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HOUSING POLICY TOWARDS POVERTY AND SOCIAL EXCLUSION²⁰

16 years of social and economic transformation required making an evaluation and answering the following question: If and how did the changes in the Polish housing policy influence the housing situation of the part of population having lower income, and what were the effects of the applied policy on the housing poverty?

The analysis and evaluation covered legal, socioeconomic, as well as architectonic and spatial housing solutions on the level of the country and mainly urban gminas. Due to the scale of the housing problems in cities, a particular attention was paid to the housing issue, including: housing construction, housing resources management, changes in housing situation of the urban population in the period of social and economic transformation (1989-2005).

The evaluation was carried out on the basis of: legal acts, governmental and parliamentary documents, statistical information census materials in particular (General National Census 1988 and 2002), information about housing from the housing monitoring conducted by the Institute of Urban Development, information gathered and analysed in relation to the conducted research subjects, concerning dwellings for the poor in the sustainable development of cities, and national instruments of assistance to construction for the poor, literature on the subject, as well as experiences of members of the author team.

The conducted analyses and own research indicate that the economic and social transformation was reflected in housing by, among others, an increased impact of factors marginalising weaker social groups, and, in particular, a decrease of accessibility of dwellings for this group. The subsequent changes in the direction of state housing policy did not alleviate the effects of transformation in this regard. In its initial period (years 1990-1994), dwellings were perceived in market categories, as it was considered that the best method to solve the housing problem is to own a dwelling.

The support for the construction of co-op dwellings was withdrawn; the remissions of parts of credits were eliminated; variable interest rates on housing loans were introduced. Ownership transformations and management of housing resources in new economic conditions became the priority.

Decentralisation of the country's governance system was reflected in the transfer of numerous competencies to the local level, including the realisation of the state housing policy. It was assumed that the possibility to satisfy housing needs results from local

²⁰ Elaborated on the basis of *Housing policy towards poverty and social exclusion*: Hanka Zaniewska – head of project, Maciej Cesarski, Lucyna Deniszczuk, Jan Kornitowicz, Maria Thiel, Tomasz Żelawski, Institute of Urban Development in Krakow – Housing Department in Warsaw.

conditions.

The 1994 was the year of changes in rent policy. Low, centrally determined rents were replaced by economic rents determined by *gminas*. At the same time the system of housing allowances constituting social protection for poor households was introduced, compensating the increase of rents and housing charges. Unfortunately, the increase of rents did not result in the awaited improvement of the state of resources. And the percent of people drawing housing allowances in Poland (does not exceed 10%) is lower than in other European countries (15-20% of households benefit from allowances).

After 1995, the social housing construction was launched. The development of social tenement housing was seen as the chance to improve the housing situation in Poland, but the lack of sufficient means in the National Housing Fund did not allow building the expected number of dwellings, and those that were built are inaccessible for poor social groups. The government policy focused on the protection of tenants' rights²¹, development of ownership housing construction and thermomodernisation activities, but no sooner than in the years 2002-2005 came the proposals and legal regulations on the form and scope of the state assistance to the increase of the social dwellings pool and of places in night shelters and houses for the homeless in *gminas*²². It is them who bear the majority of costs of financing the dwellings for the poor members of the community. The financial situation of the majority of local self-governments is the reason why the realisation of statutory obligations without the assistance of the state budget is possible only in a very limited scope.

The sell-off by *gminas* of the important part of fixed assets in form of lands, building and construction does not facilitate them the realisation of statutory tasks. Such activity was favourable to immediate economic (sale of dwellings to get resources) or political (getting voices of the electorate) targets, but as a result some *gminas* do not have dwellings for social purposes. It was particularly visible in some of the biggest cities where *gminas* had less than 3% of the total amount of dwellings at their disposal. According to the opinions of experts specialising in the homelessness in European countries *the state housing resources constitute an important potential for socially weak groups in danger of exclusion. The national, regional and local authorities should not (continue to) reduce their housing resources*²³.

At the same time, the analysis of the statistical data concerning the volume of housing construction in the years 1988-2002 indicates an important decrease of the new dwellings construction pace and a simultaneous reduction of communal housing construction, which had never been huge, in the years 2000-2004. In these years, on

²¹ There were earlier models of legislative solutions adopted in Poland after 1989. Already in 1918, the authorities tried to alleviate difficult conditions (being the result of World War I) of life of city inhabitants, and, in particular, of people renting flats and remaining unemployed. It was reflected in an act on tenants' eviction suspension (Journal of Laws of the Kingdom of Poland no. 8 of 16 July 1918, item 17) and act on temporary protection of tenants (Journal of Laws of the Kingdom of Poland no. 10 of 4 September 1918).

²² *Act of 29 April 2004 on financial assistance for creating social flats, night shelters and houses for the homeless in the years 2004-2005* (Journal of Laws 2004, no. 145, item 1533). The parliamentary debates on this act started in 2002.

²³ *How to help people excluded from decent housing Experiences from nine European cities, results of the Project entitled Integrated forms of cooperation in housing stock policy for housing provision for risk groups*, COOP, consortium, November 2005.

average, only 2.1 thousand communal dwellings were delivered yearly, what constituted c.a. 1.8 of the total number of dwellings built in this period.

Despite those disadvantageous tendencies, also some positive changes in the housing situation were observed – the number of people per one room dropped from 1.43 to 1.19. It was caused by demographic changes. However, 6.3 million inhabitants have bad or very bad housing conditions. It is reflected by overpopulation, especially in small dwellings. The criteria and features of the housing poverty do not concern only the material aspect, deciding of the accessibility of dwellings; they also cover housing conditions, and technical and town-planning standard of resources (table 1).

Table 1

Criteria and features of housing poverty

Criteria	Features	
	Social and economic	Functional and spatial
	Overpopulation	
Housing conditions	One household composed of several members	Two or more households
Technical standard of buildings and dwellings	Moral and technical wear and tear of the building	Method of zoning, peripheral or difficult locations, architectonic form (provisional constructions, large-panel buildings) – Lack of or insufficient plumbing installations
Availability of dwellings	Purchasing Supporting	– Technical state (age) – Physical, health state (humidity, mould)
		Lack of own financial resources Lack of creditworthiness Lack of means or insufficient means for rent and housing charges

Source: Own study

The research of the Institute of Urban Development conducted in the years 2004-2006 indicate that in Poland there is shortage of 300 thousand communal dwellings, and c.a. 130 thousand families wait for social dwellings²⁴. This demand is to be satisfied by *gminas*.

Due to such scale of the problem the assumption that *gmina will* create conditions to satisfy the housing needs of the community is difficult to realise, mainly for the following reasons:

- lack of the necessary financial means in local budgets,
- insufficiently developed ability to secure financing from different sources and to search for different organisational solutions in order to satisfy the housing needs of the poor members of the community,
- obligation to deliver social rent dwellings to every *gmina's* inhabitant, no matter if they lived in communal resources or other, e.g. co-op or ownership dwellings.

The policy of *gminas* towards the creation of social dwellings resources they are obliged to realise is various. The most often *gminas* undertake single, ad-hoc actions. Rarer are the complex housing programs, to the realisation of which *gminas* are bound by virtue of

the law²⁵. The ad-hoc actions on the level of *gmina* result from similar or only pilot actions on the national level²⁶.

Wider participation of public and private partners would strengthen the possibility to fulfil the criteria of sustainable development on the level of a housing estate, a building or a dwelling where the poor live. It is however related to the cohesion of the social, integration, economic and spatial policies.

Gminas must not be left alone in searching for solution to the housing problems of the poor members of their community. It is necessary to continue the actions already undertook by the state and to include other entities, what would allow relieving *gminas* from part of obligations and, at the same time, maintaining their coordinating and initiating role (table 2).

Table 2

Main participants and types of actions in the domain of dwellings and shelters for the poor existing and expected state

Participants	Types of actions
State Municipalite	Legal regulations, co-financing from the budget of special-purpose programmes Creating local law, elaboration of local strategies and programmes, coordination of initiatives of local partners, enlargement of resources (construction, adaptation, renovation), granting housing allowances according to given criteria, granting right to a communal, including social, dwelling.
Non-governmental organisations: – charity – other, e.g. unions of cities	Organisation of help for the excluded and the homeless (night shelters, houses for the homeless etc.)
Owners: – construction organisations – non-profit (Social Housing Associations) – housing cooperatives – natural persons – managers (different forms)	<i>promotion of the idea and counselling</i> <i>participation in financing, constructing and supporting dwellings</i>
Tenants	<i>in perspective – participation in constructing and supporting with the appropriate fiscal aid management of housing resources enabling social integration (including exchanges of dwellings)</i> material liability for maintaining housing resources

Independently on the issue of the volume of social dwellings resources, an important question is the quality of the housing environment, which, without actions aiming at revalorising it, may lead to creation of areas of marginalisation and social exclusion.

Enlarging the criteria of housing conditions quality assessment by forms of housing development, its location and town-planning solutions, we can indicate the areas where negative features concentrate, being the evidence of low quality of housing environment and, in extreme situations, of housing poverty. These areas, as well as the phenomena of housing poverty cumulate mainly in cities in the following resources:

²⁴ *Flats for the poor in sustainable urban development*. edit. H. Zaniewska, IRM, Krakow 2005.

²⁵ *Act of 21 June 2001 on Protection of Tenants' Rights and Housing Stocks of Gminas and the Amendment of the Civil Code* (Journal of Laws of 10 July 2001 No. 71 item 733).

²⁶ see footnote 1.

- communal resources that, however, are not numerous (c.a. 15% of urban resources); they are the oldest and have the smallest dwellings,
- in part (30%) of co-operative resources with overpopulated dwellings, the share of which is lower than in gminas but the number of which is much higher, built in industrial technologies, e.g. large panel,
- morally and technically worn and torn private rent resources, covered by a particular mode of lease, where low rents do not allow the proper maintenance of the building.

Outside cities, the areas having particular social and economic problems are mainly the areas that used to belong to state-owned farms, where the system of colonisation (housing estates near the farms) was related to the system of agriculture organisation.

From own studies and the literature on the subject it follows that solving the problem of poverty and social exclusion consists not only in providing roof over the head of homeless (some of them are homeless out of their own choice), but also (and maybe this is the most important) counteracting homelessness and helping those who live in state of housing poverty and try not to land on the street.

In the opinion of the European specialists the Union should continue to underline the importance of the appropriate and suitable dwelling as the key to reduce the scope of social exclusion (...) ²⁷.

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²⁷ Op. cit. p. 3.