



Denmark 2005

Preventing and Tackling Homelessness

Two Different Types of Housing



on behalf of

 European Commission
DG Employment, Social Affairs and Equal Opportunities





1. Freak Houses

The overall objective of the pilot scheme is to compile experience and stimulate development of new and different residential facilities that can accommodate socially marginalised population groups.

Pursuant to the Non-profit Housing Act, the pilot scheme was set up in 1999 to support the establishment of permanent dwellings for people who find it difficult, despite offers of social support, to settle down in conventional residential housing – for instance people who move out of shelters or institutions under the provisions of section 94 of the Social Services Act. The *Guidelines for subsidies to experiments with housing for socially marginalised population groups* underline that “in the design phase, projects must be targeted at a specific group of socially excluded people so that their specific housing needs can be met”.

Basically, the provisions of the general legislation prevail, i.e. building legislation, the act on non-profit housing and the Rent Act with the very significant exception that the provisions in chapter 9 of the act on non-profit housing have been dispensed with to allow a wider spectrum of financing concepts. In addition, the scheme allows the local/regional authority to decide to support the project through subsidies or loans for its establishment (Guideline 5.2). An assessment of whether a project can achieve subsidies should include the following (Guideline 5.3):

- *Project volume:* The aim is to set up small projects, i.e. projects with fewer than 20 dwellings;
- *Project design:* The aim is to grant subsidies to establish dwellings that differ from conventionally supported and more expensive housing.

According to the guidelines, monthly rental levels should reflect the dwelling quality and lie between DKK 1,500 and DKK 2,500, exclusive of heating and antenna fee. Housing benefits can be granted in accordance with the general rules, provided that each dwelling has a kitchen drain or the local authority has approved the dwellings as a shared housing arrangement with communal or individual kitchens.

The dwelling units are regulated through a conventional tenancy agreement, although some projects in the first experimental phase commenced with indi-



vidual tenancy agreements, a scheme that the Ministry of Housing discontinued. It is important to emphasise that these are permanent dwellings – not transitional housing, halfway housing or any other type of temporary housing. In the period 1999-2000, support was granted to 32 projects encompassing a total of 279 dwellings distributed all over Denmark. At the time, forecasts indicated that by the end of 2003 support would have been granted for another 80 -100 dwellings, distributed among 8 -10 projects.

The pilot scheme has generated great interest outside Denmark and is inspired by the 'self-sown garden communities', described in 1993 by architect Per Lorang Sørensen in his report *Gateway to Dreams*, as well as by the experiment with social housing types launched under the City Pool and evaluated in 1997 by the Danish National Institute of Social Research and the Danish Building Research Institute.¹

2. Scheme of social transition housing

Introduction of a scheme concerning social transition housing for mentally ill people and people with social problems other than housing problems.

Background:

Establishing social transition housing for mentally ill people and people with social problems other than housing problems has been contemplated over the years. Today, the target group lives in temporary housing under the Social Services Act (reception centres). There is a need to promote the group's access to the general housing market. Retaining these people in temporary housing for an extended period serves neither their interests nor those of the economy. A study conducted by the National Social Appeals Board in 1999 revealed that some 1,100 residents living in section 94 housing, e.g. reception centres and shelters, were prepared to move to another temporary or permanent housing if given relevant offers.

1 See Per Lorang Sørensen (1993): *Gateway to dreams: survey of unconventional housing*. Copenhagen: Social Development Centre Greater Copenhagen and Mogens Kjær Jensen *et al.* (1997): *Social housing types. Housing for mentally ill people, alcohol and drug misusers, socially marginalised and homeless people*. Copenhagen: Danish Building Research Institute Report 281/Danish National Institute of Social Research Report 97:10.



Content:

The scheme is being implemented through an amendment to the Non-profit Housing Act, which allows a housing organisation, subject to approval by the regional/local authorities, to let dwellings as social transition housing. The housing organisation then makes the dwellings temporarily available, e.g. for a period of two years, to people covered by the provisions of the Social Services Act.

The target group includes people who have lived on the street and the fringe of society for a number of years. According to the bill, local conditions will determine the extent to which such agreements are concluded, subject to the local housing supply, the need for social transition housing and co-operation between housing organisations, local/regional authorities and sections 91, 93 and 94 housing. The local authority of Aarhus has, for instance, requested such a solution.

Consequences for users of the legislation:

For residents, the scheme means that they will not initially be offered permanent housing covered by the rent legislation's rules on protection against termination. This will first occur when a resident has proved capable of living in normal non-profit housing after some training. When this is the case, the resident will be able to stay in the dwelling and thus avoid having to move elsewhere.

Finances of individual resident:

The individual resident must pay rent for social transition housing. The resident may be granted benefit under the Consolidation Act on Individual Housing Benefits, meaning that the actual rent will be lower, to which should be added a special benefit to prevent the resident from paying more than he or she did for staying at the reception centre (see example below).

Payment for staying at the reception centre is DKK 2,000. Rent for the social transition dwelling is DKK 3,000, from which should be deducted housing benefit of DKK 500. The special benefit is then DKK 3,000 – DKK 2,500, that is DKK 500.

The special benefit is thus meant to help prevent the individual resident's expenses from rising when he or she moves into a social transition dwelling.