

Viviendas para las Entidades Sociales, Spain

Organisation implementing the project

Habitat3 is a private foundation created in December 2014, driven by the board of *Taula d'Entitats del Tercer Sector Social de Catalunya*, an organisation that brings together and represents more than 3,000 non-profit social organisations across Catalonia. Habitat3 was created as a collective third sector response to the growing problem of affordable housing, especially for the most vulnerable people in the region. It currently has 27 employees and 10 volunteers. Habitat3 is a social housing provider and manager. Its main function is to acquire affordable properties for two main groups: city councils, and charitable organisations.

Viviendas para las Entidades Sociales is a project run by Habitat3 in collaboration with social/non-profit organisations. Habitat3 also manages social housing programmes for seven local authorities. In 2019, Habitat3 manages 444 properties, 99 under the *Viviendas para las Entidades Sociales* programme and 345 under the local authorities' programme.

Project Description

Viviendas para las Entidades Sociales is a project focused on renovating empty homes to provide housing for disadvantaged people in Catalonia. Habitat3 has bought 33 apartments, whilst the majority of properties are obtained through a temporary transfer of use from either private or public owners.

The organisation collaborates with a number of different social enterprises (known as *empresas de inserción* - social enterprises focused on employment) to carry out the renovations. These provide training and an opportunity to gain professional experience for socially excluded people who face extreme difficulty finding jobs.

The housing is made available to all charitable organisations in the region that belong to the *Taula de Entidades del Tercer Sector*. So far, Habitat3 has worked with 28 charities across Barcelona and the surrounding area to identify the housing needs of their clients (location and characteristics) and allocates suitable houses to them. Habitat3 manages all the properties, whilst the charities offer ongoing support to residents, depending on their area of expertise, including mental health, drug addiction, disability, gender violence and migration.

Since it began in 2015, the *Viviendas para las Entidades Sociales* project has increased the number of homes in its portfolio. It now manages 67 apartments in different locations across Barcelona, as well as a single building called 'Sant Eloi' with 32 homes for 44 vulnerable people in the coastal area of the city. They offer a mixture of shared or single occupancy units, depending on the needs of the client. In total, 187 vulnerable people are housed through the *Viviendas para las Entidades Sociales* programme.

Habitat3 continues to acquire empty properties to renovate and offer to non-profit organisations.

Aims and Objectives

The project's aim is for the most vulnerable members of society to have access to affordable housing, alongside the support that they need to maintain tenancies and develop an independent lifestyle. Around 60,000 affordable rental homes are available in Catalonia, but 230,000 are needed. By addressing this in Barcelona and other areas in the region, and focusing on collaboration, Habitat3 is supporting and strengthening the work of existing non-profit organisations.

As the sole social housing provider in Catalonia that offers its homes to all organisations of the *Taula de Entidades del Tercer Sector*, Habitat3 is the only foundation whose work benefits people in all situations of vulnerability. The organisation's strategic plan for 2019 - based on actual growth from 2017-2018 - estimates an increase to 500 homes in total - 150 under the charities programme and 350 through local authorities.

Context

Since the global financial crash in 2008, Spain has struggled to meet housing need, with rising unemployment and falling incomes leaving an increasing number of people at risk of homelessness. The construction boom came to a sudden end, with thousands of apartments left unfinished. Many people were left with mortgages or rents that they were unable to pay. This led to increasing numbers of evictions as homes were repossessed by banks, which led to an influential anti-eviction movement in the city.

The 2018 annual city poll found that housing was the primary public concern in Barcelona.¹ Airbnb has been popular amongst tourists to the city, with around 1.5 million tourists annually choosing this short-term rental option² - nearly half of properties listed in Barcelona are entire homes or apartments with almost two in every three (65%) hosts having more than one listing on the site (this indicates the likelihood that it is a business rather than income from a spare room).³

In Catalonia, only 2% of housing stock is destined for social rent, whilst the European average is 15%. Habitat3 works to provide a solution to the lack of affordable housing, especially for vulnerable people who face myriad barriers and need support, both in terms of housing and other aspects of their lives.

Key Features

In 2015, Habitat3 conducted an initial [study](#) on the housing needs of charitable organisations, which revealed two realities. First: social organisations need access to affordable housing, and second: many had not considered the possibility of incorporating housing management into their projects. Habitat3 saw this gap and realised it could facilitate access to housing for social organisations and the people they work with, including helping organisations that had not yet started housing projects.

¹ <http://www.catalannews.com/society-science/item/housing-replaces-tourism-as-barcelona-s-main-problem-in-city-poll>

² <https://www.newyorker.com/magazine/2019/04/29/the-airbnb-invasion-of-barcelona>

³ <http://insideairbnb.com/barcelona/>

Public-social collaboration is the foundation of Habitat3. Working closely with municipal social services and local and regional governments, it manages social rental housing commissioned by public administrations, including:

- Municipal Government of Barcelona;
- Catalonia Department of Housing;
- Municipal Government of Granollers;
- Municipal Government of Vila Franca del Penedès;
- Municipal Government of Santa Coloma de Gramanet;
- Municipal Government of Esplugas de Llobregat;
- Municipal Government of Castelldefels; and
- Municipal Government of Vilassar de Dalt.

To renovate the properties it acquires, Habitat3 has contracted a number of social enterprises that offer training and work opportunities to people who find it hardest to access work. These include:

- [Fundació Trini Jove](#)
- [Fundació Formació i Treball](#)
- [Fundació Apip-Acam](#)
- Aprise Cat
- [Fundació Engrunes](#)
- [Saó Prat Associació](#)
- Dimas.

Charitable organisations assess the housing needs of each of their clients through an application form, so that Habitat3 can source the right house, in the right location. Once a property is ready, all interested organisations visit it before confirming whether they want to be considered. The house is usually then transferred on a temporary contract to the organisation (which becomes the tenant), or in some cases directly to the resident. These organisations are responsible for choosing which residents will receive the housing and will also provide support once the tenant has moved in. Some examples of organisations that have acquired housing through Habitat3's *Viviendas para las Entidades Sociales* programme are:

- Associació per la Salut Mental (Association for Mental Health)
- Vimar
- [Arrels Fundació](#) (a homelessness organisation)
- [Fundació Acollida i Esperança](#)
- [Fundació Família i Benestar Social](#)

Habitat3 also builds relationships with local neighbourhood groups, so that residents can participate in community activities.

The residents are also involved in creating, following-up on, and adapting work plans with their social workers, to support their transition towards a more independent life.

Funding

33 properties have been bought with different forms of finance: 18 with bank mortgage loans, one with a private loan and 14 with credit from the [Institut Català de Finances](#) (ICF). The properties from the ICF were acquired via temporary ownership for a 75-year period, after which ownership will be transferred to the Government of Catalonia. Using these properties for social rent is a condition of obtaining them with ICF credit. Of these 33 properties: 16 are currently housing residents of the *Viviendas para las Entidades Sociales* programme; 11 are being renovated for the *Viviendas para las Entidades Sociales* programme; and six will be used for the local authorities' programme.

Of the 99 properties used in the *Viviendas para las Entidades Sociales* programme, 16 are owned by Habitat3, 20 have been obtained by temporary transfer of use from private administrations or foundations, and 63 have been transferred from the Catalan Government. In the case of houses transferred from the Catalan Government, this year they have renewed for a period of four years, with the option of a further four years after that. Private organisations transfer the use of the properties for between four and eight years, according to different contracts.

Habitat3 pays private owners of the properties a monthly fee of around €500 (\$561 USD) including expenses and IBI (property tax, or council tax). For the Catalan Government properties, the fee is around \$225 (\$252 USD) per month.

During 2018 the project's running costs were €405,343 (\$460,772 USD) - with around 18% allocated to staff costs, 74% other expenses (including management expenses, rental payments, insurance costs, etc), and around 8% spent on rent subsidies for charities, called the 'solidarity fund' (this subsidises the rent of tenants who cannot afford to pay). These costs were covered by: €284,289 (\$323,164 USD) contributions through business agreements (provision of materials by companies for renovations); €120,092 (\$136,514 USD) grants, €40,485 (\$46,021 USD) donations, and €22,392 (\$25,454 USD) services billing (what charitable organisations pay for the services provided by Habitat3). The remaining €61,915 was surplus funds/under-expenditure for the financial year.

Grants and donations come from a number of sources, such as the Government of Catalonia and different foundations. These include [Fundación Agbar](#), who collaborated on the 'Sant Eloi' building, and the [Fundación Naturgy](#), which is financially supporting the improvement of the energy efficiency of some Habitat3 properties.

The amount residents pay in rent is set on their income and ability to pay. For example, in the case of housing acquired through ICF financing, the rental amount is calculated as 15%, 20% or 30% of the family's income (which is established by the legislation that regulates the loan). If the amount of rent the resident pays does not cover the amount of the loan, a subsidy from the Catalan Government pays the difference.

Innovation

The main innovation of *Viviendas para las Entidades Sociales* is its collaborative approach. The project brings together a wide range of social enterprises, charities, public administrations and private sector organisations. Each charitable organisation has unique knowledge and experience, that places residents at the centre of all the foundation's work.

Habitat3 is the only foundation in Catalonia that offers its properties to such a wide range of charitable organisations, whilst also working with social enterprises to generate jobs and support disadvantaged people into work. By building close relationships with different municipal governments, Habitat3 has the capacity to extend its work throughout the whole of Catalonia and respond to widespread and urgent housing needs.

Environmental Impact

Habitat3 is carrying out a project to improve the energy efficiency of the eight properties it has bought in 2019, which are currently being renovated.

In collaboration with *Ecoserveis i en el marco del Pla Clima*, a Barcelona City Council programme to create a green and bio-diverse city, Habitat3 is carrying out a number of training and analysis sessions to educate residents about energy and water-saving measures, as well as to identify low-cost changes in the properties for greater energy efficiency. Similarly, in collaboration with Fundació Agbar, training sessions have been held on water-saving methods for residents of Sant Eloi.

An estimated 230,000 social housing units are needed in Catalonia to reach European average standards. At the same time 450,000 homes lie empty in the region. Research has shown that Habitat3's method of refurbishing empty homes, rather than building new ones, offers greater environmental benefits than demolition and new construction.⁴

Financial Sustainability

In March 2019, the Barcelona Consortium on Housing (formed by Barcelona City Council and the Catalan Government) renewed its agreement with Habitat3 to continue the programme of renovation of empty properties for social rent. The two administrations committed €19 million (\$21,589,605 USD) to the project over the next four years. They aim to include at least 76 units for Housing First, for long-term rough sleepers.

The project has two main beneficiaries - residents and those who renovate the properties. Both are particularly vulnerable groups. By working with social enterprises to employ socially excluded people to carry out refurbishments, the project helps provide skills and experience to help people into work and to secure an income. For the

⁴ <https://forum.savingplaces.org/connect/community-home/librarydocuments/viewdocument?DocumentKey=227592d3-53e7-4388-8a73-c2861f1070d8&CommunityKey=00000000-0000-0000-000000000000&tab=librarydocuments>

residents, housing is made both more affordable and accessible, and once in accommodation they are offered ongoing support to become an integrated and independent member of the community.

Social Impact

Viviendas para las Entidades Sociales provides access to secure and safe housing and views this as the first step towards empowerment and integration. By working closely with charities, the project ensures that even the most socially excluded people have a home and are able to work towards developing stability and independence, to ultimately integrate into wider society.

In 2017, Habitat3 carried out a study⁵, 'The empty homes of banks: a missed opportunity to expand social housing stock?' to increase social housing stock in Catalonia, making a series of proposals to the Catalan Government. Later that year, the Government introduced financing for the purchase of housing through a framework agreement between the Housing Agency of Catalonia (Government of Catalonia) and ICF (the public financial institution owned by the Government of Catalonia), which included the following proposals.

- Create a social investment fund for the generation of housing stock.
- Establish governmental support for the purchase of homes.
- Reinforce the system of rent subsidies for people who cannot afford social rent prices.
- Reinforce the system of aid to charitable organisations so that they can allocate housing to people who need social support in their inclusion processes.
- Establish a system of aid for the rehabilitation of empty homes.

The study also contributed to the Catalan Government's development of a financial model that helps charities to acquire properties from financial organisations through the right to first refusal. It is a contractual right that gives charities the option to acquire the property before the owner (the financial institution) can make an agreement with any other individual or organisation.

Barriers

For the Sant Eloi building, the main initial challenge was to get charitable organisations on board, especially as some had never carried out housing projects like this with their clients before. Habitat3 worked closely with charities to gain their trust and co-operation. Later, challenges included the co-ordination of co-living and communal spaces. This was mediated through a governance council for the building.

⁵ http://www.tercersector.cat/sites/www.tercersector.cat/files/dossier_pisos_buits_web_0.pdf

When first setting up the programme, the challenge was to co-ordinate the different charitable organisations with distinct demands. This was overcome through the development of a database which collects the needs of the different charities, as well as displaying information about all the properties in the portfolio, to ensure fair access and transparency.

Lessons learned

The collaboration and exchange of experiences with charitable organisations has allowed Habitat3 to better understand their needs, the types of projects they can carry out and whether fully supported accommodation or autonomous living with 'light' support is needed. The renovation of properties has been a learning experience. By building relationships with other organisations that offer training and work to people who have difficulty accessing jobs, Habitat3 has developed mechanisms for managing the work on properties, including agreeing collaboratively on prices and defining control and improvement procedures.

Evaluation

The first phase of evaluation of the Sant Eloi building has been completed by the University of Barcelona. It is a descriptive report which will serve as the basis to develop an assessment of the project, including the co-ordination of support programmes developed by the charitable organisations. Its main conclusions include: the needs of residents are diverse and unique; vulnerability factors of residents commonly include some form of mental or physical illness and there is a need to monitor and evaluate follow-up support programmes relating to this; there is a lack of standardisation between support programmes delivered by different charities; and there is a need to incorporate common elements to be able to properly compare and evaluate their impact.

Recognition

Habitat3 has received a number of awards and recognitions for its work with both charitable organisations and local authorities.

- Casa Jové Award (2018)
- CAFBL Awards (2018)
- [La Caixa Award for Social Innovation](#) (2017)
- Barcelona City Council Award for Good Social Practices (2017)
- V Forum Immoscopia Award (2017)

Their work has featured in [Idealista News](#).

Transfer

Natalia Martinez, who is responsible for acquiring houses and supporting charitable organisations at Habitat3, attended the World Habitat [peer exchange](#) to Self-Help Housing in the North of England in September 2016.

Viviendas para las Entidades Sociales was first inspired by international models, including British Housing Associations and French social landlords. Such models have been adapted to the Catalan context and expanded to help people into work through the refurbishment process, as well as creating affordable housing and supporting many local charities.

The project is continuously scaling-up throughout the region, as Habitat3 acquires more properties. It has also developed an 'autonomous housing programme' specifically for people with mental health issues in the Baix Llobregat area. The proposal came from a working group of people from different organisations in the area all focused on mental health - they identified a number of clients who could live independently with light-touch support, if they could access rental housing. Habitat3 manages the housing provided by an individual, and non-profit organisation [Fundació Bancaria](#) provides the support. Funds have been raised through crowdfunding and grants from a banking foundation to provide tenants with discounted rent. Evaluation has shown an improved sense of self-esteem and a positive attitude and commitment to responsibilities of the tenants.

Habitat3 is currently planning to refurbish a historic building and convert it into housing for 17 people at risk of homelessness. The organisation has already guaranteed the transfer of the part of the building (that they will be working on) from the Catalan Government in exchange for its refurbishment. It has also secured the financial commitment of construction companies and a bank loan to fund the rest of the work.⁶ This will be repaid with income from rental payments, which have already been adjusted according to the residents' ability to pay. They hope to obtain the municipal license for the work by the end of 2019 - as it is a historic building the process is taking longer than expected - and to start work in early 2020.

⁶ More information can be found at <http://www.larcasabloc.org/>