The Future of Assistance for Homeless People in Germany — Reorientation and Renewal

Thomas Specht

Chief Executive Officer, BAG Wohnungslosenhilfe e.V.- BAG W

- > Abstract_ The German Welfare State has undergone comprehensive reforms, especially in the field of integration of unemployed welfare recipients. This article highlights the negative consequences of these reforms on service provison for homeless people. It argues that together with the appearance of new forms of poverty, the structure of homelessness has changed. The system of service provision for this target group must change accordingly, which requires more prevention, more co-operation between private and public bodies and finally a new vision of what social inclusion/integration into social life means in a radically restructured society.
- **Keywords**_ German welfare state reform, service provison for homeless people, prevention.

Introduction

The welfare state in Germany is in need of reform, but the form that this is to take must be negotiated anew because, I argue, social consensus is crumbling. It is necessary for those providing services to homeless people to clarify what their principles are if they are to take part in debates on the future of the welfare state, and indeed to determine their own future. The social change of recent decades has radically altered the system of service provision for homeless people. It has presented enormous challenges on every front to social workers and the specialised policy and social policy of private and public bodies. Given the scope of change, what is needed is not simply further systematic adjustment of service provision for homeless people, but a groundbreaking new direction that will tackle these challenges.

In this paper I shall first consider some of the social developments that I argue are critically linked to the assistance of homeless people, and I will outline fundamental steps for the new positioning of service provision for homeless people. I will then highlight some of the main points for an organisational and conceptual realignment of this service provision, and in conclusion I will consider the particular significance of participation in that process. Although this paper focuses primarily on Germany, in principle it has a wider applicability.

The Change to the Activating Welfare State

The greatest challenge to existing service provision in Germany is undoubtedly the ongoing reconstruction of the welfare state through labour market reforms. The key question is whether the foundation of the labour market reforms - the separation of the legal context of SGB (Social Security Code) II from that of SGB XII through a new definition of earning capacity - made and still makes sense in terms of social and labour market policy. The management of access to the labour market through assessed earning capacity is a radical departure from the traditional management of access through employability in the labour market. The decisive difference between these concepts is that in the former, earning capacity is estimated based on an individual's physical potential to earn a living, whereas in the latter, employability ultimately ignores this potential and manages access to the labour market exclusively in terms of whether there is a suitable job offer. The idea is that every individual, without exception, has the right to work and capitalise fully on his or her earning capacity; naturally this includes homeless people and all those with particular social difficulties, in the same way as the rights to housing and health can be considered inalienable human rights. A legislative approach based on the activation of all people capable of working is thus also in line with the Charter of Human Rights.

It would be naive to assume, however, that the activating social welfare system was created to promote acceptance of a human right to work. Those advocating it saw it rather as a way of linking the entitlement to social assistance with a proven readiness to work to a greater degree than before, in the hope that the need for welfare assistance would thereby be continuously diminished. Herein lies the core paradox of the activating welfare state. The state's economy is such that these jobs are not readily available, and professional training and job application courses are offered on a substantial scale instead, creating some kind of fitness centre for the labour market.

It is time to develop an alternative approach to employment prospects based on human rights. Those providing services to homeless people need to get involved in this process, as more than two-thirds of their clients are of working age and entitled to employment support on the labour market. In the activating welfare state, a new realignment of services for homeless people means:

- Assistance for homeless people must be given higher priority in labour market
 policy, as well as in employment and qualification aids, than before. Integration into
 the labour market is not possible without qualifications (from literacy skills to general
 social competencies for gaining further academic and vocational qualifications).
- Providers of services to homeless people know from bitter experience that work
 must not be offered in lieu of alms, or that welfare must never have to be 'earned',
 as this creates a situation where employment assistance rapidly degenerates
 into being forced to work. Service providers must therefore call on legislators to
 rebalance the correlation between support and demands, with a particular focus
 on the rigid sanctions for those aged under twenty-five.
- Assistance for homeless people should not focus solely on realising legal claims to SGB II, but also on tackling and helping to overcome the social injustices enshrined therein: insufficient wages; the social relegation of persons insured for many years below the poverty threshold, by law; and the socially sanctioned implementation of a low-pay sector categorised by the €1 job (a publicly subsidised job regulated by public law that pays around €1 per hour in addition to the subsistence benefit). It is a matter not only of demanding application of the law for all, but also of calling for social justice.

Social Change: New Forms of Division in Society

The scope and the face of poverty in Germany have changed dramatically in recent decades. Germany is not alone on this front: an OECD (2008) report on income distribution and poverty shows that:

- Both income inequality and the poverty headcount (based on a 50 per cent median income threshold) have risen over the past two decades. The increase is fairly widespread, affecting two-thirds of all OECD countries, and averaging around 2 points for the Gini coefficient and 1.5 points for the poverty headcount.
- The rise in inequality is generally due to rich households having done particularly
 well in comparison with middle-class families and those at the bottom of the
 income distribution.
- Income poverty among the elderly has continued to fall, while poverty among young adults and families with children has increased.

We are moving from a two-thirds society (i.e. where two-thirds of society are relatively well protected) to a one-third society in which one-third is well-to-do with increasing well-being or wealth, another third is gradually descending into situations of social insecurity, and the final third is already in a precarious position or experiencing poverty.

Traditional processes of social disintegration throughout Europe are joining forces with new processes of social exclusion to restructure traditional social inequality through new forms of poverty, with long-lasting effect. According to Castel (2009) the processes dividing society, as well as their form, can be characterised by three zones: the integration zone, the precarity zone, and the exclusion zone. Typical representations of the degree of social integration and social inclusion can be observed in all three zones.

- The integration zone, or that of the Establishment, shows a high degree of social integration, and thus of recourse to social resources and relations, as well as a high degree of networking and social inclusion (i.e. access to existing resources such as work, education, health care, politics etc.); in short, prosperity. Here, in the middle of society, there is nonetheless a fear of possible decline into the precarity zone, a 'feeling of precarity'.
- In the precarity zone, characterised in particular by precarious or unstable
 employment relationships, there is little opportunity to access social resources,
 for instance among single mothers or elderly people living alone, which creates
 a danger of social exclusion. The precarity zone lies between prosperity and
 poverty, constituting an intermediate realm made up of diverse situations.

The **exclusion zone** is essentially associated with ongoing uncertainty of employment; the so-called normal employment relationship has simply ceased to exist here. The situation is characterised by under-employment, unemployment or long-term unemployment, and the degree of both social integration and social inclusion is accordingly low. This area is marked by exclusion and poverty, albeit to different degrees.

Service providers for homeless people need to reposition themselves according to these social situations.

Homelessness service providers are increasingly confronted with a new clientele comprising impoverished middle-class women, migrants, elderly people in need of care and young adults who have experienced long-term exclusion and have been affected by the new precarity processes. Although not yet homeless, they all face dire social difficulties. As part of the welfare state apparatus, homelessness service providers afford social protection for impoverished people in residential quarters; more than 30,000 people are currently advised and cared for in homes. Their task has never been, nor is it likely to be in the future, to reduce the concept of dealing with homelessness to the procurement of housing, whether naively or cost-consciously, but to find an integrated, comprehensive way to combat the twenty-first-century manifestations of poverty.

Demographic Change, Housing Markets and the Change in the Poverty of Housing

The Bundesarbeitsgemeinschaft Wohnungslosenhilfe e.V. (BAG W) [National Federation of Service Providers for the Homeless] has for years observed a nation-wide decline in the number of homeless people. The BAG W has estimated that between 1999 and 2008 the number of homeless people dropped by about 60 per cent. As this estimate includes homeless migrants of German origin from Eastern Europe, the extreme drop of nearly 100 per cent in immigration levels (about 100,000 people) has a disproportionate effect on the overall drop in the number of homeless people. If these figures are considered without the repatriated population, there is still a drop of 50 per cent (or 220,000 people) between 1998 and 2006. However, at 27 per cent (about 50,000 people), the drop within the subgroup of homeless people living alone is less than half that of households composed of several people (65 per cent).

¹ See www.bagw.de and BAG W, 2009 a.

The drop in the number of homeless migrant people can be explained by the drastic restrictions of access introduced by immigration legislation, which has contributed in particular to a fall in demand for reasonably priced living space in larger dwellings. But how can the fall in homelessness more generally be explained, considering current increases in unemployment and poverty levels? The overall number of homeless people in a country does not depend directly on levels of poverty and employment, but first and foremost on the housing market.

The falling levels of homelessness are attributable to a combination of developments in the housing market and demographic factors. There is a surplus of larger dwellings in many regions and it has therefore become easier for families who lose their homes to find new housing, while at the same time it has become more difficult to lose one's home, at least on a permanent basis. In addition, there is a long-term, downward demographic trend in the residential population, which has led to a drop in the number of households with three or more members seeking housing. However, the number of households with one or two members will continue to increase, reaching about 2 million households by 2020, which will generate demand accordingly (Statistisches Bundesamt [Federal Statistical Office], 2007).

Overall, the enhanced efforts of the municipalities nationwide, and the prevention of homelessness through specific housing provision programmes, have clearly had a positive effect, especially for families, as have the high social integration benefits of services for homeless people, especially for people living alone. Busch-Geertsema and Fitzpatrick (2008) have shown similar preventive effects in the United Kingdom, which has also experienced a decrease in the number of homeless people and in the level of poverty.

The decline in homelessness has not been as great for the largest group of homeless people, those living alone, which, at approximately 130,000 people in 2008, clearly exceeds family homelessness at 90,000 people. This difference is explained by insufficient prevention efforts in this area, a tighter market situation for small dwellings and the more extreme poverty of the clientele. The increase in poverty in Germany therefore concerns the other groups in need of housing: initially at least, those who face unsuitable living conditions and those who are threatened with losing their home. BAG W's statistics for 2008 show some 30,000 clients still living in poverty or, in the language of SGB XII, experiencing dire social difficulties and being cared for in homes.

Owing to a lack of official homelessness statistics, the number of people threatened with immediate loss of their home can be estimated only very roughly. In 2009 there were some 3.5 million needy households under SGB II, comprising approximately 6.7 million people; it is estimated that about 1.5 per cent of these (approximately 50,000 households and 100,000 persons) may be threatened with immediate loss

of their home. In the absence of reliable statistics, the real numbers at risk remain unknown, but this estimate makes it clear that there is a potentially sizable risk. No plausible overall numbers of people living in unacceptable conditions can be provided at this time, though the Socio-Economic Panel (SOEP-Monitor1, 2007) says that 20.6 per cent of main tenants in private households consider their housing expenditure to be 'too high'.

The structural changes in housing needs mean that providers of services to homeless people must adjust to the following developments:

- It is expected that the numbers of acutely homeless people will continue to drop
 or will at least stabilise in the coming years, whereas the number of people who
 are threatened with losing their home, or are living in unacceptable conditions
 combined with growing poverty, will increase. Consequently, the number of
 people who may have housing, but who live in dire social difficulties, might rise.
- The number of clients may drop, stabilise or increase depending on the nature
 and type of assistance offered, in particular by ambulatory services for homeless
 people, because it is not only people without housing who are in need of help,
 but also those who are threatened with losing their home, and the new poor who
 are living under uncertain housing conditions.

From Assistance for the Homeless to Assistance for People in Need of Housing or Faced with Social Difficulties: Realignment of the Fields of Action

The need for comprehensive reform of the way that services for homeless people are currently organised was clearly addressed in the BAG W policy statement published in 2001 (BAG W, 2001). The aforementioned social changes have made this need even keener. A key to the reform of service provision for homeless people lies in the expansion of the concept of housing exclusion, a topic that has featured in the specialised discussions in the field over the last decade (Forschungsverbund Wohnungslosigkeit und Hilfen in Wohnungsnotfällen, 2005; Specht-Kittler, 2004). It is now understood that an organisational restructuring of service provision for homeless people must include a coordinated system of assistance for people in need of housing and people living in poverty and being confronted with social difficulties. The inclusion of the notions of housing exclusion and social difficulties clarify that future services must be organised to address poverty and housing exclusion.

Against this background, the traditional services for those in need of housing will experience a permanent shift in the relative importance of their primary tasks:

- The importance of assistance for the acute homeless will be (quantitatively) reduced.
- The importance of prevention will grow.
- The need for area based social work will increase as the divisions in society widen.

The system must respond to these changes and the main points for realignment should be:

- The reorganisation of the welfare state and the growth of poverty have rendered obsolete the traditional distribution of labour between municipalities providing assistance for the homeless and private, non-profit providers of support. Public and private sector organisations need to cooperate and work together to ensure that those homeless persons in municipal accommodation have the same access to assistance as other people faced with social difficulties. This also applies to the prevention of homelessness and to neighbourhood management.
- The systematic enlargement of existing methods of assistance for homeless people (families, couples or individuals) with services based on prevention (i.e. the systematic foundation of specialised departments with structural interconnection that can offer assistance to homeless people). In view of the increased poverty being experienced in Germany, we cannot afford to wait until social difficulties have become so severe as to result in homelessness.
- Assistance for homeless people must be realigned socially to include those
 who are living in unacceptable housing conditions. The increasing numbers of
 impoverished people whose poverty and social difficulties remain hidden have
 the same entitlement to assistance as homeless people when confronted with
 social difficulties.
- The growing fragmentation of responsibilities of public authorities, brought about by the labour market reforms, must be checked decisively by means of a legally binding division of assistance. To this end every proposal to reorganise the cooperation of employment agencies must be measured on a large or on a small scale (see BAG W, 2009 b, c).

Realignment of the Forms of Organisation and Management of the Assistance System

The needs-based realignment of the assistance system in three areas of action – removal of homelessness, prevention and integration – requires a number of additional measures for its overall management.

Coordinating assistance essentially entails striking a new balance between those responsible for social administration or social services and those responsible for employment administration to optimise social integration as a whole and not only integration in the labour market. Assistance pursuant to SGB II is geared only to dealing with one social problem (i.e. exclusion from the labour market), while SGB XII, involving assistance in special social situations, represents a more integrated and comprehensive approach.

The central challenge in such a realignment is achieving lasting, coordinated and comprehensive cooperation between all public and private bodies at the state, regional and municipal levels in the planning, financing and provision of services. A new balance must be struck in the relationship between those tasks that fall under the jurisdiction of the state (i.e. that can only be carried out by public authorities) and general social tasks that can also be carried out by non-governmental organisations. For example assisting the homeless in terms of providing temporary accommodation is an obligation, but it does not require that provision be carried out directly by the state, and such assistance can be much better organised by housing companies and private bodies in cooperation with providers of social services.

Those providing assistance to the homeless must also insist on their active participation in the specialised area of prevention. Prevention can be advanced through the active development of new types of service, such as:

- Outreach crisis assistance to prevent the imminent loss of housing by persons living alone.
- Economic consulting and support to stabilise families threatened with the loss of their home.
- Stabilisation of the social area in a neighbourhood through outreach welfare work in the street.

The assistance system can only achieve lasting effects by modifying anachronistic forms of financing that are no longer suitable for the necessary forms of service provision. In principle, this entails reducing the red tape of financial management and making the system more flexible. Specifically, financing by means of project

budgets should replace financing by legal form; an initial step could involve the authorisation of mixed financing schemes combining ambulatory, partially stationary and stationary legal forms under a project budget.

In addition, area-based budgets should be introduced, at least in pilot projects, as has been done in certain areas of assistance for young people. In principle, this entails giving those responsible for assistance a budget for housing exclusion relief services within a predefined geographical area. With this budget, the provider(s) will provide all the assistance required in the particular area as outlined in the goals, standards and indicators of the service contract. A specialised, detailed discussion is needed to gauge any potentially negative effects, such as capping and dissociation from the demands of the recipients. This kind of realignment can only succeed if it receives competent support in the form of integrated and institutionalised social planning from NGOs, municipalities and federal states.

Main Points for the Conceptual Realignment of Social Work, Social Service Policy and Social Policy for the Homeless

It is insufficient to renew only the organisational approaches to service provision for homeless people, the conceptual bases must also be renewed. Social inclusion is primarily a complementary and antithetical notion to social exclusion as a process and as a result. Ensuring social inclusion means organising access to such major social areas as the economy, politics, the mass media and health care, and in such a way as to grant people access to the Internet, medical care, participation in the political process, education and qualifications, and so on. Facilitating social inclusion means first making the structures of the social subsystem more flexible so as to open them up, instead of 'adapting' the individual to the structures already in place. Such participation should be institutionally guaranteed, where necessary, through legal regulations for social inclusion, the most obvious examples being the removal of obstacles to the mobility of physically disabled persons.

Social integration refers to participation in the neighbourhood, associations, friend-ships, partnerships, families or occupational networks. Social disintegration should not be equated with a commensurate individualisation of personal life. In a society where collective identities such as nationality, ethnic origin, the family, sex and so on are being continuously redefined, securing and restoring social integration is no simple and certainly no clear task. A guiding principle of social integration would be a suitable balance between group membership and individual self-fulfilment to enable reliance on social support networks in times of crisis. Social integration, however, also requires a willingness to get involved and solidarity on the part of more integrated people for the sake of those who are less integrated in society.

Successful social integration involves individual motivation, stability, having the initiative to deal with emergencies; it is the ability to help oneself combined with the capacity to use support networks.

The provision of assistance for people living in poverty and in need of housing must strike a new balance in the conflicting relationship between the goal of social inclusion and social integration and at the same time be conceptually adjusted to new target groups.

Due to the new forms of long-term social exclusion and poverty, a new balance is needed between independent, self-organised care, network cooperative assistance and the entitlement to benefit from the regulation systems. We must gear this new adjustment equally to people from a migrant background, the long-term unemployed, young adults without sufficient education, women, mental patients and addicts – as well as to homeless people, people threatened with losing their home and people living in unacceptable conditions.

The focus should continue to be on tackling poverty and the housing shortage.

As part of social services, social work projects involve work on social inclusion and integration. Social services policy can be seen as the creation of the organisational, administrative, personal and financial preconditions for specific social work in this area. Social policy can be seen as the creation of the legal, organisational and financial policy preconditions for social inclusion and integration. The relationship between social services and social policy can be determined so that social policy creates the framework for an appropriate social services policy.

More than ever before, the chances for social work depend on social policy preconditions at the municipal, state, federal and now also the European levels. It is important that future assistance for those in need of housing creates better conditions for social integration and inclusion work on the basis of housing, health care, social and labour market policy as social solidarity with the excluded is under threat and will be even more difficult to achieve in the future. Heavier involvement in social policy is therefore a vital precondition for the professional organisation of assistance and social services for people living in poverty and in need of housing.

Conclusion

The realignment that has been outlined here cannot be developed and implemented without real participation. Employees in social services and institutions should use their experience and get involved to help shape the process of change; this applies equally to residents. Participation is the key word for the future. Without new and genuinely democratic forms of participation in social work, the renewal of service provision for homeless people will fail. It is also a matter of redefining civic commitment as democratic participation in the task of social integration. As part of this, professionals should put greater trust in citizens who volunteer to help and should call on their help.

The words 'dialogue', 'understanding', 'participation' etc. do not appear in many texts of specialised periodicals on the optimisation of what is known as 'process management' in public social administration or social services. Unfortunately, under the auspices of the new public management, the introduction of new code systems has been confused with modern decentralised management. This is no coincidence, as such protagonists want to implement a top-down management system. This type of exercise of power is not new in itself, but what is new is an attempt at a consistent rationalisation of the organisational processes of social organisations in the interest of managerial efficiency. The way of the future is not a total managerial rationalisation of social work for homeless people. Nor will a solution be found through the dismantling of assistance for homeless people into its component parts, whereby the poverty of housing can then be administered under the cover of specialised assistance for addicts or the disabled, or of psychiatry. In view of the major challenges highlighted in this paper, the future of services for homeless people lies in creating a new unity in diversity in assistance for people living in poverty and in need of housing, based on human rights with lively democratic participation from those involved, employees and citizens.

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