

# Housing Minimum

## The Recommendations of Housing Organisations for Government Programmes after the 2022 Parliamentary Elections

There is a housing crisis in Hungary. Three million people, or one third of the population, is affected by housing poverty. To change this, both social policy and public opinion must change. For this end we propose a set of housing policy recommendations for parties running in the 2022 Parliamentary Elections, to use in their campaigns, and embed in their housing and social policies if elected.

A number of organisations have been working on eliminating housing poverty in Hungary for many years. In the 2018 municipal elections, opposition parties made a commitment to alleviate housing poverty. In the Housing 6x6 event of the housing organisations involved, six opposition party leaders stood up together in support of our recommendations.

Our recommendations aim to

- establish a consistent and stable housing policy framework which reduces social inequalities;
- decrease and prevent homelessness;
- alleviate housing poverty, and expand the stock of not-for-profit and affordable housing;
- support energy efficient renovations to fight energy poverty.

### Recommendations

1. Housing must be a fundamental right enshrined in the Fundamental Law.
2. The legislation criminalising homelessness must be repealed immediately.
3. Due process during eviction must also be guaranteed for squatters.
4. Hungary must adopt a responsible housing policy, which aims to reduce inequalities and support affordable housing. For this, the country needs a responsible governmental body, to implement a long term national vision and strategy, grounded in evidence based research and broad professional and social consensus.
5. Central budget expenditure for housing policy must be defined in a way that at least one percent of the GDP be allocated annually for housing purposes. At least half of this budget must support targeted subsidy forms for persons affected by housing poverty. In 2020, the central state spent eleven times as much on non-targeted housing subsidisation than on support forms aimed at alleviating housing poverty. This ratio must be changed drastically to improve housing affordability; the share of socially targeted housing subsidies must be increased significantly in the central budget.
6. The publicly owned and supported rental housing stock must be expanded significantly; including the stock managed by social housing agencies and not-for-profit housing management companies. Municipalities must be provided with incentives and support to introduce relevant programmes, and the central state must launch its own affordable housing initiatives. The increasing affordable rental sector must remain not-for-profit in the long run. As a principle, public spending on housing must strengthen the not-for-profit housing sector in the long run.
7. The regulatory framework of the allocation of municipally owned housing must guarantee that supported rental housing is provided to persons and families in genuine need; and rent levels must be proportional to the income of the household.

8. Evictions without placement from municipally and state owned dwellings must be prohibited by law. In order to avoid unregulated evictions, the parliament must immediately adopt the draft legislative changes on preventing the eviction without placement of families with children, formulated by The City is for All network and Streetlawyer Association, presented before the parliament on multiple occasions in the past few years, and supported by all opposition parties. By the end of the term of the government elected in 2022, protection against eviction without proper placement must also be extended to certain vulnerable groups, including among others the elderly, people with chronic health conditions, and persons with disabilities. The prevention of homelessness, and particularly the protection of families with children and other vulnerable groups from becoming homeless, is a fundamental social interest, and an obligation of the central state even according to the legislation currently in force.
9. A centrally funded and regulated housing subsidy must be provided in every settlement of Hungary, with subsidy amounts higher than the central housing subsidy available before 2015 (which was more of a symbolic than substantial help) to allow low income households to maintain adequate housing conditions.
10. Debt relief services and debt management subsidy must be funded from the central budget, and must be made available in every settlement of Hungary. Since the 2015 social subsidy reform, many municipalities reduced their debt management services, and lowered the eligible debt amount. The range of support services must be broadened, and expanded to small settlements. Besides financial support, stronger emphasis must be placed on long term family assistance and debt prevention. Personal bankruptcy must be made eligible for a broader population than allowed by the current legislation; without accessing this option, many low income families have no chance of breaking out of the debt cycle.
11. The private rental sector must be made transparent, reliable and secure through modifying the Housing Law and setting up a central body responsible for the sector's operation and regulation. The security of both tenants and landlords must be ensured by establishing a registry of private rented dwellings; the precise definition of the rights and obligations of owners and tenants; the prolongation of the legally set termination period; the legal possibility of registering the address without the formal permission of the owner; and the possibility of mediation among the parties.
12. Long term housing rental must be provided legal preference over short term tourist rental. The conditions of short term renting must be tightened; obligatory condominium contributions must be set for short term landlords; and the annual maximum number of days for short term letting must be set by the condominiums.
13. Centrally funded and targeted housing programmes must be launched for homeless persons; and the policy direction must shift from maintaining temporary shelters towards providing long term affordable housing. The right of homeless families for supported rental housing or temporary accommodation must be enshrined in law, which would allow for observing the section of the Child Protection Act banning the separation of children from their parents exclusively due to the financial situation of the latter.
14. Similarly, targeted housing programmes must be established for living with disabilities, where the policy focus must shift from institutional care towards independent housing. The central state and local municipalities must construct accessible rental dwellings, or renovate their existing dwellings to make them accessible. On the private rental market, the owner-landlords of accessible homes must be incentivized to let their dwelling to persons with disabilities.
15. The not-for-profit rental sector must be supported by a preferential regulatory and tax environment. The regulation of taxation, insurance, and public funding must prioritize social housing agencies, housing associations and other not-for-profit entities and initiatives providing affordable housing, over for-profit developers.
16. Besides central state support, a broader and more flexible use of EU funding for housing purposes must also be permitted to support the expansion of affordable rental housing and the elimination of energy poverty.
17. Much of Hungary's housing stock is in a lamentable conditions in terms of quality and energy efficiency. Large scale renovation programmes must be launched with consistent conditions, subsidy amounts, and timing of calls; and they must give preference for households in social need. Supported renovations must reduce the energy demand of the homes, and improve their energy efficiency.
18. To replace the current, across-the-board central utility price regulation, sustainable and fair utility pricing must be introduced, which ensures access to basic amenities, while discourages waste and overconsumption. Nearly four million people in Hungary use solid fuels for heating, the vast majority of whom has low income. Accordingly, solid fuel support programmes must be revised and expanded.

19. Every public policy measure introduced to improve affordable and adequate housing (like the construction or renovation of state and municipal rental housing, or regulation pertaining to privately owned housing) must be rooted in long term environmental sustainability, reduced emissions, and climate protection. The future of housing and housing policy must be green.

20. In order to prevent the accumulation of housing related debt, evictions, and homelessness, and to ensure ways out of homelessness, the financing and prestige of social work must be increased significantly, and the professional development and life long learning of social workers must be ensured.

### **Signatory organisations:**

A Város Mindenkié csoport (The City is for All network)

C8 Civilek Józsefvárosért (C8 Citizens for Józsefváros Association)

Habitat for Humanity Hungary

Menedékház Alapítvány (Shelter Foundation)

Nyugodt Szív a Lakhatásért Közhasznú Alapítvány (Calm Heart Public Benefit Foundation for Housing)

Önállóan lakni – közösségben élni csoport (Living independently – living in community self-organising group)

Periféria Policy and Research Center

Association of Social Workers of Hungary

From Streets to Homes Association

Metropolitan Research Institute

Lépünk, hogy léphessenek! Közhasznú Egyesület (Step by Step Association for persons with chronic illness and disability)

Alternatíva Párt (Alternative Party)

Streetlawyer Association

Igazgyöngy Alapítvány (Igazgyöngy Foundation)