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**EUROPEAN COMMITTEE OF SOCIAL RIGHTS  
COMITÉ EUROPÉEN DES DROITS SOCIAUX**

7 September 2021

**Case Document No. 6**

**European Federation of National Organisations working with the Homeless  
(FEANTSA) v. Czech Republic**  
Complaint No. 191/2020

**GOVERNMENT'S REPLY  
TO THE FEANTSA'S RESPONSE**

**Registered at the Secretariat on 3 September 2021**



THE CZECH REPUBLIC

ADDITIONAL OBSERVATIONS OF THE GOVERNMENT  
ON THE MERITS OF THE COLLECTIVE COMPLAINT

**FEANTSA v. the CZECH REPUBLIC**  
*(no. 191/2020)*

PRAGUE

3 SEPTEMBER 2021

1. In response to the letter of 22 July 2021 regarding the above mentioned collective complaint lodged with the European Committee of Social Rights (“the Committee”) by the European Federation of National Organisations Working with the Homeless (FEANTSA; “the complainant organisation”), in which the Committee transmitted to the Government of the Czech Republic the complainant organisation’s written response to the observations of the Government on the merits of the collective complaint (“observations of the complainants organisation” or “their observations”), the Government, maintaining their position expressed in their initial observations of 28 March 2021 (“the Government’s initial observations”), wish to submit the following additional comments.

2. The Government recall that the complainant organisation contends that the Czech Republic does not comply with Article 16 of the 1961 European Social Charter (“Charter”), read in isolation or in conjunction with the prohibition of discrimination embodied in the Preamble to the Charter, due to allegedly unsatisfactory housing and social policies that fail to secure access to affordable or social housing and housing sustainability for families.

## ON THE MERITS

### I. AFFORDABILITY AND SUSTAINABILITY OF HOUSING

3. The complainant organization considers the current responses of competent authorities to the needs of families for affordable and social housing to be insufficient. They claim that there is no systematic financial instrument for support of social housing since the legislation on social housing has not been adopted and Housing First solutions exist only as pilot projects with limited scope. Further, they criticize that municipalities have very limited housing stock and where there is, only a small proportion is designated for social housing. The complainant organization suggests this to be the consequence of an unclear definition of what constitutes social housing in the Czech Republic as well as a complete autonomy that municipalities have in deciding how to use their housing stock that they own.

4. The Government note at the outset that in line with the Committee’s legal opinion Article 16 of the Charter does not impose on States an obligation of result, but an obligation of means for gradual fulfilment of that right using the means earmarked for that by and available to the State [*European Federation of National Organisations Working with the Homeless (FEANTSA) v. France*, Complaint No. 39/2006, decision on the merits of 5 December 2007, §§ 52–53]. The concrete method of adequate and effective protection of Charter rights falls within the State’s margin of appreciation.

5. In the opinion of the Government, the policies and steps that are being undertaken to fulfill them, as elaborated upon in the Government’s initial observations, lead to steady progress towards achieving the goals laid down by Article 16

of the Charter, taking into account the margin of discretion enjoyed by the State Parties [*European Action of the Disabled (AEH) v. France*, Complaint No. 81/2012, decision on the merits of 11 September 2013, §§ 95–100].

6. Below, the Government will comment on several allegations of the complainant organization and refer to the current development on the national level in the area of affordable and social housing policy to further support their position.

A) *THE SOCIAL HOUSING CONCEPT 2015–2025*

7. The complainant organization points to the last *Concept Implementation Report* for 2020<sup>1</sup> published in June 2021 suggesting that the State policy does not follow strategic plans which remain unfulfilled.

8. To clarify, out of the total 22 specific objectives, nine objectives were met in line with the *Social Housing Concept 2015–2025* and six of them were met partly. Only seven objectives were not met. These were not met largely due to the persisting absence of the social housing law because a number of objectives set out in the *Concept* are interlinked with the adoption of the law. As explained in the Government’s initial observations (§§ 72–73), it was decided to proceed to an overall revision of the *Social Housing Concept*. The need for revision stems from the development in the housing market as well as from major changes in the responsibility for social housing which no longer falls within the remit of the Ministry of Labour and Social Affairs (“MoLSA”) but newly of the Ministry for Regional Development (“MfRD”), and by the decision to discontinue the drafting of the social housing law which shall be substituted by a newly drafted Affordable Housing Bill.

9. Also, the *Concept Implementation Report for 2020* does not state that “the overall situation in favour of rental housing did not improve” as suggested by the complainant organization. Rather, it summarizes that the trend of prioritizing homeownership housing over the rented housing in the Czech Republic continues as at present the share of homeownership housing is 78% and the share of rental housing is only 22%. Most importantly, a proposed premise that rental housing shall prevail over homeownership housing is misleading as the importance lies in an overall accessibility of housing in general rather than in the type of housing. The report does, however, predict that housing will become increasingly unaffordable for larger groups of population due to the rising prices of both, rents and real estate, especially for the young generation. Further, the *Concept Implementation Report* considers that the absence of the law on social housing continues to be a systemic problem as, in the Czech Republic, there is currently no law that sets rights and obligations for individuals, municipalities and other entities regarding social hous-

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<sup>1</sup> The last Social Housing Concept Implementation Report from 2020 is available at: [https://www.mpsv.cz/docs/ments/20142/225517/3c\\_Zpr%C3%A1va\\_o\\_pln%C4%9Bn%C3%AD\\_Koncepce\\_o\\_social-nim\\_bydlen%C3%AD\\_%C4%8CR\\_2020.pdf/3cd088f8-fb41-c70a-fa5e-2f3125941dd3](https://www.mpsv.cz/docs/ments/20142/225517/3c_Zpr%C3%A1va_o_pln%C4%9Bn%C3%AD_Koncepce_o_social-nim_bydlen%C3%AD_%C4%8CR_2020.pdf/3cd088f8-fb41-c70a-fa5e-2f3125941dd3).

ing. The implementation of housing policy in a specific locality falls under the autonomous competence of the municipality and the establishment of social housing is fully at their discretion.

10. The revised *Affordable Housing Concept 2020–2025* will reflect all these developments (see §§ 74–78 of the Government’s initial observations). Its draft has been submitted to the Government with a view to their approval.

B) *THE NEW CONCEPT OF HOUSING OF THE CZECH REPUBLIC 2021+*

11. On 12 April 2021, the new *Concept of Housing of the Czech Republic 2021+* was approved by the Government.<sup>2</sup> The new *Concept of Housing 2021+* drafted by the MfRD following the transition of responsibility over social housing deals for the first time also with social housing as part of the general housing policy.

12. The goals of the new *Concept of Housing* correspond to the direction led by the *Concept of Social Housing 2015–2025* as well as the revised *Affordable Housing Concept 2020–2025* which are complementary instruments to the *Concept of Housing*.

13. Reflecting outputs of analyses provided by the MfRD, Deloitte 2020, OECD 2020 and others, the analytical part of the *Concept of Housing* describes the current situation in the field of housing and identifies the main problematic areas through SWOT and PESTLE analyses including increasing overall inaccessibility of housing. The main problems in the area of social housing policy comprise: absence of definitions of social and affordable housing, unclear role of municipalities in social housing, limited social housing stock, setting of social benefits system enabling the so-called trade with poverty, insufficient coverage of tools for prevention of loss of housing and reintegration into housing.

14. The *Concept of Housing* acknowledges that social housing in the Czech Republic is highly decentralized. The implementation of housing policy in a specific locality falls within the autonomous competence of municipalities. The municipality, as the basic territorial self-governing community of citizens according to Act no. 128/2000 on Municipalities, takes care of all-round development of its territory and the needs of its citizens including their housing need. The fulfilment of this generally formulated duty of care of the housing needs of its citizens is left to the discretion of the municipal authorities. No direct obligation to provide social housing can be inferred from it. Therefore, municipalities have a complete independence in deciding how to use their housing stock and whether they will provide it for the purposes of social housing. Also, the social housing stock is relatively small and does not suffice to meet the demand of all vulnerable households in need.

15. As both concepts of the MoLSA, the MfRD *Concept of Housing* continues to identify municipalities to be key players in providing social housing. It con-

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<sup>2</sup> The new *Concept of Housing of the Czech Republic 2021+* is available here: [https://www.mmr.cz/getmedia/30528174-7e61-421e-a058-5f39aa4f09c9/KB-2021-komplet-web\(C\)\\_max.pdf.aspx?ext=.pdf](https://www.mmr.cz/getmedia/30528174-7e61-421e-a058-5f39aa4f09c9/KB-2021-komplet-web(C)_max.pdf.aspx?ext=.pdf).

siders effective to use the knowledge of the municipality at the local level in defining the needs of its inhabitants and the coordinated involvement of local actors in social housing. It is, however, up to the central government to provide them with coordination, common quality standards, unified approach for long-term solutions and co-financing of the development of social housing as well as social work and social services including those for prevention of loss of housing or setting up evaluation of all the supporting tools.

16. The State currently applies a broad array of tools to support realization of social housing ranging from investment instruments and other financial incentives for the acquisition of social housing, tools of financial support in the form of welfare benefits for households to retain their housing, provision of social work and services by municipalities and Regions to the State's financial and methodological support to municipalities in the implementation of social housing policies, as described in detail in the Government's initial observations (§§ 21–22, 31–112).

17. To support the realization of social housing in the Czech Republic, the specific objectives of the *Concept of Housing* are set to achieve introduction of the institutional and legal framework of social housing through analysis of the needs of municipalities in implementation of the legal framework of social housing including assessment of investment needs, designing a system of unified registration of flats designated for social purposes, proposal of a possibility of linking social housing with social work, including definition of activities for prevention of loss of housing, identification of appropriate tools for regulation of hostels for subsequent reform and adoption of an Affordable Housing Bill. The Affordable Housing Bill is currently being discussed in the Chamber of Deputies of the Czech Parliament (see §§ 19–25 below). Further, the specific objectives aim to improve the financing of social housing through evaluation of the functionality of the current system of welfare benefits in housing and proposal for their adjustment, analysis and introduction of new tools of social work such as social real estate agencies or guarantee funds, creation of new more efficient programs of MfRD and the State Investment Support Fund (“SISF”) for development of social and affordable housing stock, analysis of barriers to public support for investment in housing as well as call for architectural competition for the best implemented project of supported housing.

18. The *Concept of Housing* will be implemented through realization of individual tasks and provision of financial support to existing as well as newly created housing subsidies. Their scope will be dependent on the amounts of funds allocated for this purpose from the individual chapters of State budget, the budget of the SISF or resources from EU funds. The *Concept of Housing* states that based on the previous experience and under current conditions, 8,000–10,000 flats per year should be supported. From a long-term point of view the MfRD proposes supporting the construction and renovation of the housing stock and public space with funding of 0,5% of GDP. Fulfilment of this housing concept will be subject to monitoring and evaluation.

C) *PROGRESS IN THE PREPARATION OF THE AFFORDABLE HOUSING BILL*

19. The preparation of the Affordable Housing Bill, envisaged by both *Affordable Housing Concept 2020–2025* and *Concept of Housing 2021+*, falls under the remit of the MfRD. The approved plan of legislative work included the task of preparing a draft of the Affordable Housing Bill. During its preparation, however, the MfRD lost due to a COVID-19 crisis a significant opportunity to consult individual parts of the law with the main actors on the housing market. Also, the work on the project Analysis and Recommendations for Increasing the Availability of Housing in the Czech Republic was suspended by the OECD, which was to provide a comprehensive overview of the housing situation in the Czech Republic. Therefore, the original deadline for submission was postponed to March 2021.

20. In the meantime, a Bill on Public Benefit Housing Companies was prepared as a parliamentary initiative. This bill was not at first supported by the Government in view of its approval by Parliament. However, with regard to time schedule and in line with the effort to adopt the legislation on affordable housing during this legislature it was decided that the draft of the Affordable Housing Bill would not be submitted within the expected period. Instead, the MfRD together with MoLSA proceeded to intensive cooperation on the amendment of the parliamentary Bill on Public Benefit Housing Companies so it would be extended by the elements envisioned in the material on affordable housing that have been being prepared by the MfRD. Therefore, further work on the Affordable Housing Bill is considered to be now unnecessary as it is expected that the parliamentary bill together with the envisaged changes will be adopted.

21. The Affordable Housing Bill that is currently being discussed in the Chamber of Deputies as a complex amendment to the Bill on Public Benefit Housing Companies is composed of three main parts.

22. The first part consists of:

- a definition of social and affordable housing – social housing is defined as living in a social apartment, affordable housing means living in an affordable flat;
- a definition of social apartment – a social apartment means a flat intended for rent to an eligible household that is unable to provide for itself an adequate housing available on the market, owned by a public benefit legal entity in the field of housing, which has at least the basic equipment and a floor area minimum of 25 m<sup>2</sup> and not exceeding 120 m<sup>2</sup>; a household eligible for social housing is a jointly managed household with a low income and inadequate housing;
- a definition of a low income;
- a definition of inadequate housing;
- a definition of an affordable flat – an affordable flat means a flat intended for rent, owned by a public benefit legal entity in the area of

housing and a floor area of minimum 25 m<sup>2</sup> and not exceeding 120 m<sup>2</sup>;

- a condition for rent of a social apartment – a lease agreement for a social apartment can be concluded only with a natural person from an eligible household who, if the social worker of the municipality so decides, also undertakes to attend lessons for prevention of loss of housing according to the needs of the household defined in cooperation with the social worker; the social worker as part of its survey of the household needs verifies the eligibility of the household; the lease agreement for a social apartment may be concluded for a maximum of two years; the lease agreement can be concluded repeatedly only after another assessment of whether the household cannot secure adequate housing on its own;
- a formula for the determination of the amount of rent in a social apartment – the MfRD recommended determining the amount on the basis of a coefficient of 0.00333 multiplied by the acquisition value of the real estate;
- the establishment of public benefit housing companies and the main principles of their functioning – the basic principles of public utility in the field of housing including the definition of such companies, the conditions of their establishment, the role of the State, regions and municipalities and other matters related to the rights and obligations of these housing companies and the management of such housing.

23. The second part would allow for certain tax deductions for public benefit housing companies for example in case of rent.

24. The third part aims to amend Act No. 108/2006 on Social Services and embed an important element improving the situation of households in housing distress, namely the prevention of loss of housing as a mandatory part of the basic activities in the provision of social services, i.e. methodical work with persons in housing distress to support them in acquiring and maintaining adequate housing and other activities leading to social inclusion in housing.

25. The bill has already been referred to the second reading at the Chamber of Deputies and has been discussed and recommended by various of its committees for approval (Bill no. 952).<sup>3</sup> It is supposed that the bill will be approved by the Chamber of Deputies during this legislature and will be subsequently referred to the Senate. The next meeting of the Chamber of Deputies is scheduled for 14 September 2021. In case the Bill on Public Benefit Housing Companies amended for the purposes of affordable housing will not be adopted within this legislature, the work on the original Affordable Housing Bill will be resumed.

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<sup>3</sup> The legislative process including proposed amendments can be followed here: <https://public.psp.cz/en/sqw/historie.sqw?o=8&T=952>.



D) *PROVISION OF SOCIAL SERVICES AND SOCIAL WORK IN RELATION TO SOCIAL HOUSING*

26. The complainant organization alleges that emergency housing provided in the Czech Republic has proved to be insufficient in the long run as only a few cities provide social housing and the rest is only temporary accommodation that cannot be considered as a sufficient form of housing. Moreover, even emergency housing shall not be available to all in need as in some regions there are no services of this kind.

**(i) Social services with regard to crises housing**

27. In this regard, the Government explain that social services as night shelter, homeless hostels, halfway houses, etc. represent one of the instruments of comprehensive support provided in local social housing systems. They are set to provide emergency shelter and may serve as a transition point for the families leading to a more permanent type of social housing.

28. According to Act No. 108/2006 on Social Services, the obligation to determine the scope of needed social services in their territory and ensure their availability falls under the autonomous competence of the regions. The MoLSA offers methodological guidance in this area and provide the regions with targeted financial subsidies to enable them to fulfil their above-mentioned obligation and cover all the expenditure related to the provision of basic types and forms of social services. The provision of financial resources for individual types of social services and their amount is decided by the regional councils.

29. The subsidies from the State budget for the provision of social services have increased over the last ten years from CZK 6.5 billion to CZK 21 billion, i.e. approximately from EUR 257 million to EUR 829 million. It is upon the regions to distribute the funds for the provision of individual types of services. The Government, however, believe that the financial support for the provision of social services is sufficient.

30. For the illustration of available types and numbers of housing social service the Government enclose a table that shows the numbers of social services in question broken down by regions (see Enclosure 1). For comparison, the Government provide data for February 2020 and for the current day. Even though there was a slight decrease in the number of services since February 2020, overall, it can be concluded that the numbers remain stable. More importantly, the tables show that in each region there are at least seven services offering temporary accommodation to people in an unfavourable social situation.

**(ii) Social work and the evaluation of the Social Housing Support project**

31. As already elaborated in the Government's initial observations (§§ 52–57), a central plank of the Government's social housing support for municipalities with regard to social work is the MoLSA project *Social Housing – Methodological*

and *Information Support for Social Agendas*, which was launched in 2016 to introduce and develop the social housing system in the Czech Republic and to provide methodological support for that objective (*Social Housing Support*). This project directly involved 16 municipalities from all over the Czech Republic, which piloted local social housing systems in keeping with *The Czech Republic Social Housing Concept 2015–2025*.

32. The envisaged broad and comprehensive evaluation of the project's impacts (§§ 56–57 of the Government's initial observations) is already available and includes recommendations for further implementation of the Government's social housing support and development policy nationwide.<sup>4</sup> On the basis of the *Social Housing Support* project local social housing systems were created for 11% of the population in the Czech Republic. These shall be further developed in terms of their personnel and capacity. According to the evaluation reports, the municipalities emphasized the need to further develop the capacity of social housing and sponsor usable investment support. All the municipalities expressed their will to continue with the piloted projects. Moreover, the need for legislative anchoring of the social housing system, which would determine the obligation for the municipalities to provide social housing on their territory, was emphasized. The *Social Housing Support* project has shown that in case a municipality is inclined to address the housing needs of their inhabitants, such goals are realistically achievable. The success rate of retaining the housing reaches to 84%. By the *Social Housing Support* project MoLSA has filled the gap in the area of coordination of social housing policy which combines housing and social policy and addressed this issue systematically.

33. The evaluation of the impacts of the *Housing first* projects (§§ 55, 84, 215–216 of the Government's initial observations) are expected to be available in the end of 2022.

E) *SOCIAL INCLUSION STRATEGY 2021–2030 AND ITS ACTION PLAN*

34. In April 2021, an *Action Plan 2021–2023 for the Social Inclusion Strategy 2021–2030* was approved by the Government (§ 85 of the Government's initial observations)<sup>5</sup>. The *Action Plan* is compiled for a period of three years as a strategic management tool that contains a set of measures, the implementation of which will lead to the fulfilment of the Strategy's objectives. The *Action Plan* summarizes the most important problems faced by the Czech Republic in the field of social exclusion and publishes objectives, task description as well as fulfilment indicators. The aim is to ensure that social exclusion issues are duly taken into account and to contribute to their resolution. It projects the social inclusion policy into other relevant

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<sup>4</sup> The individual evaluation reports can be accessed at the MoLSA's following website <http://social-nibydeni.mpsv.cz/cs/dokumenty/analyzy-cz#vyzkumC>. The last Evaluation report D: recommendations for State policies for the support and development of social housing is not yet publicly available but can be sent to the Committee upon request.

<sup>5</sup> The Action Plan for the Social Inclusion Strategy 2021-2023 is available in English on the following website: <https://www.mpsv.cz/documents/20142/225517/Action+Plan+2021%E2%80%932023+for+the+Social+Inclusion+Strategy+2021%E2%80%932030.pdf/a829b513-2977-a23d-f3b9-5d81a93eede5>.

areas, such as employment, social protection, health care, access to education, housing, prevention of socially negative phenomena, prevention of indebtedness, assistance with over-indebtedness, etc. The *Action Plan* lays down the framework for the policy to combat poverty and social exclusion for the years to come.

35. In the area of housing the relevant objective is 4.6.a: *Increase the availability of housing for people at risk of exclusion from housing or those having lost it*. The indicators of fulfilment include for example the continuation of the preparation and submission of the Social/Affordable Housing Act, or another legislative proposal that would aim to ensure social/affordable housing; a definition of social/affordable housing and housing deprivation, legislative codification of a specific new social service providing support to clients in both social and private housing or year-on-year increase in the number of supported social/affordable dwellings financed from SISF, State budget and other funds.

F) *HOUSING ALLOWANCE AND HOUSING BENEFIT*

(i) **Housing allowance and subtenants**

36. With regard to the conditions for receiving housing allowance (*příspěvek na bydlení*) the Government clarify that according to Section 24(1) of the Welfare Benefits Act, the housing allowance can be awarded only to the owner or the tenant. The subtenants are therefore not entitled to this welfare benefit (cf. §§ 5–7, 96–104 of the Government’s initial observations).

37. The housing allowance is intended to ensure that families with middle or lower income stay in permanent housing, and is provided under relatively simple conditions. The design of the housing allowance was based on a fact that this benefit is understood as a State assistance with the payment of housing costs in permanent and legally secured forms of housing. From this point of view, the sublease has always been understood as a form of housing that shall address a temporary housing need associated with, for example, study or a transfer to a different job. The subtenant does not possess legally the same protection as a tenant. For example, it is easier to terminate the contract. Also, in addition to the justified costs associated with housing the profit is paid not only to the flat owner but also to the tenant. Therefore, this form of housing does not belong under the current setting of the housing allowance supported by the State.

38. However, the MoLSA does currently support an extension of the housing allowance support also to the sublease relations. For this reason, the MoLSA has participated in the preparation of a parliamentary bill amending the Assistance for those in Material Need Act. This bill, among other things, introduces the possibility of providing a housing allowance also to sublease forms of housing.

39. At present, people living in a sublease may be provided with a housing benefit (*doplatek na bydlení*) (§§ 99–104 of the Government’s initial observations). To the complainant organization’s assertion that the housing benefit to persons living in the areas with increased incidence of socially undesirable phenomena the

Government refer to their initial observations where the working of the system is comprehensively explained (§§ 159–171 of the Government’s initial observations).

**(ii) Explanation of the decrease of number of payments**

40. Further, the complainant organization contests the Government’s argument that the number of payments of housing allowance and housing benefit have been reduced primarily thanks to the low unemployment rate and the related economic growth. They consider the argument as unacceptable claiming that the average income growth practically copies inflation and that the living wage has not been increased for the last eight years.

41. The Government maintain that the welfare benefits and other assistance for those in material need are reduced primarily due to the economic growth in the Czech Republic (§§ 105–107 of the Government’s initial observations). To this end, the Government note that the number of payments has lowered not only with regard to housing supplements but with regard to all public benefits. According to the data provided by MoLSA, in terms of a longer time horizon, the average gross wage is growing significantly more than the growth of consumer inflation. Since the year 2000, prices have risen more than the average wage in only three years, including the last year, when the difference in growth was small: the average gross wage rose by 3.1% and prices rose by 3.2%. For illustration, the Government enclose a chart that shows the growth of average gross wages and inflation rates between 2001 and 2020 (Enclosure 2).

42. With regard to the amount of living and subsistence minimums, the Government already stated in their initial observations that as of 1 April 2020 these amounts were indexed by 13.2 %. This increase took into account the actual increase of the relevant consumer price index for the whole relevant period. As the entitlement and the amount of the housing benefit depend to a certain extent on the amount of living and subsistence minimums (§§ 8–11 of the Government’s initial observations) the increase in the amounts of the living and subsistence minimum is indirectly reflected in the increase of recipients of the housing benefit. The data for the amounts of the housing benefits paid out in 2021 are, however, not yet available. Furthermore, the payment of the housing allowance should not be affected by the amount of the living and subsistence minimum.

*G) CONCLUSION*

43. The Government summarise that they are aware of the challenges they face in the sphere of affordable and social housing, are addressing them and take gradual steps to ensure access to housing to families with regard to available resources.

## II. SOCIAL AND RACIAL SEGREGATION OF ROMA IN RESPECT OF HOUSING

### A) *ALLEGED STATEMENTS OF THE MEMBERS OF THE COUNCIL FOR ROMA MINORITY AFFAIRS*

44. The Government strongly oppose the complainant organization's assertion that members of the Council for Roma Minority Affairs and some others allegedly point to the fact that *Roma Integration Strategy* is seen only as a formal condition enabling the acquisition of the European Funds.

45. Such statements are nowhere to be found in the material *Civil society monitoring report on implementation of the national Roma integration strategy in the Czech Republic* pointed to by the complainant organization.<sup>6</sup> Therefore, the Government deem the above-mentioned allegations to be unsubstantiated. On the contrary, the *Roma Integration Strategy* is an important and practical instrument. Great emphasis was put on the preparation of the new *Roma Integration Strategy* for the upcoming years. As will be shown further, the instrument has very clear and concrete objectives and indicators of their fulfilment which will enable effective monitoring and evaluation of the progress made.

### B) *THE STRATEGY FOR EQUALITY, INCLUSION AND PARTICIPATION OF ROMA 2021–2030 (THE ROMA INTEGRATION STRATEGY)*

46. In April 2021 the *Roma Strategy for Equality, Inclusion and Participation of Roma 2021–2030 (Roma Integration Strategy)*<sup>7</sup> was adopted by the Government together with the list of its specific objectives (cf. §§ 207–214 of the Government's initial observations ).<sup>8</sup>

47. One of the main strategic objectives set by the new *Roma Integration Strategy* is to ensure equal access of Roma to adequate housing. To achieve such goal, several specific objectives are set together with concrete measures that shall be taken within a predetermined period, with individual indicators of fulfilment to assess their successful completion.

#### (i) **Reduction of discrimination and segregation in access to housing**

48. There is a specific objective to reduce discrimination and segregation in access to housing. To achieve this objective, *firstly*, the number of Roma who felt

<sup>6</sup> The *Civil society monitoring report on implementation of the national Roma integration strategy* is available here: <https://cps.ceu.edu/sites/cps.ceu.edu/files/attachment/basicpage/3034/rcm-civil-society-monitoring-report-2-czech-republic-2018-eprint-fin.pdf>.

<sup>7</sup> The *Roma Strategy for Equality, Inclusion and Participation of Roma 2021–2030 (Roma Integration Strategy)* is available here: [https://www.vlada.cz/assets/ppov/zmocnenkyne-vlady-pro-lidska-prava/aktuality/Strategie-rovnosti--zacleseni-a-participace-Romu-2021---2030---textova-cast\\_OK.pdf](https://www.vlada.cz/assets/ppov/zmocnenkyne-vlady-pro-lidska-prava/aktuality/Strategie-rovnosti--zacleseni-a-participace-Romu-2021---2030---textova-cast_OK.pdf).

<sup>8</sup> The list of specific objectives of the *Roma Strategy for Equality, Inclusion and Participation of Roma 2021–2030 (Roma Integration Strategy)* is available here: [https://www.vlada.cz/assets/ppov/zalezitosti-romske-komuniti/aktuality/05-Strategie-romske-rovnosti--zacleseni-a-participace-2021---2030---ukolova-cast\\_2.pdf](https://www.vlada.cz/assets/ppov/zalezitosti-romske-komuniti/aktuality/05-Strategie-romske-rovnosti--zacleseni-a-participace-2021---2030---ukolova-cast_2.pdf).

discriminated against in access to housing in the last five years is to decrease from 65% to 30% by the year of 2030. To achieve that, cases of Roma discrimination in access to housing shall be monitored. The Czech Trade Inspectorate shall conduct annually situational testing focused on discrimination against consumers and publish the number of cases of Roma discrimination detected during their control inspections.

49. Also, the legality of the rules for management of municipal flats shall be checked. The municipality may for the purposes of leasing municipal flats issue rules for the allocation of flats including a preferential allocation of a flat, for example, for social reasons. However, sometimes seemingly neutral criteria, such as the maximum number of children or receipt of welfare benefits, may disproportionately disadvantage certain group of people such as Roma. Therefore, the Ministry of Interior (“MoI”), which supervises the legality of municipality decrees and regulations, shall continue to make annual reports about the number of performed supervisions of the rules for the allocation of municipal flats and their conclusions, which in addition will be sent also to the MfRD, the Public Defender of Rights and the Government Council for Roma Minority Affairs.

50. Moreover, to ensure a non-discriminatory nature of the allocation of municipal housing that was financed from the funds provided by the SISF, a Government regulation concerning programs of support of municipal housing shall be amended under the auspices of the MfRD and include specific condition to limit the possibility of discrimination. The aim is to include in the contracts between the municipalities and SISF prohibition of discriminatory conditions for allocation of supported flats such as prohibition of selection of the most suitable tenant on the grounds that he has no debts towards the municipality, or that he does not receive welfare benefits or on the basis of auctioning, where the flat is appointed to the applicant with the highest rental offer. For the assessment of its success, the number of supported Roma under the *Construction for Municipalities* subsidy and loan scheme as well as under other programs which aim to increase the affordability of housing shall be monitored.

51. *Secondly*, the socially excluded localities with Roma representation are to be reduced by 20 % by the year 2030 compared to the number in 2021. To this end, the non-segregated character of new constructions financed from public funding shall be secured. All the loan and subsidy schemes shall include a condition that the supported housing will not be spatially segregated and will not increase the number of inhabitants in the socially excluded localities. Also, there will be a new system of monitoring residential segregation which will also collect data about the representation of Roma in these localities.

**(ii) Increase of the quality and affordability of housing to socially excluded people including Roma**

52. Another specific objective is to increase the quality and affordability of housing to socially excluded people including Roma. Under this objective, the average number of rooms per person in a Roma household shall be increased from 0.7

(estimate of 2016) to 1.4 rooms per person by the end of 2030. Further, the number of Roma living in a dwelling of an inadequate standard (i.e. dwelling with leaking roof, damp walls, floors or foundations or rotting windows frame or floor) shall be reduced from 21% as of 2016 to 9.2% in 2030.

53. For this purpose, *firstly*, the Affordable Housing Bill that will include social housing regulation as well as the right to adequate housing shall be adopted by the end of 2025. Also, there shall be further loan and subsidy schemes to support affordable and social housing. The responsibility for this lies with the MfRD together with the MoLSA.

54. *Secondly*, the support intended for socially excluded Roma to obtain housing shall be monitored in cooperation with social workers of the authorities. Evaluation of the implementation of this objective will consist in monitoring the number of supported housing projects, number of persons who have acquired housing for at least one year and the share of Roma in the number of people who thanks to the supported projects acquired housing and maintained it for at least one year.

55. *Thirdly*, it shall be analyzed whether the current instruments of housing policy supported by the public resources are sufficient to support category of five or more multi-member household and if not, amend it accordingly.

56. *Lastly*, the energy efficiency of dwellings and installation of alternative sources of energy shall be supported. This measure aims to minimize the number of households living completely without energy due to the absence of infrastructure or to disconnection from supplies as well as households that cannot afford to heat their apartment sufficiently or provide themselves with the necessary level of other energy services. For this purpose, there shall be available financial support for increasing energy efficiency buildings and for the installation of alternative sources of energy, in particular, for owners of flats and houses at risk of social exclusion or in a socially excluded locality. The evaluation will consider the number of supported projects.

### **(iii) Supporting access to housing**

57. Another specific objective sets to create seven regulatory and stimulatory tools that shall support access to housing. Under this objective, an integrated system for housing support and prevention of housing loss is to be created. A wider spectrum of grant calls and allocations for non-governmental organizations and municipalities for housing development shall be available. Monitoring will focus on number of supported people and the share of Roma among them, number of supported municipalities and NGOs projects as well as the allocated volume of funds. Also, the non-governmental organizations shall be more deeply involved in housing need solutions. The objective further aims to support creation of non-profit housing companies (*neziskové bytové společnosti*), as well as social real estate companies (*sociální realitní agentury*) and social housing cooperatives (*sociální bytová družstva*). Among the other stimulus instruments is the creation of conditions for implementation of guarantee funds, regulatory and stimulatory tools for developers and municipalities to ensure that out of the newly constructed housing a certain percentage

is allocated to social housing and provision of affordable housing to particularly vulnerable Roma.

**(iv) Monitoring and evaluation**

58. As already stated in the Government's initial observations (§§ 212–213) the *Roma Integration Strategy* will be evaluated every year since 2023. An overall evaluation of the Strategy implementation is planned at the end in 2031.

### III. INSECURE HOUSING

*A) SAFEGUARDS AGAINST EVICTION*

59. The Government remain active in addressing the strengthening of the safeguards against eviction (§§ 119–120 of the Government's initial observations) and hereby inform the Committee of their further progress.

60. In May 2021 the Expert Committee on the Execution of the Judgments of the European Court of Human Rights and the Implementation of the European Convention of Human Rights (*Kolegium expertů k výkonu rozsudků Evropského soudu pro lidská práva a provádění Evropské úmluvy o lidských právech*) discussed, within the framework of the implementation of the decision in the case of *ERTF v. the Czech Republic* (no. 104/2014, decision on the merits of 17 May 2016), possible measures to be undertaken in order to extend the courts' information obligation during the flat vacation proceedings taking the FAWOS mechanism as a model. The discussion was followed by a bilateral meeting between the Ministry of Justice ("MoJ") and MoLSA. Currently, there are two concrete measures being discussed. *In the first place*, an obligation of the court to provide advice to the defendant on the existing housing-related social services could be introduced. *Secondly*, an obligation of the courts to provide the competent municipality and their social workers, as soon as a first decision is issued in the eviction proceedings, with information on a possible future case of eviction happening in their territory could also be introduced. It is now being discussed how exactly these proposed changes should be incorporated into the current legislation. In the upcoming autumn 2021, a meeting of the housing commission under the MfRD will be held to discuss the enactment of the sharing of information and better cooperation between the social and housing departments of the municipalities. In addition to the MfRD and MoLSA, also the representatives of the MoI have been invited to attend the meeting.

*B) SHORT-TERM TENANCIES*

61. As far as the use of short-term rental contracts is concerned, the Expert Committee during its May 2021 meeting agreed, also, that a comprehensive analysis of rental relations will be carried out by 2022 under the auspices of the MfRD with cooperation of the MoJ. The issue of short-term rental contracts will be part of the analysis. On the basis of the previous discussions, the aim is to strike a balance between the rights of landlords, the rights of tenants and the public interest in ensuring affordable and stable rental housing. For this purpose, a possible analogous



legal regulation with labour law will also be considered, i.e. determination of the maximum number of repeated conclusions of fixed-term rental contracts which could be prolonged only by a contract for an indefinite period of time. Further steps will be under way following the results of the analysis.

C) *INSOLVENCY LAW*

62. As to the complainant organization's complaint that the new insolvency law does not offer sufficient protection to the most vulnerable the Government explain that the entitlement to public assistance is, indeed, calculated from the income before the person's insolvency deduction. However, such approach is currently supported by the Government as the opposite could lead to indebtedness without restriction.

63. As explained by the MoLSA, the welfare benefits settings in relation to debts respects the setting of discharge from debt. However, it does not take over the responsibility for the debtor. The specific conditions of discharge from debt must be set on the basis of specific proposal of the debtor so that the monthly balance covers the debtor's housing needs.

64. In determining the entitlement and the amount of welfare benefits provided according to the amount of the income, the principle generally applies that such benefits may not be provided to cover a person's debts and that the person's debts are not taken into account. That means that the total income is taken into account for the purposes of non-insurance welfare benefits even if it is later reduced due to debt payments. If the debt payments that are being deducted from the monthly income of the recipients of welfare benefits were not be accounted for, this could lead to a person not being motivated not to incur himself as he would always be sure to receive full welfare benefits even with further debts. A similar demotivation could be found in case the State would repay debts on behalf of a person within the framework of non-insurance welfare benefits. If the construction were adopted that income that is being taken under consideration for entitlement of the welfare benefits is the one only after the deduction of debt payments, a responsibility of people not to incur themselves would not be supported as indebted persons would always be entitled to welfare benefits. As a matter of principle, the setting of the welfare benefits is, therefore, aimed to contribute to a person's basic necessities of life and not to a person's debt. Therefore, it is left up to the person how the payment schedule to discharge him from debt will be set so he has the necessary amount to cover his needs. The basic living needs of the debtor are, however, still covered by the setting of the non-seizable amount in insolvency which stems from the amount of living wage, normative housing costs and number of children or having a spouse.

65. The Government maintain that the amendment to the Insolvency Act described in their initial observations (§§ 129–131) overall supported the debtors' housing situation through the introduction of a combination of a payment schedule and realisation of assets to be the primary method of discharge from debt, by raising the limits of debtors' net monthly income and the introduction of a new option to order the debtor to undergo social counselling to prevent future bankruptcy.

#### IV. THE OPTION TO DECLARE HOUSING BENEFIT INELIGIBLE ZONES

66. With regard to the option to declare housing benefit ineligible zones (§§ 160–171 of the Government’s initial observations), the Government hereby inform the Committee that on 31 August 2021 the Constitutional Court repealed the relevant provisions of the Assistance for those in Material Need Act (§§ 10–11 of the Government’s initial observations) under which an area with increased occurrence of socially undesirable phenomena could be declared as he found the practice to be unconstitutional.<sup>9</sup>

#### GENERAL CONCLUSION

67. As to the merits of the application at hand, the Government refer to their initial observations of 28 March 2021, supplemented by the above comments.

Vít Alexander  
Schorm

Datum:  
2021.09.03  
16:32:09 +02'00'

Vít A. Schorm  
Agent of the Government  
(*signed electronically*)

#### ENCLOSURES

1. Illustration of available types and number of housing social services by regions
2. Chart of the growth of average gross wages and inflation rates between 2001 and 2020

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<sup>9</sup> The full text of the ruling of the Constitutional Court regarding the housing benefits ineligible zones can be found here: <https://www.usoud.cz/aktualne/ustavni-soud-zrusil-ustanoveni-zakona-o-pomoci-v-hmotne-nouzi-uprava-tzv-bezdoplatkovych-zon-je-neustavni>.

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