellings, who accumulated serious arrears, are at risk of losing their tenure. Here, the main task of case workers is to determine the source of crises, help beneficiaries address it, and empower them to manage their challenged with a better set of tools in the future. The most important challenge here in practices turned out to be underemployment, coupled with low and irregular work income. The most important treatment goal was to improve the employment situation of beneficiaries, so that their better and/or more reliable income would permit debt management and maintaining their affordable housing tenure.

#### *Treatment sub-group 3: homeless persons*

In this sub-group, the end goal was supporting clients to exit homelessness, and achieve stable income and life in affordable (social) rental housing. Therefore, the direct goal of social work was to prepare clients to obtain regular work income so that they become eligible for municipal social rental housing (as in the case of treatment sub-group 1); and also to live autonomously, taking care of responsibilities and surroundings in the day-to-day maintenance of their household. In terms of intervention needs, improving employability and stabilizing employment required the most time and energy from case

workers. Household maintenance went relatively smoothly; but clients needed extensive support in obtaining and retaining work, including finding and applying for appropriate job placements, getting hired, and facing up to daily challenges (including maintaining motivation).

Originally, HCSOM planned to involve homeless families in HomeLab. However, finding appropriate and affordable placement (housing) for homeless families proved extremely difficult in non-institutional settings, due to the sudden and steep rent price increase that characterised the period of project start. Therefore the sub-group had to be modified to single homeless persons.

#### *Treatment sub-group 4: newly released detainees*

Major economic trends shifted considerably in the years around conceiving HomeLab. The labour market boom in the second half of the 2010s was alluded to throughout this text, as its extent could not be foreseen during project planning, and it substantially altered the playing field for all pilot implementers. Compared to plans laid out in the proposal for HomeLab, one treatment sub-group for HCSOM had to be replaced entirely as a consequence of major post-crisis economic shift.

Unemployed, mostly Roma people were planned to recruit and be moved to Veszprém from North Eastern Hungary. Veszprém was already a booming local employment hub, whereas some other parts of the country still suffered from high unemployment in 2015/2016. This began to change dramatically in about the first project year. By 2016/2017, workforce shortage emerged in the less developed regions as well. Planned target group members found employment closer to home, and therefore did not have to leave their families and homes behind to secure employment.

As this became fully clear during the first project year, treatment sub-group 4 had to be reconsidered entirely in 2017. Eventually, the HomeLab team decided to involve former detainees, after their release from the Veszprém based county prison. They struggle to reintegrate into society and the labour market, despite some formal (but not very efficient) reintegration support. This choice was also underpinned by the HomeLab coordinator's position as prison chaplain in the county prison. It would also eventually lead to the establishment of the Prison Working Group, and a full methodology developed for transferability, in which the involvement of inmates begins well before their release.

However, this proved to be an especially challenging sub-group of beneficiaries. As a result, despite the planned treatment sub-group size of 5, a large share of challenges and dropouts occurred, which could not have been anticipated by the implementer. One detainee, for instance, who was planned to be actively involved in HomeLab after his release in June 2018, received further prison sentence while being detained, and ended up being prolonged until 2019. This person will receive integrated service provision before and after release, but could not be involved as a HomeLab client. Another prospective client signed an agreement, and began to partially cooperate; but he eventually changed their mind and refused cooperation entirely. One client household cooperated for a while, and then moved abroad to seek better income opportunity. One client seemed to cooperate, but then dropped out eventually for complex reasons (involving feigned cooperation and substance abuse). Finally, two clients who did remain in the programme achieved very positive results in terms of pulling their family lives together, and obtaining stable work income to support their decent quality rental housing.

In this sub-group too, the content of social work was similar to sub-group 3: prepare clients (persons or household heads) to maintain their household autonomously, and to find and retain employment to make their life and housing stability sustainable.

***Treatment sub-group 5: former home-owners in NAMC managed state owned housing***

The National Asset Management Company (NAMC) was set up in 2011 and put in operation in 2012, in the depth of Hungary's ForEx mortgage crisis. During the global crisis, Hungarian Forint exchange rates plummeted, which created massive debt traps to ForEx mortgage borrowers. Loan products denominated in a stable foreign currency (more often Swiss Franc or Euro) were significantly more affordable than standard mortgage loans in the pre-crisis boom years. After 2010 important measures were introduced to support debtors. However, many such debtor were much more accessible to relatively higher income and financially stable debtors. In cases where an indebted household was unable to utilize other support measures, NAMC was set up.

NAMC could only buy properties at a low price if the mortgagor bank agreed to it; that is, many of these properties had near zero market values at the time. These were often houses of questionable quality, and in disadvantageous (e.g. remote) locations. In addition, the beneficiaries, who were unable to use earlier support measures, were also often relatively low income or vulnerable.

The acquired housing became state property, and NAMC beneficiaries became tenants at very advantageous rent levels, even lower than most social rental rates, while remaining in their old homes. NAMC had no obligation regarding the maintenance of housing. However, over a few years it bought 30,000 dwellings; and the company had no means of collecting rents if it was not willingly paid by the tenants. Its structure was mostly designed for drafting and managing acquisition and rental contracts, but no team was in place to manage the rental processes, and especially none for managing such a huge pool of tenancies. As a result, many households simply did not pay. No legal procedure was developed initially for this possibility; because of the very low rent level, the law makers did not expect this turn. Finally, NAMC began cooperating with charities, among which HCSOM on the national level, in providing social work; on the flip side, contracts were renegotiated with non-paying tenants. Social workers helped families improve their income and manage their debts; but if the tenant continued to refuse cooperation, they could eventually be evicted.

HCSOM in Veszprém therefore involved a familiar sub-group into HomeLab: former home owners, who have become NAMC tenants after 2012, but were at risk of losing their home due to accumulated debts. The greatest challenge for case workers in this sub-group was debt management. The issue of former debts was an issue in other sub-groups as well; but it was the most prominent by far in treatment sub-group 5. Households were familiar with household maintenance; some needed support in improving their work income sources; but overall many needed a lot of support in household budgeting and financial planning, for which they received plenty of help from HCSOM's specialized case worker.

Overall, HCSOM social workers are able to establish excellent rapport and trust with clients; but in some cases – especially when facing persons with extreme difficulties, such as pertinent substance abuse, or unreliable cooperation – they do not appear to be very strongly equipped to prevent dropouts.

Control group members were recruited in Veszprém, as well as in Székesfehérvár and Zalaegerszeg, two Western Hungarian towns with comparable characteristics. This way control group members' circumstances are reasonably similar, and they too receive support forms in different fields; but they do not receive the same comprehensive integrated services as HomeLab clients.

### 3.5.4 Integrated service provision

#### *Housing*

The basis of housing provision was, of course, HCSOM staff managing municipal housing through VESZOL, so it could pool resources with its own dwellings in HomeLab. Most of its own dwellings were in the Infernal Tower; by the start of HomeLab these were standard, decent quality, but small and affordable units. In line with the organisation’s ambitions to expand and seek out new opportunities, there were brief negotiations in the initial project phases about also integrated state owned housing in NAMC management in the area of Veszprém; however, the institutional rigidity of NAMC did not allow for realizing this. HCSOM also intended to involve privately owned dwellings, in an arrangement where the implementer offers certain safety guarantees for lower-than-market rent levels, to provide affordable rental units to some of its stable income, lower intervention need clients. This would also have allowed to move stabilized households to higher quality private rental housing, this liberating modest quality but more affordable dwellings for more vulnerable clients. However, the steep increase of market rent levels spilled over to Veszprém quickly after 2015/2016, which significantly narrowed the possibility of mobilizing privately owned housing for affordable rental provision.

In the end, the rental dwelling pool HCSOM could leverage in HomeLab consisted of the municipally owned rental stock; its own units; a very limited stock of private rental dwellings; and some small scale innovative additions (e.g. a few crisis dwellings the implementer developed in some of its premises, to expand the range of temporary solutions). Overall, the implementer achieved significantly greater flexibility and mobility options than the traditionally managed municipal stock would have allowed. This way, families with new-born children could in many (although not all) cases move to larger dwellings; homeless persons could rent small, simple, affordable units, and so forth. However, this level of flexibility and mobility still falls short of HCSOM’s ambitions and existing needs, it therefore continues to work on methods to expand its stock. During HomeLab, HCSOM/VESZOL continued to acquire and renovate own dwellings in the Infernal Tower using own and external funding when available; and by the end of the project the number of own dwellings here surpassed 20.

By early 2018, market rent prices are way beyond expectations during project conception – apart from some small successes in moving clients to more appropriate dwellings, more adequate to household size and closer to their employment, housing provision runs up against serious limitations. Market rented housing become practically unavailable on favourable terms, and housing provision slows down significantly.

One of HCSOM’s important achievement was participating in a state supported workers’ hostel renovation; whereby one condition of generous central budget funding was that a new built or renovated municipal building has to operate for at least 10 years to accommodate workers, in cooperation with their employers (obviously, typically large employers). VESZOL took care of the planning of the renovation of a run-down municipal building. They ensured that the hostel units would be usable as two-person rooms in two-room units, in a manner that the two-room units could later be converted into separate two-room apartments. This resulted in 20 new dwelling units, available for 80 employees – and, given the great demand for workforce, the institution was almost instantly filled to capacity upon opening in January 2019. After the 10 year runtime, the municipality will be able to make a decision to either continue operating a workers’ hostel, or if needs will have shifted, to convert the units into municipal dwellings for families in need. In the HomeLab coordinator’s view, this and similar complex, strategic steps can contribute to a gradual long term expansion of the local municipally owned housing stock. In addition, creating new job positions was also a condition of central funding. Of the 4 newly created positions, 2 were filled with HomeLab clients. These are also relatively secure

positions, where HCSOM/VESZOL can employ persons who would face significantly less job safety in the private sector, whether due to stigmatization, exclusion, or other vulnerabilities.

### **Employment**

As in most of the CEE region, Hungary has been facing an increasing shortage of labour force; and more recently this already surfaced in the shortage of semi-skilled and unskilled workers as well. This phenomenon is believed to be partly related to the post-crisis recovery, which occurred quite late in Hungary; but also to the increasing out-migration of workers to other EU member states. In addition, Veszprém is one of the strongest labour markets in Hungary’s flourishing Central Transdanubia region. In a stark contrast with the growing housing market pressure, this greatly facilitates the pilot implementation for HCSOM.

Throughout the project, HCSOM staff was very highly satisfied with the successes achieved in the labour market integration of their clients. Nonetheless, they also reported continuous or recurrent challenges as well, particularly the hardships of motivating clients, many of whom have adopted a sort of learned helplessness along their previous personal history. In many cases, their major challenge was either to motivate clients to retain a position for a prolonged period, or to find a more suitable job placement for client with special skills or needs; which greatly exceeds their initial expectation of struggling to help clients get a job.

From late 2017 onwards HCSOM has been in contact with the regional Employment Pact office (Pro-Veszprém Ltd).<sup>21</sup> Their more recent efforts, starting from spring 2018, were aimed at securing positions for particularly vulnerable clients, who would struggle to secure or retain on the open labour market. By project closure, the Employment Pact has become a crucial partner; cooperation with its staff included, but also has come to extend beyond labour related issues, and is planned to continue well beyond the project period.

First of all, the Pact was established specifically to establish networks with employers, and help job seekers with appropriate backgrounds directly contact employers in need of work force. This includes a broad range of sectors, and positions of all skill levels. The pilot implementer participates regularly in the bi-weekly negotiations with Pro-Veszprém staff, which coordinates among employers, the Municipality, job seekers, and organisations representing job seekers, and major employers. This cooperation proved helpful in the past in helping clients secure employment.

Secondly, the Pact office mobilized its network of employers for other ends as well, to support HCSOM and its integrated support provision work. They occasionally circulate calls for donations among their corporate partners, where either the company is asked for charity action in the framework of corporate social responsibility effort, or the employees donate small items (e.g. school supplies, household necessities) for HCSOM and HomeLab beneficiaries.

In addition, the Pact office contributed to HCSOM’s efforts in securing protected job positions for some of its most vulnerable clients. The office helped HCSOM establish contact with ReLabor Employment Rehabilitation Ltd., a private employment agency specializing in recruiting persons with changed working ability for part-time employment in a work process that matches their skill level and physical condition. If a client is laced in a position through ReLabor, HCSOM staff follows clients’ work

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<sup>21</sup> *Employment Pacts* were established in the framework of the Regional Development Operational Programme since 2004, to develop local and regional employment strategies and connect job seekers and public sector actors with employers. The Veszprém district Employment Pact was established in 2016. The Pact office coordinates multi-stakeholder negotiations, and shares staff and location with the publicly owned *Pro-Veszprém Non-profit Ltd.*

integration through regular phone calls; agency staff also knows to contact HCSOM if any issues emerge with a client. HCSOM considers Relabor an appropriate choice to find job placements for vulnerable workers, and intends to use their services in the future if the need arises.

Employment Pact officers also participated in the HomeLab National Policy Workshop in June 2019, where they praised the strategic cooperation with HCSOM. Supporting the work integration of low skilled and vulnerable job seekers is part of the Pact's mission; but without an intermediary like HCSOM, their options for reaching out to vulnerable workers are quite limited.

It must be noted, nonetheless, that the vast majority of protected job positions has so far been directly created by HCSOM, many under VESZOL. First, it has been necessary, as the range of supported employment positions is very limited, with little public sector support versed for this aim. Second, the accompaniment of vulnerable employees can be achieved directly and smoothly this way, with intervention swiftly initiated where necessary. HCSOM itself provides a small number of such positions in caretaker, cleaner etc. placements in its own premises (various social provision and charity facilities in Veszprém). VESZOL also strives to create protected job placements, e.g. at the above mentioned Workers' hostel.

### *Social work*

In HCSOM's pilot, social work intervention patterns differed by the primary intervention need of the five target sub-groups. Even though clients in all five sub-groups were in need of (nearly) all forms of intervention, the weight of service types varied by sub-group.

- Improving employability, job search, work information and motivation, and job retention support were the most burning needs in the first two subgroups, where the most imminent necessity to start stabilization was to ensure eligibility for social rental housing through securing work income.
- Subgroups 3 and 4 were the highest intervention need, where major challenges such as psychological trauma, low overall motivation and a history of substance abused and dual diagnosis is widespread. In addition, clients leaving institutional care are also the ones who need the highest level of initial support in running a household autonomously.
- The need for debt management, and strengthening financial literacy and household budgeting was the most pressing in subgroup 5, where the elimination of debt and arrears was imminent for stabilizing the families' housing.
- Providing support with interpersonal, intra-family issues was a cross-cutting need for all (but the single-person) households.

Most of the intervention needs were foreseen at project planning. As in all of the pilot, the severity of need for debt consolidation, and the serious limitations of formal public sector structures and support in this regard, were underestimated. While accumulated debt was expected to be the most important intervention need for subgroup 5, it turned out to be a significant challenge for many target group members in other subgroups as well.

Social workers therefore coordinated legal and administrative support between the clients, and the various institutions (utility companies, condominium managers, debts collectors, the Tax and Customs Office and so forth) to achieve the writing-off of decrease of debts, or to obtain instalment payment agreements. Often this required daily intervention, at least in an early phase: the social worker might first have to call the institution to inquire about the opening hours of their help desks; the client would then be much more likely to go and try to manage their issues after this form of support and encouragement. When the client has debts from multiple sources, and is not aware of these any more,

they have to contact the debt collector company. However, as many clients did not know about this, it was often the case worker who would inform them, and who would first contact debt collectors, and negotiated payment in instalments. Subsequently the social worker would often have to keep accompanying the client through every step of the process, before client feels empowered to take their administrative issues in their own hands. In summary, while some major agreements with the Municipality, the Employment Pact, and other organisations provide an effective framework for supportive case management, the accompaniment of individual cases continues to fill most of the implementer’s workload.

Substance abuse, mental illness and dual diagnosis were huge challenges. As elsewhere in the CEE, specialized support for such issues is missing entirely from public sector welfare provision, and civil society based charitable provision is very scarce. In the most difficult cases, HCSOM itself would make a decision to invest less effort into some of the most challenging cases, to spare resources for other persons who could benefit more from the level of support HCSOM is able to provide. If a very vulnerable client cooperates – for instance, he or she is aware of their illness, and acts accordingly – case workers would strive to secure protected housing and employment for them, and minimize damage in case of a relapse. However, when a seriously ill or addicted client has no sense of illness or willingness to cooperate (e.g. denies addiction despite its obvious consequences), HCSOM is simply not equipped to keep them within their integrated provision roster.

Integrated service provision continues to be considered extremely helpful by the implementer in stabilizing clients’ situations, as support activities in social integration, employment, and housing have proven to be mutually reinforcing. In the current monitoring period, incremental improvements in integrated service provision only really emerged through day-to-day operation, e.g. finding ways to secure more appropriate employment to one already employed client, or continuously supporting the improvement of the housing situation of another.

### 3.5.5 Evolution of Partnerships

By the final year of the project, HCSOM had a stable network of external partners, and continues to work with them according to the procedures developed in the earlier phases of the project.

The importance of setting up a strong cooperation with local municipalities for efficient housing provision has been iterated many times in HomeLab; and through VESZOL, HCSOM had the strongest cooperation among pilot implementers. This cooperation, together with the national level acknowledgement of HCSOM has greatly contributed to the networks the implementer set up across various fields of provision, including with civil society and other religious organisations; the Employment Pact (discussed earlier); and public sector organisations. Their role of the latter, and openness for cooperation, had the greatest innovation potential in the case of setting up the Prison Working Group (see later in this section).

In housing, the most important partner remains the Catholic Caritas, who provides financial support for clients in sub-group 1 (VESZOL tenants) with moderate *housing* related arrears (that are still significant considering their low income). They provide this support upon the indication of HCSOM; and wire the necessary amount either to the utility provider or to VESZOL (depending on whether it is a utility or rent arrear), the integrated municipal real estate maintenance organization and social provider co-founded by HCSOM and the local municipality. The amount of the support may roughly range between EUR 90 and 400. Throughout the project this form of help was used in 5 cases.

The “Prison Working Group”, initiated by the HomeLab pilot coordinator, continued its work for preparing the social reintegration of former detainees after their release. The Working Group consists

of various Veszprém County Remand Prison officers, and the HomeLab pilot coordinators (see details under the “Integrated service provision” section).

In spring 2018, HCSOM initiated an impressive initiative in the form of the “Prison Working Group”. Persons recently released from the county penitentiary institution are one of HCSOM’s five target group; and to facilitate their social re-insertion after release, the organisation has already been in regular contact with some of the relevant officers. To elevate this cooperation to a more institutionalized form, a Working Group was set up in the country detention facility. This includes the lead security officer, the lead reintegration officer, the prison chaplain, the inmate psychologist, the probation officer, and the HomeLab pilot coordinator. The organisation already had established cooperation with the detention facility prior to the establishment of the Working Group to support social reintegration; but the pilot coordinator feels that this way this cooperation reached a new and very promising level, founding a long-term, more systematic cooperation; which began in the framework of HomeLab, as the program provided accommodation and employment services integrated with social work.

There were no major changes in the functioning of the working group during the final project year. Nonetheless, the continued cooperation and the refinement of activities has an importance for both the penitentiary institution and for HCSOM (and its VESZOL partners). The initiation and institutionalisation of this cooperation during HomeLab will allow HCSOM to provide integrated services to persons who would struggle substantially without external support. As the HomeLab coordinator explained, after their time in prison, detainees are released at six in the morning, after being given back the clothing they had upon their incarceration – regardless of the season. The Probation Officer maintains contact with them, but many do not have family members to pick them up upon release, and many don’t even necessarily have enough cash to take the bus. It is the HomeLab coordinator who picks up these people, and drives them to a potential accommodation; and HCSOM’s social work is provided to them as needed in this early period. Even though only very few former detainee clients were involved in HomeLab, initiating this cooperation is assessed as a very important achievement under the project. It allowed for the establishment of a well-functioning network, for the benefit of a very vulnerable pool of potential future clients.

In the field of public sector partnerships, HCSOM also continued its cooperation with Veszprém Family Support Service (FSS) and Temporary Home for Families (THF). The latter also operates in the same building as the newly renovated Workers’ Hostel; the refurbishment of which also benefitted the THF, which further improved the cooperation and communication between the implementer and the provider. These two external providers recruited target and control group members for HomeLab; VESZOL in return offered help in various forms of provision and support.

### **3.5.6 Main achievements and challenges throughout the project**

Integrated service provision has long been part of HCSOM activities in Veszprém and elsewhere in Hungary, although it always remained small-scale and experimental for the organisation. VESZOL, the key partner organisation in HCSOM’s pilot was essentially the instrument through which integrated provision could be formalized and tested in a larger scale. With VESZOL’s establishment in April 2016, and the real beginning of housing asset management by autumn 2016, HCSOM could introduce integrated service provision as a go-to, overarching procedure of supporting individual social and employment integration for persons in deprivation and housing poverty, from the very beginning of its operation. The experiences and lessons learned from HomeLab could be embedded into VESZOL’s early stage institutional building process.

Building a network of thematic partners was a key activity for all pilots. HCSOM has been very active and outstandingly successful in this regard, having established cooperations that have become vital to its service provision, and which are expected to remain stable and important well beyond the scope of the project. Some particularly important partnerships include

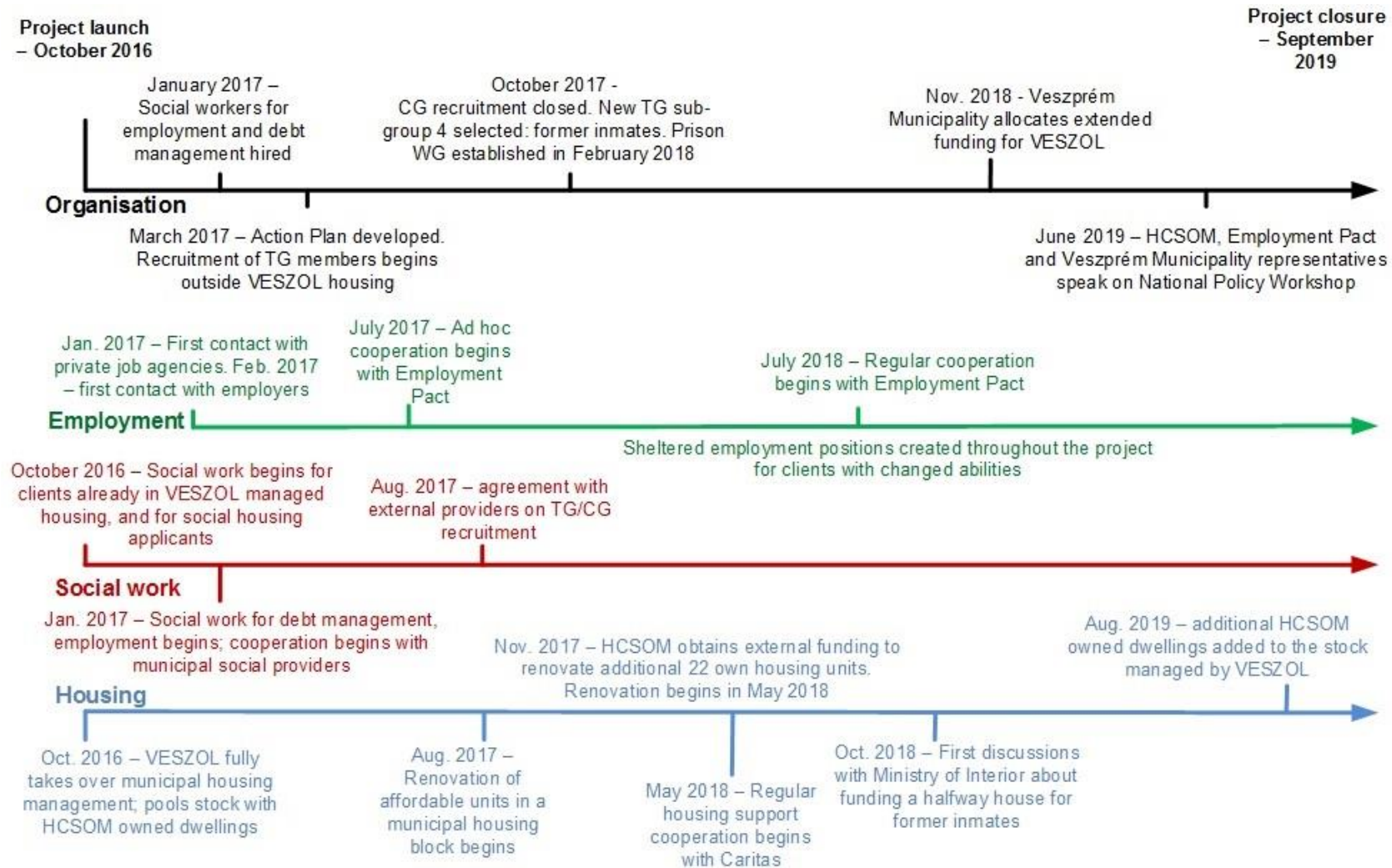
- the cooperation with the Employment Pact for supporting job search and active employment integration, as well as exploring protected positions for job seekers with changed abilities or long-term chronic conditions (including substance abuse with possible relapses);
- the Prison Work Group to help post-penitentiary reintegration was merely initiated during HomeLab, with all involved partners interested in, and committed to, long-term operation;
- despite initial misunderstandings and tensions, cooperation in HomeLab helped HCSOM establish a closer cooperation with municipal providers, such as the Family Support Service (FSS) and the Temporary Home for Families (THF). Overall the various providers run by HCSOM and the municipality could enter into a tighter knit network, allowing more efficient cooperation and resource pooling.

Although these are perhaps the most stable and significant long term cooperations set up in the past three years, HCSOM also built up a number of “weak ties” – less frequent and salient forms of mutual support – with a range of other institutions as well; and had to let go of seemingly promising, but fruitless other collaboration attempts (e.g. with private sector job agencies).

All in all, the implemented felt that affordable housing has been the greatest challenge in terms of provision. While the strong connection to the municipality through VESZOL is a huge plus, the existing social rental stock and local needs also necessitate the mobilization of innovative housing forms; however, the current market made conditions are very restrictive. The organisation continues to seek out opportunities to expand the locally available stock of dwellings. Nonetheless, considering the welfare environment, and due to the bottlenecks of significantly expanding the social rental stock, the final aim is to support the largest possible share of vulnerable persons to eventually become able to secure housing on market terms. This is a very ambitious – if not unrealistic – goal; yet HCSOM has no other options.

Field workers have been making vast efforts to ensure the accommodated clients’ tenure security: they regularly help with household budgeting, and provide extensive support in debt management. The limitations or lack of public sector debt management service, and the lack of meaningful subsidies specifically for housing on social grounds remains a huge challenge in this regard.

Figure 14. Pilot development – HCSOM Veszprém



## 4 Evaluation of HomeLab

### 4.1 Main outcomes

The aim of the evaluation was twofold:

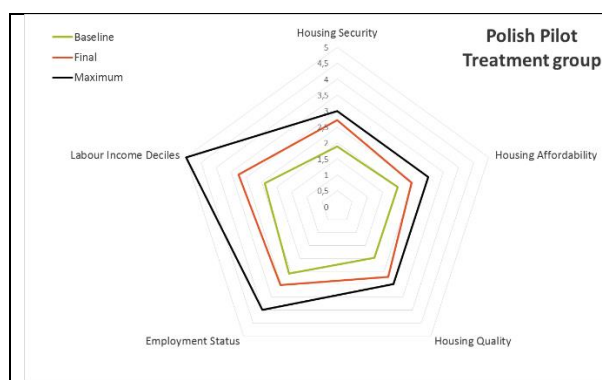
- (1) to carry out a valid comparison between the changes in living conditions and opportunities of Treatment and Control Group members over the project’s lifetime; and
- (2) to establish whether there was a causal relationship between outcome differences and integrated services provided under HomeLab.

We 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).

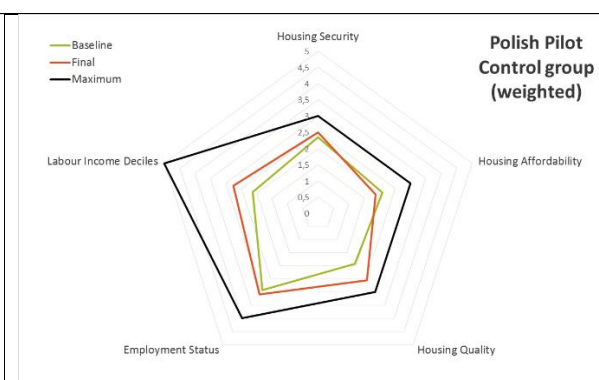
The evaluation, as well as the other research components around the project (Process Monitoring data, qualitative components, field work and observation) have produced valuable conclusions, but also pointed to some important limitations, which must also be taken into consideration at the interpretation of findings. Limitations will be described at the last section of this chapter; after the summary of results and key findings.

In the outcome analysis we first calculated housing and employment indicators to measure changes in the situation of Treatment and Client households, by pilot (**descriptive outcome analysis**). The change in comparable and weighed indices is presented on the Outcome star graphs below. We also aggregated sub-indices to assess overall progress in housing and employment status between the initial and final pilot stages.

In the case of HfH Poland’s pilot in Warsaw, we found that the housing and employment starting position of the Control Group was, on average, more favourable than that of the Treatment households. Later the differences decreased, and by project closure the Treatment Group achieved better overall employment status.

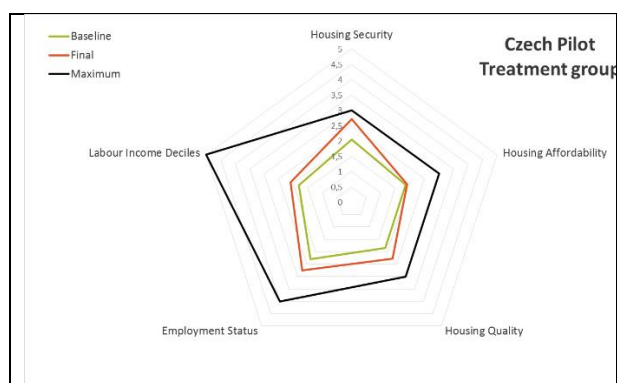


**Figure 15. Outcome Star of the Treatment Group (Warsaw)**

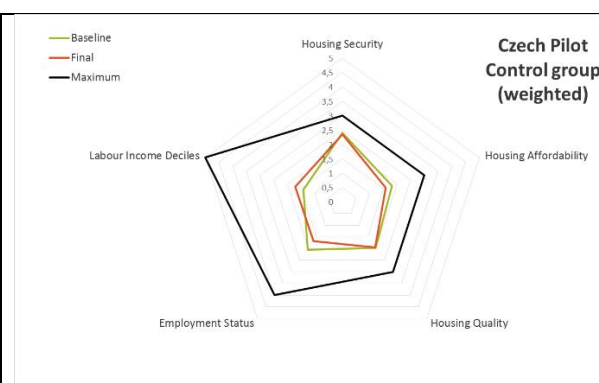


**Figure 16. Outcome Star, weighted Control Group (Warsaw)**

In the pilot implemented by Romodrom in the Czech Republic, the starting employment and housing situation of the Treatment Group was slightly better than that of the Control Group. During the project the overall situation of beneficiaries further improved, while that of Control households worsened.

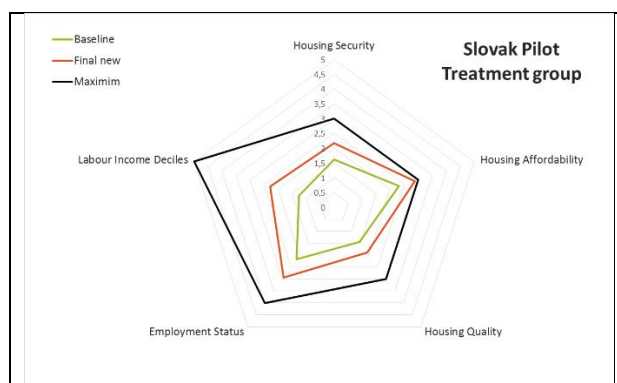


**Figure 17. Outcome Star, TG, Czech Pilot**

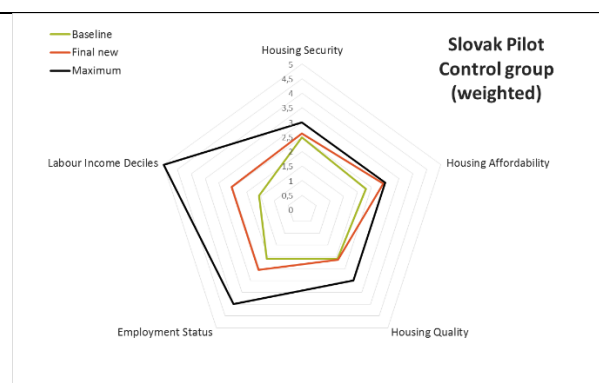


**Figure 18. Outcome Star, weighted CG, Czech Pilot**

In the pilot implemented by PIN in small marginalized settlements Slovakia, the Control Group had significantly better housing status than the Treatment Group, and it did retain its advantage, albeit at a more modest extent, by project closure. The income status of the client households improved to a larger proportion than in the Control Group, but in this aspect as well it did not catch up entirely. In terms of employment status, we see a reverse image: the Treatment Group started the project in a better overall position, and improved it more than the Control households.



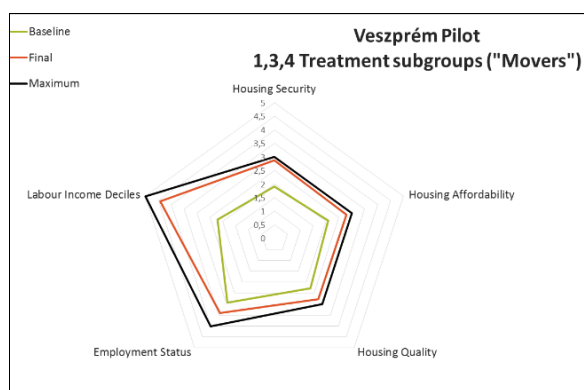
**Figure 19. Outcome Star, TG, Slovak Pilot**



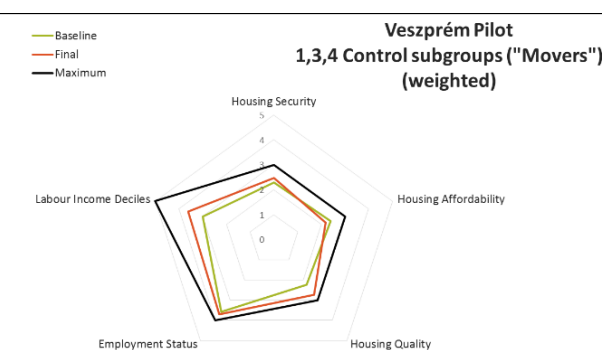
**Figure 20. Outcome Star, weighted CG, Slovak Pilot**

The target groups in HCSOM, Veszprém (HU) were divided to five subgroups; which was then re-aggregated into two larger subgroups by primary support need. The “Movers” subgroup indicated households who had to move to better housing. In their case, the Treatment Group started the project in a weaker housing security and affordability status than Control households; but achieved significantly greater improvement in both. (Housing quality measures remained quite close in the Treatment and Control Groups.) Employment status remained weaker in the Treatment group throughout the project, and yet it managed to improve its income situation more than the Control Group.

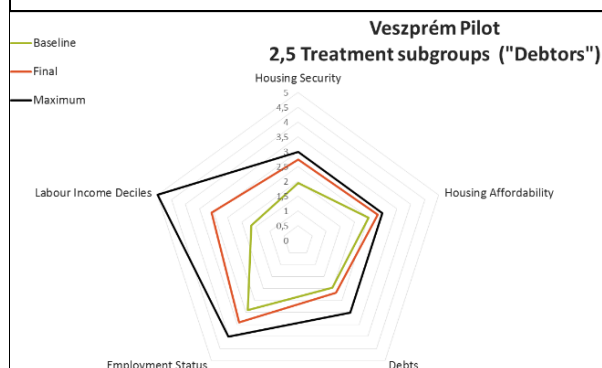
In HCSOM’s other combined subgroups, “Debtors”, improved its status in all dimensions, against an overall worsening position of Control Group households.



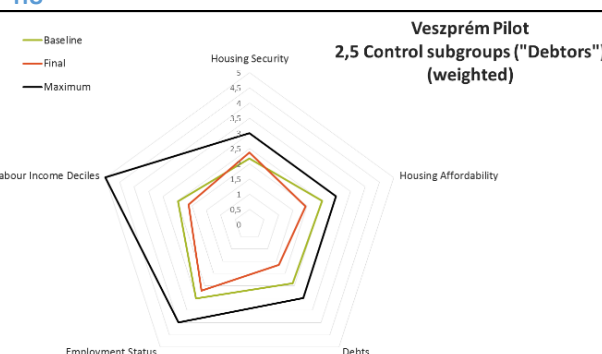
**Figure 21. Outcome Star, TG 'Movers', Veszprém-HU**



**Figure 22. Outcome Star, weighted CG 'Movers', Veszprém-HU**

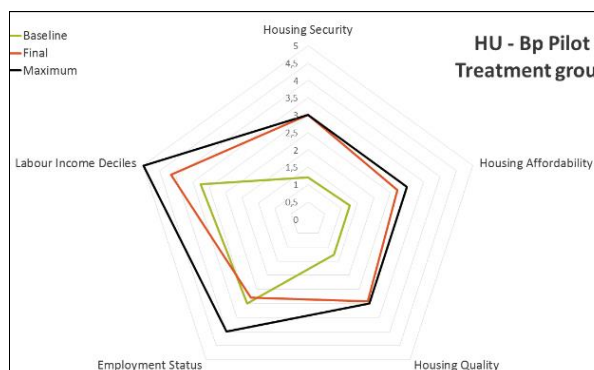


**Figure 23. Outcome Star, TG 'Debtors', Veszprém-HU**

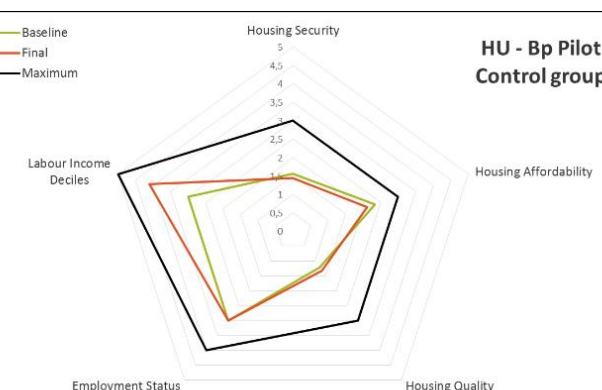


**Figure 24. Outcome Star, weighted CG 'Debtors', Veszprém-HU**

In the Budapest pilot, focusing on homeless households, the housing indicators of Treatment households improved significantly, while they deteriorated in the Control Group; at the same time Control Group households achieved somewhat better employment outcomes.



**Figure 25. Outcome Star, TG, Budapest Pilot**



**Figure 26. Outcome Star, CG, Budapest Pilot**

We carried out analysis on the basis of the data generated from measured index values. **We used statistical models to test the direction and size of change** experienced by the HomeLab clients and that of the Control Group. The statistical analysis set out to answer the following central questions:

- 1. Can the effect of interventions in the framework of HomeLab be clearly isolated from environmental effects and the impact of fragmented (non-integrated) services outside the pilots?** To determine this, we measured changes separately in housing and employment factors (along single and aggregated indices), and looked at the possible relation between overall life-satisfaction and the achieved outcomes.
- 2. Did the initial housing and labour market situation influence the average volume and frequency of intervention provided to households?** Additionally, **did more intensive service provision lead to greater improvement in clients’ life situation and self-assessment?**
- 3. Was the integrated service provision provided under HomeLab more (or less) successful for different the groups of marginalized beneficiaries?** To determine this, analysis was carried out on a pooled database (with data from all pilots merged into a single database). To answer this question we also created the 3 following subgroups of beneficiaries:
  - a. 1<sup>st</sup> subgroup (not vulnerable): households in relatively good position in both labour market and housing position;
  - b. 2<sup>nd</sup> subgroup (labour market vulnerability): those in vulnerable labour market position, but not marginalized in terms of housing;
  - c. 3<sup>rd</sup> subgroup (housing marginalized): those in marginalized housing position, but not necessarily precarious in terms of employment.

The main findings discerned along the research questions are the following:

**In all five pilots, integrated service provision led to significant improvement in the housing conditions of the Treatment Group – usually significantly more so than the change in the Control Group.**

The comparative improvement was statistically significant in the Warsaw pilot; and was modest but measurable in the Slovak case. In the Czech Republic, implementation difficulties arose, but a statistical improvement in housing quality and security can be measured. In Veszprém-HU, the “Debtors” subgroup significantly improved its tenure security (in isolation, and even more so comparatively to the Control Group); while the “Movers” subgroup ameliorated its overall comparative housing position in a somewhat more modest extent. In the Budapest pilot, measurable client household position improved significantly more than Control Group indices.

**The change in employment position of HomeLab client and Control Groups is more varied, but points towards overall significant improvement** (although less clearly distinguishable from the favourable development of external conditions).

The employment indices of the Warsaw Treatment Group improved more than the Control Group. In the Slovak case, however, the improvement is more modest in among clients than in Control households (while the latter also received quite intensive employment support services). In the Czech pilot, the aggregated employment index shows no significant change, although the employment status sub-index did improve to a remarkable extent. Notably, in this case the effect of dropouts and subsequent missing data also affected the calculation. In Veszprém-HU, employment integration progressed primarily in the aspect of improved income position, and less so in labour market status.

In the Budapest pilot, the overall index shows no significant change. Nonetheless, this result defies straightforward interpretation. The client group here was composed of very vulnerable former

homeless clients, with histories of chronic and mental illness, or past substance addiction. Outcomes show three jobs per working adult over the full pilot runtime on average, which indicates short term employment spells on the one hand, but also active labour market involvement on the other.

**An improvement in overall life satisfaction could not be clearly measured in all pilots**, despite better resulting housing and employment conditions thanks to HomeLab services; although there was clear measurable improvement in some of them. Life satisfaction feedback showed some correlation with improved housing conditions and security.

**In the case of three pilots, there was also a correlation between the clients' level of initial marginalization and the volume and frequency of services provided.** In Slovakia, clients with better initial employment position were provided significantly less services in this dimension. In Veszprém-HU, there was a measurable connection between greater intervention intensity and better employment outcomes. Notably, clients in a better initial housing position received lower service intensity overall, and achieved a weaker average employment status. In Budapest, clients with a better initial housing position were provided more intensive individualized support from an early project stage (in the Housing First logic, according to which support is more effective for clients who already have secure housing, after which they can invest more energy in improving other aspects of their lives). No similar correspondences could be discerned in the Czech and Polish cases, though.

In terms of **housing position**, we can see that the **interventions had a particularly pronounced effect** on those who **started from a marginalized position**, while it was also successful for those households which already had a **less marginalized position**. In all three aspects: security, affordability and quality those with the worst starting position could make the largest improvements.

**HomeLab improved the employment status** of both those with marginalized housing and also vulnerable labour market positions, while not of those who began in a relatively good position. By contrast, there was **no significant effect on labour incomes** in either of the groups – though there was some improvement.

We finally also considered **general satisfaction with life, where we also found a positive effect for the HomeLab interventions** – with the largest improvements for those in marginalized starting housing position, somewhat smaller, for those with vulnerable labour market position, and none for those who started from a relatively less disadvantaged situation.

Furthermore, a number of **conceptual and practical challenges** and limitations emerged in the project, which had to be addressed, but **also corroborated some of the key findings**.

First, while Client and Control Group households were in a socially and economically marginalized position, this overall vulnerable target groups was still diverse in terms of socio-economic position, housing conditions, labour history, life experience, and so on. As a consequence, a relatively large network of other service providers had to be mobilized to recruit a Control Group of adequate size. This too may raise organisational challenges. In addition, the ethical concerns regarding randomized service provision are also more likely to be a source of conflict among multiple organisations involved. Finally, relatively limited specific target group sized across multiple locations required the establishment of this network of providers in all intervention localities. This may be an added value for testing the integrated service provision model; but also made the overall project relatively costly financially as well as administratively.

The dropout rate was particularly high in two pilots. On the one hand, this pointed to important lessons in the optimal setup of services, among which

- the need for prompt housing provision;
- the need to continue intensive support after housing is procured – even when the clients themselves do not realize the importance of this, and rather perceive it as a burden once their situation improved;
- and in the case of specific subgroups (like persons with mental illness or substance addiction) specialized expertise is also essential.

Developing indicators to appropriately measure changes in basic life factors is challenging if the treatment groups are so diverse, and many have marked specificities (hence the composite and rather abstract indicator system established for the outcome evaluation in HomeLab). Relatively small n groups also necessitate sophisticated weighing and adjusting methods to reach valid conclusions; in the control variables as well as the indicators developed to measure change.

Finally, survey data gathering must also be adapted to the needs of vulnerable groups, including basic requirements such as reasonable brevity and accessibility in wording. Adequate time has to be left between survey rounds, otherwise there will be little time allowed in between for actual change – which, again, may be perceived as an additional stressor by beneficiaries.

## 4.2 Pilot level innovation

**Standardisation and redevelopment** were at the heart of local innovation carried out by each pilot in the framework of HomeLab. The activities thus included the further development of their existing services, the development of new ones but also the **professionalization of their operation** to create standardized procedures for integrated service provision. This brought with itself the institutional development of implementer partners and the organisational development of SREs. Innovation within HomeLab was supported by the peer-learning initiatives among the pilots. Implementers attended each other's national workshops, and were in contact with each other as well during the project.

- The **biggest institutional development was in case of HfH Poland**, which had not provided any social service before HomeLab but worked only in the field policy development and implemented housing refurbishment and construction projects with using fundraising, and voluntary work. For them HomeLab not only meant the opportunity to set up the framework, dedicate a new department within HfH Poland and start experimenting with an SRE, but through this provide hand-on experience that can directly be channelled into their advocacy work. Their SRE can directly influence how polish municipalities will carry out similar project and will support the official acceptance of integrated case handling in Poland. Furthermore, the thorough documentation of the development – through the monitoring and annual reports, as well as the process monitoring – allows that a standardized model of this innovation can be easily adapted elsewhere in Poland.
- **In case of Romodrom** the project allowed the institutionalisation of a **new position, that of the of social real estate agent**. The social real estate agent is an intermediary professional, who is operating in the real estate market but has a social mission – in a way similar to a social entrepreneur. Thus, while it understands the needs of our target group it communicates well with the business oriented private owners. The position helped Romodrom's social workers to avoid the conflict of interests and allowed Romodrom to place vulnerable families in stable accommodation.
- HomeLab's biggest employment innovations are tied to the work of **PIN**: they not only created a more integrated approach to increase the employability of their clients but **developed a complex set of services to employers that enable companies to work with long-term unemployed people, and specifically with Roma people from socially excluded localities**. This

complex package is adaptable in other countries as well, and it is something employers, based on the current shortage of workforce, are willing to pay for.

- **HCSOM** further developed in HomeLab a much sought-after model of **setting up an SRE as a joint venture between an NGO and a municipality**. This organisational innovation is not only applicable elsewhere but could become a key tool in finding a solution to the sustainability of SRE services, where NGOs have very unforeseeable funding streams.
- For **ULE** HomeLab meant a **much-needed standardization and professionalisation**, setting example for many other small NGOs in Hungary and in the CEE region how within a short time span this can be made. In the context of reigning welfare austerity this standardization process can be copied by other NGOs, which – just as in case of ULE – which allows them to expand more the cooperation with private and municipal actors, a much-needed development to sustain their results.

### 4.3 Pilot level challenges to learn from

Experimental projects and innovation often come with difficulties and challenges, and it was no different in HomeLab. These challenges provide very important learnings, useful and adaptable elsewhere, in a way similar to the innovations carried out.

Pilots in HomeLab had strong added value in furthering the **institutional development** and professionalization of the implementing NGOs. Notwithstanding, this process unfolded against a series of external and internal challenges, which also led to tensions, especially in the first half of the project. Some of the pilots went through relatively frequent personnel changes, with a large part of the starting team replaced by the second half of the project period. The fluctuation of social workers is generally high in CEE countries, where their salary is very low. Project-based ESF funded interventions created uneven demand in time; whereas HomeLab demanded highly educated, experienced and dedicated social workers.

This challenge was the most prevalent in Romodrom's pilot, where one of the NGO's local offices in a pre-selected pilot locality (Proštejov, Olomouc region) had to be closed down. A new office in the regional centre Olomouc was opened during the first project year. An office leader and a team of highly qualified social workers had to be recruited. Finding team members with the appropriate experience and skills was time consuming; but then the new staff also had to build up local networks from scratch, to mobilize the various forms of support necessary for Romodrom's high intervention need clients.

The project coordinator/manager was changed during implementation in two pilots. For HfH this led to some delays in implementation, which added to the difficulties of procuring adequate housing, and supporting a very high support need clientele. In case of PIN in Slovakia the change of management was smoother, as the new project manager was already involved in HomeLab as the manager of employment services.

A series of **structural and welfare provision related challenges** also caused complications in institutional development and pilot implementation. One of the greatest challenges that implementers came up against, and to which project implementation had to adapt, was the issue of client **indebtedness**. A general experience in HomeLab was the unexpected weight of the issue of unmanaged or unmanageable debt in the case of marginalized households. Often these debts were initially smaller, quite manageable sums; as clients had little information or knowledge, and had no formal support, they eventually became large enough to be a massive barrier to social and employment integration.

Many of the low-income, marginalized clients lack the financial resources, but often even the information and knowledge of procedures, to manage debts accumulated in their previous life. This could be a legal barrier to accessing municipal social housing, but it poses the greatest problem regarding legal employment since instalments would be automatically drawn from their wage. In addition, bailiff costs sometimes push the overall debt amount disproportionately, raising it to a level that is unmanageable for low income workers. Thus, affected persons are incentivized to hide their income, and enter the informal job market. As a result, for many households in HomeLab informal work income was preferable, making the project accept this as a better solution than to no work income at all. As a result, many clients also have a low-level trust towards social workers (not being sure if they work with other authorities). Even after being recruited into HomeLab, clients with former debts did not necessarily dare to reveal this to their case worker. Some of them were not even really aware of its existence. Finally, clients who eventually decided to address the issue were not aware of the required procedure. Prior debts led to a number of dropouts, especially in the Czech and Slovak pilots, and in HCSOM’s pilot.

Appropriate social work, which focuses on household budget restructuring and improving the income of clients, can provide substantial help. Where the debt amount was manageable, case workers helped treatment group members obtain information and negotiate decrease or partial release of dues. But this cannot bridge the structural gap presented by the lack of adequate debt management provision within the national and local welfare environments. Thus, heavily indebted households are practically locked in the informal economy, and even rough statistics on the extent of this problem are unavailable. These people need well-regulated, in-depth intervention on the central level, like viable personal insolvency schemes.

This leads to the general problem of **that a number of provision forms are simply inexistent** in CEE countries, like specialized mental health or addiction support services. A small number of providers or NGOs may give limited help, but only to a fragment of marginalized groups, who may have accumulated a host of problems due to their personal history. In the project, clients with special needs dropped out in disproportionate numbers. In treating marginalized target groups, the inability to address some of these special issues behind individual histories of vulnerability proved to be a significant limitation of what integrated service provision is able to successfully address.

Additionally the **lack of substantial rental subsidy** – with the exception of the Czech Republic – was also a major challenge for implementation. The CEE countries are characterised with high rate of homeownership, including substandard, low income homeownership among marginalized groups. Parts of vulnerable populations have little chance to ever be able to afford market-based housing (e.g. due to physical or mental illness), but due to limited available social housing, they have no option outside substandard market based housing. A more significant rental subsidy would allow NGOs to help these clients find appropriate, acceptable quality, and more affordable rental housing on the private market.

But mobilizing vacant privately-owned housing is challenging also in part because **private residential renting is usually poorly regulated** in CEE countries; large parts of the sector are informal, and fraught with insecurities for tenants as well as for landlords. This makes it extremely hard for NGOs to involve private landlords. Even if they provide a structure of organisational guarantees, including the renovation of the dwelling, private owners may be very distrustful with potentially risky clients. Implementers generally reported that a **guarantee fund** for their rental activities would be extremely helpful in working with either private landlords or municipalities (as social landlords). However, despite mobilizing a range of resources and partners to achieve their goals, none has been able to establish such a fund. Public sector funding opportunities in this field are unavailable.

**Public labour offices** did, in some cases, provide external services (e.g. trainings in the Czech case). But their general operation focuses less on vulnerable clients, and more on lower middle class, but modest intervention needy job seekers. They may have resources for specific vulnerable groups, e.g. from ESF funding; but they are often unprepared for marginalized clients, are inflexible, and their services are not structured in accordance with the needs of very low status clients. In many cases they appeared open to cooperate with civil society organisations involved with very vulnerable target groups, but did not seem to have the capacity to make their services more accessible and useful for this clientele.

Finally, pilot implementers’ ability to successfully **cooperate with local municipalities** usually had very strong impact on project outcomes. However, this cooperation can also be easily hindered by a number of challenges. Social or affordable housing provision is legally the task of local municipalities. However, in the post-transition context, municipalities often have small and poor-quality housing stocks, and very low income tenants. Overall the sector is likely to generate losses, municipalities are thus financially interested in reducing their social housing stock. They may also lack management capacity as well. In the end, local housing policy largely depends on the ambitions and commitment of the individual municipality – and in nearly all cases it has tight limitations. This makes it nearly impossible for both municipalities and NGOs to engage in long-term cooperation; in practice, a change in local political leadership could easily compromise previously established initiatives.

Some municipalities were quite clearly hostile to efforts for the social and housing integration of marginalized households. The most extreme case was the small number of Czech municipalities that delineated “no benefit zones”, where clients lost their eligibility for rent allowance. Here, municipal leadership opposed moving Roma households into integrated urban areas.

Even if a local authority is open to cooperation, they may assess that housing provision for the most marginalized is too risky for them to commit to. In the pilots, upcoming local elections usually meant a prolonged delay of negotiations, to avoid political risks. And when cooperation is established, the slow and bureaucratic procedure of the local authorities may hinder project progress. HfH’s pilot in Warsaw swiftly secured a promise from the city municipality, offering a number of rental dwellings. The provision of these dwellings took roughly one year, during which the Warsaw pilot suffered a large number of dropouts, as clients became disillusioned during the long waiting period. ULE’s housing provision in Budapest is even more reliant on municipal action; and the cooperation (or lack thereof) of municipalities was not only vital, but negotiations were very time consuming for the implementer.

Overall, municipalities lean towards outsourcing high risk tasks (providing for high risk client groups). On the one hand, this gives broad room for manoeuvre for NGOs; on the other hand, they lack appropriate funding. HCSOM in Veszprém already has a strong and fruitful cooperation with the city municipality; yet it only manages to foster change in local regulation and funding incrementally. Based on experience, its policy is to lobby for additional funding only when the efficiency of a proposed measure could be tested and proved in practice. The other pilots had no public sector funding; they exclusively mobilized external resources, even though their activities clearly served public (social) interest.

## 5 Disseminations, sustainability and scaling up

The sustainability of models developed in the five pilots is deeply interconnected with their possibilities of being scaled up: each of the locally elaborated Social Rental Enterprises could only become sustainable (independent or significantly less dependent) on external funding if they could be implemented on a larger scale. Thus dissemination, sustainability and scaling up are intertwined activities in HomeLab. The following chapter will provide an overview about the main activities focusing on:

1. The pilots' attempts to gather more funding
2. Their activities to improve their relations with the local municipalities
3. Their activities that focus on internal development to achieve sustainability
4. Dissemination activities in the framework of HomeLab
5. Recommendations of HomeLab that can become the basis of further policy development

### 5.1 Connecting public and donor funding with the social economy

Public funding opportunities in the V4 countries are scarce and limited. Donor funding (whether private, institutional, or crowdfunding) can be mobilized for one-off actions and innovations, but not for continued operation. Civil society organisations in the region have no stable funding; instead, they usually operate on a project basis, which is a crucial barrier to developing mainstream services on the basis of good practices developed in the framework of innovative actions. Accordingly, implementers have been particularly working hard to have a more diversified financial model.

Pilot implementers have taken on (and intend to continue) tasks that are legally delegated to the central state, with practically no possibility to gain (commercial) income. Thus, one of the important steps taken in the pilots was the **mobilization of private sector resources** in order to move towards the sustainable financing of their model. Fundraising and campaigns for crowd funding and (ad hoc) in-kind donations has been crucial for all implementers to undertake their more resource intensive actions. This allowed, for instance, generating a small-scale, initial contingency fund by Romodrom and ULE; with the help of which they can rely when they need to temporarily cover arrears or small losses. Moreover, all pilots explored the possibilities of the social economy, involving social banking, CSR and social enterprises, and social investors.

PIN stated working closely with Slovenská sporiteľňa, Erste Group's Slovakian branch, which has social banking ambitions. The two parties developed a micro-savings and micro-loan scheme for self-help housing construction, which was built into the HomeLab pilot. Currently PIN is exploring the possibility of establishing a social rental agency with Slovenská sporiteľňa: in this, the bank would acquire (and renovate) low cost housing; while NGOs would provide client recruitment and the operation of the social and housing related activities. There are still challenges to tackle in this regard, as to make this sustainable, and generate a return on the bank's investment, the initial housing stock would have to comprise hundreds of dwellings – well beyond PIN's ability without significant external funding. The proposed stock would have to be spatially dispersed, to foster integration, and prevent slum creation. Furthermore, PIN's focus on creating a Social Employment Agency in a joint venture with Banská Bystrica region is a source of sustainability. The training and workplace integration components, which PIN developed during HomeLab, will be provided to employers in need of workforce, on a commercial basis.

Also, the need to long-term financing drove pilot implementers towards **diversifying their resources** in a way that could help maintain their integrated services provision. For instance, Romodrom has

participated in various proposals for external funding, e.g. for debt management services, participating in Housing First missions (Moravian-Silesian region), and a project on improving employment services (Olomouc region). HCSOM cooperated with the city municipality in retrofitting a municipal building into a workers' hostel, whose units were planned in a way that they can later be involved in social housing provision.

Romodrom has also recently started negotiations with Erste's social banking branch and a social investor for setting up a guarantee fund, to facilitate their extensive cooperation with private landlords. The fund would be maintained by a market subletting model. Romodrom plans to offer owners guaranteed rent payment and maintaining good condition of the property. In return, they hope to rent dwellings at the cost of 10 months' worth of rent, but using the dwelling for 12 months uninterrupted. Erste and the social investor would provide the initial guarantee fund; and part of the rent payment would be used to incrementally return their investment, as well as to cover the cost of the operation and feed the guarantee fund behind it.

Finally, ULE also explored new financial options by creating a social investment scheme for the partial funding of their mobile home construction. Investors receive ownership of the mobile homes, proportionally to the size of their investment. Once tenants move in and begin to pay rent, investors are provided a long term, small return on their investment, and are eventually provided a small profit.

## 5.2 Working with local authorities

Given the combination of weak, largely locally coordinated welfare provision in the fields of housing and social support, successful cooperation with local authorities proved a very strong factor in the success and long-term viability of pilots. Accordingly, **building and expanding cooperation with municipalities** rapidly became an important goal of all implementers, both for improving pilot outcomes, and for ensuring sustainability after the pilots.

ULE had been cooperating with Budapest district municipalities before HomeLab, and successfully expanded its cooperation during the project. The team is currently in negotiations with the staff of District 19 on the development of a local, municipal social rental agency scheme, which would support the upscaling of the Budapest pilot. In this scheme, client recruitment and social work would be provided by ULE's team, while the municipality would provide the housing and its maintenance. This scheme would step away from ULE's standard Housing First activity, and would likely involve affordable dwellings for lower intervention need clients as well; particularly targeting the segment of the lower middle-class and working poor, who cannot afford market based renting or home ownership, but are also outside of the scope of social housing provision – possibly even including low income municipality workers.

PIN started a cooperation with the regional municipality of Bansá Bystrica in summer 2019. This region, and especially its major cities (Banská Bystrica, Zvolen and Brezno), also struggle with labour shortage; and commuters often only arrive for temporary work, as they cannot afford relocation. In the planned scheme the region would renovate dwellings and rent them to commuting workers, so they could move with their families, with PIN providing the concept and the social work.

In Veszprém, HCSOM already established a joint company with the municipality, VESZOL, by the project start, which became the main project partner. HCSOM's activity in HomeLab helped convince the municipality to provide additional funding for social work after the project's closure, which will allow the implementer to continue integrated service provision for its vulnerable target groups. Also, the cooperation developed further including the county Employment Pact office. The Employment Pact is EU funded and runs on a multi-year project basis; its continuation into the next budgetary period is

therefore likely, but not entirely certain as of yet. But even if it is discontinued in the next years, HCSOM will have established a network of large employers with suitable placements. In the last project year, HCSOM began disseminating its good practices in other municipalities as well, starting with those where the local HCSOM chapter already has a strong presence, so the municipality may be convinced more easily to cooperate and commit resources for integrated service provision.

HfH Poland established cooperation with the Municipality of Warsaw, which provided housing for many HomeLab clients for the duration of the project. In the final project stage, the city decided to prolong rental contracts signed under HomeLab for an additional two-year period. The city order on housing was modified during the project run, ensuring that current tenants in municipal dwellings will not lose their right to municipal housing. This way if municipal dwelling managed by HfH’s become vacant, the organisation will again be able to sublet them to a vulnerable household, and this way use it as a form of transitory housing, until clients become eligible for social housing or become able to secure market-based housing.

Thanks to the Czech Republic’s rental allowance scheme, Romodrom was the least dependent on the cooperation with municipalities – nevertheless their willingness to cooperate has been crucial for project outcomes in the Czech pilot localities as well. In order to help its vulnerable clients, Romodrom needs municipal regulations to be inclusive and non-discriminatory. Importantly, Romodrom was able to build close cooperation with a number of municipalities and their networks. In some localities (e.g. Brno, Luže, the Skutečsko, Košumbersko, and Chrastocko microregions) staff members were invited to local or regional working groups and can influence local social and housing policy. They discussed the possibility of setting up an SRE scheme, which would also utilize part of the municipal housing stock; however, their main barrier in this regard is the lack of a guarantee fund, which municipalities also request before entering such a scheme.

### 5.3 Internal development: diversifying target groups and expanding resources

As laid out in the introductory chapter, the present policy environment is characterised by limited social provision, very small and poor-quality social housing stocks, and – with the single exception of the Czech Republic – the lack of meaningful subsidy for tenants. In this policy context, NGOs can only work for the sustainability of their results in a way that makes their operation model at least in part commercial (self-financing). This necessitates the **diversification of target groups**, involving low income and moderate-income households from outside the scope of the most vulnerable and marginalized social groups. Notably, these less vulnerable groups also struggle to ensure affordable and adequate housing, despite having significantly lower intervention needs in other areas. Municipalities are also interested in broadening the range of target groups for affordable housing and additional support. This is in part political (the lower middle class is an important political base), but also rooted in local development needs. Labour shortage has become severe in education, health care, social provision, and other fields where key workers are gravely missing. Professionals in these fields also struggle to afford market rental housing or mortgage payments but are rarely eligible for municipal housing. The flexible adaptation of local regulations, allowing to address marginalized as well as lower middle-income groups, would permit the cross- financing of interventions, particularly in the field of additional social and employment support services.

In Warsaw, HfH envision a 20:80 ratio of very high and lower intervention need households, where modest income households would outnumber extremely low income households. As modest income, relatively low intervention need people also have legitimate difficulties securing affordable and adequate housing, and rarely receive additional support work, the implementer assessed this model to be reasonable, fair, and feasible. However, the target group pool recruited to Referring

Organisations was composed almost exclusively of extremely low income and very high intervention need households. HfH was new to service provision, and this client composition added to the many hardships the pilot came up against in its first phase; and later recruitment rounds took this aspect into account. In its future activities, HfH intends to attempt to recruit according to this planned 20:80 ratio more purposively, to establish a more balanced composition of client support needs, risks, and rental income, to make their model financially and organisationally sustainable, and have a better position to provide intensive care to their most vulnerable clients.

ULE in Budapest has the Housing First placement of homeless persons and households as its core activity. Yet, in their cooperation of district municipalities, the association also started considering opening up their target group in their current negotiations with District 19, to find common ground with municipal decision makers, but also be able to expand their activities. Nonetheless, one of ULE maintains their principle of ensuring the most affordable (social rental) dwellings for the most vulnerable (former homeless) households.

Besides diversifying the target groups, expanding the sources of housing provision was also an objective of pilots. Thanks to the Czech rental support, Romodrom's most reliable source of affordable rental housing came from the private market, while local authorities were non-cooperating or partially even hostile in some cases. Nonetheless, Romodrom attempted, and continues to attempt, to secure municipal social housing for vulnerable clients. Other implementers mobilized private owners and set up arrangements where landlords may accept lower-than-market rent levels – with varying levels of success. In addition, some acquired a small number of own dwellings, to expand their housing pool and room for manoeuvre (ULE, Romodrom and HCSOM had own dwellings prior to the project, and acquired new ones during HomeLab).

One of the most important challenges in making the pilots sustainable is the lack of meaningful housing support and funding for the operation of support services for very low income vulnerable groups. As complex, innovative and efficient the developed pilots and their services are, all implementers struggle to mobilize, combine and optimize resources, all while channelling feedback and advocacy into policy making. The involved NGOs may have a proactive, entrepreneurial approach, but the supported housing, social, and labour market integration of marginalized and vulnerable groups can hardly be turned into a commercial activity. Experience shows that with the right interventions, even high risk clients (e.g. former homeless persons in Housing First projects) can stabilize their situation and maintain jobs, in some cases on the open labour market. However, socially marginalized target groups members will always need more intensive support, as crisis situations will emerge in their lives more frequently, and crises may be more devastating in the life of a very vulnerable person due to a host of reasons, from past trauma and learned helplessness, to weaker health status, to more mundane issues, like the higher relative financial burden of a minor offense fine. Swift intervention can be very successful in crisis management and restabilization; however, it inevitably incurs costs for the support providers.

#### 5.4 Shaping policy: dissemination on the national level and international level

A key activity for all was **disseminating project results and experience** on the national level, especially **towards decision makers in ministries and the central government**. This effort also underpins scaling up and sustainability efforts. Networking aimed both at ensuring the smooth provision of other needed services, and to minimize problems created by uneven funding streams. It supported the institutionalisation of the SREs on a national level, which was part of every partners' dissemination activity.

On the **local level** the goal of pilot implementers has been mainstreaming their integrated provision and propose and lobby for regulatory changes to support them. Implementer organisations actively communicated with key national decision makers, and invited them to major dissemination events, especially the national Policy Workshops in summer 2019, and the project's closing conference in September 2019. In some cases, they seek to embed elements of their service provision models into new governmental or ministerial programmes.

ULE in Budapest has lobbied for the modification of the allocation rules of EU funding for the supported accommodation of homeless persons. Despite previous open discussion and feedback rounds, funding for the temporary (usually up to 2 year) placement of homeless persons in rental accommodation was only made available to institutions that also provide shelter accommodation. This was also the case of funding periods which specifically aimed at Housing First projects. Even though ULE's main activity is a clear-cut case of Housing First intervention, they do not provide shelter, nor have the capacity for it, therefore they have no access for this funding. The organisation's leaders have consulted with the relevant ministry, lobbying for change; and if funding was made available to them, they would use it to expand their integrated provision.

HCSOM has lobbied for mobilizing public housing constructed in the framework of the development programme for lagging remote and rural areas. The organisation contemplates utilizing these dwellings in a model replicated from their Veszprém pilot.

HfH has been lobbying at the government for providing funding specifically for pilot Social Rental Agencies, open for municipalities and NGOs. Romodrom has been emphasizing the importance of a guarantee fund for launching SRA projects, and their lobbying activities towards the central government and relevant ministries aimed at this, among other goals.

PIN is advocating on the national policy level for broader and less bureaucratic access for funding allocated for supported employment and competence development, a cornerstone of its pilot activities. These funds currently have limited accessibility for NGOs, including those that focus specifically on these activities, even though specialized NGOs and their field workers often have a closer and more trust based relationship with marginalized and socially excluded people; and have a better knowledge of their specific intervention and competence development needs. Particularly extremely low income Roma people often fear the representatives of public authorities, and may be wary of cooperating with them, due to past experience of having to fear authorities.

On a **national and international level** dissemination also was very important. Nationally, this was strongly supported by the national workshops, which were organised in every country in the spring/early summer of 2019. These served the mobilisation of their national networks, helping the sustainability of the SRE models, improving also possibilities of being scaled up. The events were attended by ministry representatives, NGOs, municipalities, policy makers and academic researchers. Also, national dissemination was supported by the various activities – workshop and meeting attendances – of the implementer partners, MRI and BI.

**International dissemination** on the other hand relied partially on setting up a homepage, which was followed by newsletters, both reporting on the progress of the project. Given the target audience, this meant that both homepage and newsletters were written in English. Attending **scientific conferences** by BI and MRI were also important, the most significant being the annual gathering of the European Network of Housing Researchers in Athens in August 2019, and the workshop organised by MRI in the framework of the Feansta policy conference in Budapest in September 2018. From the project's point of view the most important international event was the **closing conference** in September 2019, which allowed the gathering of NGOs, municipalities and ministry representatives from the Visegrad

countries, the representatives of the Commission, banks and researchers, all focusing on HomeLab and its achievements. Additionally, members of the Dissemination Board (Habitat for Humanity International, Feantsa and Housing Europe) used their own channels to inform the larger audience – most importantly policy and decision makers and NGOs about HomeLab’s goals and achievements.

## 5.5 Policy Recommendations

The policy recommendations distilled from the experience of the HomeLab are presented below, structured by geographic scope:

1. The EU level;
2. For the national legislations of member states; and for public bodies and other stakeholders below the national scale.

As the HomeLab pilots operated in CEE countries, namely the group of so-called Visegrad Four, the conclusions drawn from pilot experience can be most easily and directly connected to the specificities of post-transition EU member states. Nonetheless, they are also indicative for a number socio-economic development and policy directions that are also applicable to other EU regions. These will be specified in the text wherever relevant.

Recommendations for member states are, of course, interconnected with proposed changes on the EU level; but there is even stronger thematic and policy overlaps between the national and the local scales. Therefore, the various levels of decision making and action within the national framework are discussed together, after the EU level recommendations.

Within the two scales, recommendations for housing are discussed first, followed by recommendations regarding the employment integration of low income, often low skill workers. This builds on HomeLab’s finding that the stable cooperation of vulnerable clients can be best achieved through prompt provision of affordable, secure housing (or the stabilization of existing, at-risk tenure); swiftly followed by generating sufficient household income for its long-term maintenance. Nonetheless, the strengths of integrated service provision, as opposed to fragmented, separate and uneven quality and outreach services must be underlined.

### 5.5.1 EU level

#### *Housing*

First of all, most recommendations formulated on the EU level fall into policy fields around affordable housing. As all relevant policy documents point out, all forms of social and affordable housing provision are in the scope of the individual member states; the EU has no direct responsibility in this regard (see, among others, Housing Partnership 2018; Gibb-Hayton 2017; Hegedüs-Horváth-Somogyi 2017).

However, the struggles and shortcomings of member states in regulating housing markets and providing a sufficient share of affordable housing has long been in the centre of research and policy recommendations. In the current global and European socio-economic environment, in which the increasingly vulnerable position of even Western middle classes have been gaining attention alongside internationally skyrocketing house and rent prices (Haffner and Hulse 2019; OECD 2019; Pittini et al. 2019; Inchauste et al. 2018;), the significance of these existing findings must not be sidelined.

Researchers and advocacy organisations have often been pointing towards the weaknesses of housing provision in Western, Nordic, and Southern European member states. The case of post-transition EU members is similar in many aspects, although it is sometimes more on the extreme. Analysts have been pointing out the social dangers implicit in the growing predominance of owner occupation and the

weakening toolkits available for rental, cooperative and community housing forms in countries like the UK, the Netherlands, or Southern European countries; or that of the regulatory deficiencies in the increasingly unaffordable rental markets in German cities, despite the country's grand traditions in a unitary rental market (Pittini et al. 2019; Dewlidge 2018; Ball 2016). These issues are intrinsically linked to the long-standing, gradual retrenchment of the welfare state, and the introduction of market mechanisms in a growing proportion of social interactions – among which housing provision – for enhanced efficiency. However, on intensively globalized real estate investor markets, the social efficiency of open housing markets becomes questionable.

These same processes are present and even more advanced in CEE countries after the thorough housing privatisation waves, and stand as cautionary tales for member states drifting in similar directions. When challenges in terms of affordable housing in the EU are considered, analysts cannot content themselves with pointing out unaffordable rentals in London and Stockholm. They must also take into account low income and extreme poor homeownership on the EU's periphery; or the risks taken on by low income households taking on massive, very long-term mortgages.

Accordingly, HomeLab's first conclusion regarding the role the EU could play in improving the opportunities of its citizens is to **put pressure on individual member states to create grounded, just and efficient national housing strategies** (particularly where these are missing, like most CEE countries), or place stronger pressure on the implementation of existing housing strategies (where relevant).

There are other roles too in which EU level coordination is needed for greater efficiency. Member states may need external incentives for creating and/or implementing housing policy packages, it is therefore recommended that the **EU tie part of available funding** to this. Additionally, a supranational scale of **know-how and experience transfer** would also be beneficial, for which, again, existing EU structures could be mobilized (like URBACT or Urban Innovative Action). This latter also provides opportunity to connect funding availability to development and use of good practices.

Social and affordable housing provision is, in many EU member states, delegated to the level of local authorities. This is very emphatically the case in CEE countries. At the same time, when the legal responsibility of housing provision was transferred to the local level, it was not accompanied by adequate tools and financing.

It is a very strongly defining feature of CEE member states that **social and affordable housing provision is delegated almost fully into the policy scope of local municipalities** (a minor role may be played by regions or the state). At the same time, local authorities have old, run-down, and very limited housing stocks; inadequate regulation; little room for manoeuvre; and no funding to improve their services in this field. To put it briefly, local municipalities are countreincentivized on many levels to expanding and significantly improving social housing provision; as are the central states (which is why responsibility for affordable housing provision was delegated to the local level in the first place). Yet this arrangement also has some potential, on which a better coordinated provision could build.

Local municipalities have in-depth understanding of challenges and needs in their own territory. They should be given leeway in making many of the locally relevant decision. However, the main burden of responsibility, especially in the field of adequate funding, should be returned to central states; all while giving local authorities adequate room for manoeuvre and own resources to formulate policy, and provide additional funding if necessary.

**In the 2020-2027 budgetary period**, the EU still has the possibility to provide assistance to the member states in developing and implementing their national programming, and make sure these include more

efficiently and effectively the social and affordable housing schemes. It is recommended that the EU also support social rental agency schemes among possible tools for housing provision; and that funding be tied to long-term commitment to making housing affordable for low income and lower-middle income groups (i.e. a minimum timeframe of 15 or 20 years).

### *Employment*

Similarly, to housing, EU transnational guidelines in employment and social provision related knowledge transfer may also be very useful in the labour market integration of vulnerable groups.

One of the clear success stories in HomeLab was the cooperation established between HCSOM in Veszprém, and the county **Employment Pact** office. It was mentioned earlier in the report that Employment Pacts are EU funded, project based contact points, launched in 1998 with the original goal of networking between employers and the public sector to boost employment, and serve local economic development. It was also pointed out that the Veszprém Employment Pact found its new role in the present strong economy and labour shortage as the mediator between employers looking for workforce, and persons in need of work.

HCSOM could leverage this contact point to identify job opportunities for its clients, including some supported job opportunities (e.g. for clients with changed working abilities).

This, however, hinged in part of HCSOM’s close cooperation with the city municipality, and its generally high level of public respect. At the same time, many employers, and many staff members of Employment Pact offices may not be aware of civil society organisations in regular contact with persons in need of employment. It is therefore highly recommended that initiatives such as the Employment Pact bring into their network organisations which regularly work with marginalized and vulnerable groups, if members of the latter are otherwise fit to work. Job seekers from very disadvantaged backgrounds may have little information on where and how to gain information on, and apply for, job opportunities. If an organisation (NGO or public) has the capacity to provide them with such information, a local Employment Pact may be able to strengthen their network by involving such organisations.

## **5.5.2 Member state and local level**

### *Housing*

National level recommendations mainly pertain to proposed **changes in national legislation**. These, again, are firstly targeted at CEE member states, as both the existing expertise of the authors as well as the experience of HomeLab pilots are most closely relevant in this region.

First of all, a clear, unified legal **definition of social housing** is currently missing from national legislations in this region. Such clear legal definition should

- a. **Define the exact responsibilities of municipalities in the provision of social (and affordable) housing**, demarking the affected social groups, and the conditions tied to the housing provision of each affected social group;
- b. Ensure **long-term, calculable financing** from the central budget, to replace the current meagre and unreliable ad hoc funding schemes;
- c. Enable **civil society stakeholders** to become engaged in social housing provision, as they are often more effective in reaching out to vulnerable groups, and understanding their position, concerns, and opportunities; and

- d. Establish a legal framework which facilitates the creation of **Social Rental Agencies**, which can effectively mobilize vacant privately owned housing, and pool the mobilized stock with underused public ownership stocks.

The first two points address long time, broadly known legal shortcomings in many EU member states regarding affordable housing provision for social groups in need of support. The latter two build more strongly on the HomeLab pilots’ experience.

Some of the key challenges in new EU member states stems from the small stock of existing housing available for social provision. First of all, **social housing stocks** are very small, and have little chance for major political will and funding for being significantly expanded. (This is also the case in a number of older EU member states, or some of their regions.) In addition, private renting in these countries is rarely subsidized. **The private rental sector has been increasingly unaffordable** across Europe; but in overall lower income member states this may in practice mean that poor families have to make do in expensive, barely habitable substandard dwellings. At the same time, most owners of private rental housing are private individuals, who may be deterred from renting out their second homes if legislation does not guarantee the safety of their investment and their property. As a result, much of vacant housing may remain vacant or just underutilized.

A broader use of **Social Rental Enterprise (SRE)** schemes stems from the need and possibility of mobilizing vacant, privately owned housing for affordable provision. The proposed **greater role for NGOs** is drawn from the experience that many are committed to their mission of social (and housing) integration of marginalized groups, and can do so without coming up against political compromises (as opposed to municipalities). Finally, they are able to build a trust based relationship with their vulnerable clientele, for which public authorities are often ill equipped.

The key point of the SRE scheme is precisely that it can provide a set of resource efficient institutional guarantees (such as those provided in Warsaw by HfH, or those by ULE in Budapest), so that private owners may feel more secure in renting out their property to low income, vulnerable households, which are generally considered “risky”. The vacant units thus utilized are usually not top-tier homes, but are safe and decent quality. In the transaction, the owner is given guarantees, and receives a modest income, instead of just keeping a unit vacant as a form of savings, and gradually losing on its costs. At the same time new dwellings are brought into social and affordable housing provision, without requiring massive investment from the public sector. However, the most important strength of the SRA structure is that it may be able to pool municipal and private rental stocks, hence gain greater leverage, and better ability to match household needs with available housing provision forms. In addition, an NGO running an SRA scheme may be able to involve different tenure forms as well (most frequently, but not exclusively, its own housing units).

SRAs function in greater numbers in Belgium. Although they do face their own challenges, these can rely on some meaningful level of rent subsidies to low income private tenants. In CEE countries, this solution is only viable in the Czech Republic, which relied strongly on private dwellings; yet due to the shortage of public sector social housing, the pattern emerged in other pilots as well.

In HomeLab, HCSOM generated a larger pool of affordable rental housing from its own and the municipal housing stock, although with very few private rentals. HfH had no own stock, nor ambition for it; but in the pilot it ended up with a rather balanced number of rental homes for clients owned by private individuals and the Warsaw Municipality. ULE’s main stream of housing provision in Budapest was through district municipalities; however, mobilizing its own small stock and the private market allowed it slightly greater room for manoeuvre. But – unlike their Czech counterpart – neither could use substantial rent subsidization for ensuring the long term tenure safety of their clients.

Financial incentives may not only be envisaged in the form of rent subsidy. They may also (in part) comprise of financial or tax incentives for private landlords, who are willing to commit their dwellings for affordable provision through cooperating with an SRE.

However, the above mentioned lack of funding is unlikely to be resolved anytime in the near future, and sadly, this proved an important institutional hindrance even in the Czech Republic, where Romodrom could rely on a well-established rent allowance scheme. This scheme basically allows low income tenants to cover the full market rent within reasonable limits. However, as Romodrom advanced their negotiations in involving municipalities, they realized that a **guarantee fund** would be crucial for the long-term commitment of local authorities. This would permit SREs to substantiate their institutional guarantees, e.g. to swiftly carry out renovations or alternative placement, if the need arises.

At the same time, the effectiveness of tax incentives becomes questionable in an environment where large part of private renting is operating on the informal market. It would be unrealistic to start the “whitening” of the sector on the lower market segments; to expect that many small-hold owners of small or modest quality second homes should be the test group of better regulation. Accordingly, the very first step in fostering the mobilisation of vacant private housing would be the introduction of **transparent and efficient private rental regulations**, as part of the previously described national housing strategies and policy packages.

Another issue with regulation is the risk of **discriminatory practices**. Rent allowance may seem like a relatively easy solution in the Czech Republic; but Romodrom even had to move clients after they settled down in rental homes in integrated parts of cities after “no benefit zones” were delineated by some municipalities. The possibility of creating no benefit zones was introduced in the same logic as the rent allowance scheme itself. The objective of its proponents was to avoid the creation of slums; so that municipalities could prevent the inpouring of vulnerable people into areas at risk of becoming segregated. However, in practice this policy tool was used by municipalities who did not want to see marginalized people in integrated urban areas (by the end of HomeLab, huge parts of the territory of Karviná town were defined as no benefit zones, but not the slum-like neighbourhoods of homeless hostels). While it is reasonable on the side of a municipality to want to see affordable housing scattered across a town or city, to prevent slum generation, this kind of discriminatory practice must also be prevented in higher level regulation, and be reflected in funding.

### *Employment*

The importance of boosting activation and employment integration was a cornerstone in the Call for Proposal; and in the creation of the Proposal, Public Employment Services were posited as potential key partners. Pilot implementers did, in fact, cooperate with public sector Labour Offices, but were quick to discover the limitations of these providers for supporting vulnerable and marginalized groups.

The national policy workshops and other communication and dissemination events also gave room to the representatives of such entities to give feedback on this experience. Public Employment Services (PES) themselves may be severely underfunded in times of economic slowdown, and understaffed in economic growth periods. In addition, they have numerous tasks, among which generating statistics, and administering job seekers’ benefits. Their direct role in supporting labour market integration is generally targeted at relatively vulnerable groups of job seekers or low skill workers. However, they are not prepared, nor do they have capacity, to efficiently respond to the needs of socially marginalized groups.

The excluded clients in HomeLab, like former homeless persons or prison inmates, or extremely low skilled persons from segregated areas, often do not even have the basic set of skills that most PES clients do have. For their labour market integration, they often need intensive social work. PES staff do not, usually, include social workers.

At this point, **the role of integrated service provision** arises: we have seen that socially and economically marginalized clients promptly need housing security to remain involved and cooperative; but they also need various forms of social work for successful social and work integration. All pilot implementers had the capacity to provide these services; and work integration despite low skill or experience level was the most successful where the pilot implementers could establish connections with employers, or some form of employment services.

One of the greatest successes of HCSOM in Veszprém was their stable cooperation with the EU funded Employment Pact office. Although the latter was initially designed to help boost employment, its service also became vital in the recent workforce shortage – this time employers could use help in locating workers. ULE was also successful in its activities partly because the current labour shortage made employers more open towards working with former homeless clients, and even becoming more flexible towards employees.

In Slovakia, PIN also established fruitful cooperation with a long-term partner, including even sensitization training for older employees who would have to start working with new Roma employees, and on-the-job mediation and support. This, too, requested greater openness from the side of the employer. At the same time, PIN also provided basic literacy and numeracy trainings to some of their clients, who would have been far too high intervention need for PES or other public bodies.

Vulnerable groups in HomeLab were diverse; but vulnerable groups in all of the EU are diverse, and have broadly diverging intervention and support needs. PES and other employment integration bodies are prepared to support a large number of persons with limited intervention need. However, marginalized groups often require more complex support, and in many cases, some form of supported employment. Experience shows that they too can successfully hold down jobs; but as their needs and experiences depart from that of the majority society, NGOs may be better equipped to understand and adequately respond to these needs.

Hence the idea of the **Social Rental Enterprise**. The SRA scheme in itself opens up affordable housing opportunities for poor and lower middle-class households. Many of these households will be able to manage independent living and workplace integration if their housing situation is resolved. Many others will, however, need more intensive and complex integrated services for full social integration.

At the same time, PIN and ULE established successful cooperations with some employers that went beyond supplying workforce. Both organisations managed to find an employer which decided to take on a form of corporate social responsibility in making greater effort in integrating and keeping their more challenging or vulnerable workers. On the side of the employers, these were incentivized by the current lack of workers. However, if an economic situation can create such incentives, national legislations should also start considering if consciously developed **legislative incentives for employers** could also support the same goal in times of more modest economic growth.

**Public Employment Services** may also be developed in a direction similar to Employment Pacts: even though developing their capacity to provide social work on their geographic area may be unrealistic, ways could be explored to help their cooperation with civil society and public social providers. Here, EU involvement may also be considered along the lines of **ESF funding for employment focus projects**. HomeLab experience in integrated provision clearly points to the conclusion that very vulnerable and

marginalized groups need more than just cheap housing or information on job vacancies. Many may need social work for a prolonged period, in order for the publicly (EU or nation state or locally) funded services mobilized for their benefit reach meaningful and sustainable results. This may also be expanded in the field of **on-the-job support, mediation, and sensitization** of employers and current workers. Employers are now open towards these “risky” applicants due to structural forces; but policy incentivization could help them significantly in retaining this openness if the economic cycles turn.

## 6 Outcome evaluation

### 6.1 Methodology of the evaluation

The evaluation followed a **combination of Matching and Differences in Differences methods**, as specified in the Proposal, in order to measure the outcome of the project along housing and employment indicators.

Although the basic concept of evaluation has not changed compared to what was defined in the grant, **modifications were necessary** in some aspects. One of the main reasons for that was the high diversity of target groups: all were marginalized, all were very low income (usually well below socially accepted subsistence level), yet in very different situations across, and in several cases within, the pilots. As a result, the very different marginalized or disadvantaged situations had to be measured by a single questionnaire in a comparable way across pilots, which left limited room for mapping all the specificities of the target groups (especially in the field of housing). This necessitated the simplification of the indicator system in some aspects.

Another difficulty was related to matching the treatment with the control group. Because of the methodological challenges of identifying comparable control groups, and in some cases due to high dropout rates in treatment groups, paired matching had to be replaced with full (group level) matching.

In order to evaluate outcomes, a **three-round survey** was planned and implemented to measure the initial, mid-term and final situation of the target group (members of treatment and control groups). However because of the higher dropout rates in some pilot and lower response rates in the later phases, especially in the Czech pilot, the results of only two surveys could be used.

As a main rule, treatment group members were included in the evaluation if they responded to at least two surveys, and spent at least 6 months in the project. For those that did not participate in the final survey, the midterm responses were used to measure their outcome.

The following part of the evaluation will shortly introduce the specificities of the treatment and control groups, then presents an analysis of the main features of the two groups by pilot, including an assessment of the extent to which dropout rates changed the compositions of the Polish and Czech treatment groups. Then, after presenting the basic housing characteristics of the treatment and control groups, the method of constructing outcome indices is introduced. The presentation of the value of indices is followed by a regression analysis to show aspects in which outcomes in the Treatment Groups are close or differ significantly from that of the Control Groups (Differences in Differences analysis).

#### 6.1.1 Selection of Treatment and Control Groups

The main specific criteria of the selection of Treatment Groups were described in Chapter XX for each pilot. As already mentioned, **all target groups were composed of households in disadvantaged housing and labour market position**. Households with similar profiles had to be recruited for the Control Groups.

The methodology of Control Group selection was defined after the exact criteria and process of Treatment Group selection were finalized for the pilots. Specific criteria were developed for each pilot's Control Group, although some general criteria were laid down for all pilots, e.g.:

- ethical considerations;
- the level of motivation of clients should be taken into account; and

- members of Control Groups also had to receive some kind of support services.

**Ethical consideration** concerned the potential problem that clients selected in the Control Groups would not receive the same support from the pilot implementers, even if possibilities would arise later on to expand the programme and include them in integrated service provision. Therefore attention was paid that Control Group households from the pilot implementers’ clientele would not be selected from the same localities as Treatment Group members.

The problem of **motivation** implied the risk of “cherry picking”: more motivated households would be more likely to be selected in the treatment group, and less motivated households to the control group if the selection was made from the clientele of the same service providers (unless doing randomized selection, which raised ethical concerns). To address this risk, Control Group members were selected either from other service providers, or from other localities where the same service provider operated.

The aim of the evaluation was to analyse the effectiveness of the integrated “floating” services compared to fragmented, separately provided services. This implied that the **Control Group** had to have a comparable profile, but also that its members had to receive housing or employment or social **services in a non-integrated way**. For each pilot, pre-defined services were provided to the Control Group, in cooperation with other service providers. It must be noted that the HomeLab research team could only control for the initial services of Control Group members, but not for other services they may have received later on during the project life.

Finally another, more practical problem emerged in relation to the control group. Even if they were selected in a methodologically meticulous way, they had to be provided some form of motivation to take part in the survey rounds. Financial reward was not an option (among others, for ethical as well as financial reasons), in most of the pilot some form of extra service was provided for participation.

The exact methodology of control group selection was developed as joint work of the pilots’ monitors and the pilot implementers supported by the MRI-BI methodological team.

The following table summarizes the main methods for control group recruitment of each pilot.

Pilot partner	Control groups and locations
HfH Polish pilot	A target group pool was selected from the clientele of the partner (Referring) Organisations (various NGOs operating homeless, refugee or rehabilitation centres, dealing with refugees, in contact with housing poor families) from households who met HomeLab criteria. From this pool, treatment and control group members were randomly selected.
PIN Slovak pilot	Control group members were selected from so-called “mirror localities” (comparable excluded Roma majority localities) where PIN operated and provided services. Either housing or employment services were provided to control group members, but not both.
Romodrom Czech Pilot	Control group was recruited from other service providers who also operate in socially excluded areas, but in other localities of the same region. In some cases the control group members live in the same locality e.g. in Olomouc.
HCSOM Veszprém-HU pilot	Control groups are paired with the different kinds of target groups from the clientele of partner organisations’ (e.g. homeless temporary accommodation, temporary homes for families), or from other similar cities in the region for the target subgroup in arrears with housing costs. For the target group in municipal housing, the control group was be selected from applicants rejected because of lack of housing.
ULE Budapest- HU pilot	Control group was recruited from homeless people who are the client of another homeless service provider, and receive help in improving either their housing or employment situation.

During implementation a number of problems again diverted from the originally planned composition of the Treatment and Control Groups. In the Slovak pilot, both some of the pilot and control localities had to be changed; as a result some of the mirror localities were in a generally better social position

than the pilot localities, especially regarding employment opportunities (closer to labour markets). Also, the sampling of the Control Group was planned to match the basic demographic profile of the Treatment Group (household size, average age, educational attainment level etc.); but during their recruitment less attention was paid to this aspect. In the Polish pilot, the high dropout rate of the originally recruited Treatment Group necessitated a new recruitment round, which consciously targeted less marginalized (lower intervention need) persons in a response to the pilot’s challenges up to that point. Therefore the final Treatment Group was somewhat mismatched to the Control Group (see the chapters on pilot description and dropouts). ULE worked with a very specific Target Group (homeless persons in self-built improvised shacks) which could not be paired with other service providers, therefore the Control Group household structure differed from that of the Treatment Group (pairs or couples vs single person households).

These differences were corrected by changing the paired matching method to full matching during the evaluation, using weighting in order to adjust the Control Group characteristics to that of the Treatment Group.

### 6.1.2 Treatment and Control Groups; the problem of dropouts

The number of initially recruited Treatment Group households differed from the number of those who finally could be included in the outcome analysis. In some pilots fluctuation and the difference between the initial and final sample was substantial. The reason behind this was **the high number of dropouts**, which – despite new recruitments – led to smaller Treatment Groups by the end of the project. This problem appeared most strikingly in the case of the Czech pilot, where the final number of clients participating in the evaluation was a mere 45 percent of the initially recruited clients. The number of dropouts was also substantial in the Polish pilot, although a higher share of the second recruitment stayed in the project. A more detailed analysis of what led to high dropout rates in these two pilots is presented in the next sections. In the other pilots, the number of dropouts was insignificant.

However, **the category of “dropouts” actually cover very different cases**. Even though most dropouts occurred due to some form of non-cooperation (and detailed information was unavailable about many), some dropped out without any positive project outcomes (mainly because the requirements were considered too high). Others left the programme after achieving some improvement (e.g. moved to better housing). Some decided they did not need the programme after their situation was stabilized; and again others left after their life situation improved and they moved to another geographic location (and became unavailable for the pilot implementer).

In the Budapest pilot 3 clients dropped out. All of them were accommodated in municipal housing. One client died. One dropped out due to substance abuse relapse and also losing his housing; and the third case was concerned with a family breakup. In the Veszprém pilot 5 dropouts occurred, one of whom was already in housing. Two clients left the program because of substance abuse relapse (one of whom went to a rehabilitation centre), the other 3 clients stopped cooperation with the social workers shortly after entering the program. In the Slovak pilot only 2 households dropped out; one of them due to chronic illness, and one simply because of loss of interest.

As a result, **initially 221, and altogether 245 households were included** in the project as clients (those who were surveyed by the Baseline Questionnaire), **of which 175 clients (71%) could be evaluated** by the end of the project. As it was mentioned earlier, not all the clients who are included in the evaluation remained in the project till the end, which is why the difference between the ‘number of households measured in the Baseline Survey’ and ‘the number of dropouts’ is not equal to the number of clients included in the analysis. Some of the dropouts (who participated in two rounds of the survey) were also included in the evaluation.

**Table 12. No. of Treatment Group (TG) households in the initial recruitment and in the final evaluation by pilot**

	Polish Pilot	Czech Pilot	Slovak Pilot	Veszprém Pilot	Budapest Pilot	Total
Number of initial TG households	44	47	46	67	17	221
Number of all TG households in Baseline Survey	62	53	46	65	17	245
Number of TG households included in the analysis	38	21	41	60	15	175
Number of dropouts	33	34	2	5	3	77

Regarding the **Control Groups**, the number of initially recruited households also exceeds that of those finally evaluated. Altogether **240 households were surveyed in the first round**, whereas **168 (70%) participated in one of the subsequent survey rounds**. The largest difference between the size of initial and final control groups occurred in the Polish pilot, primarily because Control Group households were not surveyed if they did not adequately fit the profile of the final treatment group. In other pilots the reason for the decrease was that missing households could not be reached, or were not willing to respond.

**Table 13. No. of Control Group (CG) households in the initial recruitment and in the final evaluation by pilot**

	Polish Pilot	Czech Pilot	Slovak Pilot	Veszprém Pilot	Budapest Pilot	Total
CG households in Baseline Survey	82	46	45	55	12	240
CG households included in the analysis	48	33	37	41	9	168

#### 6.1.2.1 Polish dropouts

The original Treatment Group of the Polish pilot consisted of 44 households, of which only 17 remained in the pilot until the end of the project. 13 households dropped out in less than 6 months, while 14 households left the pilot more than 6 months after entering the program. From the latter category (those who received treatment for more than half a year) 6 households participated at least in two surveys, thus they are part of the outcome evaluation. Regarding the new recruitment, 21 clients entered the program who were surveyed with Baseline questionnaire, but 6 of them dropped out.

As a result, there are 32 households who remained in the program until the project closure (June 2019), but the evaluation includes altogether 38 households. The composition of the group included in the final outcome evaluation consists of the following subgroups:

- 32 households who remained in the program, of which
  - o 17 households come from the original recruitment;
  - o 15 households come from the new recruitment; and
- 6 households who participated for more than 6 months, but eventually dropped out (only one of them is from the new recruitment).

Regarding the **original and new recruitment, the differences are substantial**, which is reflected in the **composition of households**. In the first recruitment round one-person households dominated, while in the new recruitment households with children were more numerous (their share was 56.8% and 57.1%, respectively). The share of single person households was less than one quarter from new recruitment, while the share of families with children in the first recruitment round was less than one-third. Differences were less striking in the degree of **vulnerability**, though, as the related indicators show

- the original clientele was more vulnerable in terms of housing situation (coming from institutions, rough sleepers, and a higher share of them felt housing insecurity in their then current dwelling). Furthermore, a higher share experienced homelessness at one point during their life.
- in the old recruitment round a higher share of the households was refugee than in the new recruitment.

**Table 14. Composition of the Polish Treatment Group in the first and second round of recruitment; and of the dropouts by basic demographic and social profile**

	All original R	All new R	Original R Remained	New R Remained	All Dropouts	All Remained	All evaluated treatment group	Control Group
<b>Total number of households</b>	<b>44</b>	<b>21</b>	<b>17</b>	<b>15</b>	<b>33</b>	<b>32</b>	<b>38</b>	<b>48</b>
<b>Percentage of households in the total number of household inside each groups (%)</b>								
<b>Single</b>	56.8	23.8	35.3	25	60.6	31.3	36.8	68.8
<b>Adults</b>	11.4	19	23.5	18.8	9.09	18.8	18.4	8.3
<b>Adult(s) with children</b>	31.8	57.1	41.2	56.3	30.3	50	44.7	22.9
<i>Single parents</i>	11.4	23.81	17.6	18.8	12.1	18.8	15.8	12.5
<i>Big family (3+ children)</i>	2.3	9.52	5.88	6.25	3.03	6.25	5.26	6.25
<i>3 generations</i>	0	4.76	0	6.25	0	3.13	2.63	4.17
<b>Marginalized housing situation</b> (institution, shacks, streets included)	43.2	33.3	29.4	37.5	45.5	34.4	36.8	27.1
<b>Ethnicity</b>	<b>Non-Polish (mainly refugees)</b>	34.1	23.8	52.9	24.2	15.4	37.5	36.8
	<b>Polish</b>	65.9	76.2	47.1	75.8	84.6	62.5	63.2
<b>Experienced homelessness</b>	63.6	38.1	41.2	43.8	42.4	43.8	47.4	87.5
<b>Subjective housing insecurity</b>	79.5	66.7	58.8	75	81.8	71.9	71.1	43.8
<b>Marginalized employment situation</b>	13.6	4.8	5.9	6.7	15.2	6.3	7.9	31.3
<i>Low level of education</i>	13.6	4.8	5.9	6.7	15.2	6.3	7.9	14.6
<i>Did not work in the last 2 years</i>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	18.8

Altogether **33 households**, half of the recruited clients, dropped out from the programme. The majority (60%) of the **dropouts** were single person households, and 30% of them were families with children. This also means that – especially from the old recruitment – single persons, people in marginalised housing situation (mostly those who left institutions), with low level of education and of Polish ethnicity were more likely to drop out. However, as for Polish ethnicity, the explanation is that single people living in institutions (thus in marginalised situation) were mostly ethnic Polish. As a result, the household profile of those who remained in the program till the end was very different from the originally recruited group, as half of them were families with children, and slightly less than one third were single person households.

Among the dropouts, 5 households got access to housing in the HomeLab project, while another 4 clients managed to solve their situation on their own, by finding housing and employment. 3 persons found an appropriate job, one of them was among those who got housing as well, but later on he lost his job and housing due to alcohol relapse. The other clients dropped out without a registered outcome mainly because of the lengthy waiting period for housing, and/or because the proposed private rentals were too expensive for them.

**Comparing the Treatment Group** involved in the final evaluation (“All examined” group in Table 14) with the **Control Group** which was recruited from the original target group pool a serious mismatch can be noticed:

- in the Control Group the percentage of single household is more than two-third (68.8%) vs. 36.8% in the final clientele;
- the percentage of families with children is 22.9%, nearly half of the final clientele,
- the percentage of those who experienced homelessness considerably higher in the Control Group than in the final clientele,
- the percentage of households of marginalised employment situation<sup>22</sup> is four times higher in the Control Group than that of in the final clientele.

#### 6.1.2.2 Czech dropouts

Originally **47 households were recruited** in the Czech pilot, out of which 32 households dropped out. In reaction to the high number of dropouts Romodrom started to **recruit new Treatment Group members** from the beginning of 2018. They contacted many households and finally managed to involve 7 of them in the project. From the new recruitment 2 households left the program before the project closure, thus **altogether 34 dropouts occurred** in the Czech pilot.

Even though the overall number of dropouts was outstanding, some of them simply left the programme because their conditions changed. **Among the dropouts several achieved improvements** in their circumstances: altogether 16 households (47% of all dropouts) improved their housing or employment situation: 13 households (38%) got access to standard or temporary housing and 8 households (24%) gained employment **as a result of the HomeLab services**. The majority of the 13 households who accessed better housing did not want to cooperate after they moved; 3 households accumulated debts; and 2 clients moved elsewhere in the country.

**Table 15. Number of households who dropped out from the Czech pilot and their achieved outcome**

<b>Time of dropping out</b>	<b>Number of dropouts</b>	<b>No. of households in improved housing</b>	<b>No. of households with one adult member in employment</b>
Before 31.12.2017	8	2	1
01.01.2018-30.06.2018	11	4	2
01.07.2018-31.12.2018	9	5	4
from 01.01.2019	5	2	1
<b>Total</b>	<b>34</b>	<b>13</b>	<b>8</b>

As the majority of the dropouts participated in only one survey and as some clients were not willing to answer to a second questionnaire, the number of clients who **participated in at least two survey rounds (21 households)** was substantially lower than the size of the originally recruited Treatment

<sup>22</sup> Target group members are considered to be in marginalised employment situation if they did not work in the last 2 years, or have low educational attainment (not higher than elementary school), or both.

Group (47 households). In the latter group 14 clients remained from the original recruitment, 5 clients from the new one, and 2 clients dropped out before the project closure. Those who dropped out were more likely to consist of only adults, more likely to be in marginalized housing position, and have other ethnicity (mostly ethnic Roma Czech citizens).

**Table 16. Composition of the Czech treatment group in the first and second round of recruitment and of the dropouts by basic demographic and social profile**

		All original R	All new R	Original R Remained	New R Remained	All Dropouts	All Remained	All evaluated treatment group	Control Group
<b>Total number of households</b>		<b>47</b>	<b>7</b>	<b>15</b>	<b>5</b>	<b>34</b>	<b>20</b>	<b>21</b>	<b>33</b>
<b>Percentage of households in the total number of household inside each groups (%)</b>									
<b>Single</b>		23.4	57.1	33.3	60.0	20.6	40.0	38.1	15.2
<b>Only adults</b>		12.8	14.3	0.0	0.0	20.6	0.0	0.0	0.0
<b>Adult(s) with children</b>		63.8	28.6	66.6	40.0	58.8	60.0	61.9	84.8
<i>Single parents</i>		13.3	28.6	20.0	40.0	2.9	25.0	19.0	15.2
<i>Big family (3+ children)</i>		14.9	14.3	13.0	20.0	14.7	15.0	14.3	18.2
<i>3 generations</i>		4.3	0.0	0.0	0.0	5.9	0.0	4.8	6.1
<b>Marginalized housing situation</b> (institution, shacks, streets included)		38.3	42.9	33.3	40.0	41.2	35.0	33.3	21.2
<b>Ethnicity</b>	<b>Czech</b>	21.3	14.3	40.0	20.0	11.8	35.0	33.3	39,4
	<b>Other (mainly Roma)</b>	66.0	71.4	46.7	60.0	76.5	50.0	66.7	60,6
<b>Experienced homelessness</b>		44.7	57.1	53.3	60.0	41.2	55.0	57.1	54.5
<b>Subjective housing insecurity**</b>		59.6	80.0	66.7	80.0	58.8	70.0	66.7	33.3
<b>Marginalized employment situation</b>		63.8	71.4	46.7	80.0	70.6	55.0	61.9	69.7
<i>Low level of education</i>		53.2	57.1	26.7	60.0	64.7	35.0	38.1	57.9
<i>Did not work in the last 2 years</i>		40.4	14.3	33.3	20.0	41.2	30.0	38.1	30.3

The high number of dropouts also **changed the composition of the finally evaluated treatment group**, although not as drastically as in the case of the Polish pilot. The share of one person households increased significantly (from 24% to 38%) in the final Treatment Group; whereas households with only adult members disappeared. The share of households with at least one child (below 18 years old) remained almost the same. Regarding the more vulnerable households the share of single parent household slightly increased, but the proportion of large and three-generation families remained the same. The composition of Treatment Groups by ethnicity (mainly the share of Roma households) did not change.

In terms of housing situation the evaluated Treatment Group was in a somewhat better position: the share of those in marginalized housing dropped from 38% to 33.3%; but the share of those who feel that their housing situation is insecure increased a bit (from 60% to 67%). The share of those who were in a marginalised employment position did not change considerably.

**Comparing the final Treatment Group with the Control Group** significant differences emerge, most importantly:

- the share of single households is much higher in the Treatment Group;
- the share of families with children is higher in the Control Group; and
- the share of households with marginalised housing situation and perceiving their housing to be insecure is higher in the final clientele.

The following sections provide a short overview of the remaining pilots in terms of the treatment and control groups' basic demographic and social profile.

### **Slovak Pilot**

Even though the Baseline Questionnaire was filled by 46 respondents, data for only 41 Treatment Group (TG) households were used in the final evaluation. Basic discrepancies are clearly visible between TG and Control Group (CG) values. TG households are much more likely to be families with children (80.5%) than CG households (62.2%); while – obviously – the latter has more households composed only of adult members. In addition, almost half (48.8%) of TG families have 3 or more children. The Control and Treatment Groups also clearly differ in the proportion of marginalized housing position. At the Baseline it affected 32 percent of Treatment households, and none of the Control Group members. In this pilot marginalized housing never means institutional accommodation (rather illegal and improvised housing). Ethnic background is identical: both group consists entirely of people who identify themselves as Roma.

The history of homelessness is minimal (2.4%) in the Treatment Group, and irrelevant (0.0%) in the Control Group. Despite very poor living conditions, often in illegal settlements, very few respondents in either group felt their tenure to be insecure – their housing may be very modest quality, but they feel certain that they will be able to remain in the long run.

The Treatment and Control Groups were also in equally marginalized position on the labour market at project start. In the Treatment Group, a larger share of households had no adult members who had employment in the two years prior to the Baseline Survey; while adults in the Control Group had lower average educational attainment.

### **Veszprém “Movers”**

The Veszprém-HU “Movers” Treatment and Control subgroups (aggregated from client and control subgroups 1, 3 and 4) had roughly balanced household structure distributions. (See chapter XX) One important difference among the two is the larger share of Control Group members coming from institutional accommodation (26.9%, against only 6.7% in the Treatment Group). 13.3 percent of Treatment households were in marginalized housing situation; whereas this subset in the Control Group coincides with those in institutional accommodation at the project start. Ethnic self-identification is also similarly distributed in the two groups. The Control Group had a slightly higher share of persons with a history of homelessness.

One marked difference between the two groups is the Control households' much higher overall impression of being at risk of losing tenure: more than half (53.8%) of the group was worried they might become homeless, as opposed to only 13.3% in the Treatment Group.

At the time of the Baseline Survey a larger proportion of Control households were assessed to be in marginalized employment position (53.9%, against 26.7% in the Treatment Group). Their educational attainment level and employment history were also weaker: more than one quarter of Control Group members had low level education, and more than one third of Control households did not have an adult member in employment in the past two years.

**Table 17. Basic demographic and social profile of Slovak Veszprém and Budapest pilots**

Pilots		Slovak Pilot		Veszprém Pilot "Movers"		Veszprém Pilot "Debtors"		Budapest Pilot	
Variables		TG	CG	TG	CG	TG	CG	TG	CG
Total N of households		41	37	30	26	30	15	15	9
		Percentage of households in the total number of household inside each groups (%)							
Single		0.0	13.5	26.7	26.9	3.3	20.0	13.3	77.8
Adults		19.5	24.3	33.3	30.8	20.0	26.7	66.7	22.2
Adult(s) with children		80.5	62.2	40.0	42.3	76.7	53.3	20.0	0.0
	<i>Single parents</i>	<i>0.0</i>	<i>2.7</i>	<i>0.0</i>	<i>15.4</i>	<i>6.7</i>	<i>6.7</i>	<i>0.0</i>	<i>0.0</i>
	<i>Big family</i>	<i>48.8</i>	<i>27.0</i>	<i>0.0</i>	<i>3.8</i>	<i>23.3</i>	<i>26.7</i>	<i>0.0</i>	<i>0.0</i>
	<i>3 generations</i>	<i>24.4</i>	<i>8.1</i>	<i>0.0</i>	<i>0.0</i>	<i>26.7</i>	<i>26.7</i>	<i>0.0</i>	<i>0.0</i>
Institutional background		0.0	0.0	6.7	26.9	0.0	0.0	6.7	55.6
Marginalized background (shacks. streets included)		31.7	0.0	13.3	26.9	0.0	0.0	80.0	66.7
Ethnicity	Roma	100.0	100.0	6.7	3.8	3.3	6.7	26.7	22.2
	Slovak/Hungarian	0.0	0.0	93.3	84.6	90.0	40.0	46.7	55.6
Homelessness	Has homeless background	2.4	0.0	23.3	26.9	3.3	20.0	100.0	100.0
Subjective safety	Does not feel safe	7.3	2.7	13.3	53.8	16.7	33.3	73.3	66.7
Marginalized employment situation		78.1	75.7	26.7	53.9	56.7	33.3	53.3	22.2
	<i>Low level of education</i>	<i>68.3</i>	<i>75.7</i>	<i>16.7</i>	<i>26.9</i>	<i>46.7</i>	<i>26.7</i>	<i>53.3</i>	<i>22.2</i>
	<i>Did not work in the last 2 years</i>	<i>34.15</i>	<i>16.2</i>	<i>10.0</i>	<i>34.6</i>	<i>26.7</i>	<i>13.3</i>	<i>0.0</i>	<i>0.0</i>

#### **Veszprém "Debtors"**

The differences between Control and client household average characteristics in the "Debtors" subgroup in the Veszprém-HU pilot (aggregated from subgroups 2 and 5) had more pronounced differences. The Control Group had a larger share of single or adult only households; families with children were more numerous among Treatment households. Neither groups had members in marginalized starting housing position. Ethnic differences are significant: very few (3.3%) of the Treatment households identified as Roma, against 40 percent in the Control Group. Respondents who felt their housing position insecure were represented much heavier in the Control Group (33.3%, against only 16.7% in the Treatment Group).

In terms of employment status, a much larger share (56.7%) of Treatment household adults were in marginalized position than in the Control Group (33.3%). In parallel, almost half of the Treatment households had low educational attainment, and more than one quarter of Treatment households had no working adult members in the past two years prior to the Baseline Survey.

## **Budapest Pilot**

There were significant differences between the distribution of the client and Control groups’ basic variables. Two thirds of the Treatment households were composed only of adults (pairs or couples); while most (77.8%) of the Control Group members were single person households. The vast majority (80.0%) of Treatment households started the pilot in marginalized housing position, given ULE’s focus on homeless people in improvised housing; while in the Control Group this share is lower, and most of the control clients in marginalized housing resided in institutional accommodation.

Both groups consist entirely of people who experienced homelessness at some point in their life, and were homeless at the time of the Baseline Survey. This is also reflected in the share of persons who reported low level of housing security. This was 73.3 percent in the Treatment Group (improvised housing is illegal, hence their dwellers are at constant threat of their shacks being torn down); and 22.2 percent in the Control Group (who may not be eager to live in a shelter, but have a greater sense of security). The share of marginalized employment positions were high in both groups, but twice as high in the Treatment Group (53.3%, against 22.2% of Control households). However, none of the groups had households with zero working adults in the two years prior to the Baseline Survey.

### **6.1.3 Matching the Treatment and Control Groups**

In order to adjust the differences between the distributions of the background variables of the Treatment Group and Control Group in all cases (except for the Budapest pilot), we used a ‘full matching’ preprocessing method based on propensity score instead of the originally planned pairing (differences-in-differences) method. For all pilots we used slightly different background variables according to the specificities of the distributions of the background variables. The preprocessing method basically assigns weights to all control households in order to improve the similarity (balance) between the treatment and control groups by adding a weight to each control group member, to approach the overall distribution in the Control Group to that of the Treatment Group.

The detailed description of the full matching procedure and the results (with tables) for each pilot is presented in the Annex. The following sections provide a summary of results for the pilots, indicating the most important improvements in the balance between the two examined groups.

#### ***Polish Pilot***

As a result of the full matching process based on propensity score, the overall balance (Distance) across the control and treatment group was completely equalized. We used the following background variables: gender, age, tenure form, ethnic group, qualification, household type, employment history.

Before the matching the Treatment Group was in a significantly better situation than the Control Group (thanks to the relaxed criteria of the second recruitment round, see above).

The share of single person households and families with children was significantly higher in the Treatment Group. The average housing position of TG members was also better, with 60 percent of them in marginalized housing position (as opposed to 73 percent of Control Group members). TG members were, overall, somewhat better educated, and had a better employment history than CG members; for instance, the share of persons who was in employment for less than 3 months in the past 2 years was only 8 percent in the TG, as opposed to 27 percent in the CG.

Except for the ‘Ethnicity’ variable, this method improved comparability significantly. For instance, the weight of ‘Single person households’ in the Control Group was 0.69 before the matching process, and after the matching it was modified to 0.38 – almost equal to the weight of single person households the Treatment Group (0.37). In practical terms this means that the weight of variables (like ‘Single

person household’) in the Control Group were reallocated in a way to make CG results statistically comparable to the Treatment Group.

### *Czech Pilot*

At project launch the share of single households in the Treatment Group was significantly higher than in the Control Group (38% against 15%). The share of households in marginalized housing was also higher (33% as opposed to 21%). The share of families with 1 or 2 children, on the other hand, was much higher in the Control Group (48% in the TG, and 67% in the CG). The control Group also had a less disadvantaged employment history; 64 percent of them worked for one year or more in the past two years, against to only 48 percent of the Treatment Group households.

The matching procedure was used to undertake significant equalization of almost all background variables. While the total distance showed significant improvement, the distance of some specific variables actually increased. For instance, in the variable ‘Adult(s) household’ the matching process brought the weight of ‘Single households’ in the Control Group much closer (from 0.15 to 0.31) to its value in the Treatment Group (0.38). But the other important background variables also improved with view to comparability. In contrast, the distance slightly increased in the case of the ‘Gender’ variable.

### *Slovak Pilot*

In case of Slovak pilot the largest difference was in household composition. The share of small households was only 7 percent in the Treatment Group, and 35 percent in the Control Group. In contrast, the share of families with children (within which those with four or more children) was much greater in the Control Group. The share of families with 4 or more children was 44 percent in the TG, and only 14 percent in the CG. In terms of labour market position as well, the Control Group was in a better starting position: 22 percent of TG households had not working adults in the past 2 years before the Baseline Survey, as opposed to only 8 percent in the CG.

As a result of the matching process, the overall balance significantly improved. The balance across variables improved in most instances, although in some cases the difference of means increased. Household type variables improved significantly: the weight of households with 1-2 adults decreased to 0.13, while the weight of households with at least 4 children grew to 0.49 in the adjusted Control Group variables. Regarding employment indicators, the weight of those who worked more than 6 months in the last 2 years was adjusted to 0.3 from 0.38. Regarding the other two work related indicators the distribution either did not improve significantly or became slightly worse. Age group variables also grew somewhat in distance. As a result, in a few cases the balance of the distribution of variables between the two groups became weaker; which is an inevitable cost of the overall balancing process.

### *Veszprém Pilot*

In this case also the greatest difference appeared between household composition variables. Almost half of the Treatment Group consisted of families with 1 or 2 children, against only 29 percent of households in the Control Group. One person households were more heavily represented in the Control Group, reaching 24 percent against only 15 percent in the TG. The difference between employment histories was over 10 percentage points.

The analysis of the Veszprém pilot grouped the five Treatment and Control subgroups into two major categories: subgroups 1, 3 and 4 had to solve their housing problems by moving to safer or better quality housing (“Movers”); while subgroups 2 and 5 had to address their problems through managing

their housing related debts, thus stabilising their tenure (“Debtors”). A variable was added to assign households into the “mover” or the “debtor” category.

The overall balance satisfyingly improved after matching. Significant improvement occurred in the distribution of household types, and satisfactory adjustment was achieved in the distribution of employment history variables.

### *Budapest Pilot*

In the case of the Budapest Pilot no matching process was applied because of the very small sample size and the differences between the fundamental background variables (household types could not be matched).

Regarding the matching results, we conclude that data was appropriately pre-processed for statistical analysis for each pilot. Comparability improved to the greatest extent, especially with regards to household composition variables, but also in the case of housing and employment related variables. We thus posit that the causal analysis on the outcome variables can be regarded as valid.

#### **6.1.4 Measurement tools: constructing housing and employment indices**

The key question of the outcome analysis is that how the housing and employment position of the Treatment and Control Groups changed relatively to each other through the project life. It has been clear from previous qualitative pilot descriptions and quantitative analyses, Treatment Group members were very diverse across pilots – but great variations showed even within pilots, in terms of starting and final outcomes. This is especially true for housing position (initial and resulting), where a single legal tenure form may imply very different situations (while divergence is less pronounced in employment outcome positions). But variations were wide even within a single target group, or Treatment subgroup. In order to make outcomes statistically comparable nonetheless, complex indicators were developed for measuring housing and employment positions.

The goal for these **housing and employment indices** was to measure change along **different dimensions: in case of housing indices quality, security, and affordability were taken into account while in case of employment indices security and income level**. Based on these, 3 indices were created to assess housing outcomes, and two to assess employment outcomes.

The indices were produce to each households and then to compare the changes in the housing and employment dimensions of the Treatment and Control Groups we took the mean of the individual indices in both groups.

To see the overall relative changes of the Treatment and Control Groups, we also used Aggregated Housing and Aggregated Employment indices by adding up the housing and employment index scores for each. The maximum score is 9 for both the aggregated housing and employment indices, while the minimum score is 3 the Aggregated Housing index and 2 for the Aggregated Employment index.

In this part of the analysis we present the individual indices, including the differences of these between Treatment and Control Groups. The composite indices allowed us to analyse pilot outcomes through regression models, that is, the direction and significance of the difference between Treatment and Control Groups.

#### *Constructing indices to measure housing position*

Three indices of housing position were defined to three dimensions of housing positon: housing security, quality, and affordability. Three scores were given for all indices from ‘1’ to ‘3’ where ‘1’

represents the worst and ‘3’ the best position. Households who were in **marginalized position** (or in other words they were in some form of homelessness, e.g. stayed in institutions or in improvised structures (such as huts, tents, structures/buildings not meant for housing), in a squat, or were rough sleepers), were automatically assigned the **lowest score ‘1’** in all dimensions with the exception of Housing affordability Index (see below).

- The **Housing security index** shows whether the household has proper legal title to the dwelling. Except for the Slovak pilot, the vast majority of the target group was in rental or favour based housing, besides the already described marginalized positions. In these tenure forms the scoring is defined along the following rules:
  - Clients in rental housing and with a legal rental contract are scored ‘3’. Those without legal contract are scored ‘2’.
  - Clients in favour based tenancy get ‘2’ (as favour based tenancy is, by definition, not secure), but only if the household who accommodates them has legal title to the dwelling. Otherwise they are assigned ‘1’.

The index had to be slightly modified (adapted) for the Veszprém-HU and Slovak pilots to reflect comparable index content.

**HU-V “Debtors”:** this (combined) subgroup concerned households who have accumulated arrears and/or debts in rental housing, to the extent it was unmanageable for them without external support. As a result, they were by definition in a less secure housing position despite their legal rental contracts. Accordingly they were scored ‘2’. Those without a formal rental contract were scored ‘1’, because in practice they were at direct risk of becoming homeless (whether in municipal or state owned housing). In measuring their final position, they were scored 3 if they managed to conclude formal contract for an indefinite time period, or for more than 1 year. They were scored 2 if their contract was for one year or less; and 1 if their rental contract was not renewed.

**HU-V “Movers”:** These clients already moved into their homes provided through the HomeLab project (i.e. by the time of the Baseline Questionnaire), therefore we used their baseline housing security index for their previous dwelling.

**Slovak Pilot:** The Slovak tenure forms were specific in the HomeLab pilot, as many of the clients stayed in owner-occupied housing in illegal settlements; or even if the land was in the ownership of the client their housing was illegally built. Again, marginalized housing situation was scored ‘1’; clients who did not have legal (registered) ownership to their land and/or to their housing were scored ‘2’; and those who lived in legal (registered) property were scored ‘3’. At the final evaluation those who moved to new, legally constructed housing, and those who did not move but legalized their housing situation we given score ‘3’. Furthermore, the final indices also reflected anticipated improvements in the case of households who could not yet move into their newly constructed houses, but have already finished construction (we had certainty of their future housing situation).

- The **Housing affordability index** measures the proportion of total housing cost (rent and utility costs) to households’ net monthly income:
  - if the affordability index is equal or less than 35% of the household’s total net monthly income, the score is ‘3’ (affordable)
  - if it is between 35-60% then the score is ‘2’ (unaffordable)
  - if it is equal to or above 60% the score is ‘1’ (severely unaffordable).

- In case of marginalised position if the household does not have any housing cost they were scored '1' but if it pays some costs they are scored accordingly the housing cost/household income ratio. For example if someone stays in night shelter with no fee than it scores '1', but if stays in temporary hostel where he/she has to pay a monthly fee than gets the score according to the actual housing cost/income ratio.

**Slovak Pilot:** Obviously we did not have the chance to calculate the affordability index for clients who already started new housing constructions (or upgraded their housing by connecting it to public utilities), as we did not have data for the future housing costs. In addition, by the time when the households will have moved into their new dwellings, they might have changes in their incomes as well. Therefore we calculated the affordability index for their current situation.

**HU-V (1,3,4 subgroups, "Movers"):** In the case of the 1,3 and 4 subgroups of the Veszprém pilot some of the clients were already moved in to their new homes provided in the HomeLab project; therefore we calculated their baseline housing affordability index for their previous dwelling.

- The **Housing quality index** is combined from three components: crowdedness, comfort level, and 'type of dwelling'.
  - a) crowdedness:
    - A household is scored '3' (not crowded) if the number of persons per room is less than three.
    - A household is scored '2' if there are more than one household in the dwelling, but the client household live in one or more separate rooms; or the household lives in a separate dwelling but the proportion of the persons per room is higher than 3 and less than 5.
    - A household is scored '1' if there are more than one household in the dwelling, and they do not live in separate rooms.

**Slovak pilot:** The household also gets score '2' if more than one household stays in one room but the total number of person is less than or equal to 3 in the room.

- b) Comfort level:
  - If the household lives in a dwelling where there is a kitchen, a toilet and a bathroom (which also implies access to running water and electricity) then it is scored '3'.
  - If one of these facilities is missing, it is scored '2'.
  - If there is no running water, or electricity, and/or at least two of the basic facilities are missing, it is assigned '1'.
- c) Type the dwelling
  - If the type of the dwelling is either a summer house used for permanent living or an unconventional dwelling, we automatically gave '1' for quality.
- d) The combined comfort level, type of dwelling, and crowdedness dimensions form the aggregated **housing quality index**:
  - If the comfort level and crowdedness scores were '3' then the household was scored '3'.
  - If the comfort level scores '3' but the crowdedness scores '2' or '1' then the aggregated quality index scores '2'.

- If the crowdedness scores ‘3’ but the comfort level gets score ‘2’ or ‘1’ then the housing quality index’s score is also ‘2’.
- If both the comfort level and crowdedness get scores ‘1’ or ‘2’ then the housing quality index gets score ‘1’.

The index was adapted for target group specificities in three cases to reflect comparable index content.

**Czech Pilot:** The crowdedness, comfort level and the type of the dwelling of the household were counted in the way written above. However, we added one more aspect to the housing quality index that was crucial in the case of the Czech Pilot: whether the homes of the household were in a segregated area. If the dwelling was in a segregated area we deducted 1 score from the housing quality index unless it already scored ‘1’.

**Slovak Pilot:** The new dwelling was considered for the outcome index value (regarding the number of rooms, availability of utilities, and whether the new dwelling contains kitchen and toilets) , even if the household had not yet moved into their new home yet. This was also the only pilot where the outcome index takes into account the quality of the house still under construction.

**Veszprém-HU “Debtors”:** In the case of the “debtors” combined subgroup, the aim of intervention was not to change the quality of the dwelling (through moving to better quality housing or through renovation), but to pay off housing related debts. Therefore instead of measuring the housing quality we assessed the change in the debt situation in the following way:

- Households without (acknowledged) debts were scored ‘3’.
- Households that have debts but subjectively they feel they are able to handle it, thus their debt amount is at least slightly decreasing were scored ‘2’.
- Households with debts who do not feel that they are able to handle it (the amount of debt is not decreasing at all or even increasing), were assigned ‘1’.

### *Constructing indices to measure employment position*

The measurement of employment position is based on two indices: one for **assessing Employment Status** based on the employment or lack thereof of the household head or the second most relevant household member (if there is one), whether or not this person has a job contract, and a subjective impression of employment security (whether or not this person will be able to remain in this job in the long run, in their own assessment). Based on these three characteristics,

- The lowest employment status (score 1) refers to households where neither the household head nor the second most relevant household member were in employment (regardless of formal or informal employment) in the three months prior to the baseline questioning.
- The second category contains households where at least one of the two most relevant household members was employed, but they did not have a contract, and did not expect to have that job for at least one more year.
- The third category contains households where at least one of the two most relevant household members was employed in the previous three months, and they had either a contract or they expected to retain their job for at least a year.

- In the fourth category (score 4) at least one of the two most relevant household members was in employment in the previous three months, with a legal employment contract, and they expected to have that job at least for one more year.

The next sub-index is the **Income Deciles Index**, which was aggregated into five categories according to the income distribution in the sample. The income deciles were calculated based on the EU SILC 2016 survey (Statistics on Income and Living Conditions). The deciles referring to the net equivalised household labour income where the mean of the deciles were cut as it shows in Table 18 (in national currency). For more precise calculation in the case of Slovakia, in the index we only included the household members between ages 18 and 60.

**Table 18. Equivalised net household (labour) income deciles (in national currencies)**

Income deciles	CZ (in CZK)	HU (in HUF)	SK (in EUR)	PL (in PLN)
1	5 851	23 137	223	652
2	9 057	44 954	337	915
3	11 079	58 882	401	1 152
4	13 005	75 747	464	1 402
5	15 059	90 255	524	1 669
6	17 183	108 903	578	1 943
7	19 561	126 932	640	2 323
8	22 683	151 856	723	2 841
9	28 043	193 660	862	3 767
10	134 518	1 375 218	4 084	19 615

Source: EU-SILC, 2016

## 6.2 Descriptive analysis of the outcomes

### 6.2.1 Changes in tenure structure in the five pilots

A main criterion of target group selection was **disadvantaged housing position**, which implies legal insecurity, overcrowding, and/or substandard housing (the dwelling does not meet the basic quality criteria of habitability). However, despite sharing some form of disadvantage in housing, the target groups in the different pilots were very diverse. To track the direction and level of change in housing situation across pilots, analysis has to be preceded by an overview of clients' starting tenure forms.

First, it has to be clarified that some clients already lived in the dwelling that was to become their stable housing solution at the project start. This happened in three pilots. First, in the two Hungarian SREs, part of the target group members applied for social housing in the spring/summer 2016, when the project start was originally scheduled. Second, in the Czech pilot the HomeLab team provided housing before official project start to some of their clients in emergency situation (while others moved to standard housing after project start). All clients were asked to answer the Baseline Survey, but in these cases information regarding their housing situation before HomeLab is necessarily less detailed than for those who lived in their pre-HomeLab dwelling during the first survey round.

Treatment Groups in HomeLab mostly consisted of households whose housing situation can be improved **by helping them move to better housing; with two exceptions**. One exception is the Veszprém pilot, where subgroups of clients in housing cost arrears needed support in stabilizing and maintaining their rental housing (municipal and state owned), as these clients were at risk of losing their housing. The other exception is the Slovak pilot, where only a part of the clients aimed to move to better housing (through new construction) in the framework of HomeLab; others intended to legalise and/or renovate their current housing (which was only implemented by one household eventually).

The initial tenure forms (before HomeLab activities) showed great variation among the pilots, but each had its dominant forms by specific target group. Overall, most treatment group members were in a **marginalised housing position** (institutional housing and/or homelessness), with the exception of HCSOM's target group pool in Veszprém. However, there were great variations even among marginalized positions. In the Polish and Czech pilots, target group members were predominantly homeless households, residing in very poor quality homeless institutions and hostels. In Budapest, the target group consisted of homeless people living in self-built shacks (improvised housing). In the Slovak pilot households were regarded as marginalised if they lived in unconventional housing (improvised structures) in illegal settlements; but the latter criterion actually characterised all households, as illegal housing was one of the main criteria for the Slovak treatment group. In the Slovak, Czech and Polish pilots marginalised housing position affected around one third of the households, whereas in Budapest it amounted to 80 percent. In HCSOM's pilot homeless households represented only 7 percent of the treatment group, mostly coming from homeless institutions.

The other dominant initial tenure form was **rental housing with market rents**, which was significant in the Polish (42%), Czech (33%) and the Hungarian HCSOM (27%) pilots. The owners of these dwelling were mostly private persons; in the Czech case private companies also played a significant role.

Initially **social or below market rental housing** represented the highest share in the HCSOM pilot (almost half of the clients households), characterising mostly the subgroup of households in arrears (77%); in another subgroup (people applying for municipal housing) only 20 percent stayed in below market rate rental housing (typically in municipal or state ownership). In other pilots social or below market rentals were rare. The share of lower-than-market rent tenants was the second highest in the Czech pilot, at around 20 percent of clients; with ownership varying among private persons, municipalities and NGOs.

Those who had no possibility to live independently were in accommodated **favour based housing**.<sup>23</sup> This was the most important tenure form in the Slovak pilot, where 39 percent resided together with other households (mainly extended, multi-generation families). In other pilots favour based housing was less significant, representing around 10 percent (zero in the case of ULE). These dwellings were in private persons' ownership.

**Owner occupation** was significant only in the Slovak pilot (20%). However, in this pilot most of the houses were located in illegal settlements, where land or housing ownership is not registered, or the house was built illegally. In other pilots owner occupation was insignificant; instead, many of the clients entered the project because lost their own housing in the past, or were at risk of losing it.

In most of the pilots the majority of **households moved during the HomeLab** project (including here those who moved to new housing right before the HomeLab). (Figure 1.) In the Czech pilot 81 percent moved to a new home; as much as 87 percent in the Polish; and all client households in the Budapest pilot moved at least once. For Veszprém clients, moving was only relevant for one subgroup, we call them 'Movers' subgroup (those who applied for municipal housing), while the pilot's aim for other clients was to retain their housing, we call them 'Debtors' (those already accommodated in public housing or below market rate rentals, but accumulated arrears in housing costs). In the first 'Movers' subgroup, 80 percent of the clients moved to another dwelling, whereas a very small proportion (13%) moved in the second, 'Debtors' subgroup. Slovak HomeLab clients were the least likely to move (37%);

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<sup>23</sup> Favour based housing was defined as cases when (a) the occupant household does not have any legal title to the dwelling, but the owner (or the tenant) allows them to reside in it for an uncertain time period, without paying for the use of the flat; or (b) if they live with friends or family members, again without separate legal title, and without formal payment.

but more than half of those who stayed also improved the quality of their home. Here, households are also included if their new housing is still under construction, and will move in the near future (17%).

**By the end of the project**, the tenure structure of client households changed substantially. Among the households involved in at least the Mid-Term and Final Questionnaires the share of **marginalized housing positions** fell to a minimum level, with the exception of Slovak clients. In the **Slovak pilot** more than one fifth (22%) of the households remained in marginalized housing (not counting those whose house was under construction). In the Czech, Polish and Hungarian HCSOM pilot the share of clients still in marginalized housing position was around 3-5 percent, while in the ULE pilot all clients lived in standard housing. This can be regarded as a positive outcome of the pilots.

The share of those who stayed in **favour based housing** also decreased in all relevant pilots. In the **Slovak** case where the initial proportion of this group was the highest (39%) still remained high (32%) despite the decrease. **Owner occupation**, on the other hand, increased from 20 to 51 percent, as several households moved (or will soon move) into their legalized and/or newly constructed housing.

In the **Polish pilot** the main result in terms of housing was that more than two thirds (68%) could get access to social or below market housing. The majority of these clients (73%) moved to municipally owned rentals, while the remaining 27 percent moved to housing owned by private persons. 21 percent of HfH’s clients lived in housing with market rent, to where most of them moved during HomeLab.

**Table 19. Initial and final tenure structure of the treatment groups by pilots by the Baseline (B) and Final (F) Questionnaire**

Treatment group (%)	Polish Pilot		Czech Pilot		Slovak Pilot		Veszprém “Movers”		Veszprém “Debtors”		Budapest Pilot	
	B	F	B	F	B	F	B	F	B	F	B	F
Owner occupation	-	-	-	4.8	19.5	51.2	3.3	3.3	6.7	6.7	-	0.0
Social or below market rental	7.9	68.4	19.1	19.1	4.9	4.9	20.0	83.3	76.7	76.7	6.7	100.0
Market rental	42.1	21.1	33.3	61.9	-	-	36.7	3.3	16.7	10.0	6.7	-
Favour based tenancy	13.2	5.3	14.3	9.5	39.0	17.1	26.7	6.7	-	3.3	6.7	-
Marginalized (institutional, street, squatting)	36.8	5.3	33.3	4.8	34.2	22.0	13.3	3.3	-	3.3	80.0	-
Missing	-	-	-	-	2.4	4.9	-	-	-	-	-	-
Total	38	38	21	21	41	41	30	30	30	30	15	15

In **HCSOM’s pilot**, the share of social /below market rent housing also increased significantly. By project closure 80 percent of all clients lived in such housing. In the first subgroup (those who applied for municipal housing) 83 percent moved into below-market-rent housing (municipally owned, with one exception), while the share of households in rental housing with market rents, favour based and marginalized housing fell drastically. In the second HCSOM subgroup the majority of clients remained in social or below market rate housing, while a few secured home ownership (thanks to stabilizing their financial situation).

In the **Czech pilot** the share of rentals with market rent increased the most significantly, it almost doubled (from 33 to 62%) as clients from homeless hostels moved to mainstream private rentals using rent supplement to pay the rent. The share of social or below market rent housing remained the same (half in private and half in municipal ownership).

Compared to the treatment groups, a **much lower share of the control groups moved to different housing** in all pilots. The highest share of those who did not move was in the Slovak and Czech pilot, 86 and 73 percent, respectively. In the Veszprém pilot none of the members of the ‘Debtors’ control subgroup (households with arrears) moved, while in the ‘Movers’ control subgroup (those who applied for municipal housing) the share of those who did not move was substantially lower, only 41 percent. Regarding the Polish control group, around half of them stayed and half of them moved during the project period.

Consequently, the tenure structure of some of the pilots’ control group did not change, or did so only slightly. In the meantime, the starting situation of the control groups was more favourable in some regards than that of the treatment groups. The difference is the most obvious in the proportion of **marginalized groups**: their share in the treatment groups was higher at the beginning of the project in all pilots, whereas by project closure the share of marginalized households decreased much less in the control groups (with only exception of the Slovakian pilot). In the Slovakian pilot’s control group there were no households in marginalized housing position at all.

**Table 20. Initial and final tenure structure of the control groups by pilots (%)**

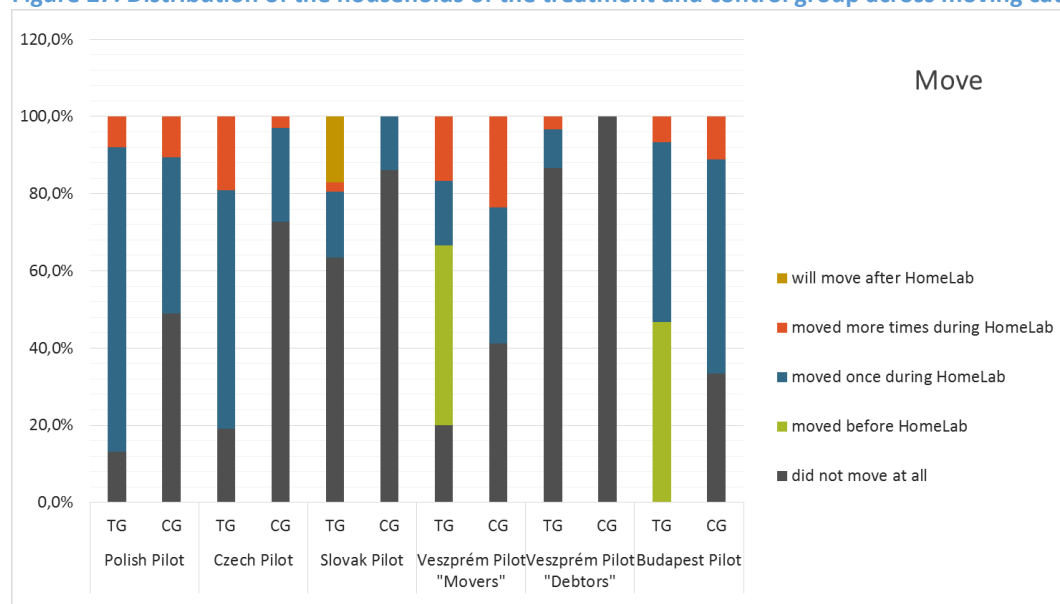
Control - weighted*	Polish Pilot		Czech Pilot		Slovak Pilot		Veszprém ‘Movers’		Veszprém ‘Debtors’		Budapest Pilot	
	B	F	B	F	B	F	B	F	B	F	B	F
Owner occupation	-	-	6.1	5.9	51.4	51.4	-	12.5	-	-	-	-
Social or below market rental	22.9	35.4	27.3	20.6	24.3	21.6	-	6.3	87.5	87.5	11.1	22.2
Market rental	39.6	31.3	30.3	35.3	-	2.7	70.6	68.8	4.2	4.2	11.1	-
Favour based tenancy	10.4	16.7	12.1	17.6	24.3	24.3	17.7	6.3	8.3	8.3	11.1	11.1
Marginalized (institutional, street, squatting)	20.1	16.7	24.2	20.6	-	-	11.8	6.3	-	-	66.7	66.7
Total N (100%)	48		33		37		16		24		9	

*\*Weighting was not applied for the Budapest Pilot.*

The tenure structure of the control groups remained practically unchanged in the Slovakian and the Budapest pilots, and in the Veszprém case in the second subgroup. In the Czech pilot minor changes occurred in each tenure category: the share of social/below market rental and marginalized tenure forms decreased, while the proportion of market rental and favour based tenure forms increased. In the second subgroups of Veszprém pilot some households managed to secure owner occupation and social/below market rental housing, while the share of control group households in favour based and marginalized tenures decreased.

In summary, the control groups’ change in tenure forms was substantially less significant than changes in the treatment group.

**Figure 27. Distribution of the households of the treatment and control group across moving categories**



### 6.2.2 Results of Polish Pilot

Housing security and housing quality index values improved substantially in the Treatment Group; the share of households with the highest index value increased significantly. The real life changes behind the index value increase was the high share of Treatment Group households who had no legal title (e.g. rental contract) for their dwelling prior to the project, and secured one as the outcome of intervention; and clients who moved during HomeLab lived in better quality and/or less crowded housing at project closure. The share of clients in marginalised housing forms (mainly homeless or refugee institutions) also decreased significantly, strongly improving measurable housing security and quality outcomes.

The measurable improvement of housing affordability was more modest. The greatest achievements in this aspect were the almost 25 percentage point decrease in marginalized housing position; and the 20 percentage point increase in the most affordable housing category (where the housing cost to net household income ratio is below 35%). The lower rate of change in affordability is due to the fact that only a part of the client households could move to municipal housing, which costs significantly less than market rent; while another part of clients moved to the private rental sector and paid either the market rate or only slightly below market rent.

The share of Control Group households in the higher index value group increased for housing security and quality, although the degree of increase was small in the former. The share of Control Group households in affordable housing (index value 3) did not change.

Based on Baseline Survey data, at project start the share of Treatment Group households with the lowest score value of each housing dimension was higher than in the Control Group. This relation changed by project end, when Treatment Group values also improved compared to Control Group values in each dimension.

The **distribution** of Treatment and Control Group households across the categories of the **Employment Status index** is shown in Table 21.

It shows that at the Baseline Survey the share of households in the Treatment Group where none of the adult household members are in employment is more than double than that of the Control Group

(16% and 7% respectively); and by the end of the project these proportions did not change in either of the groups.

The share of households where at least one person worked but the work was unregistered and insecure was twice as high in the Treatment Group than in the Control Group at the time of the Baseline Survey. The share of this category decreased by the end of the project in both groups (although more substantially in the Treatment Group), reaching similar levels.

The share of households where at least one person worked and the job was legal or secure was significantly higher in the Control Group at the beginning of the project. By the end, the share of the Control Group households in this category slightly decreased, while the share of the Treatment Group remained the same, thus the gap between the groups did not disappear.

In the best employment status category, where at least one person worked and the work was both legal and secure, the share of households of the Control Group was somewhat higher than that of the Treatment Group in the Baseline Survey. The share of households in this category doubled in the Treatment Group, whereas in the Control Group a smaller increase occurred, thus the outcome of Treatment Group exceeded that of the Control Group in this regard.

In summary, the Control Group was in a more favourable overall position in all Employment status categories than the Treatment Group, and as the Treatment Group’s position substantially improved throughout the project’s duration, they could partly catch up with the Control Group. If we take the proportion of the two lower and the two higher status groups, the Treatment Group still slightly lagged behind the Control Group.

The **labour income status** of the Treatment Group households was better than that of the Control Group at the Baseline Survey, and the Treatment Group’s income situation improved through the project more than that of the Control Group. At project start, half of the Treatment Group households belonged to the two lower income categories, as opposed to 72 percent of the Control Group households. By the end of the project, only one third of the TG households fell into the two lower income categories, compared to more than half (55%) of the households in the Control Group. On the contrary, whereas initially in both groups around one-fifth of households belonged to the highest five income deciles (with Scores 4 and 5), by the end of the project this share reached 50 percent in the Treatment Group, and only 40 percent in the Control Group.

Looking at the average equivalent incomes, the conclusion is similar. Initially the average income of Treatment Group households was higher, but only slightly, than that of the Control Groups; and while the average incomes in both groups substantially increased by the end of the project, the difference was much more significant in the Treatment Group. However, the related statistics also reveal the income variations increased drastically in both groups, although more substantially in the Control Group.

The tables below show the initial and final housing indices for each dimension (security, affordability, and quality) by **household distribution in each category** for both the Treatment and the Control Group.

**Table 21. Distribution of Treatment and Control Group households across the housing security, housing affordability, housing quality, employment status, and labour income categories/deciles (Polish pilot)**

	Baseline		Final	
	TG	CG-weighted	TG	CG-weighted
<b>Housing Security (%)</b>				
Secure (Score 3)	28.9	60.4	81.6	64.6
Less secure (Score 2)	31.6	12.5	7.9	18.8
Insecure/ Marginalized (Score 1)	39.5	27.1	10.5	16.7
Total N	38	48	38	48
<b>Housing Affordability (%)</b>				
Affordable (Score 3)	39.5	39.6	60.5	39.6
unaffordable (Score 2)	21.1	27.1	23.7	16.7
Severely unaffordable/ Marginalized (Score 1)	39.5	35.4	15.8	27.1
Missing	0.0	0.0	0.0	16.7
Total N	38	48	38	48
<b>Housing Quality (%)</b>				
Normal quality (Score 3)	36.8	27.1	78.9	66.7
Low quality (Score 2)	23.7	35.4	13.2	16.7
Unconventional housing/homeless (Score 1)	39.5	35.4	7.9	16.7
Total N	38	48	38	48
<b>Employment Status (%)</b>				
no employment (Score 1)	15.8	7.3	15.8	7.5
employment, but neither legal nor secure (Score 2)	28.9	14.6	7.9	8.6
employment, some element of legality/security (Score 3)	36.8	55.8	34.2	50.2
employment, legal and secure (Score 4)	18.4	22.3	42.1	33.7
Total N	38	48	46.74	48
<b>Labour income deciles (%)</b>				
Decile 1 (Score 1)	34.2	36.1	23.7	32.4
Deciles 2-3 (Score 2)	15.8	36.3	10.5	22.5
Deciles 4-5 (Score 3)	28.9	8.5	15.8	4.8
Deciles 6-7 (Score 4)	18.4	16.3	15.8	16.7
Deciles 8-9-10 (Score 5)	2.6	2.9	34.2	23.6
Total N	38	48	38	46.7

**Table 22. Mean of the equivalent labour income in the treatment and control group (Polish pilot) in PLN**

	Baseline		Final	
	TG	CG-weighted	TG	CG-weighted
Mean	1 049.5	982.84	1947.94	1659.3
Std. Dev	704.3	849.83	1646.91	1760.19
Min	0.0	0.0	0.0	0.0
Max	2 500	4 400	7 600	7 600
Total N	38	48	38	47

As Table 23 shows, in all indices except for Employment Status the Treatment Group achieved a better position on average than the Control Group.

As for the Treatment Group, the average of Housing Security index increased significantly from the Baseline to the Final Survey. Regarding the Control Group, its average was higher at the beginning, but increased during the project on a smaller scale compared to the Treatment Group. As a result, it fell behind the outcome of the treatment group by the end of the project.

In the dimension of the Housing Affordability the Baseline average score was roughly the same in the two groups. Whereas it decreased in the Control Group over the project’s timeframe, it increased in the Treatment Group, which means that the Treatment Group’s overall housing affordability improved, while that of the Control Group worsened.

Regarding Housing Quality, the average baseline score was somewhat lower for the Control Group, and by the project end this difference increased, which means that housing quality improved more in the case of the Treatment Group.

The value of the final Employment Status index was slightly higher in the case of the Control Group, even though the degree of improvement was higher in the Treatment Group; however, this was not sufficient to compensate for the initial worse position. The average value of the Income decile index was better at the beginning of the project and increased more in the Treatment Group than in the Control Group.

**Table 23. 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
<b>Treatment Group</b>					
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
<b>Control Group – weighted</b>					
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

Consequently, we see that the Treatment Group and the Control Group has opposing positions in the two Employment related indices. While the Treatment Group achieved substantially better outcome in terms of incomes (equivalent labour income), their position in Employment Status (job security level)

is somewhat worse than that of the Control Group. This might imply that the less secure (unregistered) jobs may yield higher incomes for the Treatment Group members; although it could also be a consequence of larger household sizes in the Control Group.

Regarding the aggregated indices the results show that in both dimensions the relative improvement of the Treatment Group somewhat exceeds that of the Control Group in the Polish pilot.

However, it has to be mentioned that households could only be involved in the aggregation if all three indices or both employment related indices could be developed for them. Thus in the case of the aggregated housing index 3 households could not be considered, while in the case of the aggregated employment index one household could not be taken into account in the Control Group.

**Table 24. Aggregated scores for housing and employment positions (Polish pilot)**

Aggregated Indices	Baseline		Final	
	Mean	N	Mean	N
<b>Aggregated Housing Index</b>				
Treatment	5.87	38	7.87	38
Control – weighted	5.69	45	6.63	45
<b>Aggregated Employment Index</b>				
Treatment	4.97	38	6.29	38
Control – weighted	5.07	47	5.83	47

### 6.2.3 Results of Czech Pilot

As it was shown previously, there was a large difference between the Treatment and Control Group in terms of housing mobility during the project: 87 percent of the TG moved to another home, as opposed to only 27 percent of the CG. This also led to significant change in the housing situation of the TG.

Among other things, this led to a significant improvement of housing security for the Treatment Group, whereas this indicator worsened for Control Group members. Nearly two thirds of the TG finished the pilot in the legally most secure housing position (with clear legal title to the use of the dwelling). None of the TG households remained in the medium housing security category (tenants without a legal contract, favour based tenancies). The share of marginalized households with regards to legal security decreased significantly. In contrast, the share of households in the most secure position slightly decreased in the Control Group, whereas their share increased in the medium and least secure tenures.

The position of the Treatment Group also improved significantly in terms of housing quality. The share of clients with the highest index value doubled (to 47%), while the share of those in marginalized housing (shelters, institutions, unconventional housing) halved (to 19%). The medium quality category slightly grew. In the Control Group, a higher share of households were in the highest quality category at the Baseline, but their share increased only modestly during the project period, and at the end fell behind the Treatment Group's value. In contrast, the share of CG members in marginalized housing grew dramatically (from 36 to 53%).

On the other hand, the pilot could not achieve clear improvement in housing affordability. Data shows that better quality, more secure housing is more difficult to afford for Treatment Group members. The share of households in the top affordability category decreased from 33 to 19 percent; while the share of those with medium affordability increased massively (by 150%). Meanwhile, the proportion of families in the worst affordability conditions also decreased. While a greater share of data is missing, the available data suggests an overall worse situation of the Control Group. The share of households

in the weakest affordability category grew from 27 to 46 percent; and while the proportion of households in the medium and top indicators both decreased.

**Table 25. Distribution of the households of treatment and control groups across the housing security, housing affordability and housing quality categories (Czech pilot)**

	Baseline		Final	
	TG	CG-weighted	TG	CG-weighted
<b>Housing Security (%)</b>				
Secure, Score 3	42.9	63.6	85.7	58.8
Less secure, Score 2	19.1	12.1	0.0	14.7
Insecure/ Marginalized, Score 1	38.1	24.2	14.3	20.6
Missing	0.0	0.0	0.0	5.9
Total N	21	33	21	33
<b>Housing Affordability (%)</b>				
Affordable Score 3	33.3	18.2	19.1	12.1
Unaffordable Score 2	19.1	30.3	47.6	27.3
Severely unaffordable/ Marginalized Score 1	47.6	27.3	28.6	45.5
Missing	0.0	24.2	4.8	15.2
Total N	21	33	21	33
<b>Housing Quality (%)</b>				
Normal quality Score 3	23.8	30.3	47.6	35.3
Low quality Score 2	38.1	30.3	33.3	8.8
Unconventional housing/homeless Score 1	38.1	36.4	19.1	52.9
Missing	0.0	3.0	0.0	2.9
Total	21	33	21	33
<b>Employment Status (%)</b>				
no employment	40.0	48.4	25.0	66.1
employment, but neither legal nor secure	10.0	14.3	12.5	4.8
employment, some element of legality/security	30.0	21.4	25.0	25.8
employment, legal and secure	20.0	15.9	37.5	3.2
Total N	21	33	16	32
<b>Labour income deciles (%)</b>				
1	52.4	68.5	42.1	54.0
2-3	33.3	25.8	26.3	22.6
4-5	4.8	3.2	21.1	23.4
6-7	0.0	2.4	0.0	0.0
8-9-10	9.5	0.0	10.5	0.0
Total N	21	33	19	32

The value distributions of the **Employment Status index** suggest that the Treatment Group had a better initial overall position, which it improved in the pilot; in contrast the Control Group had a worse starting position, which decreased during the project’s timeframe. Noe must be taken, however, that missing data was significant for the Treatment Group (accounting for one quarter of TG members) at the Final

Survey. At project launch, half of TG members were in the lower two employment status categories (either no employment, or informal work); and the other half were in the upper two (where work is secure, or legal, or both). The share of responding households with the latter two values (scores 3, 4) increased to 63 percent by project closure.

The position of TG and CG was more balanced – and quite unfavourable – regarding household income. Change during HomeLab was also of similar magnitude and direction. The vast majority of all households – 86 percent of clients and 94 percent of CG members – were in the lowest three income decile at project start. By project closure, 10 percent of TG members entered the highest income category (score 4), and 21 percent in the third category (score 3). Income increase in the Control Group was more modest.

Meanwhile the change in equivalent labour income also supports these trends: Treatment Group index values were higher in both survey periods than Control Group values.

**Table 26. Mean of the equivalent labour income in the treatment and control group (Czech pilot) in CZK**

	Baseline		Final	
	TG	CG-weighted	TG	CG-weighted
Mean	6671.9	4044.4	8385.8	6155.9
Std. Dev	9062.9	5032.8	7290.4	4751.9
Min	0.0	0.0	0.0	0.0
Max	36708.0	16704.0	28920.0	12903.2
Total N	21	32.5	19	31

Accordingly to the above described tendencies, in all the indices (both housing and employment) a positive change can be observed in the treatment group. It seems that, the treatment group improved in housing security and housing quality considerably but less in terms of housing affordability, and a bit less in income indices than employment status indices.

The control group position worsened in two housing indices (security and affordability) and one employment related index (Employment status). The Housing affordability and the Income decile indices improved somewhat (which might have some correlation), as many households stayed in the same dwellings and some of them could fall into the group whose income increased.

**Table 27. Treatment groups Control Group: average of housing and employment related indices at the time of baseline and final surveys (Czech pilot)**

Indices	Housing Security	Housing Affordability	Housing Quality	Employment Status	Income deciles
<b>Treatment Group</b>					
Baseline	2.05	1.86	1.86	2.30	1.81
Final	2.71	1.9	2.29	2.75	2.11
Differences between Final and Baseline	0.66	0.04	0.43	0.45	0.30
<b>Control Group – weighted</b>					
Baseline	2.40	1.82	1.96	2.05	1.42
Final	2.35	1.59	2.95	1.69	1.72
Differences between Final and Baseline	-0.02	-0.23	0.99	-0.36	0.30

The following table (Table 28) shows the values of the aggregated indices. Households were only included in the aggregation if they could be assigned valid results for all housing indices and all employment indices at the starting and closing point. A significant improvement was measured in the case of the Treatment Group in both aggregated indices. The Control Groups’ values became slightly weaker for both aggregated indices.

**Table 28. Aggregated scores for housing and employment positions (Czech pilot)**

Aggregated Indices	Baseline		Final	
	Mean	N	Mean	N
<b>Aggregated Housing Index</b>				
Treatment	5.70	20	6.95	20
Control – weighted	5.27	24	5.15	24
<b>Aggregated Employment Index</b>				
Treatment	4.19	16	4.81	16
Control – weighted	3.66	30	3.54	30

#### 6.2.4 Results of Slovak Pilot

In the case of the Slovak pilot we measured two final results. There are households who were not yet able to move to their newly built houses at the time of the Final Survey, therefore in their final situation no positive change can be observed. However, in the midterm and final questionnaire rounds they were asked about the parameters of their newly constructed houses, thus we also calculated the Housing Security and Housing Quality indices the index values for their future housing situation. The Housing Affordability value was omitted, as there was no information about their future housing costs. Therefore in the Table 29 the Final-waiting columns show the corrected future values of the Housing Security and Quality indices; while for other indices the values are the same. In the following sections these adjusted indices will be used for calculation.

In the Slovak pilot the question of housing security is tied to home ownership. As previously mentioned, one of the greatest challenges in this target group is the issue of illegal settlements, and non-registered construction. Regarding Housing Security, the Control Group had a significantly better position than the Treatment Group, and despite great improvement, the client group remained in a weaker position even at the project end.

70 percent of Control Group households were characterized by the highest value of the Housing Security index (which means that the household had some form of legal title to the use of the dwelling), against only 22 percent in the Treatment Group. By the end of the project, the Control Group retained its advantage, although the gap narrowed significantly: the share of the highest index value, indicating legal title, dropped to 62 percent in the Control Group, and rose to 51 percent in the Treatment Group. In terms of housing security, the Control Group was in a better starting position in the share of marginalized housing situations as well: 22 percent of the CG was in marginalized housing, which was reduced to 0% by the end of the project. On the other hand, a striking 58 percent of Treatment Group households was in marginalized housing situation, and even though the improvement was significant, one third of them remained in this lowest index value category by project closure.

The distribution of Housing Quality index values shows a similar pattern. The Control Group was in a much better position at project start. Values in the Treatment Group improved significantly by the end of the pilot, but were still below CG values, even though the latter improved more modestly. The share

of Treatment households in the lowest value category decreased from 59 to 32 percent; whereas their proportion in the highest value category grew from 5 to 22 percent.

**Table 29. Distribution of the households of treatment and control groups across the housing security, housing affordability and housing quality categories (Slovak pilot)**

	Baseline		Final	
	TG	CG-weighted	TG	CG-weighted
<b>Housing Security (%)</b>				
Secure, Score 3	22.0	70.3	51.2	62.2
Less secure, Score 2	17.1	5.4	9.8	37.8
Insecure/ Marginalized, Score 1	58.5	21.6	34.2	0.0
Missing	2.4	0.0	4.9	0.0
Total N	41	37	41	37
<b>Housing Affordability (%)</b>				
Affordable Score 3	63.4	51.4	92.7	94.4
Unaffordable Score 2	4.9	27.0	2.4	0.0
Severely unaffordable/ Marginalized Score 1	31.7	21.6	4.9	5.6
Missing	0.0	0.0	0.0	0.0
Total N	41	37	41	37
<b>Housing Quality (%)</b>				
Normal quality Score 3	4.9	29.7	22.0	32.4
Low quality Score 2	34.2	46.0	41.5	46.0
Unconventional housing/homeless Score 1	58.5	24.3	31.7	21.6
Missing	2.4	0.0	4.9	0.0
Total N	41	37	41	37
<b>Employment Status (%)</b>				
no employment	35.9	39.0	9.8	0.8
employment, but neither legal nor secure	23.1	26.4	9.8	45.0
employment, some element of legality/security	28.2	23.3	58.5	53.3
employment, legal and secure	12.8	11.4	22.0	0.8
Total N	39	37	41	36.1
<b>Labour Income Deciles (%)</b>				
1	79.5	55.7	33.3	17.9
2-3	15.4	32.9	28.2	27.6
4-5	5.1	11.4	15.4	37.0
6-7	0.0	0.0	23.1	17.5
8-9-10	0.0	0.0	0.0	0.0
Total N	39	37	39	37

The development of the Housing Affordability index is contradictory. The maintenance of very poor quality dwellings, with no connection to utility grids, is minuscule or close to zero. The only utility cost of many clients in such housing is electricity; and they also strive to minimize heating costs (with very negative health implications). As a result, the share (63%) of Treatment households in the highest value category of the Housing Affordability index is higher than that of Control Group members (51%).

However, by the end of the project this share rose above 90 percent in both the Treatment and the Control Group, thanks to increase in household income.

Regarding Employment Status, the distribution of the Treatment and Control Groups was similar across various index values (although the share of missing data was slightly greater in the Control Group). The lowest value here represents zero working adults in the household, which affected 36 percent of Treatment and 39 percent of Control households at the project start. Roughly one quarter of each had the next index value, representing at least one adult household member in insecure employment; and another one quarter was assigned the index value indicating secure employment. Only about 12 percent of households in both groups were given the highest value (score 4), showing legal and secure employment.

These shares changed significantly by the project end. The proportion of households with at least one working member grew substantially in both the TG and the CG. Only 10 percent of TG households had not household member in employment by the Final Survey, against only 1 percent in the Control Group. Roughly 98 percent of CG households had at least one adult in insecure or secure but illegal employment, in approximately equal shares; whereas a higher share of Treatment households entered the highest index value category.

Regarding income, the Control Group had a somewhat better starting and final position than the Treatment Group. At the beginning of the pilot period, most of both groups were in the lowest two income categories. By project closure, more than one third (38%) of TG households, and more than half (54%) of Control households improved their equivalent income position. However, none of the households entered the top three income deciles.

In terms of equivalent net household income, the average earnings of Treatment Group households were almost half of the Control Group incomes. By the end of the pilot, households the Control Group earned on average twice as much as they did at the project start, while the Treatment Group gained three times as much income, which brought average income levels closer overall. In addition, equivalent income levels in the TG remained more modest in part because of the larger households in this group.

**Table 30. Mean of the equivalent labour income in the treatment and control group (Slovak pilot) in EUR**

	Baseline		Final	
	TG	CG-weighted	TG	CG-weighted
Mean	118.4	211.5	342.3	399.9
Std. Dev	129.1	171.6	244.4	306.3
Min	0.0	0.0	0.0	0.0
Max	470.6	558.8	764.7	2200
Total N	39	37	39	37

Changes in overall positions are also reflected in the group averages of housing and employment related indices. Both the TG and the CG improved in terms of all three housing indices, although the Control Group retained its better position (especially in Housing security and Quality). The employment status of the Treatment Group members was better at project start, and its improvement was also larger during the pilot’s runtime. Nonetheless, the equivalent (labour) income value was better in the CG, which retained its advantage by the end of the project.

**Table 31. Treatment group: average of housing and employment related indices at the time of baseline and final surveys (Slovak pilot)**

Indices	Housing Security	Housing Affordability	Housing Quality	Employment Status	Income deciles
<b>Treatment Group</b>					
Baseline	1.63	2.32	1.45	2.18	1.26
Final (waiting)	2.18	2.88	1.89	2.93	2.28
Differences between Final and Baseline	0.55	0.56	0.44	0.75	1.03
<b>Control Group – weighted</b>					
Baseline	2.49	2.31	2.07	2.07	1.56
Final (waiting)	2.62	2.93	2.11	2.55	2.54
Differences between Final and Baseline	0.13	0.62	0.04	0.48	0.98

The aggregated housing indices (Table 32) at the time of the Baseline and Final Questionnaire actually show significant improvement in both groups. That the baseline housing situation of the Control Group is also better than that of the Treatments Group.

**Table 32. Aggregated scores for housing and employment positions (Slovak pilot)**

Aggregated Indices	Baseline		Final	
	Mean	N	Mean	N
<b>Aggregated Housing Index</b>				
<b>Treatment</b>	5.49	39	6.97	38
<b>Control - weighted</b>	6.99	36	7.74	36
<b>Aggregated Employment Index</b>				
<b>Treatment</b>	3.43	39	5.18	39
<b>Control - weighted</b>	3.60	36	5.14	36

### 6.2.5 Results of Veszprém (HCSOM) Pilot

As previously indicated, in the analysis of the Veszprém (HCSOM) pilot we separated the five subgroups into two larger subgroups, as the two (“Mover” and “Debtor”) samples had different reasons of being involved in the HomeLab project, and their potential outcome results differed considerably based on this primary reason. “Movers” were expected to move to safer, more affordable, and/or better quality housing during the program. The “Debtors” subgroup stayed in already affordable (municipal or state owned) rental housing, but accumulated housing cost related arrears, which put them at risk of losing their tenure, and they were had to successfully manage during the project.

#### Results of the Movers subgroup

In the dimension of Housing Security, the Treatment Group was in a significantly weaker position than the Control Group. By the end of the pilot the TG improved its situation substantially: 90 percent of the target group members obtained legal tenancy contracts by the project closure, thus were assigned the highest Housing Security index value. Most of them became municipal tenants. The few who could not achieve highest security value failed to do so because of the insufficient supply of municipal housing. The position of the Control Group also improved, although to a more modest extent.

**Table 33. Distribution of the households of treatment and control groups across the housing security categories (‘Movers’ subgroup, Veszprém pilot)**

	Baseline		Final	
	TG	CG-weighted	TG	CG-weighted
<b>Housing Security (%)</b>				
Secure, Score 3	23.3	41.2	90.0	58.8
Less secure, Score 2	43.3	47.1	6.7	17.7
Insecure/ Marginalized, Score 1	33.3	11.8	3.3	5.9
Missing	0.0	0.0	0.0	17.7
Total N	30	26	30	17
<b>Housing Affordability (%)</b>				
Affordable Score 3	33.3	52.9	80.0	71.4
Unaffordable Score 2	23.3	35.3	20.0	7.1
Severely unaffordable/ Marginalized Score 1	26.7	11.8	0.0	21.4
Missing	16.7	0.0	0.0	0.0
Total N	30	26	30	14
<b>Housing Quality (%)</b>				
Normal quality Score 3	36.7	35.3	83.3	82.4
Low quality Score 2	36.7	52.9	10.0	11.8
Unconventional housing/homeless Score 1	13.3	11.8	6.7	5.9
Missing	13.3	0.0	0.0	0.0
Total N	30	26	30	17
<b>Employment Status (%)</b>				
no employment	26.7	10.5	10.0	6.6
employment, but neither legal nor secure	3.3	2.6	6.7	0.0
employment, some element of legality/security	20.0	5.3	16.7	9.2
employment, legal and secure	50.0	81.6	66.7	84.2
Total N	30	17.31	30	17.31
<b>Labour Income Deciles (%)</b>				
1	33.3	9.2	3.3	31.6
2-3	36.7	33.6	10.0	1.3
4-5	13.3	25.0	3.3	3.3
6-7	10.0	12.5	6.7	2.6
8-9-10	6.7	19.7	76.7	61.2
Total N	30	17.31	30	17.31

In parallel, the Housing Quality index of the Treatment Group also improved as households also moved to better quality homes. By project end, 83 percent of TG households were in the highest index value category. This share was very similar in the Control Group as well.

Pilot activities also brought about significant improvement in the Target Group’s Housing Affordability index. One third of TG households were in the highest index value category at the start, which grew to 80 percent by the Final Survey. The Control Group changed the share of highest index value from 53

percent to 71 percent in the pilot period. The weakest affordability index was assigned to 21 percent of CG households, which is almost twice the share of the TG (12%).

The Treatment households’ overall employment status also improved substantially. At the start, half of the clients had safe and legal (score 4) jobs, while one quarter had no work at all. By project closure only 10 percent of TG households had no working adult members, and two thirds reached score 4 on the Employment Status index. The Control Group had a significantly better starting position, with 82 percent in score 4 secure, legal employment; only 10 percent of the households had no employment at all; and these proportions improved further during the pilot period.

In the meantime, the Treatment Group increased its equivalent labour income to a much greater extent than the Control Group, and exceeded the measured position of the latter. One third of TG households were in the lowest income decile at the baseline, which decreased to a mere 3 percent by pilot end. Three quarters were entered the highest decile group, by contrast, against the initial 7 percent; in the same period, 61 percent of the CG also emerged into this income index level. This is also reflected in the mean income increase, which rose from a very low starting point to above the CG mean; even though the CG mean value was double of the TG value at the start.

**Table 34. Mean of the equivalent labour income in the treatment and control group (‘Movers’ subgroup, Veszprém pilot) in HUF**

	Baseline		Final	
	TG30	CG26weighted	TG30	CG26weighted
Mean	45 130.7	84 732.3	166 736.2	121 306.5
Std. Dev	37 686.6	51 505.4	93 397.29	97 861.3
Min	0.0	0.0	0.0	0 0
Max	119 000	223 529.4	400 000.0	260 000
Total N	30	17.3	30	17.3

Regarding the “Debtors” (subgroups 2 and 5) in the Veszprém-HU pilot, it was previously mentioned that Housing Quality indicator was replaced by a measure for change in outstanding debt (in part based on the respondents’ subjective feeling of being able to manage debt). Treatment and Control Group members in this subgroup have been living in an adequate quality home, their central issue being at risk of losing tenure. As a rule, members of this subgroup did not intend to move to another home – although some, of course, had to do so after failing to manage their arrears.

All clients in the Treatment Group were assigned medium value on the Housing security index, by definition, as their housing security was at risk because of their debts, regardless of whether or not they had contractual legal title to their use of dwelling. Two thirds of these clients stabilized their situation by project end: they achieved contract renewal through initiated regular repayments. One quarter of clients remained in the medium security value group. Seven percent slipped downwards to the “marginalized” category, including some who had to leave their former home. In contrast the Control Group had a somewhat better starting position, but could not achieve an improvement comparable to the TG, and overall index values were weaker by project closure.

Initially more than half of the Treatment Group and more than two thirds of the Control Group were given the highest affordability index value; the improvement of the TG slightly exceeded that of the CG. None of the households in either group were in the lowest category by project end; however, here we calculated net equalised income, as opposed to available household income (after debt repayment).

**Table 35. Distribution of the households of treatment and control groups across the housing security categories (‘Debtors’ subgroup, Veszprém pilot)**

	Baseline		Final	
	TG	CG-weighted	TG	CG-weighted
<b>Housing Security (%)</b>				
Secure, Score 3	0.0	16.7	66.7	37.5
Less secure, Score 2	100.0	83.3	26.7	62.5
Insecure/ Marginalized, Score 1	0.0	0.0	6.7	0.0
Missing	0.0	0.0	0.0	0.0
Total N	30	15	30	24
<b>Housing Affordability (%)</b>				
Affordable Score 3	56.7	69.6	80.0	76.5
Unaffordable Score 2	26.7	13.0	16.7	23.5
Severely unaffordable/ Marginalized Score 1	10.0	17.4	0.0	0.0
Missing	6.7	0.0	3.3	0.0
Total N	30	15	30	17
<b>Debts (%)</b>				
Paid back housing related debts Score 3	23.3	41.7	26.7	13.0
Housing related debts are controlled (at least not growing) Score 2	50.0	54.2	63.3	34.8
Housing related debts are increasing Score 1	26.7	4.2	10.0	52.2
Missing	0.0	0.0	0.0	0.0
Total N	30	15	30	17
<b>Employment Status (%)</b>				
no employment	16.7	3.4	10.0	3.8
employment, but neither legal nor secure	13.3	0.0	3.3	0.0
employment, some element of legality/security	33.3	38.2	23.3	38.8
employment, legal and secure	36.7	58.2	63.3	57.5
Total N	30	20.3	30	18.2
<b>Labour Income Deciles (%)</b>				
1	56.7	23.6	40.0	61.8
2-3	33.3	27.0	3.3	0.0
4-5	3.3	16.9	6.7	3.4
6-7	0.0	1.1	10.0	0.0
8-9-10	6.7	31.5	40.0	34.8
Total N	30	20.3	30	20.3

Debt Index shows the rate at which a household was able to decrease the outstanding debt which put their housing at risk. Based on self-reported survey data, the Treatment Group was in a worse starting position than the Control Group: about one quarter of TG households responded that they had not debts which would have placed their housing at risk, against 42 percent of the Control Group. Some households in the Treatment Group made it to the highest debt index category, that is, they fully repaid their debt burden, while the overall position of the Control Group worsened.

The TG surpassed the CG in the other two measurements as well. The number of CG households with the worst index value grew drastically during the pilot’s runtime, a significant share of TG households escaped from this category. Most of them (63%) reached medium debt index value, meaning they could at least manage their debt (i.e. it did not increase further).

**Table 36. Mean of the equivalent labour income in the treatment and control group (‘Debtors’ subgroup, Veszprém pilot) in HUF**

	Baseline		Final	
	TG	CG-weighted	TG	CG-weighted
Mean	35 099.1	74 946.1	101 273.4	100 809.8
Std. Dev	56 877.1	49 919.8	130 239.4	168 342.8
Min	0.0	0.0	0.0	0.0
Max	290 000	223 529	640 000	450 000
Total N	30	20.3	30	20.3

Regarding Employment status, the Treatment Group started out from a weaker position than the Control Group; but it managed to improve its situation significantly, against a constant index value in the Control Group. By pilot end the TG surpassed CG values. At project launch, 30 percent of TG households were in one of the two worst Employment status categories (more than half of whom had no employment at all), and only slightly more than half of the TG households had at least one adult in secure and legal employment. This latter reached 58 percent in the Control Group. By pilot end, almost two thirds of TG households were in the highest value group, and only 13 percent remained in the lowest two.

**Table 37. ‘Movers’: average of housing and employment related indices at the time of baseline and final surveys (‘Movers’ subgroup, Veszprém pilot)**

	Housing Security	Housing Affordability	Housing Quality	Employment Status	Income deciles
<b>Treatment Group</b>					
Baseline	1.90	2.08	2.27	2.93	2.20
Final	2.87	2.80	2.77	3.40	4.43
Differences between Final and Baseline	0.97	0.72	0.50	0.47	2.23
<b>Control Group – weighted</b>					
Baseline	2.29	2.40	2.24	3.58	3.00
Final	2.48	1.98	2.74	3.71	3.61
Differences between Final and Baseline	0.19	-0.42	0.49	0.13	0.61

In terms of household net equivalent index distribution, the Treatment Group was in particularly weak position, with more than half (57%) of households in the lowest income decile. Only 7 percent were in the top five deciles (scores 3 and 4). By the Final Survey the share in the lowest decile decreased but remained significant, but 40 percent of the households entered one of the top five deciles. The Control Group’s position changed in the opposite direction: the share of households in the lowest income decile grew significantly, while the share of those in a higher income level remained constant.

Initially the net equivalent labour income of TG households was half of the CG value. By pilot end it reached the CG’s level, while both groups increased their labour income. Accordingly, the TG managed to increase their work income to a larger extent.

**Table 38. “Debtors”: average of housing and employment related indices at the time of baseline and final surveys (‘Debtors’ subgroup Veszprém pilot)**

	Housing Security	Housing Affordability	Debts	Employment Status	Income deciles
<b>Treatment group</b>					
Baseline	1.95	2.50	1.97	2.90	1.67
Final	2.73	2.83	2.17	3.40	3.07
Differences between Final and Baseline	0.78	0.33	0.20	0.50	1.40
<b>Control group – weighted</b>					
Baseline	2.17	2.51	2.40	3.01	2.48
Final	2.38	1.93	1.64	2.69	2.11
Differences between Final and Baseline	0.2	-0.58	-0.76	-0.32	-0.38

In the “Mover” subgroup, the share of missing data was relatively high at the baseline (8 clients); against only 3 households missing in the CG. The Treatment Group improved its position across all housing index categories, whereas the Control Group saw a worsening Housing Affordability index. The Employment Status of both groups improved, and the Control Group retained its more favourable position. In the income index, however, the Treatment Group improved its results to a greater extent, exceeding Control Group values.

**Table 39. Aggregated scores for housing and employment positions (Veszprém pilot)**

Indices	Baseline		Final	
	Mean	N	Mean	N
<b>‘Movers’ subgroup</b>				
<b>Aggregated Housing Index</b>				
Treatment	6.05	22	8.45	22
Control – weighted	6.80	27	7.24	27
<b>Aggregated Employment Index</b>				
Treatment	5.13	30	7.83	30
Control – weighted	6.58	26	7.32	26
<b>‘Debtors’ subgroup</b>				
<b>Aggregated Housing Index</b>				
Treatment	6.48	24	7.67	24
Control – weighted	4.86	10	5.03	10
<b>Aggregated Employment Index</b>				
Treatment	4.57	27	6.47	27
Control – weighted	3.85	9	3.99	9

In the “Debtor” subgroup the improvement of housing indices was more modest. The Treatment Group improved its position in all measured dimension, especially regarding housing security (the other two values ameliorated to a small extent). Housing security improved to a small amount in the Control Group, while the CG position weakened overall in the other two indices, especially regarding debt management. Employment related indices show a similar pattern. The TG improved its values in both dimensions, while the CG found itself in a weaker position by project end.

Aggregated indices for the “Movers” subgroup confirm the greater improvement in the TG’s position. The Treatment households achieved overall greater positive change, despite starting the pilot from a

comparably weaker position than the Control Group. The same applies for employment related aggregated indices. The patterns of change were quite similar in the “Debtors” subgroup as well.

#### 6.2.6 Results of Budapest (ULE) Pilot

The Treatment Group of the Budapest pilot were primarily homeless couples living in improvised housing (self-built shack or huts).

**Table 40. Distribution of the households of treatment and control groups across the housing security categories (Budapest Pilot)**

	Baseline		Final	
	TG	CG	TG	CG
<b>Housing Security (%)</b>				
Secure, Score 3	6.7	22.2	100.0	11.1
Less secure, Score 2	6.7	11.1	0.0	22.2
Insecure/ Marginalized, Score 1	86.7	66.7	0.0	66.7
Missing	0.0	0.0	0.0	0.0
Total N	15	9	15	9
<b>Housing Affordability (%)</b>				
Affordable Score 3	6.7	66.7	66.7	55.6
Unaffordable Score 2	13.3	0	26.7	0.0
Severely unaffordable/ Marginalized Score 1	80.0	33.3	0.0	44.4
Missing	0.0	0.0	6.7	0.0
Total N	15	9	15	
<b>Housing Quality (%)</b>				
Normal quality Score 3	6.7	0.0	93.3	0.0
Low quality Score 2	13.3	22.2	6.7	33.3
Unconventional housing/homeless Score 1	80.0	77.8	0.0	66.7
Missing	0.0	0.0	0.0	0.0
Total N	15	9	15	9
<b>Employment Status (%)</b>				
no employment	7.1	11.1	6.7	0.0
employment, but neither legal nor secure	14.3	11.1	20.0	33.3
employment, some element of legality/security	50.0	33.3	53.3	44.4
employment, legal and secure	28.6	44.4	20.0	22.2
Total N	14	9	15	9
<b>Labour Income Deciles (%)</b>				
1	14.3	0.0	7.7	0.0
2-3	14.3	62.5	7.7	11.1
4-5	14.3	0.0	23.1	0.0
6-7	28.6	12.5	0.0	33.3
8-9-10	28.6	25.0	61.5	55.6
Total N	14	8	13	9

The implementer chose to work with couples (whether friends or a romantic couple living together) so they would have two income sources, and a better chance of maintaining their dwelling after moving into rental housing. Control Group members were homeless or former homeless persons, who received other intervention forms from different institutions (if they received any). Some of them live in supported housing, others in institutions.

Housing index value distributions show that the housing position of Treatment Group households improved significantly, despite largely starting the project in marginalized housing position. The situation of the Control Group worsened in the meantime.

In terms of housing security as well as the TG members achieved high measured security levels, that is, they had valid legal contractual titles to their dwellings (owned either by a municipality or an NGO; some owned by private persons, and sublet by the NGO). For two thirds of them, this rental tenure was affordable, one quarter was in the medium (score 2) affordability category, and with one single exception, they were all in the highest housing quality category (adequate comfort and equipment level). In contrast, two thirds of the Control Group remained in marginalized housing position by project closure, in terms of quality as well as security. Roughly half of the CG was in appropriately affordable accommodation (which, in most cases, covers very inexpensive institutional accommodation).

Employment status patterns were similar in the two groups. The share of TG and CG households shrank in the top and bottom categories, while the weight of medium security, informal employment increased in both.

Regarding net equivalent household income, TG households had a better starting position, and even though the average difference between TG and CG households somewhat diminished, Treatment households retained some of their advantage. The income means of the two groups reflect this trend.

**Table 41. Mean of the equivalent labour income in the treatment and control group (Budapest pilot)**

	Baseline		Final	
	TG	CG	TG	CG
Mean	104 314.0	86 847.8	183 655.0	170 011.9
Std. Dev	70 188.3	53 996.8	160 088.4	105 507.1
Min	10 000	50 000	14 117.7	55 294.1
Max	282 352	200 000	630 000	400 000.0
Total N	14	8	13	9

Index values reflect these trends, showing significant difference in the housing position of the Treatment and the Control Group. TG values strongly ameliorated, and the Control Group worsened – even though the latter had a slightly better initial starting point. On the other hand, there were no major changes in employment status; in fact, the position of the Treatment households became slightly worse by project closure. Yet, income index values improved in both groups, a bit more so in the Control Group, although it did not catch up entirely with the Treatment households, thanks to the latter’s better initial position.

**Table 42. Treatment group vs Control group: average of housing and employment related indices at the time of baseline and final surveys**

Indices	Housing Security	Housing Affordability	Housing Quality	Employment Status	Income deciles
<b>Treatment group</b>					
Baseline	1.2	1.27	1.27	3.00	3.27
Final	3	2.71	2.93	2.80	4.15
Differences between Final and Baseline	1.8	1.44	1.66	-0.20	0.89
<b>Control group - weighted</b>					
Baseline	1.56	2.33	1.22	3.00	3.00
Final	1.44	2.11	1.33	3.00	4.11
Differences between Final and Baseline	-0.11	-0.22	0.11	0.00	1.11

The aggregated value of housing indices shows dramatic improvement (reaching the maximal value of 9 points), while the Control Group’s index value decreased slightly. Employment related aggregated indices show the somewhat better position of the Control Group, while both groups improved their position to a limited extent.

**Table 43. Aggregated scores for housing and employment positions (Budapest pilot)**

Aggregated Indices	Baseline		Final	
	Mean	N	Mean	N
<b>Aggregated Housing Index</b>				
Treatment	3.78	14	8.64	14
Control – weighted	5.11	9	4.89	9
<b>Aggregated Employment Index</b>				
Treatment	6.0	13	7.15	13
Control – weighted	6.0	8	7.13	8

## 6.3 Statistical analysis of changes in outcomes

In the previous section, we discussed and described the changes in both Treatment and Control households’ situation. In this section we will use statistical models to test whether the changes experienced by the HomeLab clients were significantly more positive than those of the Control Group. Throughout the analysis we will restrict our attention to the same sample as before, and use the same weighting method (to correct for attrition and the differences in composition) as in the previous sections.

### 6.3.1 Our approach

We rely on the same outcome indices, and throughout the analysis, we will keep in mind that these are ordinal measures. Thus, we will use ordered probit models of the following form, which are estimated on pooled panel data. This means that for each household, we have two observations, one describing their Baseline situation, and the other for the Final survey. We also pool treated and control households’ observations.

$$y_i^t = \beta^1 Treat_i + \beta^2 After^t + \beta^3 Treat_i * After^t + \gamma X_i + \varepsilon_i^t$$

Where *Treat* stands for households who were HomeLab clients, and *After* denotes the same group in the Final Survey. We are interested in the regression coefficient on the interaction between *Treat* and *After*, in other words, the differential change in HomeLab clients’ situation. This means that we use a difference-in-difference methodology to identify the effect of the programme on the outcomes. We also control for some basic background characteristics of the households (this is represented with the vector  $X$ ). Thus our assumption is that – conditional on a host of background variables – the outcomes of the Control Group represents what would have happened to the HomeLab clients if they did not participate.<sup>24</sup>

We will discuss results first separately for housing and employment outcomes, as well as sub-indices thereof, in order to understand in the dimensions in which the pilots brought about changes. Finally, we will also measure change in ‘overall life satisfaction’, in order to have a picture of clients’ own view of their situation, and how this may have been influenced by the HomeLab intervention.

In a further step, we also considered whether (improvements in) the two outcomes are related: whether those whose housing situation can be significantly changed are also more likely to be able to achieve a better position in the labour market. Practically, this was done first by including the employment (housing) outcome as an explanatory variable in the ordered probit, describing changes in housing outcomes. Second, we also estimated (seemingly unrelated) bivariate ordered probit regressions: we simultaneously estimated the two outcome equations while allowing for the error from the two equations to be correlated.

We also documented service providers’ strategy, by asking a simple question: did the initial housing and labour market situation (as measured objectively in our indices) influence the average amount of services a client household received throughout the pilot period. It is not clear whether we should expect a correlation, since social workers and clients might assess their situation and needs differently than what we measure.

We also quantitatively tested whether more intensive service provision would have led to larger improvement in life situations. We need to keep in mind that this is not necessarily a cause-and-effect relationship. On the one hand, if the pilot implementer/field worker makes greater effort, they may be able to identify a more suitable apartment for a beneficiary household. On the other hand, once an apartment is secured, there are many additional services related first to the relocation and then to helping the client maintain their improved situation. Thus, we can consider this more of a descriptive analysis, where we only included HomeLab clients (as we do not have precise information on the intensity of services provided to Control Group members). We estimate regression in a way similar to that described above, but we enter the (average monthly) number of services received by households, as reported in the process monitoring.

$$y_i^t = \beta^2 After^t + \delta Services_i * After^t + \gamma X_i + \varepsilon_i^t$$

### 6.3.2 Results for the Polish pilot in Warsaw

In the top panel or the table below, we show the results of the ordered probit regressions with no control variables, while in the bottom panel, we use a full set of control variables (essentially the same as in the matching procedure). All of the results show the same basic story: that the outcomes of HomeLab participants increased significantly more in terms of housing situation than for the Control

<sup>24</sup> What is important in our model is the *change in outcomes*, as opposed to the (possible) differences in the levels.

Group. While the employment situation of HomeLab clients also ameliorated, this was not significantly larger than for the control group. Our essential results are not changed when we add control variables, thus we can attribute the improvement in housing to the HomeLab project. We also found that the outcomes in the two dimensions are positively correlated, but when taking this into account, we find basically the same results: large positive improvement for housing position, but no significant amelioration for employment.

**Table 44. Ordered probit regression of outcomes, Poland (HfH)**

	Housing		Employment		Satisfaction	
<i>No Controls</i>	Coefficient	Std. Error	Coefficient	Std. Error	Coefficient	Std. Error
Treatment	-0.313	0.278	-0.0242	0.201	-0.120	0.323
After	0.469	0.321	0.424*	0.218	0.324	0.355
Treatment*After	1.062***	0.372	0.403	0.344	0.390	0.421
Pseudo R2						
<i>Full Controls</i>						
Treatment	-0.424	0.264	-0.0159	0.210	-0.107	0.317
After	0.765*	0.451	0.493**	0.238	0.628	0.398
Treatment*After	1.223**	0.517	0.551	0.419	0.246	0.467
N of observations	164		164		162	

Note: results of own calculations, coefficient estimates from ordered probit models. \*\*\* means statistically significant at the 1% level; \*\* means statistically significant at the 5% level; \* statistically significant at the 10% level. We do not show the coefficients for control variables.

When measuring the correlation between changes in outcome and the amount of services received, we did not find any effect. Neither do we see a clear pattern in terms of differentiation of service intensity by initial situation, not do we see a significant effect of the amount of services on outcomes.

**Table 45. Regression of services, Poland (HfH)**

	Housing Services		Employment Services		Social Services	
	Coefficient	Std. Error	Coefficient	Std. Error	Coefficient	Std. Error
Housing	-0.0753	0.115	-0.0168	0.0664	0.277***	0.0987
Labour market	-0.108	0.121	-0.0142	0.0745	-0.155*	0.0825
Constant	2.228*	1.138	1.778**	0.772	0.310	1.061
N observations	38		38		38	
R2	0.119		0.223		0.154	

**Table 46. Ordered probit regression of outcomes and services, Poland (HfH)**

	Housing Index		Employment Index		Satisfaction	
	Coefficient	Std. Error	Coefficient	Std. Error	Coefficient	Std. Error
After	1.548***	0.483	1.290**	0.512	0.841*	0.442
Housing Services	0.276	0.200	-0.177	0.217	0.0805	0.174
Labour services	-0.789	1.032	0.0496	0.897	0.0752	0.874
Social services	-0.162	0.298	-0.0928	0.311	-0.329	0.223
N observations	73		73		73	
R2	0.162		0.0431		0.0481	

### 6.3.3 Results for Slovakia

Our results for Slovakia show a small positive effect for housing outcomes, whilst we found no positive effects of the HomeLab services on labour market outcomes. However, one has to keep in mind that the control group also received a rather intensive set of employment services. Given the nature of housing services it is not surprising that the quality of housing improved significantly, whilst security also improved slightly (albeit not significantly) and affordability did not change. Reassuringly, overall life satisfaction also improved thanks to the HomeLab services (though sample size is significantly reduced for this estimation).

**Table 47. Ordered probit regression of outcomes, Slovakia (PIN)**

	<b>Housing</b>		<b>Employment</b>		<b>Satisfaction</b>	
<i>No Controls</i>	Coefficient	Std. Error	Coefficient	Std. Error	Coefficient	Std. Error
Treatment	-1.082***	0.291	-0.0835	0.386	-0.555	0.400
After	0.566***	0.159	1.043***	0.311	-1.402***	0.425
Treatment*After	0.680***	0.262	0.152	0.405	1.093*	0.569
Pseudo R2	0.086		0.074		0.086	
<i>Full Controls</i>						
Treatment	-1.147***	0.266	0.0117	0.327	-0.624*	0.335
After	0.613***	0.181	1.188***	0.340	-1.355***	0.494
Treatment*After	0.700**	0.282	0.136	0.452	1.181*	0.651
Pseudo R2	0.116		0.127		0.141	
N of observations	151		151		119	

In Slovakia, we do see that those with a better starting employment position receive less services, especially employment-related services, while service provision is not correlated with the starting housing situation. Similarly, we found that those clients, who received more employment-related services could improve their labour market outcomes to a larger extent than other clients.

**Table 48. Regression of services, Slovakia (PiN)**

	<b>Housing Services</b>		<b>Employment Services</b>		<b>Social Services</b>	
	Coefficient	St Error	Coefficient	St Error	Coefficient	St Error
Housing	0.0177	0.127	-0.114	0.106	-0.0898	0.0715
Labour market	-0.419***	0.132	-0.630***	0.124	-0.137**	0.0676
Constant	0.137	0.0966	-0.0262	0.0799	-0.0543	0.0834
N observations	37		37		37	
R2	0.245		0.489		0.106	

Somewhat surprisingly (a) the amount of social services received is negatively correlated with changes in housing situation and (b) the correlation between overall life satisfaction and services received follows an opposite pattern than those of ‘objective’ outcomes.

**Table 49. Ordered probit regression of outcomes and services, Slovakia (PIN)**

	<b>Housing Index</b>		<b>Employment Index</b>		<b>Satisfaction</b>	
	Coefficient	St Error	Coefficient	St Error	Coefficient	St Error
After	0.786*	0.430	0.661	0.450	0.249	1.090
Housing Services	0.264	0.204	0.0213	0.215	-0.883	0.816
Labour services	0.587**	0.274	0.583**	0.268	-1.116**	0.539
Social services	-0.780***	0.278	-0.176	0.312	1.119*	0.642
<i>N observations</i>	72		72		52	
<i>R2</i>	0.216		0.201		0.187	

### 6.3.4 Results for Czech Republic

The large dropout (attrition) problem which we discussed above, as well as the number of cases where we encountered missing answers (item non-response) and where we had to impute data based on the midterm survey renders the results for the Czech Republic somewhat uncertain.

**Table 50. Ordered probit regression of outcomes, Czech Republic (Romodrom)**

	<b>Housing</b>		<b>Employment</b>		<b>Satisfaction</b>	
<i>No Controls</i>	Coefficient	Std. Error	Coefficient	Std. Error	Coefficient	Std. Error
Treatment	-0.255	0.366	0.528	0.398	0.676*	0.380
After	-0.160	0.268	-0.0245	0.231	0.572**	0.266
Treatment*After	0.914**	0.382	0.384	0.431	-0.525	0.454
Pseudo R2	0.0183		0.0377		0.0326	
<i>Full Controls</i>						
Treatment	-0.391	0.365	0.559	0.415	0.803*	0.473
After	-0.179	0.238	-0.0638	0.291	0.443	0.343
Treatment*After	1.105**	0.461	0.528	0.522	-0.594	0.556
Pseudo R2	0.167		0.131		0.281	
N of observations	99		99		86	

All in all, we found no significant improvement in terms of employment outcomes, even though for the sub-index of labour market status, we found that HomeLab clients could largely ameliorate their position. We found a positive effect of the HomeLab intervention both on the quality and on the security of clients' housing, and thus on overall housing position. We need to note however that these results might be upward biased due to large-scale selective dropout from the pilot.

**Table 51. Regression of services, Czech Republic (Romodrom)**

	<b>Housing Services</b>		<b>Employment Services</b>		<b>Social Services</b>	
	Coefficient	Std. Error	Coefficient	Std. Error	Coefficient	Std. Error
Housing	0.140	0.103	-0.0524	0.0485	0.0460	0.0900
Labour market	-0.153	0.123	-0.0109	0.0459	-0.0762	0.0703
Constant	0.0656	1.209	-0.227	0.464	0.893	1.245
N observations	19		19		19	
<i>R2</i>	0.167		0.219		0.0766	

In terms of services, we find basically no correlation between the intensity of services received and the starting situation of households, which might be due to very low sample size. When examining

outcomes, we again do not find any correlation between the intensity of services and changes in positions.

**Table 52. Ordered probit regression of outcomes and services, Czech Republic (Romodrom)**

	Housing Index		Employment Index		Satisfaction	
	Coefficient	Std. Error	Coefficient	Std. Error	Coefficient	Std. Error
After	1.262*	0.670	0.611	0.624	0.435	0.882
Housing Services	-0.137	0.245	0.0822	0.212	-0.322	0.275
Labour services	0.169	0.511	-0.514	0.757	-0.831	0.633
Social services	-0.420	0.341	-0.0686	0.285	0.786	0.696
<i>N observations</i>	36		36		30	
<i>R2</i>	0.0497		0.0577		0.0593	

### 6.3.5 Results for Veszprém

As discussed above, the analysis of the data for Veszprém is rendered more complicated by the fact that there were two distinct client groups with differing situation and needs: (a) those who were heavily indebted, but did not need to change apartments; and (b) those whose situation could largely be improved by giving them access to social rentals. Thus, when estimating outcomes, we chose to do this separately for the two client groups (by estimating interactive models, for the most part).

**Table 53. Ordered probit regression of outcomes, Hungary (HCSOM)**

	Housing		Employment		Satisfaction	
<i>No Controls</i>	Coefficient	Std. Error	Coefficient	Std. Error	Coefficient	Std. Error
Treatment	-0.599***	0.211	-0.790***	0.213	-0.222	0.331
After	0.466	0.300	0.203	0.226	-0.101	0.184
Treatment*After	1.144***	0.359	0.944***	0.290	0.508**	0.246
<i>R2</i>	0.107		0.0600		0.098	
<i>Full Controls</i>						
Treatment	-0.710***	0.222	-0.899***	0.250	-0.305	0.278
After	0.481	0.343	0.318	0.263	-0.111	0.220
Treatment*After	1.391***	0.402	1.104***	0.341	0.613**	0.295
Pseudo <i>R2</i>	0.192		0.156		0.116	
<i>Interactive Model, no controls</i>						
Treatment*After	0.948**	0.442	0.955***	0.323	0.777**	0.396
Tr*A*Indebted	0.442	0.631	-0.0199	0.587	-0.764	0.606
<i>R2</i>	0.119		0.064		0.016	
<i>Interactive Model, Full Controls</i>						
Treatment*After	0.948**	0.442	1.022***	0.356	0.777**	0.396
Tr*A*Indebted	0.442	0.631	0.199	0.720	-0.764	0.606
<i>R2</i>	0.225		0.162		0.126	
<i>N of observations</i>	183		195		182	

First, we show results for models that do not take into account this distinction, and find that both employment and housing positions improved due to the HomeLab intervention. However, when we disaggregate clients into two groups, we find slightly different results. In fact, for employment outcomes, we found no significant differences between these groups: the HomeLab intervention had a beneficial effect for both, which is largely due to an improvement in labour incomes (and less so for labour market status). However, unsurprisingly, our findings are very different for clients’ housing position. Broadly speaking, the Homelab intervention slightly improved the housing position of those who did move, but largely improved it for those who did not move. This is the outcome of very different processes. Those who did not move saw an improvement in their housing security, while the other group did not. In contrast, those who moved experienced a large improvement in their housing quality, but the indebted group did not. Finally, we also see that clients’ overall life satisfaction improved more than for the control group, and this primarily was due to mover (non-indebted) households.

We find rather consistent results in service provision intensity: those who started out in a better housing position received less services consistently in all domains. As for differences across indebted and the mover group, naturally, we find much less service provision for the indebted group, while slightly more employment services.

**Table 54. Regression of services, Hungary (HCSOM)**

	Housing Services		Employment Services		Social Services	
	Coefficient	Std. Error	Coefficient	Std. Error	Coefficient	Std. Error
Housing	-0.161***	0.0487	-0.0908**	0.0382	-0.207***	0.0539
Labour market	0.0104	0.0257	-0.0222	0.0156	-0.0204	0.0248
Indebted	-0.528***	0.106	0.108*	0.0624	-0.106	0.0999
Constant	1.895***	0.484	1.524***	0.471	2.501***	0.630
N observations	50		50		50	
R2	0.439		0.558		0.482	

We also find mixed correlations between the intensity of services received and outcomes. On the one hand, those who received more employment services saw a larger increase in their labour market position, as well as having a large increase in their overall satisfaction. On the other hand, those who had more housing related services had higher life satisfaction, but their housing position improved less.

**Table 55. Ordered probit regression of outcomes and services, Hungary (HCSOM)**

	Housing Index		Employment Index		Satisfaction	
	Coefficient	Std. Error	Coefficient	Std. Error	Coefficient	Std. Error
After	4.054***	0.626	1.930***	0.456	-0.216	0.502
Housing Services	-1.924**	0.809	-0.437-	0.486	1.273*	0.673
Labour services	-1.105	1.309	1.927*	1.138	2.325**	1.181
Social services	0.231	1.177	-0.786	0.853	-1.773*	1.036
N observations	109		109		108	
R2	0.294		0.223		0.149	

### 6.3.6 Results for Budapest

Despite the substantially fewer clients of ULE in Budapest, their services seem to have a great impact on their clients’ improvement, especially on housing outcomes. We found a positive effect of the HomeLab intervention on the quality, on the security and on the affordability of clients’ housing, and

thus on overall housing position. That may be caused by the fact that ULE is working with homeless people thus the average baseline housing position is very low among them. The overall employment status does not seem to be improved significantly by HomeLab interventions.

**Table 56. Ordered probit regression of outcomes, Budapest (ULE)**

	Housing		Employment		Satisfaction	
<i>No Controls</i>	Coefficient	Std. Error	Coefficient	Std. Error	Coefficient	Std. Error
Treatment	-1.162**	0.542	0.192	0.432	0.192	0.508
After	-0.184	0.339	0.718*	0.411	0.012	0.323
Treatment*After	7.483***	0.575	-0.191	0.520	0.719	0.514
Pseudo R2	0.357		0.025		0.042	
N of observations	47		44		43	

The baseline employment position does not show a great effect on the service intensity of the client. The baseline housing position has a positive effect on the intensity of employment and social services: clients with better housing position receive significantly more employment and social services. Supposedly because clients in better housing position need fewer housing services thus there are capacity for the other service types.

**Table 57. Regression of services, Hungary (ULE)**

	Housing Services		Employment Services		Social Services	
	Coefficient	Std. Error	Coefficient	Std. Error	Coefficient	Std. Error
Housing	0.195	0.173	0.326*	0.169	-0.300*	0.156
Labour market	-0.107	0.128	-0.034	0.074	-0.003	0.153
Constant	3.182	2.045	0.814	1.151	1.413	1.127
N observations	14		14		14	
R2	0.076		0.299		0.384	

The correlations between the intensity of services received and outcomes show that those who received more housing services had both their housing and overall satisfaction position improved more meanwhile those who received more employment services had their housing position improved less. It seems that service intensity had no influence on the change in employment position among the clients of ULE.

**Table 58. Ordered probit regression of outcomes and services, Hungary (ULE)**

	Housing Index		Employment Index		Satisfaction	
	Coefficient	Std. Error	Coefficient	Std. Error	Coefficient	Std. Error
After	14.384***	1.910	0.025	0.751	1.77***	0.638
Housing Services	0.641*	0.386	0.323	0.235	0.301**	0.144
Labour services	-1.715 **	0.745	0.365	0.241	-0.551	0.378
Social services	-0.599	0.575	-0.150	0.292	-0.673**	0.303
<i>N observations</i>	27		27		26	
<i>R2</i>	0.5727		0.0730		0.0992	

### 6.3.7 Subgroup analysis based on pooled data

Initially, we analysed all of the pilots one-by-one, as the different NGOs had different target groups and slightly different services models. However, in order to ascertain whether the HomeLab approach

is more (or less) successful for different subgroups of those in need, we performed analyses on those in more/less marginalized positions in the beginning of the programme. In order to do this, we used a pooled sample from the five different pilots, in the same type of approach as above, in order to reach a sufficient sample size. Clearly, the assumptions behind this analysis is (for the groups of less/more marginalized) that: (i) we only estimated the ‘average’ effect of the HomeLab programmes and that (ii) in some specifications we constrain the effect of the background variables to be the same across pilots.

We defined three subgroups of clients, based on their initial positions in terms of labour market and housing histories. In terms employment situation, we considered all those households as being a vulnerable position where the household head had either very low level of education (finished primary school at most, ISCED1) or did not work in the last two years at all. For housing, we assume that households with homeless tenure position (staying in institutions, shacks, squats, unconventional dwelling) are marginalized. Based on these intermediate indices, we defined three sub-groups of clients: (i) those in relatively advantageous position in both the labour market and housing; (ii) those in vulnerable position in the labour market, but not marginalized in terms of housing; and (iii) those marginalized in housing. The proportion of clients in the three groups was fairly even, with slightly less than 30 percent in the third group, one-third in the second group, with the remaining 38 percent in the group with relatively good starting positions. However, there were large differences across the pilots in the proportion of clients in the different groups, reflecting the partners’ different targeting strategies (as well as the fact that attrition might have been pronounced in some groups of clients). The pilots in Warsaw and especially in Veszprém had the highest proportion of the less disadvantaged group. By contrast, those with a marginalized initial housing position were heavily overrepresented among the clients of ULE (due to their homeless background), while they were in present in a very low proportion in Veszprém.

**Table 59. Profile of the households in the two groups before and after the matching procedure**

	<b>Not vulnerable</b>	<b>Labour market vulnerability</b>	<b>Housing marginalized</b>	<b>Number of observations</b>
Czech Republic	19.05	47.62	33.33	21
Veszprém (HU)	53.33	40.00	6.67	60
Poland	55.26	7.89	36.84	38
Slovakia	19.51	46.34	34.15	41
Budapest (HU)	6.67	13.33	80.00	15
Total	37.71	33.14	29.14	175

In our statistical model, we use interactions between the subgroups and the treatment indicator. In other words, we assume estimate the following type of model, where we will call *SG1* the group with relatively good position, *SG2* those with vulnerable position in the labour market; and *SG3* those in marginalized housing position.

$$y_{ip}^t = \beta^1 Treat_i * SG1_i * After^t + \beta^2 Treat_i * SG2_i * After^t + \beta^3 Treat_i * SG3_i * After^t + \alpha^1 SG1_i + \alpha^2 SG2_i + \alpha^3 SG3_i + \omega Treat_i + \tau_p P_i * After^t + \varphi_p P_i + \gamma_p * X_i + \varepsilon_{ip}^t$$

In the model above, we specifically allow some background variables, and well as the changes in baseline outcomes to vary by pilots, hence we use the indices *p*. Thus, we take into account that the general labour and housing market situation might have changed differently in the pilot implementing locations. Furthermore, we are trying to incorporate in a flexible way not only that the distribution of

background characteristics (such as household composition, ethnic background etc.) is different in the pilots that we are pooling, but also that these characteristics might affect outcomes in alternative ways in these locations.<sup>25</sup> Notice that we are interested in (a) whether the coefficients  $\beta^1$ ,  $\beta^2$  and  $\beta^3$  are significantly different from zero – meaning that the HomeLab programme had positive effect on the particular subgroup’s outcomes; and (b) whether the coefficients  $\beta^1$ ,  $\beta^2$  and  $\beta^3$  are equal to each-other – meaning that there were important differences in the effectiveness of the programme for the different subgroups. However, in terms of affordability, HomeLab had similar effect for those who did not start from a vulnerable or marginalized position.

The estimation results reported below in general imply that the HomeLab interventions significantly increased participants’ outcomes, and that there are some marked differences across subgroups in its effectiveness. In terms of housing position, we can see that the interventions had a particularly pronounced effect on those who started from a marginalized position, while it was also successful for those households which already had a less marginalized position. In all three aspects: security, affordability and quality those with the worst starting position could make the largest improvements.

**Table 60. The effect of the HomeLab intervention by clients’ initial vulnerability position. Effects on housing and employment outcomes, as well as overall life satisfaction, pooled regressions of all pilots**

	Housing		Employment		Satisfaction	
Subgroups	Coefficient	Std. Error	Coefficient	Std. Error	Coefficient	Std. Error
Not vulnerable	0.774***	0.262	0.273	0.264	0.152	0.253
Labour market	0.927***	0.214	0.773***	0.252	0.441	0.271
Housing	2.663***	0.371	0.527*	0.299	1.008***	0.300
N of obs.	649		660		631	
Pseudo R <sup>2</sup>	0.251		0.172		0.143	
Test $\beta_1=0$ ; $\beta_2=0$ ; $\beta_3=0$	0.001		0.017		0.006	
Test $\beta_1=\beta_2=\beta_3$	0.001		0.228		0.031	

Note: Results of own calculations, coefficient estimates from ordered probit models. \*\*\* means statistically significant at the 1% level; \*\* means statistically significant at the 5% level; \* statistically significant at the 10% level. We do not show the coefficients for control variables. In the table we display the p-values for the test  $\beta_1=0$ ;  $\beta_2=0$ ;  $\beta_3=0$ ; meaning the HomeLab intervention had no effect whatsoever. We also display the p-value for the test  $\beta_1=\beta_2=\beta_3$ ; meaning that the HomeLab intervention had the same effect on all three subgroups.

The results for employment outcomes are not so clear-cut and differ from that for housing, as we can see that the largest improvement for those with a vulnerable labour market position. However, we also found that there are no stark differences across the subgroups, and we cannot reject that the effect of HomeLab is the same for all three groups. In fact, HomeLab improved the employment status of both those with marginalized housing and also vulnerable labour market positions, while not of those who began in a relatively good position. By contrast, there was no significant effect on labour incomes in either of the groups – though there was some improvement.

We could also confirm that the two outcomes are positively correlated, and that the results are more robust for housing outcomes. In other words, when we simultaneously estimated both outcomes, allowing for a correlation between the two, we found that the effects of employment – while remaining positive for the two more vulnerable groups – were not statistically significant anymore.

<sup>25</sup> More precisely, we used the subclasses formed during the re-weighting procedure, as succinct measures of background. We also controlled for imputation for the final survey based on the midterm survey, as well as for the existence of debtors (non-movers) in the pilot in Veszprém.

We finally also considered general satisfaction with life, where we also found a positive effect for the HomeLab interventions – with the largest improvements for those in marginalized starting housing position, somewhat smaller, for those with vulnerable labour market position, and none for those who started from a relatively less disadvantaged situation.

## 6.4 Process monitoring results (statistics on service provisions)

The Process Monitoring was used to register information on services and interventions received at the household (client) level, by type of service (employment, housing, and social), and within it by type of intervention (e.g. within employment services, interventions could be help in job search, preparation for job interview, referral to a specific job opportunity etc.). This served to record the type and frequency of intervention by pilot implementers. Households were identified with anonymised numerical codes for analysis by BI and MRI.

Besides regularly filling the Process Monitoring form, the contact persons have to summarize the main outcomes in every three months and register the dropouts every six months. Outcomes in housing, employment, and debt status were included (the latter had to be introduced mid-project, after the consortium realized its importance). Implementer partners also recorded dropouts, and added the reason for dropping out (e.g. non-cooperation, addiction relapse etc.).

An online Process Monitoring platform was developed in HomeLab for this purpose. However, only three of the pilot implementers used this platform, as two implementers (PIN and Romodrom) already has mechanisms in place to record interventions. Romodrom recorded interventions on paper, which had to be used for electronic recording later; and PIN has its online administrative system. The two latter provided their records in Excel files, and the online PM system also generated Excel sheets from the recorded data. As the latter presented aggregated information, it was significantly less detailed than the available data for the other three pilots.

This resulted in methodological inconsistencies among the various providers. However, otherwise field workers would have been expected to record their activities twice, which was deemed unacceptable administrative burden besides their existing workload. The consortium therefore accepted that the resulting data will be used for gathering information on the distribution of service types and on intervention intensity, but the resulting records will not directly comparable (although several attempts were made to better harmonise the methodology how implementers record their services into the two systems higher level of comparability could not be achieved).

### 6.4.1 Summary of outcomes from Process Monitoring data

**Housing outcomes** recorded as “placements” indicate moving into standard housing with the help of the HomeLab pilot. Pilot specific outcomes are referred to with a short description (e.g. “building permit”, “debt repayment agreement”). In the case of **employment outcomes**, placement means an adult household member securing a job; under which the table indicates the number of adults who secured jobs, and the number of households of which these adults are members.

In the Slovak pilot, 3 housing placements were recorded. This is lower than the actual number of persons moving to another dwelling in the project; but some of these took place due to external forces rather than to better housing thanks to the project. A much larger number of households successfully began the legalisation process of the land on which their home is built, and altogether 17 households entered the microloan programme, and obtained a building permit. Employment outcomes were more salient in this pilot: 49 adult household members secured job placements in a total of 67 occasions (indicating short term opportunities or job losses for other reasons). This affected 37 households, i.e.

in some households multiple members obtained jobs under the pilot duration. Nonetheless, this too corroborates observational experience that retaining jobs for a prolonged period is challenging for marginalized groups, for whom temporary placements and job losses are frequent.

In the Czech pilot, 47 households were involved as HomeLab programme clients and answered the Baseline Questionnaire, 32 of whom dropped out later (and additional 2 dropouts occurred from the next recruitment cohort). Outcome records show 28 housing placements, indicating that some of the dropouts successfully moved into adequate housing before leaving the programme. The field workers registered 20 job placements during the pilot, affecting 18 individuals from 15 households.

The Polish implementer registered 32 housing placements, and 5 agreements on debt repayment agreements (where housing tenure was at risk due to housing related arrears). Job placements were recorded about 21 persons on 22 occasions, from 21 households. In this pilot, similarly to the Czech case, a large number of dropouts occurred, but placement records do not indicate persons who dropped out after securing housing or employment. As mentioned earlier in the text, many clients left the programme in an early stage due to two primary reasons: limited possibility of the Polish implementer to provide specialized services for substance abuse related issues; and a prolonged period before HomeLab housing could be accessed.

In Budapest, the pilot implementer placed all clients into housing, including later dropouts. 15 clients remained in housing until project closure (this originally indicates 14 placements, one of which split in 2 during the project). In addition, there were 3 dropouts, hence the total 17 placements during the project. The full clientele secured jobs on 68 occasions, affecting 22 persons. This means 3 jobs per person on average during the project. In this target group, securing a long term job placement or maintaining a position for a prolonged period is challenging for multiple reasons.

**Table 61. An overview of outcomes by pilot**

	Outcome			
	Housing		Employment	
<b>Slovak Pilot</b>	N of placements	3	N of placements	67
	N of land legalisations	23	N of persons	49
	N of approval for microloan clearances	17	N of households	37
	N of building permits	17		
<b>Czech Pilot</b>	N of placements	28	N of placements	20
			N of persons	18
			N of households	15
<b>Polish Pilot</b>	N of placements	32	N of placements	22
	N of debt repayment agreements	5	N of persons	21
			N of households	21
<b>Budapest Pilot</b>	N of placements	17	N of placements	68
			N of persons	22
			N of households	17
<b>Veszprém Pilot</b>	N of placements	38	N of placements	29
	N of debt repayment agreements	26	N of persons	19
			N of households	19

In the Veszprém-HU pilot, social workers registered 38 housing placements and 26 debt repayment agreements (split across the “Movers” and the “Debtors” subgroups). 19 adults found jobs from 19

households, overall 29 times; that is, in this target group as well some job seekers had to secure a job over multiple times.

In summary, there were numerous housing placements in the project, but in none of the pilots did their number exceed that of the client households, suggesting that households who received help in securing standard housing also succeeded in maintaining their tenure (with varying need and provision of field worker support).

Regarding employment placements, especially the most vulnerable client groups needed continued support, and entered more than one job in the project period. This clearly indicates the difficulties of excluded groups to retain a job position; but also underlines the importance of providing continued employment support services to marginalized clients.

#### 6.4.2 Statistics on the main service types: housing, employment and social services

The monthly average number of service interventions shows great variance among the five pilots. That variance is caused on the one hand by the difference in the number of clients and on the other hand by the different methods the pilots used to monitor their interventions. The Czech and the Slovak pilots were monitoring offline while the Polish and the two Hungarian pilots were using an online monitoring system that lead to significant difference among the number of coded interventions. However, it is obvious that most of the pilots put the greatest emphasis on housing services, although the Czech and the Budapest (HU-ULE) implementers also put a great emphasis on social services. The most different pilot from the others seems to be that of PIN in Slovakia, where the number of employment services is almost double of the housing or social interventions.

**Table 62. Average monthly number of interventions by field of service by pilot (between October 2017 and June 2019)**

Intervention type	Polish Pilot	Czech Pilot	Slovak Pilot	Veszprém Pilot	Budapest Pilot
Housing	74.8	164.0	280.2	64.7	19.3
Work	12.1	131.1	461.3	7.3	9.5
Social	35.8	161.7	249.6	28.5	21.1

The Polish pilot provided on average 2-3 services per month to individual clients; although there were broad variations, with some clients receiving an outstanding number of services over certain periods (p90), while there were several clients each month who were not receiving any services in that particular month (p50). The apparent low number of interventions is, again, probably attributable to variation in recording methods.

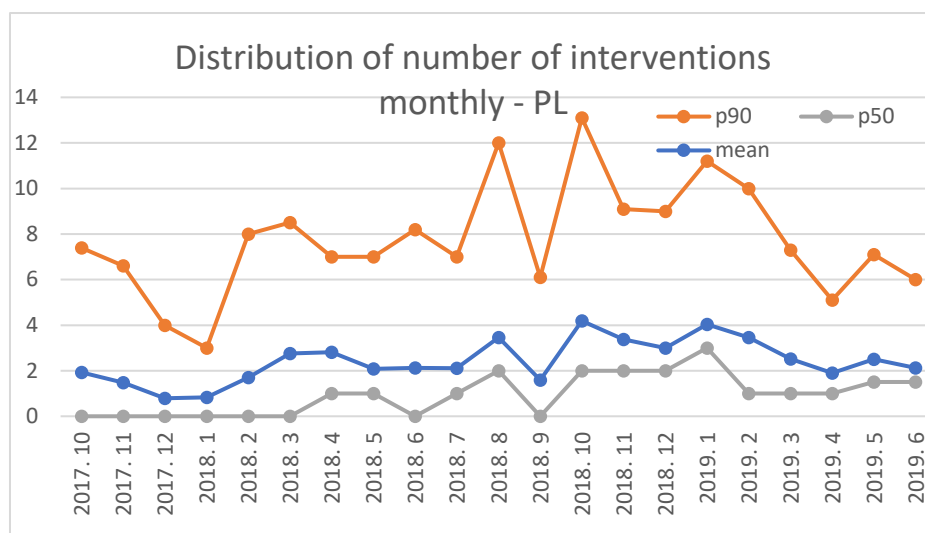


Figure 28. Distribution of number of interventions monthly in the Polish pilot

The Slovak pilot started to provide services with great intensity in the beginning of 2018, and this intensity gradually decreased until the end of the program from around 25-30 services a month to around 10. There were clients in each month who received services with greater intensity, however this was more substantial during the first half of the program and was more moderate during the last year.

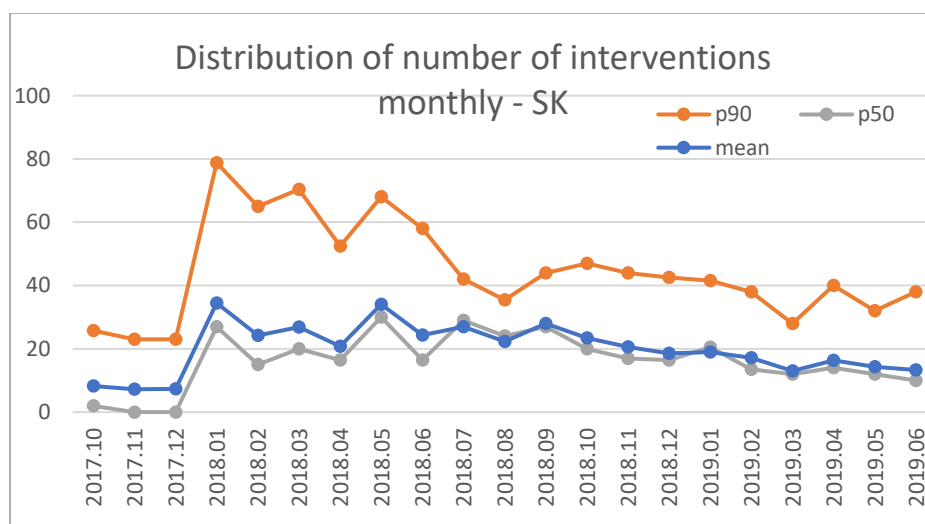


Figure 29. Distribution of number of interventions monthly in the Slovak pilot

Similarly to the Slovak pilot, the number of services provided by Romodrom in the Czech Republic also gradually decreased over time, from an average of around 20 services for a client a month to around only 3 services a month. The integrity of intervention numbers was more evenly distributed among the clients in the Czech Republic than in Poland or Slovakia.

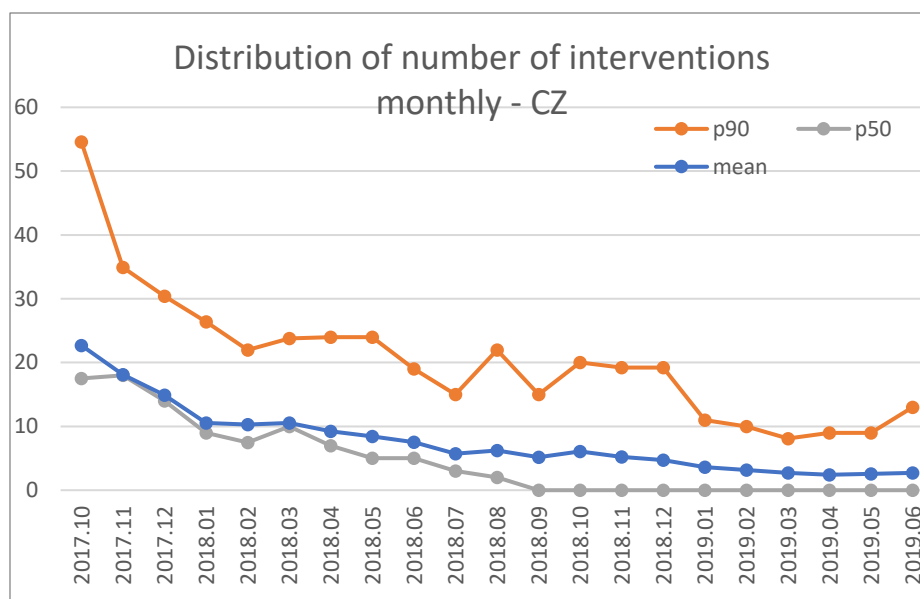


Figure 30. Distribution of number of interventions monthly in the Czech pilot

The number of recorded interventions provided in the pilot in Veszprém-HU did not vary much over time. Field workers provided 1-2 services per month for most of the clients from the beginning till the end of the programme.

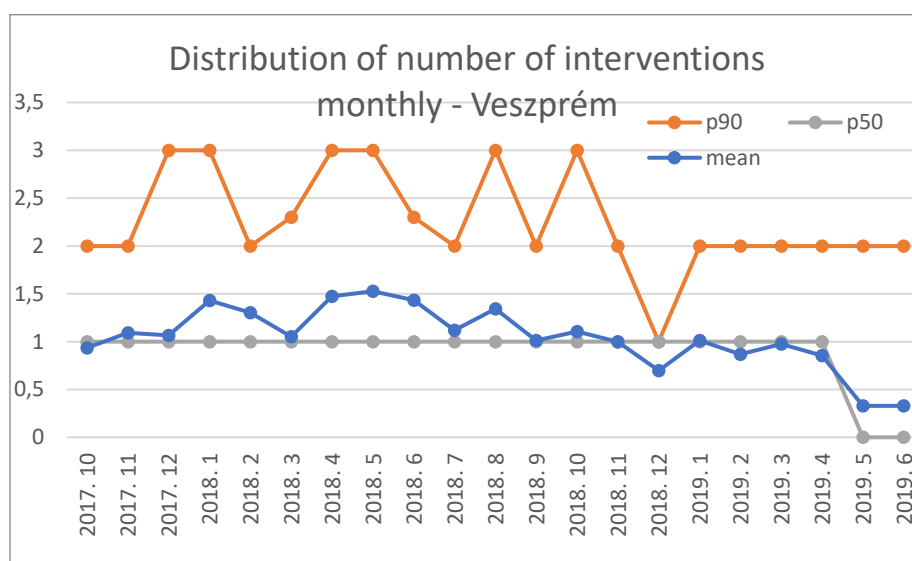


Figure 31. Distribution of number of interventions monthly in the Veszprém pilot

In Budapest (Hungary), ULE provided around 3 service interventions per client per month. However, during the last months of 2018 there were some clients who received significantly more services than the average (the implementer indicated crisis situations in the case of some of the clients for this period).

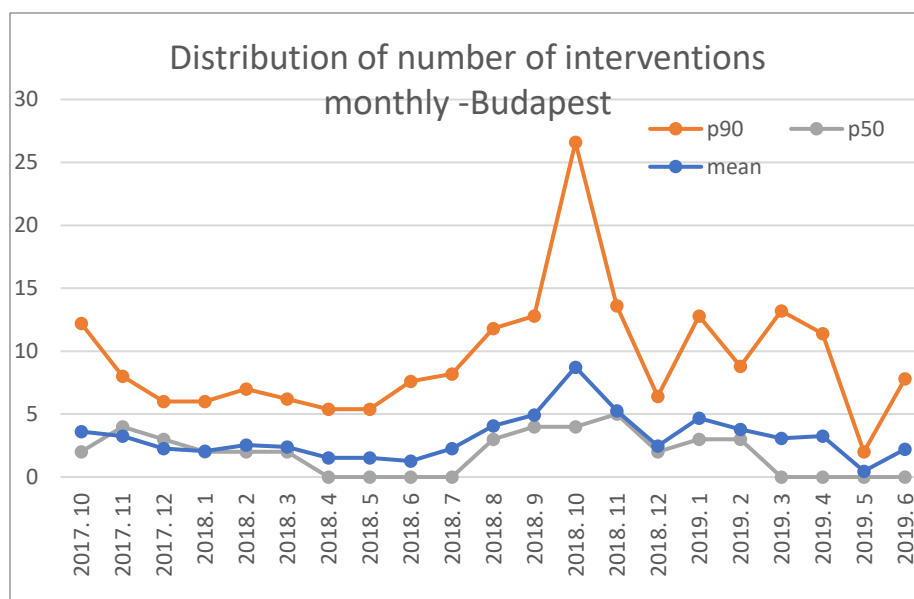


Figure 32. Distribution of number of interventions monthly in the Budapest pilot

### 6.4.3 Dominant intervention types in housing, employment and social services by pilot

In the following sections we provide an analysis of interventions based on the Process Monitoring database, regarding the distribution of housing, employment, and social services provided by field workers in each pilot.

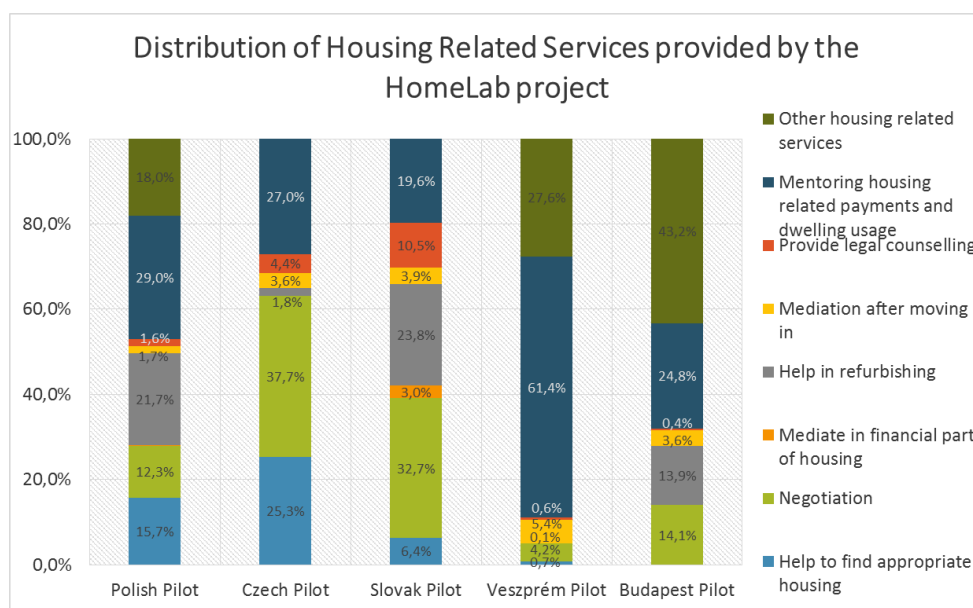
The content of housing related interventions varied by pilot. In Warsaw, field workers provided extensive support in household finance and budgeting and household management. They also offered comprehensive support to clients during the renovation of dwellings.

In the Czech pilot, field workers helped clients find appropriate rental housing, and negotiate with landlords. Among all five pilots, the largest share of interventions supporting the identification of appropriate housing (within all housing related interventions). To a much lower – but not insignificant – share they also provided or procured legal advice, conflict management and mediation after moving into the dwelling, and to a small extent in renovations.

Clients in the Slovak pilot received support in negotiating with various authorities to an outstanding share of housing interventions. Field workers also gave extensive support in housing construction and renovation. Compared to the other pilots, the percentage of legal advice among housing related services was outstanding, particularly because of the land and building legalization efforts.

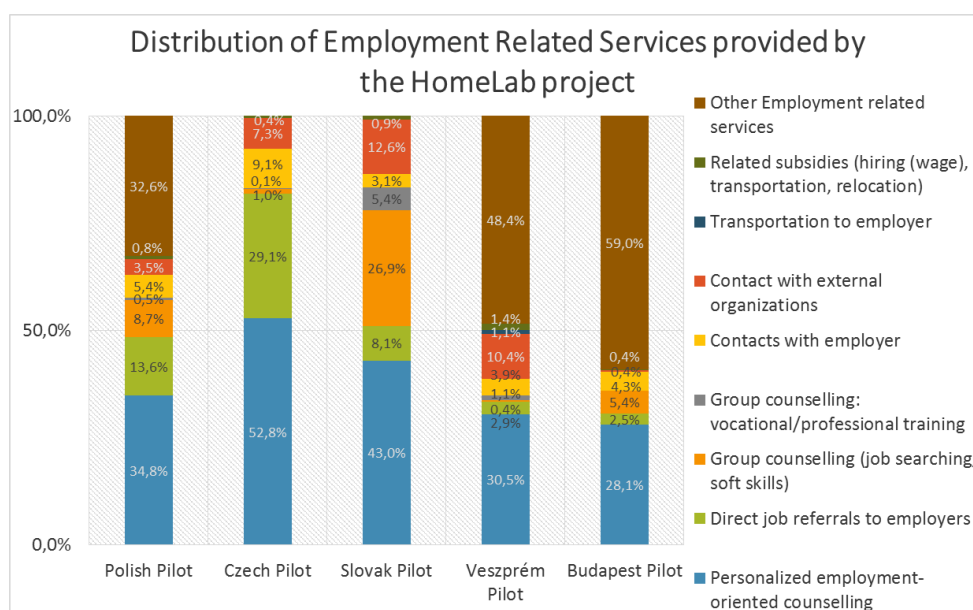
Social workers in the Veszprém-HU pilot provided the most help in managing housing related costs (among which debts) within all housing interventions in this pilot, but also compared to the other pilots. After moving into housing in HomeLab, the most important intervention type was mediation.

In Budapest, housing related social work focused most importantly on housing related payments (rent, utilities, minor improvements), housing renovation, and on support provided to clients in negotiations related to finding appropriate rental housing.



**Figure 33. The share of interventions types in housing services by pilot (%)**

Process Monitoring data on employment related services clearly shows that all pilot implementers placed great emphasis on individualized employment counselling. Group level employment interventions (like professional or skills trainings), on the other hand, were applied to very different extents in the pilots. The share of this service type was the most significant in the Slovak pilot.



**Figure 34. The share of intervention types in employment services by pilot (%)**

Relaying direct information on available vacancies was the most emphatic in the Czech pilot, within all employment related services. Social workers in all pilots provided a similar share of interventions fostering the client in contacting employers. External service providers (apart from employers themselves) played no role whatsoever in the Budapest pilot; whereas these accounted for roughly 10 percent of employment interventions in the Czech, Slovak and Veszprém-HU pilot. Administrative support in applying for employment related transfers accounted for a very small share of interventions in this field.

In the field of social services, most interventions addressed family, child related or household finance issues. Family related support was particularly emphatic in the Polish and Slovak pilots; household

budget issues were more significant in the Czech and Veszprém-HU pilots. The share of services for administrative issues and requesting documents was similar across pilots, with the lowest share in Veszprém-HU. Managing housing related debts was very important in the Czech, Slovak and Veszprém-HU pilots.

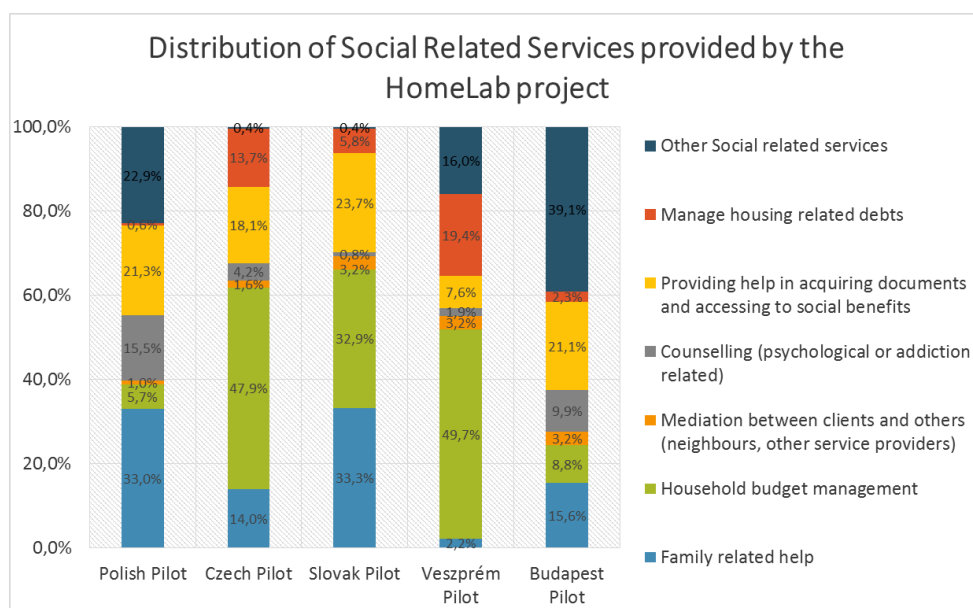


Figure 35. The share of interventions types in social services by pilot (%)

## 6.5 Other background variables and overall satisfaction

In this section we present the results of the most important background variables. We originally planned to use some of these in the constructed indices; but due to various reasons this was not feasible (e.g. data on household debts). Others relate to the project, e.g. self-assessment of improvements in different dimensions of life, life satisfaction, opinions on the projects.

### 6.5.1 Household indebtedness

**Measuring the level of household indebtedness is complicated due to the sensitivity** of the issue. The relationship the social worker is able to build with the client has a huge impact on the latter's willingness to admit to past outstanding debt (based on field worker/interviewer feedback). In addition, many clients have limited information on their outstanding debt, in part because they may be in denial about them. As a result, the interpretation of data (Table 63) is fraught with uncertainty. For instance, it is unclear from the data alone if the debt amount registered by the social worker increased because the actual debt burden grew, or because effective social work supported the client in admitting to debt, and gaining information about it through the bailiff's office. In the early project phase, field workers often indicated that the client is likely to have some sort of debt, but will not or cannot share detailed information about it. Because of these challenges, developments in debt management are only analysed here in a simplified manner; although the survey rounds attempted to gather detailed information on various forms of debt.

In the analysis of debt and its management, we also take into account clients' subjective assessment of their financial position (Table 64): their sense of being able to address and manage their debts, and whether they feel throughout the debt management process that they are able to decrease them to a promising extent.

In the Polish Treatment Group, the registered number of clients with debt burden actually increased somewhat throughout the pilot. Indirect information suggests that this reflects clients’ greater trust in their social workers, and their subsequent willingness to admit and start addressing their accumulated past debt, rather than a veritable increase in outstanding debt during the pilot. Information sources in this regard are field worker feedback on the one hand; and on the other, a decrease in the share of respondents who either do not respond to this question or claim not to be aware of it, against an increase in respondents who claim to have outstanding debt. In the Warsaw Control Group the share of respondents reporting to have debt slightly decreased. However, the share of those who report outstanding debt, and feel able to adequately manage (decrease) it dropped significantly by project closure.

The Czech pilot, the share of missing data for both the Treatment and the Control Group was too high to consider the data fit for analysis.

In the Slovak pilot, the share of Treatment Group members with outstanding debt increased significantly, especially among those who feel able to repay it. This probably has to be assigned to the use of the housing micro-loan scheme utilized in the pilot. As a positive change, the share of those unable to repay and non-respondents decreased.

More than half (60%) of Control Group members in the Slovak pilot were unable or unwilling to respond debt related questions in the Baseline Survey. At the same time, *none* of these clients were involved in the final survey round. Overall, nonetheless, the percentage of CG members with outstanding debt increased. 16 CG members (39% of the entire CG) took on a micro-loan by project end; but more than twice of this share reported to have debt in the final survey round. It is unlikely that all these respondents only began accumulating debt during the pilot’s timeframe; it is more likely that many also had previous debts too, and social work during this period allowed them to become aware and obtain information about it. Importantly, the share of those who admit to have debt and are able to repay it doubled in this group. Even in the initial period significantly more respondents claimed to have debt; and although this share increased over the HomeLab timeframe, those able to manage their debts doubled in the CG as well as in the TG.

In Veszprém-HU, nearly half of the “Movers” Treatment subgroup reported outstanding debt in the initial survey rounds, which slightly increased by project closure (in this case none of the clients denied response or claimed not to be aware). Less than half of the corresponding Control subgroup had debts at the beginning, which also increased somewhat by project end. The Treatment and Control subgroups produced very similar distributions.

In the Veszprém-HU “Debtors” subgroups accumulated debt was the primary reason for intervention. More than three fourth of the Treatment Group claimed to have debt, which decreased minimally by project closure; however, the weight of those who feel that they are able to manage their debts grew significantly (from 53 to 67%). In the corresponding Control subgroup, the share of households who admitted to debts grew vastly (from 57 to 87%); however, the share of those who feel unable to effectively address their debts grew dramatically, from 4 to 53 percent. These households worked with the same debt management and household finance specialist field worker as TG members in the subgroup; presumably at this point of their cooperation significantly more clients were willing to discuss indebtedness with the social worker.

In Budapest (ULE), the share of debtors increased in the Treatment Group. The entire increase appears to be due to the growth of those who feel able to repay debts also increased (the share of those who have debt and feel unable to repay remained a small constant). At the same time, those unaware of debt or not answering decreased drastically, as many of this group seemed to have gain awareness or

information, and began a debt management process. In the Control Group, the share of (admitted) debtors increased; but so did the share of those unable to decrease their debts.

In conclusion, due to the required level of trust to answer this question truthfully, a reported increase in indebtedness does not automatically imply a real increase. Moreover, in the Slovak pilot a micro-savings and micro-loan programme was integral to the intervention, and all beneficiaries who took on this micro-loan would naturally become indebted. It must be noted though that in order to qualify for the programme, clients had to uncover and clear their previous debt – much of which was not necessarily reported at the Baseline. At the same time, a similar direction in the level of outstanding debt is even less clearly distinguishable in the Control Groups.

**Table 63. The share of households who admitted some kind of debts by pilot**

	Polish Pilot		Czech Pilot		Slovak Pilot		Veszprém (total)		Veszprém "Movers"		Veszprém "Debtors"		Budapest Pilot	
	B	F	B	F	B	F	B	F	B	F	B	F	B	F
<b>Treatment group (%)</b>														
No Debts	65.8	47.4	38.1	0.0	2.4	14.6	38.3	36.7	53.3	46.7	23.3	26.7	46.7	33.3
Has Debts	34.2	39.5	61.9	19.0	36.6	85.4	61.7	63.3	46.7	53.3	76.7	73.3	46.7	66.7
Does not know/n.a.	0.0	13.2	0.0	81.0	61.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	6.7	0.0
Total N	38	38	21	21	41	41	60	60	30	30	30	30	15	15
<b>Control group – weighted (%)</b>														
No	33.3	32.7	42.4	48.5	37.8	21.6	48.8	26.8	33.3	47.1	43.5	13.0	44.4	33.3
Yes	66.7	55.1	57.6	18.2	62.2	78.4	51.2	73.2	26.7	52.9	56.5	87.0	55.6	66.7
Does not know/n.a.	0.0	12.2	0.0	33.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total N	48	49	33	33	37	37	41	41	30	17	23	23	9	9

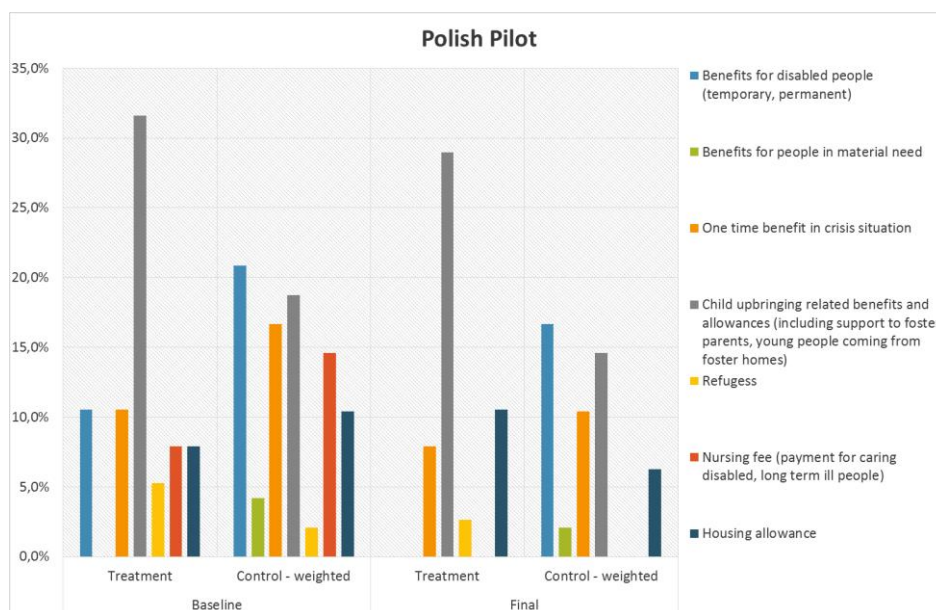
**Table 64. Subjective perception of indebtedness**

	Polish Pilot		Czech Pilot		Slovak Pilot		Veszprém (total)		Veszprém "Movers"		Veszprém "Debtors"		Budapest Pilot	
	B	F	B	F	B	F	B	F	B	F	B	F	B	F
<b>Treatment group (%)</b>														
Has debt and cannot decrease it	13.2	13.2	23.8	4.8	29.3	24.4	15.0	5.0	6.7	3.3	23.3	6.7	6.7	6.7
Has debt and is able to manage it	18.4	26.3	38.1	9.5	12.2	26.8	46.7	60.0	40.0	53.3	53.3	66.7	20.0	53.3
No debt/ does not know/n.a.	68.4	60.5	38.1	85.7	58.5	48.8	38.3	35.0	53.3	43.3	23.3	26.7	73.3	40.0
Total	38	38	21	21	41	41	60	60	30	30	30	30	15	15
<b>Control group – weighted (%)</b>														
Has debt and cannot decrease it	14.6	27.1	5.9	12.1	10.8	11.1	4.9	31.7	6.3	5.6	4.2	52.2	11.1	44.4
Has debt and is able to manage it	41.7	22.9	58.8	9.1	29.7	55.6	46.3	41.5	37.5	50.0	54.2	34.8	33.3	22.2
No debt/ does not know/n.a.	43.8	50.0	35.3	78.8	59.5	33.3	48.8	26.8	56.3	44.4	41.7	13.0	55.6	33.3
Total	48	48	34	33	37	36	41	41	16	18	24	23	9	9

## 6.5.2 The role of social transfers

It was asked in the questionnaire that what kind of non-working income the households had. The options covered social transfers like pensions, social benefits and allowances, child benefits etc.. However, only the relevance was asked (whether the households received them) but not the amount of the transfer.

In the Polish pilot, the most important social transfers used by the target groups were allowances and benefits related to child rearing, followed by disability and health benefits. The role of benefits in the household budget decreased between the Baseline and Final Surveys for both the Treatment and the Control Group, although this change was not substantial.



**Figure 36. The share of households who receive social transfers**

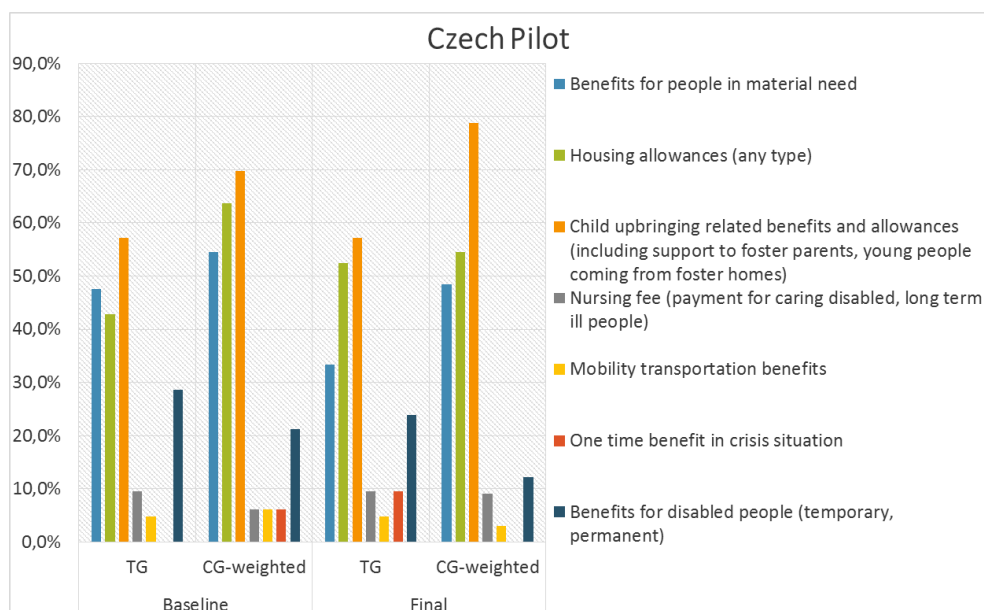
Respondents in the Warsaw Treatment Group reported using multiple forms of social transfers simultaneously. Between the starting and the closing surveys, the use of one-off crisis transfers decreased from 11 to 8 percent; disability benefit (whether for long term or temporary ailment) dropped from 11 to 0 percent; in contrast, the use of housing benefit increased from 8 to 11 percent, presumably because acquiring legal title for the dwelling made some clients eligible for the latter. The share of households requesting child rearing benefits slightly decreased (from 32% to 29%). Trends in the Control Group were very similar overall, although in their case the use of housing benefits also declined (from 10 to 6%).

In the Czech pilot as well child related benefits were the most significant, followed by housing allowance, which could be used by both Treatment and Control Group members to a much greater extent than by clients in other pilots.

At the time of Baseline questioning, a large share (57%) of Treatment Group members received child welfare transfers, which did not change significantly throughout the project. On the other hand, the share of households receiving rent allowance grew significantly, from 43 to 52 percent, thanks to accessing proper rental dwellings. The share of households requesting one-off crisis support also increased, from 0 to 10 percent.

The Control Group received social transfers at a greater extent in the initial position. Child related benefits were more widespread, and grew further by project closure, from 70 to 79 percent of the households. At the same time, the share of those using housing allowance or benefit for people in

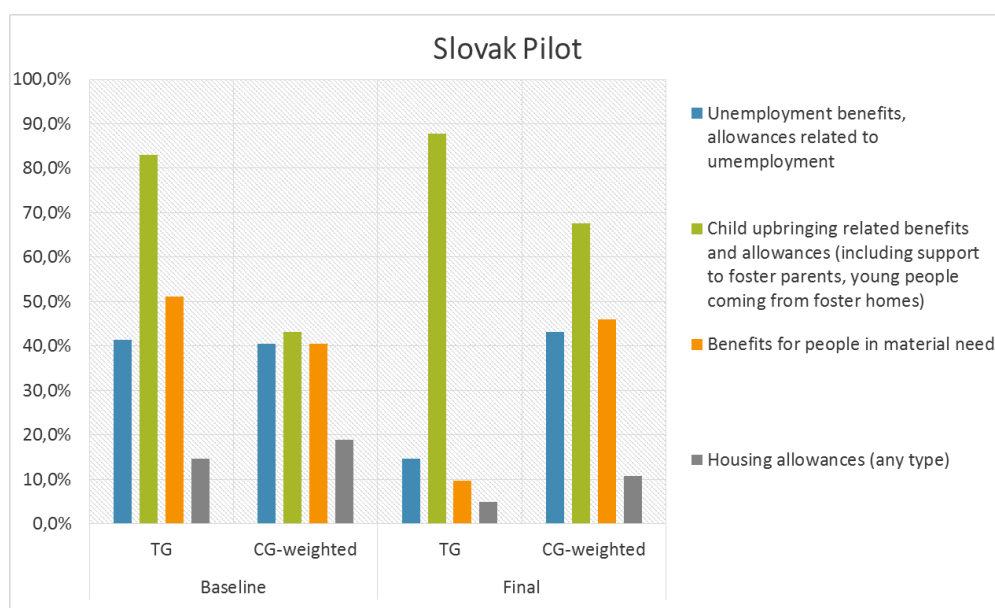
material need slightly decreased: the former from 64 to 55 percent, and the latter from 50 to 49 percent, respectively – but clearly both remained significant.



**Figure 37. The share of households who receive social transfers**

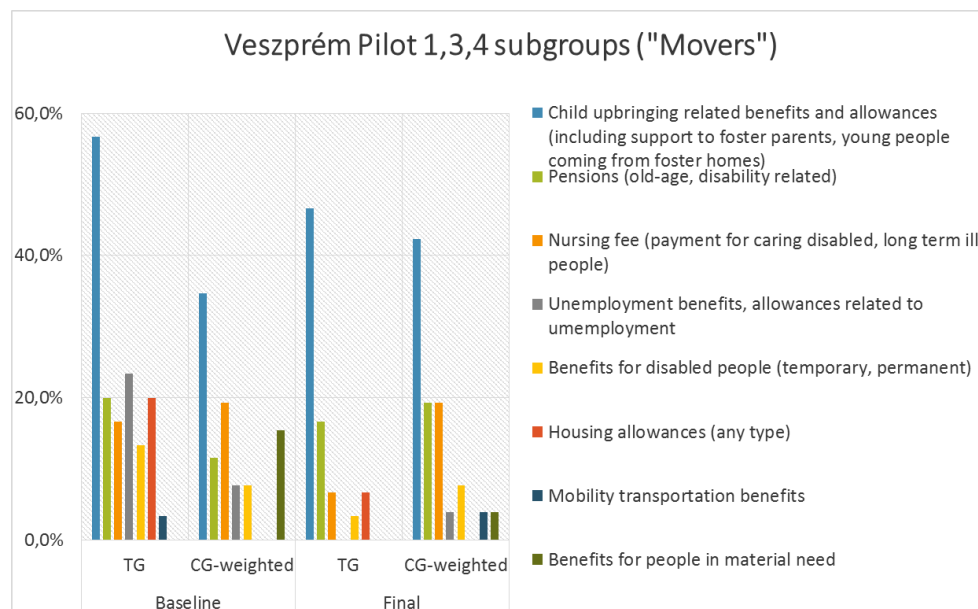
A very large share, 83 percent, of Treatment Group households in the Slovak pilot received child related benefits at project start, which grew further, to 88 percent throughout the project. In contrast, the use of housing allowance was rare at the beginning, and decreased further throughout the pilot from 15 to 5 percent. Employment related transfers declined more drastically between the first and last survey rounds, from 40 to 5 percent.

Roughly 40 percent of Control Group member households received some form of social transfer at the project start, expect for housing benefits (only 19% received some form of housing benefit). The use of all transfer payments increased in the Control Group by the end of the pilot, although access to housing allowance remained low.



**Figure 38. The share of households who receive social transfers**

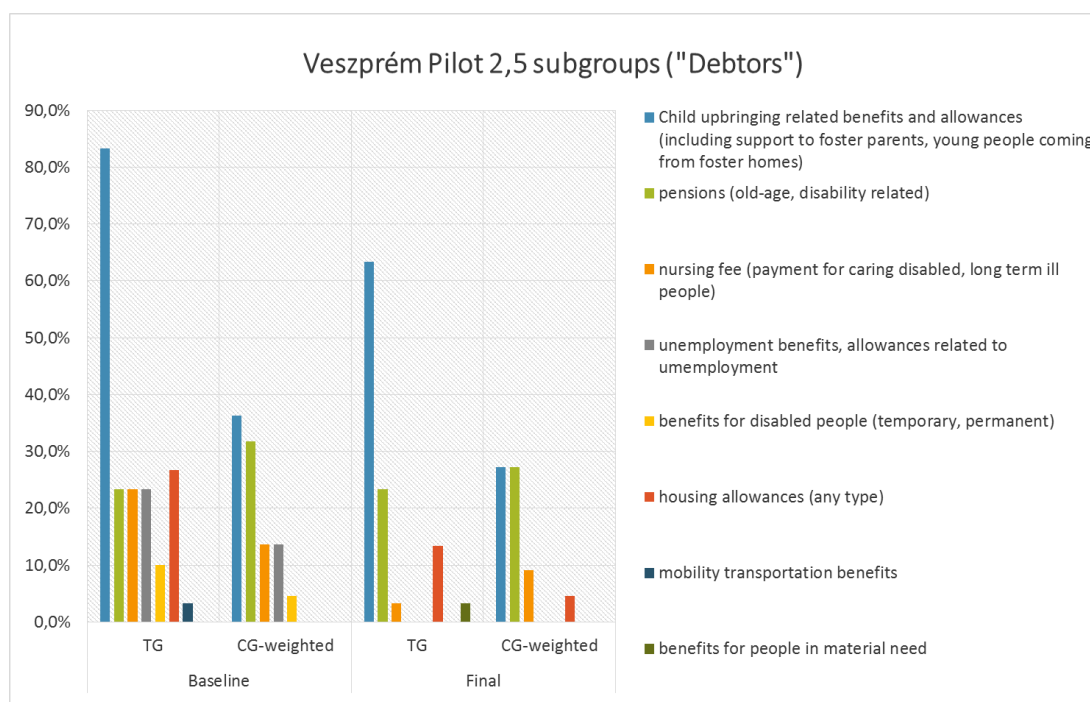
More than half (57%) of the “mover” households (Treatment subgroups 1, 3 and 4) received child support benefits at the beginning of HomeLab. One fifth of clients received some form of pension, and a similar share used some form of housing allowance. The figure shows that all transfer forms used by the Treatment Group decreased to a smaller or greater extent by project closure. Employment related benefits show the most salient change, from 23 to 0 percent. Trends in the Control Group appear to be the opposite: most transfer forms increased in importance across these households. For instance, child related benefit use grew from 35 to 42 percent between the first and last surveys. On the other hand, employment related benefits decreased in this sample as well, from 8 to 4 percent.



**Figure 39. The share of households who receive social transfers**

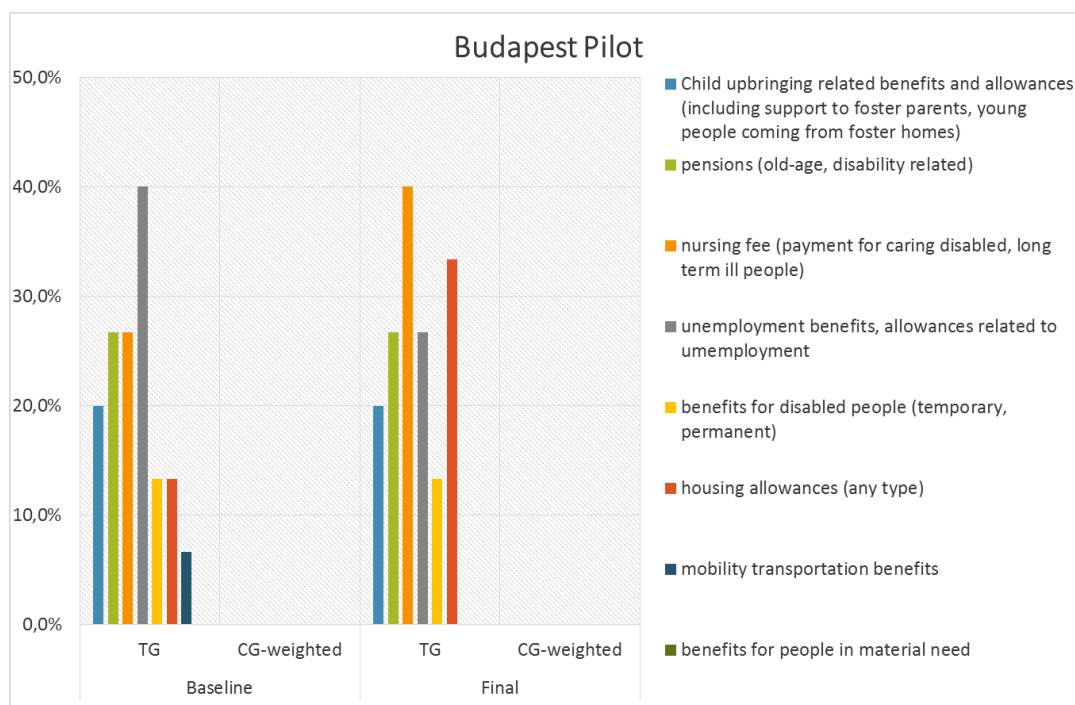
The Treatment Group members in the Veszprém-HU “debtors” subgroups (2, 5) again received child related transfers to a high percentage (83%); which decreased, but remained important (63%) by project closure. The share of pension recipients remained constant at 23 percent. In this subgroup as well the use of housing allowance decreased from 27 to 23 percent. Here, too, the proportion of households receiving employment related benefit decreased from 23 to 0 percent.

The benefit use of the corresponding Control Group also decreased, unlike other CGs. The only exception to this is housing benefit, which none of the CG households received at project start, but some (4.5%) reported at the Final Survey.



**Figure 40. The share of households who receive social transfers**

The Control Group in the Budapest pilot received no transfers at all, neither at the project start nor later. A fairly large share (40%) of Treatment Group households, on the other hand, used unemployment benefits, which decreased to 27 percent by project end. In parallel, similarly to the Polish and Czech pilot Treatment Groups, the share of housing benefit recipients increased significantly, from 13 to 33 percent, presumably thanks to accessing legal housing in the project.



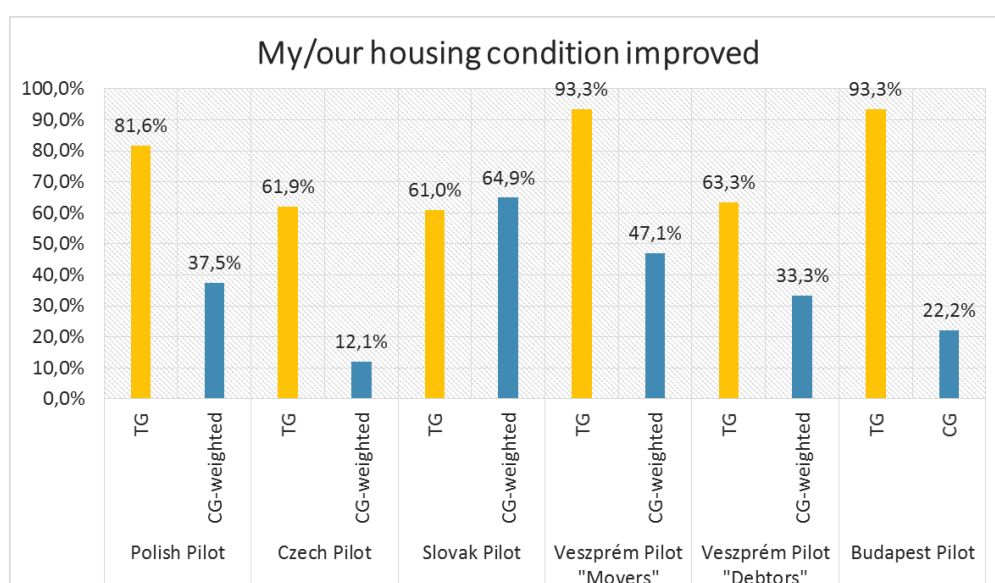
**Figure 41. The share of households who receive social transfers**

### 6.5.3 Subjective self-assessment

In the Mid-term and Final Surveys, some questions also looked into clients' subjective self-assessment of the changes in various dimensions of their quality of life, particularly in their housing, employment, household finance, and health status. This section presents the subjective evaluation of Client and Control households in these aspects of their lives. The figures show Client household values in yellow, Control Group values in blue; bars present the share (percentage) of respondents regarding the various factors.<sup>26</sup>

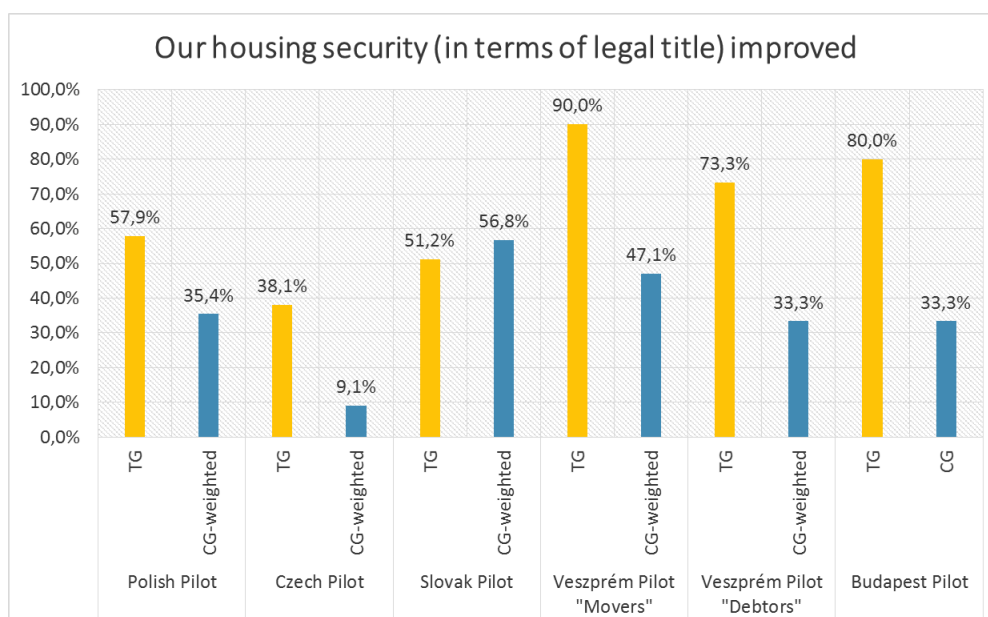
A clear majority (60 percent or more) of HomeLab clients in each pilot believed that their overall housing conditions improved in the project. In addition, in four out of five pilots the subjective improvement was greater or significantly greater for the clients; with the exception of the Slovak pilot, where Control Group members reported improvement to a slightly greater extent. The Veszprém-HU "Movers" subgroup members and the former homeless clients of the Budapest pilot have felt the largest improvement in their housing conditions.

The subjective sense of the legal security of housing also increased more significantly for HomeLab clients, although in this aspect as well the Slovak Control households reported greater improvement. Here, too, the former homeless tenants of the Budapest pilot sensed the greatest increase in housing security. Apart from the Slovak case, where a subjective sense of amelioration was significant in both the Treatment and Control Group, in four pilots TG members sensed systematically greater improvement in their housing circumstances than CG households.



42. Figure Subjective assessment of housing condition improvement

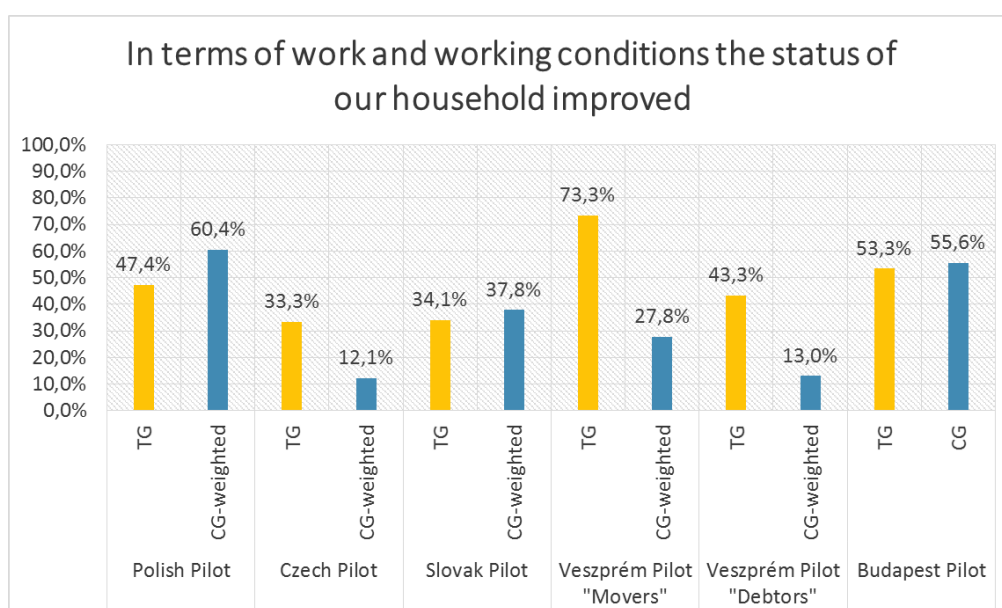
<sup>26</sup> The response rates are presented for all pilots; however, for the Czech pilot the high number of missing values made the valid interpretation of results very difficult.



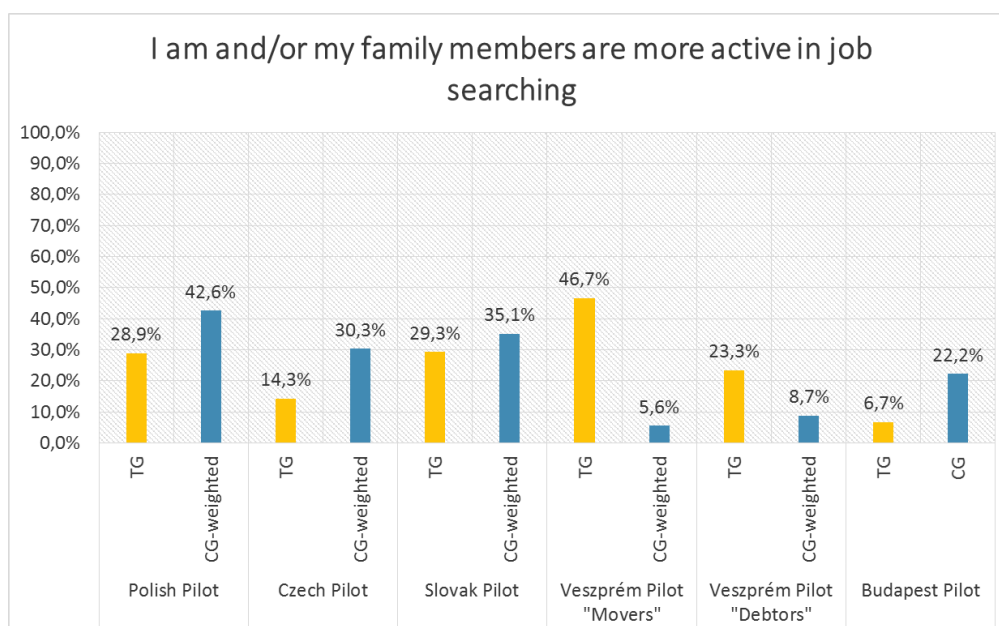
**Figure 43. Subjective assessment of housing security change**

Treatment Group members often experienced a lower rate of amelioration in their employment conditions than in their housing situation. The subjective sense of improvement was the highest in the Veszprém-HU “Movers” subgroup (73% of the households). However, in this aspect the systematic advantage in change compared to the Control Group disappeared: in Poland, Slovakia, and Budapest somewhat more CG members than Treatment households felt that their work situation improved (although care must be taken in interpreting the results, as the presented percentages use imputed values for the Mid-term Survey if Final Survey values were missing).

These trends are similar to job search patterns across the Treatment and Control Groups. Control household members in the Polish, Slovak and Budapest pilot had a stronger sense of making more effort in their job search. This may be explained by the fact that by the time of the Final Questionnaire most working age Treatment Group household members secured employment, so by this time they did not need to spend time on searching for jobs.

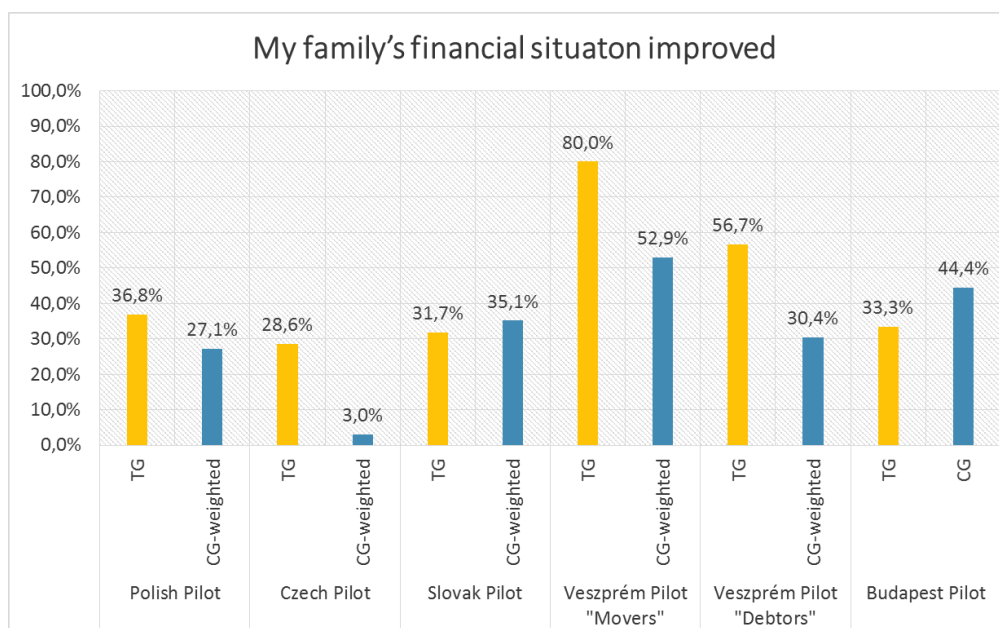


**Figure 44. Subjective assessment of working condition improvement**



**Figure 45. Subjective assessment of change in job searching activity**

Treatment households generally felt more than Control Group members that their household's financial situation improved – however, this positive assessment surpassed half of the households only in the Veszprém-HU pilot. The “Mover” subgroup of this pilot usually secured safer and significantly more affordable rental housing. As housing costs are often the single largest expenditure for a household, especially for tenants, this probably explains why their subjective assessment was by far the most positive among all subgroups (reaching 80%). More than half of the Veszprém-HU “Debtors” group also gave positive feedback. Around one third of TG members in Warsaw and Budapest felt improvement in their overall financial status, against less than one third in the Slovak pilot, and barely more than one quarter in the Czech Republic. Nonetheless, every Treatment Group had better average values than their corresponding Control Groups.



**Figure 46. Subjective assessment of financial situation improvement**

In the field of managing their household finances, Treatment Groups had a stronger sense of better handling their issues, once again with the exception of the Slovak pilot, where the Control Group felt significantly greater improvement. However, here too, with the exception of the Veszprém-HU subgroups, less than half of TG households felt this improvement (notably, 80 percent of the “Debtor” subgroup felt their situation was better). This subjective betterment was relatively widespread in the Polish pilot too, as well as in the Slovak Control Group nearing 40 percent. The Czech values remained the lowest, while no different was found between the Budapest Treatment and Control Groups.

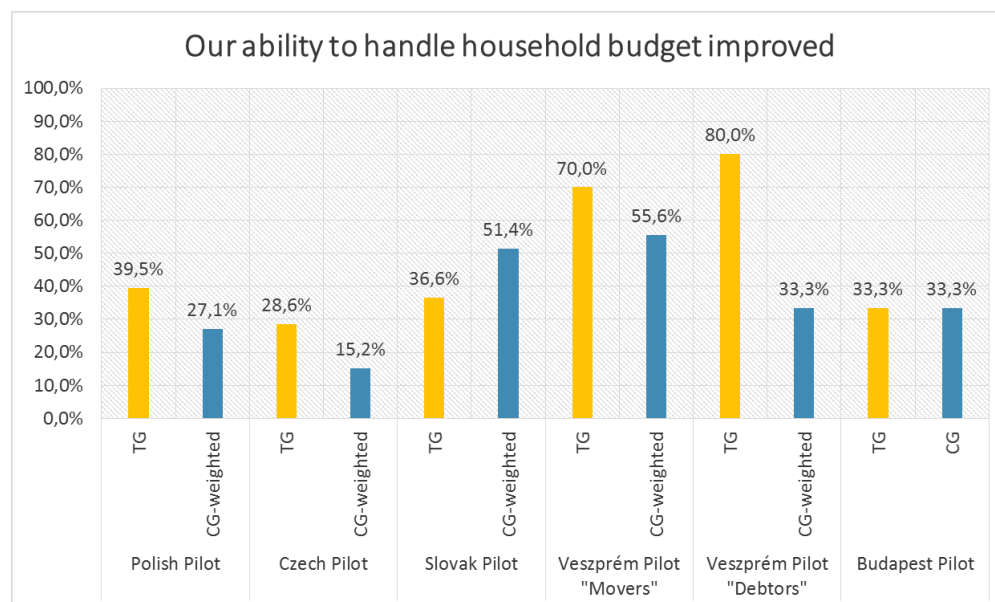


Figure 47. Subjective assessment of change in household budget managing

Conversely, every Treatment Group surpassed their corresponding Control Group in their sense of being able to plan ahead financially; with once again the Veszprém-HU pilot reaching the most positive feedback. An important part of this outcome may be attributable to their intensive effort on the financial support of clients, particularly a field worker specializing on household finance issues. This sense of stability also improved to a greater extent in other pilots than most financial sentiment feedbacks, while there were important improvements in the CGs as well.

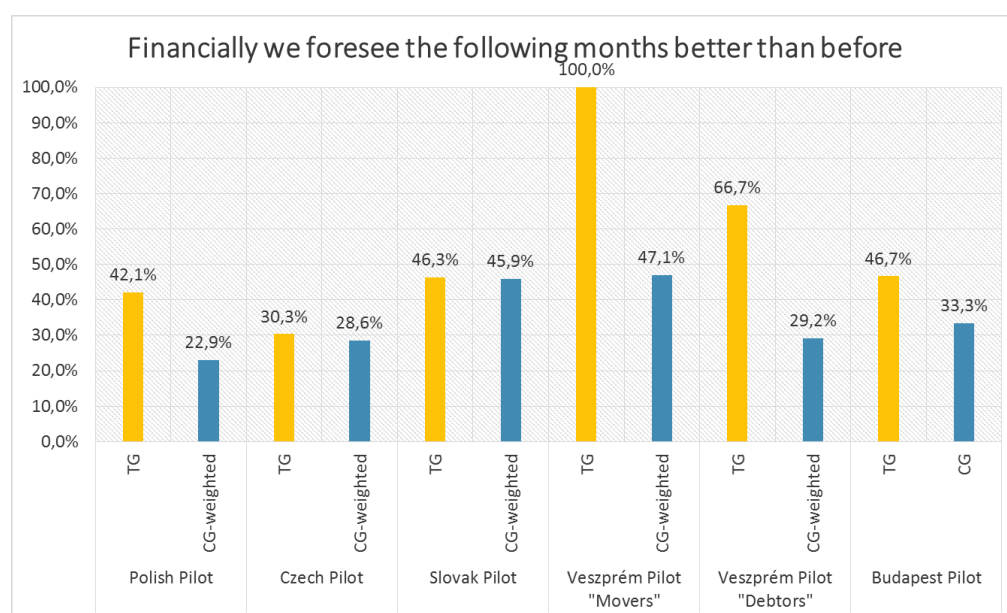
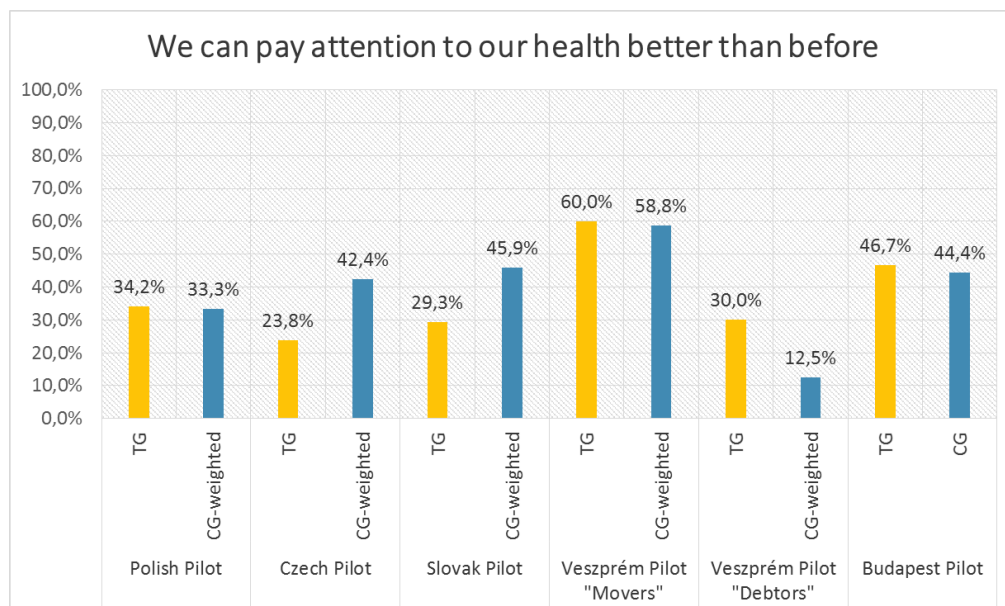


Figure 48. Subjective assessment of financial planning

In most pilots there were no particular differences between client and Control Group households' subjective ability to pay attention to their health. In some, this sentiment was in fact stronger in the Control Groups. The Budapest Treatment Group reported a slightly higher positive response than the Control Group, but as personal problems related to acute illness emerged in both the TG and the CG, this was probably more inevitable than a sign or significantly improved health consciousness.

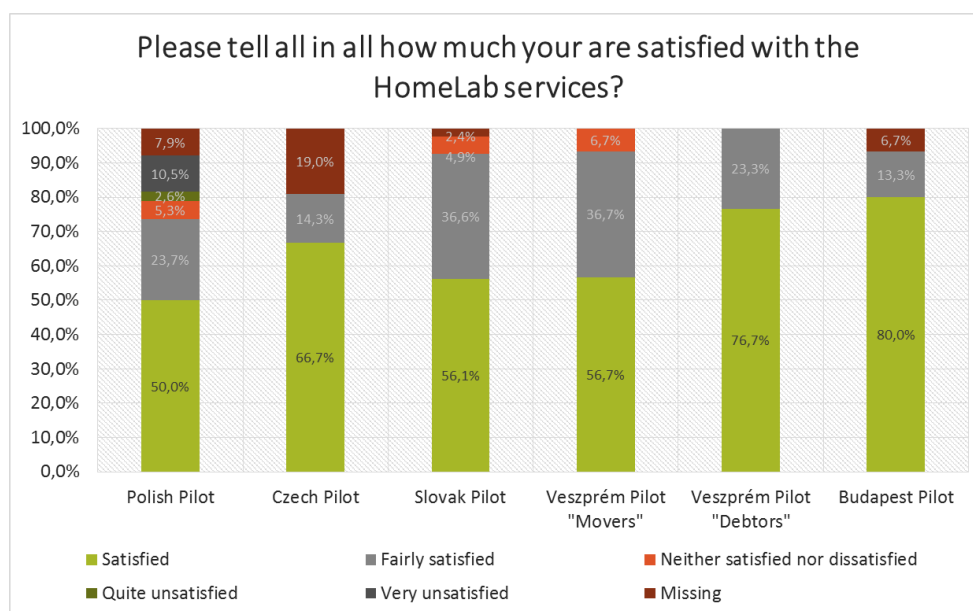


**Figure 49. Subjective assessment of caring about health condition**

Altogether, the Treatment Groups across pilots had a strong sense that their housing situation improved throughout HomeLab, except for the subjective advantage of the Slovak Control Group (which quite closely coincides with the external evaluation of their status). The self-assessment of employment conditions and status was significantly less clear-cut. The Veszprém-HU pilot achieved the most positive responses in questions related to household finances. In other pilots, the subjective sense of amelioration was less clearly separable from Control Group values (the available data does not shows clearly if the differences are random or the product of some form of intervention).

#### 6.5.4 Assessment of the project and overall life satisfaction

Survey data reflects that most clients (more than 50% in each pilot) were **satisfied with the HomeLab programme** and the services they received in it. This positive view was the most prevalent in the Budapest pilot. Additionally, a large share indicated to be “fairly satisfied”. The clients in Warsaw were the most likely to indicate dissatisfaction.



**Figure 50 Clients' satisfaction with HomeLab services**

In the survey, respondents were asked about their **overall life satisfaction** as well, which they had to assess on a scale of 1 to 5, from very dissatisfied (1) to very satisfied (5). The table below shows average scores by pilot, separately for the Treatment and Control Groups.

**Table 65. Overall life-satisfaction by pilot**

	Polish Pilot				Czech Pilot				Slovak Pilot				Veszprém Pilot "Movers"				Veszprém Pilot "Debtors"				Budapest Pilot			
	TG		CG-w		TG		CG-w		TG		CG-w		TG		CG-w		TG		CG-w		TG		CG-w	
	Mean	N	Mean	N	Mean	N	Mean	N	Mean	N	Mean	N	Mean	N	Mean	N	Mean	N	Mean	N	Mean	N	Mean	N
Base-line	2.95	38	3.08	45	3.16	19	2.90	33	2.85	39	3.61	37	3.40	30	3.34	17	2.90	29	3.35	24	3.07	14	2.67	9
Final	3.62	37	3.63	40	3.25	16	3.25	32	3.58	40	4.26	37	3.57	30	3.27	17	3.42	30	3.45	20	3.46	15	2.89	9

Satisfaction level in the Polish Treatment and Control Group was very similar at the Baseline, and also changed in a similar manner: both gave a more positive feedback in the Final survey. The TG in the Czech Republic reported higher life satisfaction at the project start, although the Control households caught up with them by project closure (although missing Control data complicates interpretation). The Control Group in Slovakia gave more positive feedback in both time periods, although the sentiment also improved in the client group. Both Treatment subgroups reported a more positive outlook than their Control counterparts. In the Budapest pilot, Treatment Group members were clearly more satisfied, especially by the project end.

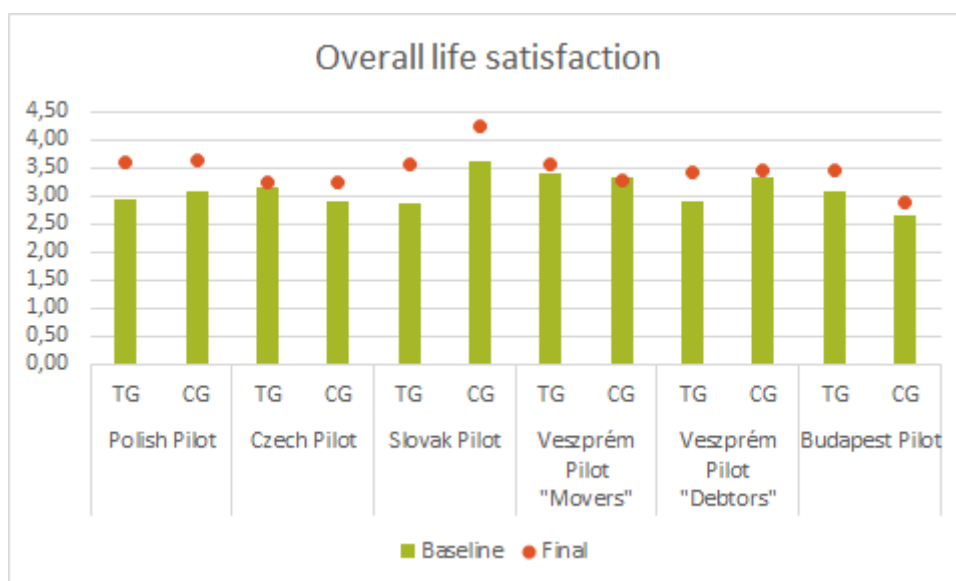


Figure 51 Overall life-satisfaction

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## Annex: Matching procedures

Randomized experiments in social sciences are obviously difficult to carry out. Therefore data collected by an observational research design has to be preprocessed to improve the validity outcome analysis. This means that the distribution of background variables in the Treatment and Control Group needs to be as brought statistically as close as possible. Matching methods are one of the most popular and efficient procedure for creating the balance between the client and the control group, as mentioned above (Stuart and Rubin 2007; Stuart 2010; Iacus-King-Porro 2019).

The propensity score is the conditional probability of the treatment assignment for each households given the supposedly confounder covariates (Rosenbaum and Rubin 1983). Compared to variable matching, propensity score matching, only matches the observations on the propensity score.

Many matching methods exist, among which nearest neighbour matching, optimal matching, and ratio matching, just to mention a few. Also, it is possible to follow a ‘many to one’ matching approach instead of the more broadly used one-to-one matching. The difference between the two procedures is that, in the case of many to one matching, it is allowed to fit more control subjects to one treated subject.

Considering the size of the data provided by the partners (included households to the research), we decided to use full matching in all cases (except for the Budapest Pilot, where we did not apply any adjustment process) to retain and involve all valid data that were collected during the project. As a result of processing with this method, it is possible to achieve a minimum average distance between the two groups on the propensity score. This choice comes with the risk that the distance between each subject for each variable will not be the smallest, but from the perspective of the overall this matching is considered optimal (Stuart, 2010). In addition, for each pilot we used different settings of the matching procedure in order to keep the weights that resulting from this matching process under control.

In the case of the Budapest pilot, taking into account the very small number of clients and Control Group members, using a matching process was considered irrelevant, therefore no preprocessing was used for the analysis of the data gathered from the this Pilot.

### **Polish Pilot**

Even though households in the Polish pilot were randomly selected at first, households from the second recruitment round were not randomly assigned, making the sample potentially biased by confounders (background variables) that could not be controlled for during the selection process. In this analysis, we used full matching based on propensity scores. For the matching we used the following background variables:

- Gender (gender of the head of the household: 1 = male; 0 = female)
- Age (age of the head of the household: 1 = 45 years old or more; 0 = younger than 45)
- Qualification (1 = head of household has higher than primary school attainment; 0 = only primary school)
- Ethnicity (1 = Polish; 0 = other)
- Accommodation (1 = institution/marginalized housing at project start; 0 = standard housing)
- Household type variables: Single person households, Adults, Adults with children; (1 = yes; 0 = no)
- Employment history variables: Worked less than 3 month in the last 2 years, worked more than 3 months but less than 1 year in the last 2 years, worked more than 1 year in the last 2 years (1 = yes; 0 = no).

Variables (value 1 indicated in the bracket)	Means Treated	Means Control before matching	Means Control after matching
Distance	0.56	0.35	0.56
Gender (1 = male)	0.34	0.52	0.28
Age (1 = 45+)	0.37	0.44	0.32
Housing (1 = marginalized housing)	0.40	0.27	0.35
Ethnic group (Polish)	0.63	0.75	0.46
Qualification (Higher than elementary school)	0.74	0.56	0.83
Single person household	0.37	0.69	0.38
Adults household	0.18	0.08	0.19
Adult(s) with children household	0.45	0.23	0.43
Worked less than 3 month	0.08	0.27	0.06
Worked more than 3 month but less than 1 year	0.16	0.13	0.13
Worked more than 1 year	0.76	0.60	0.81

The overview table shows that as a result of the matching process, a significantly closer balance between background variables is achieved between the Treatment and Control Group households (with the exception of ethnicity). For instance, the weight of single person households that before the matching process was 0.69 in the Control Group, while after the matching process it adjusted to 0.38 – almost equal to the 0.37 weight in the Treatment Group.

### **Czech Pilot**

In the case of the Czech pilot we changed the settings of the full matching process. In order to keep the weights – produced as a result of the matching process – under control, we set the minimum and the maximum number of control units to match to each treatment subject. Therefore we set the minimum number of control units to 0.5 and the maximum to 2.8. The improvement of the overall balance is somewhat weaker this way. The maximum weight a control subject got is 3.14. For this pilot, we used the following matching variables:

- Gender (gender of the head of the household: 1 = male; 0 = female)
- Age (age of the head of the household: 1 = 45 years old or more; 0 = younger than 45)
- Accommodation (1 = institution/marginalized housing at project start; 0 = standard housing)
- Ethnicity (1 = Czech; 0 = other)
- Qualification (1 = head of household has higher than primary school attainment; 0 = only primary school)
- Household type variables: Adults only; Adults with 1-2 children; Adults with 3+ children; (1 = yes; 0 = no)
- Household type (Only adult(s) , Adult(s) with 1-2 children , Adult(s) with 3+ children household)
- Employment history variables: Did not work in the last 2 years, worked less than 1 year in the last 2 years, worked more than 1 year in the last 2 years (1 = yes; 0 = no).

As a result, a rather significant equalization was realized in almost all variables. The overall balance across variables got much closer. E.g. before the matching the mean distance of the Control Group was 0.32, after the matching process it was adjusted to 0.43, only 0.06 away from the mean distance of the Treatment Group.

While the total distance showed a significant improvement, if we look at each variables the picture is not so perfectly balanced, although most variables improved. For instance the variable Adult(s), the

weight of this variable in the Control Group grew from 0.15 to 0.31, which is much closer to the Treatment Group’s 0.38 weight after the matching process. Conversely, despite the improvement in most variables and the total distance, some of the mean of the values of few variables in the control group actually got further away. This was deemed an acceptable trade-off for the overall improvement for comparability.

<b>Czech Pilot</b>	<b>Means Treated</b>	<b>Means Control before matching</b>	<b>Means Control after matching</b>
Distance	0.49	0.32	0.43
Gender (1 = male)	0.24	0.39	0.41
Age (1 = 45+)	0.38	0.36	0.42
Accommodation (1 = marginalized housing)	0.33	0.21	0.24
Ethnic group (1 = Czech)	0.33	0.39	0.36
Education (1 = higher than primary school)	0.43	0.27	0.47
Adult(s) household	0.38	0.15	0.31
Adult(s) with 1-2 children	0.48	0.67	0.59
Adult(s) with 3+ children	0.14	0.18	0.10
Did not work in the last 2 years	0.05	0.06	0.04
Worked less than 1 year in the last 2 years	0.48	0.30	0.41
Worked more than 1 year	0.48	0.64	0.56

### **Slovak Pilot**

In the case of the Slovak Pilot we set the minimum number of control units to 0.3 and the maximum to 3. The improvement of the overall balance was weaker this way, which was again a necessary modification to reach reasonable weights and ensure the validity of results. The maximum weight a control subject got was 3.61. Compared to other pilots as the Slovak pilot included only Roma people in both the Treatment and the Control Group, we therefore omitted the Ethnicity variable.

- Gender (head of the household: 1 = male, 0 = female)
- Age (head of the household: Less than 24 years old, more than 25 years old but less than 44, older than 45 years old) (1 = yes; 0 = no)
- Education (head of the household: 0 = finished only primary school or 1 = has higher qualifications)
- Household type (1-2 adult(s); 3+ adults, no children; adult(s) with 1-2 children; adult(s) with 3+ children) (1 = yes; 0 = no)
- Work spells in the last 2 years

<b>Slovak Pilot</b>	<b>Means Treated</b>	<b>Means Control before matching</b>	<b>Means Control after matching</b>
Distance	0.68	0.36	0.59
Gender (1 = male)	0.73	0.78	0.62
Age (1 = 24 or less)	0.24	0.22	0.21
Age (1 = aged 25-44)	0.56	0.68	0.74
Age (a = 45+)	0.20	0.11	0.05
1-2 adults	0.07	0.35	0.13
3+ adults	0.12	0.03	0.10
Adult(s) with 1-2 children	0.81	0.62	0.78
Adult(s) with 3+ children	0.44	0.14	0.49
Education (Higher than elementary school)	0.10	0.14	0.16
Did not work in the last 2 years	0.22	0.08	0.11
Worked less than 6 months in the last 2 years	0.54	0.54	0.59
Worked more than 6 months	0.24	0.38	0.30

As a result of the matching in the case of the Slovak pilot, the overall balance improved by 72.34%. In most cases the balance across the variables improved, although in a few of them the difference in the means increased. While a great improvement can be seen in the case of the household type variables, age group weights ended up further away.

#### **HU-HCSOM Pilot**

For the matching of HU-HCSOM pilot we set the minimum of number of control units to 0.2 and the maximum to 3. The improvement of the overall balance lowered this way (to 83%). The maximum weight a control subject got after the matching process is 3.41.

- Gender (gender of the head of the household: 1 = male, 0 = female)
- Age (head of the household: 0 = 44 or younger, 1 = 45 or more)
- Qualification (qualification of the head of the household: finished only primary school (0) or has higher qualifications(1))
- Household type (Single household; Only adults; Adult(s) with 1-2 children; Adult(s) with 3+ children)
- Work in the last 2 years: Did not, 0-1 or 1+
- Subclass (0 – Belongs to the subgroup 2 or 5, 1 – Belongs to the subgroup 1, 3 or 4)

The improvement of the overall balance is 66.59 percent, although balance was improved in most variables. For instance, in Qualification the weight of higher educational attainment grew from 0.12 to 0.25 in the Control Group as a result of the preprocessing; approaching the TG's 0.28 value.

Taking everything into account regarding the matching results, we can say that we satisfyingly preprocessed the data of each pilot program, thus we are able to do a causal analysis on the outcome variables.

<b>Veszprém Pilot</b>	<b>Means Treated</b>	<b>Means Control before matching</b>	<b>Means Control after matching</b>
Distance	0.67	0.49	0.64
Gender (1 = male)	0.57	0.63	0.64
Age (1 = 45+)	0.50	0.44	0.48
Single adult household	0.15	0.24	0.16
Adults only household	0.27	0.29	0.24
Adult(s) with 1-2 children	0.47	0.29	0.47
Adult(s) with 3+ children	0.12	0.17	0.13
Qualification (1 = higher than elementary)	0.28	0.12	0.25
Did not work in the last 2 years	0.10	0.20	0.07
Worked less than 1 year in the last 2 years	0.20	0.03	0.08
Worked more than 1 year in the last 2 years	0.70	0.78	0.85
Subclass (1 = subgroup 1,3 or 4; 0 = subgroup 2 or 5)	0.50	0.63	0.42