GERMANY

Recent data on homelessness

There is no official national data collection on homelessness in Germany. In North-Rhine Westphalia, the most populated Länder in Germany, regular data collection was instigated as part of the regional action plan to fight homelessness. In 2017, a one-day survey (on 30 June) counted 19,459 people staying in night shelters or temporary accommodation run by the local authorities and 12,827 people who received assistance from the homeless sector during the months preceding the survey.

The BAGW (Federal Association for the Support of the Homeless in Germany) organisation publishes figures every year based on its own monitoring methodologies and on existing regional studies and statistics. The most recent studies have come to an estimate of 860,000 homeless people in Germany in 2016 (of which 440,000 are refugees in shelters for asylum seekers).[38] According to the same estimates, the number of people sleeping rough has increased from 39,000 to 52,000 people between 2014 and 2016, i.e. an increase of 33% in two years. The number of homeless families has increased by 31% over the same period, while the number of lone homeless people (not including refugees) has increased by 22% (from 239,000 to 294,000 people). The lack of small, affordable housing units available to lone people is highlighted by the associations. For example, in 2016, there were 5.2 million T1 and T2 apartments for 16.8 million lone-person households. Of the 420,000 homeless people estimated (not including homeless refugees) in Germany in 2016, 73% were men, 27% were women and 8% were children and adolescents

Total population on 1 January 2017: 82,521,653 people

GDP/resident in 2017 (purchasing power parity – Index: EU 28 = 100): 123

Number of homeless people known: 860,000 considered homeless in the year 2016

Percentage of poor households: 16.1%

Sources: Eurostat/EU-SILC 2017 & FEANTSA

Housing market situation in Germany

Germany is a country where the housing market has historically been stable, compared to other European countries. The main reasons for this are the high proportion of tenants and the well-regulated rental market. 51.4% of households own their own home (26% with an ongoing mortgage or property loan, 26% without outstanding mortgage) and 48.6% are tenants (40% at market price, 9% free or at a reduced rental price).[39] Solid security of tenure, protection against arbitrary evictions, the presumption that the contract is of unlimited duration except where the tenant wants to end it, and representation by tenant associations are all elements that contribute to protection of tenants on the German rental market.

As one of the only European countries to escape a property market crash after the 2008 recession, annual price increases in Germany have been accelerating since 2014. Purchase prices increased by 5.2% in the year 2015, by 8.4% in 2016 and by 3% in 2017 (inflation-adjusted percentages).[40] This increase can be attributed to weak construction activity, low interest rates, as well as increased demand due to economic growth and immigration influxes.

38 These annual figures from the BAGW are based on different studies, some of which go back to the 1990s and the definition of homelessness is understood in its broadest sense, i.e. All ETHOS categories (which includes staying with friends and family or couch surfing).

39 Eurostat/EUSILC, 2017.

40 https://www.globalpropertyguide.com/Europe/Germany/Price-History

Rental prices have been on the increase for the last few years in Germany: rents for new contracts increased by 4.9% between 2015 and 2016, and by 4.5% between 2016 and 2017. Over a longer period, these same rents increased by 65% between 1990 and 2017 while rents on existing contracts increased by 104% over the same period. Rental regulations forbid property owners from putting a property for rent at a price that is 10% higher than the comparable local rent. With regard to increases during the lease, clauses covering periodic fixed increases or clauses covering indexation are permitted in rental contracts, but if there is no such clause in the lease, the owner can demand an increase to a maximum of 20% every three years. The tenant has three months to negotiate, accept or refuse this increase, and in the event of a refusal, the landlord can turn to the courts. The rent decided by the judge, based on rents paid for comparable housing, will be automatically applied, and the tenant is free to end the lease. For these control mechanisms to function correctly and for tenants, owners and judges to be correctly informed, these measures require data on the prices being paid. Rent comparison tools were developed ('rental indexes' or '*Mietspiegel*') at municipality level whose calculation methods vary in accordance with local decisions[41].

Berlin is at the centre of housing shortages in Germany. In 2017, the construction of 12,800 housing units (i.e. a 20% increase on 2016) has not met the annual need for more than 20,000 residential units.[42] The situation is similar in Munich (where prices for renting and buying are the highest in Germany), Hamburg, Stuttgart, Frankfurt, Cologne, and Düsseldorf.

There are various public measures enabling access to housing, mainly benefiting first-time buyers. Tax breaks are planned to incentivise investors to develop affordable housing. The social housing stock is in constant decline in Germany: it has fallen from 2.9 million units in 1990 to 1.2 million units in 2017. The privatisation of social housing started in 1989 with the abolition of public utility status which had until then brought together cooperatives and public housing companies. From 1989 on, cooperatives became competitors of the private for-profit landlords. In the Europe of the 1980s, Member States' disengagement from housing policies was widespread. The privatisation of German social housing was carried out through the mass sale of housing units. City councils with social housing companies sold their assets, i.e. housing units, by the thousand.[43]

At the end of 2018, German Chancellor Angela Merkel announced that the lack of affordable housing would be a priority for the Federal Government with the aim of building 1.5 million new housing units and 100,000 new social housing units by 2021. Among the measures planned are new tax incentives to encourage private developers to build rental accommodation, an increase in housing benefit for poor households, revision of building standards to enable faster construction, the sale of federal-owned real estate to city councils at preferential rates for the construction of affordable housing.[44]

Officially, integration through long-term housing is the dominant practice in the fight against homelessness in Germany, and this has been the case since the 1990s. Since 1984, the Federal Republic's social laws have included a legal

41 Vorms B. (2012), '*Le modèle allemand de régulation des loyers est-il transposable en France?*' ['Could the German model of rent controls be transposed to France?'], *Métropolitiques, available* [in French] at: https://www.metropolitiques.eu/Le-modele-allemand-de-regulation.html

42 https://www.thelocal.de/20180920/rising-rents-and-stiff-competition-what-you-need-to-know-about-germanys-housing-market

43 Lechevalier Hurard L. (2008), '*Le démantèlement du logement social allemand*' ['The dismantling of German Social Housing'] *Citégo/Cités Territoires Gouvernance*, available at: http://www.citego.org/bdf_fiche-document-726_fr.html

44 Reuters, 'Germany sets out measures to tackle affordable housing shortage', 21 September 2018, available at: https://www.reuters.com/article/us-germany-politics-housing/germany-sets-out-measures-to-tackle-affordable-housing-shortage-idUSKCN1M11YA.

principle by which care in the community is prioritised over institutional care. Nonetheless, in practice, the staircase model remains widespread, particularly for lone homeless people. According to BAGW, 85% of assistance services offered by NGOs have an approach based on support in the community within the strategic framework of reintegration through housing, and 15% use an approach based on centralised and institutional support within the framework of emergency accommodation and specialised institutions[45].

Key statistics on housing exclusion and changes between 2007 and 2017

General population			
Indicator	**2017**	***2010-2017 change***	***2016-2017 change***
Housing cost overburden rate	**Total: 14.5%** **Poor: 48.5%**	Total: 0% **Poor: +15%**	Total: -8% Poor: -3%
Total cost of housing (€ PPP/month)	**Total: € 718 PPP/month** **Poor: € 555.6 PPP/month**	Total: -8% Poor: -1%	Total: -1% Poor: 6%
Mortgage/rent arrears	Total: 1.7% Poor: 5.3%	Total: -23% **Poor: +18%**	Total: +6% **Poor: +29%**
Overcrowding	Total: 7.2% Poor: 18.6%	Total: +11% **Poor: +19%**	Total: 0% Poor: -1%
Severe housing deprivation	Total: 1.8% Poor: 5.4%	Total: 0% Poor: +10%	Total: -5% Poor: -10%
Experiencing difficulty in maintaining adequate household temperature	Total: 3.3% Poor: 9.8%	Total: -39% Poor: -34%	Total: -11% Poor: -21%
Young people aged between 18 and 24 years			
Indicator	**2017**	***2007-2017 change***	***2016-2017 change***
Housing cost overburden rate	**Total: 16.8%** **Poor: 57.8%**	**Total: +17%** Poor: +12%	Total: -2% Poor: +1%
Children under 18 years			
Indicator	**2017**	***2007-2017 change***	***2016-2017 change***
Overcrowding	Total: 10.7% Poor: 21.1%	**Total: 27%** Poor: +9%	Total: +3% Poor: -20%

45 FEANTSA's Country Profile for Germany 2018, available at: https://www.feantsa.org/en/country-profile/2016/10/18/country-profile-germany?bcParent=27

Housing costs in Germany are among the highest in Europe and particularly impact people with incomes below the poverty threshold as well as young people aged between 18 and 24 years. The number of poor households in property arrears has increased slightly, and while households proportionally experience inadequate housing less than the rest of Europe, one in ten children live in overcrowded housing in Germany.

Housing exclusion indicators - **Germany, 2017** (%)