



Deposit Guarantee for Refugees

Housing has become considerably expensive in Austria in recent years, and housing costs will continue to rise in future - at least in the larger cities. What is already a massive burden for people with modest incomes is almost an insoluble problem for refugees. They have no access to subsidized or social housing, but are dependent on the private housing market and therefore often come into a precarious situation. While they are housed in state or NGO quarters during primary care, they are not allowed to work and therefore cannot save part of their income. The deposits required on the open market for rented flats are therefore virtually unaffordable for refugees. Due to the lack of language skills, they are also in a weaker bargaining position.

1

This is where the action AT HOME comes in, working together with partner organizations Diakonie, Interface Wien and Flüchtlinge Willkommen and taking over the guarantee for the required deposits. The NGOs look after and advise the future tenants and decide autonomously on the allocation of customary deposits.

A – Innovative Access to the Target Group - Participation

Target group „Refugee“:

Who can integrate into our society that is interned in a camp, assigned to sleeping quarters - four sleepers in a small room without privacy, only tolerated in a strange environment ...?

Direct, immediate and sustainable: A HOME for refugees.

Living in Austria is expensive. Tenants - eligible are persons entitled to asylum and subsidiary beneficiaries (asylum seekers are only supported in absolute exceptional cases) must pay the rent, but do not have to pay any deposit themselves. This gives them the opportunity to choose an apartment according to their needs (eg. size of the family) and takes the burden of having to deposit cash with borrowed money. Even an interest-free loan is no competitive alternative to that guarantee!

The deposit guarantee has a direct and immediate effect by relieving the tenant. His / her energy and potential can be dedicated to other vital areas, eg the application for a job, the placement of the children in kindergartens and schools, and social integration.

Quid pro quo - the commitment:

Nevertheless, the tenant is part of the project as long as the deposit is granted: he / she pays a monthly solidarity contribution to the escrow account, a liability reminding them that they are part of a larger programme. Their contributions (€ 5 / month + € 2 for each member of the family) gradually increase the capital stock in the escrow account and contribute to the coverage of claims or the allocation of further deposits for refugees willing to integrate.

Refugees who rent their home with the help of a deposit guarantee are no receivers of alms. They cover the rent themselves and they are net contributors to the escrow account. Both contribute significantly to the acceptance in our society.

B – Innovative Idea – This is New

Target group „Refugee“ in focus

The target group "refugees" is not new, but since 2015, flight and migration have developed in their scale. This development and our political framework have created enormous pressure - on our society, on institutions, on the refugees themselves ... We need new and effective instruments for de-escalation and integration.

2

On the run is who left his home. Staying on the run are those, who don't find A HOME.

With the aim of helping refugees to arrive in our society, gain a foothold and build a new life, Alpine Peace Crossing has made a conscious decision to purchase housing and adopted an approach that has proven itself in investment banking . In the field of social welfare this approach is an innovation: The guarantee. € 20,000 are deposited on an escrow account of APC. The guarantee is granted autonomously by the project partners Diakonie, Interface and Flüchtlinge Willkommen. The liability is shared by Alpine Peace Crossing (40%), Diakonie (35%) and Interface (25%).

Triple Benefit: Not Only the Target Group Benefits (1)

Benefits for the landlord (2):

Instead of a cash deposit he gets a deposit guarantee and receives quickly and unbureaucratically the money due to him in case of damage. While in a cash deposit the landlord has a certain administrative burden, he does not have to organize anything accepting a guarantee. Moreover: Has the rent not been paid in time he may touch the cash deposit only in case of a house clearing. The deposit guarantee steps in, if the rent is not paid for only more than two months. The guarantee applies for the entire duration of the tenancy and covers not only rent arrears but also damages in the flats, which go beyond the normal wear and tear.

By accepting a deposit guarantee landlords contribute to solving a social problem without having to put up with any extra effort or expense.

Benefits for NGO-Partners (3):

Residential counseling talks are time-consuming and often unsuccessful. The deposit guarantee extends their offer of refugees and offers a real opportunity of housing placement. The advisory body (here: Diakonie and Interface, Flüchtlinge Willkommen) does not have to do any extra work - the consultation takes place as always.

C - Innovative Implementation - Impact

Newly interpreted proven instrument

It is not necessarily the implementation of the project idea, which could be mentioned as new or creative. It is the transfer of a banking instrument to social work, which can be described as innovation.

Arriving in normality

The impact getting offered an easier access to affordable housing is invaluable to a refugee family. Only those who have A HOME can arrive in a foreign country, leave the experience of escape and its triggers a little way behind and reorganize their lives. For someone who lives in a camp or on the street, the flight is not yet over.

D - Innovation for externals – Stating an Example

AT HOME integrates several project partners who act as implementors. By using an instrument recognized for the financial world (guarantee) the project approaches target groups that have not yet been touched by the topic of integration: homeowners, property managers, the real estate industry. The guarantee creates an interface between refugee / social work / landlord that is new - and positively - defined: all parties involved can benefit from the deposit guarantee (see "Triple Benefit").

3