Implementing Social Rented Homes for Vulnerable Families in Brazil

Submitted By: FICA (collectively owned real estate fund)



Organization Profile

Organization Name: FICA (collectively owned real estate fund)

Organization Type: Civil society

Website: https://fundofica.org/

Practice Details

Country(ies): Brazil

City(ies): São Paulo, Recife

Start Year: 2016

Ongoing: Yes

End Year: N/A

Main Adequate Housing Components:



Housing Thematic Areas:

- Housing Affordability & Financing
- Rental Housing
- Social Housing
- Housing Rights & Social Inclusion

Relevant SDGs:



UN-HABITAT

Problem & Context

In São Paulo, Brazil's largest city, there are around 90.000 people who are currently homeless, over 300.000 families in unsuitable accommodation and over 200.000 living in areas at risk of flooding and other extreme climate events. For almost 20 years Brazil has had a large public housing programme, but one that focuses on subsidised sale rather than social rented homes, which are more suitable for families on very low incomes. Moreover, as the current system is mostly based on access to private homeownership, it doesn't guarantee that long-term the homes will remain in the ownership of those who need it most nor does it come with the social support that a lot of these families need. FICA was created to help fill this gap and make the case for social rent and housing first to be a key part of the housing solution.

Solution Developed

FICA's approach is based on 2 key activities: social rented housing and housing first programmes and advocacy work to influence public policy and strategy – based on the expertise we acquire in practice and in order to scale up our approach. We have 4 social rent initiatives: Apartments (targeting low-income families and immigrants to remain in well-connected parts of cities by paying low-cost rent); Shared housing (targeting low-income families living in precarious tenement housing in city centres); Student housing (targeting university students on low incomes and in receipt of scholarships); and Housing First (targeting homeless families in need of intensive support). Through these initiatives and with the support of donations and grants, FICA acquired 13 properties and 59 units in São Paulo and Recife, successfully housing around 100 people. We currently have Brazil's largest Housing First initiative implemented by a private organisation. The uniqueness of FICA's approach comes from our integrated management service that encompasses property and building management as well as support services (including social services and mental and physical health support).

Implementation

Usually, our usual action plan involves: fundraising to acquire units; establishing partnerships with community organisations to identify groups in need of housing; designing selection process and support services; implementing integrated management service. We work in partnership with other NGOs and community groups, universities, religious organisations and law firms, and are increasingly working with the government to contribute to policy making around social rented homes and in particular around Housing First. Depending on the initiative, the partnerships centre around donations to FICA by other organisations; support by way of expertise (e.g. psychology university students provide mental health support to our residents; private law firms provide pro bono services; community organisations help to map groups we should target). Depending on the complexity of the programme, we can take 6 months-1 year from planning to execution to cover all of the aforementioned stages. The acquisition and refurbishment of properties are generally carried out with donated resources, while revenues

from grants and partnerships sustain the operational costs of our integrated management approach (property administration and support services).

Enablers & Obstacles

FICA has over 100 financial supporters, strong partnerships with community groups and NGOs and individuals who have donated properties to FICA or granted a right of use as social rented homes. This, combined with our expertise of over 10 years in the fields of housing, urban planning and social services, are the key enablers that supported the implementation of our solution, which was also driven by the recognition in society and at government of the scale and urgency of Brazil's housing crisis. The key obstacles we face are ensuring the continuity of resources to maintain our programmes; the complexity of some of the refurbishment work that is necessary to bring properties up to a high standard; addressing conflicts between residents that result from complex socioeconomic backgrounds. We continue to address these by promoting regular fundraising activities, fine tuning our integrated management methodology and providing residents with continuous and individualised support services.

Results & Impact

We currently have 13 properties and 59 units in São Paulo and Recife, successfully housing around 100 people. In the Social Rental programme, the beneficiary families gain stability by saving on rent and also through improved employment and health conditions, thanks to our support. Two or three years later, these families are able to buy their own home or rent a larger house in the formal market. In our Housing First programme, where we have our most vulnerable residents, in only two years 70% of them accessed employment and average income increased from R$200 (around $36) to R$1.200 (around $220). Qualitative evidence collected through regular interviews with all of our residents indicate improvements on physical and mental health; educational attainment; access to employment; better eating and cooking habits (supported by our partnership with agroecological initiatives who distribute fresh produce to our residents on a monthly basis). These impacts help to produce less unequal urban environments, support local economies and have positive impacts on the environment by helping to reduce informal housing in areas prone to climate impacts. Although the scale of our programmes is still small compared to Brazil's housing need, they have broader and longer-term impacts by providing the evidence and the methodology that will enable them to be scaled up through policy-making at the government level.

Replication & Scale Up

Our Social Rental Service has been replicated in Recife through a housing project housing immigrant families (a programme that will be implemented by FICA itself), and in Campinas, through an initiative that FICA incubated. Key factors enabling successful replication were

forming strong local partnerships; securing resources for refurbishment works and support services which were included in the integrated management model.

For FICA's housing practice to be scaled up on a large scale, it needs to form part of public policy and have a continuous funding stream so that more families are supported. Capacity building of other third sector organisations would be an important enabler and FICA is currently developing a training model based on its methodology and practical work to enable this replication and expansion. We believe that the Social Rental Service should be implemented by many organisations across the country to maintain quality, rather than being operated at scale by a single company or social organisation.

Policy Uptake

This housing practice is a new or innovative practice that is not yet adequately or fully integrated into formal policy frameworks.

It's key that access to housing isn't limited to property ownership, but also includes Social Rent, including for homeless people, and that it comes with an integrated management service covering building and property management and support services. Some Brazilian cities have implemented social rent. But they haven't adopted an integrated approach which is key to ensure tenancy sustainment; better health and access to jobs and education. We recommend that organisations should each be responsible for up to 500 units so that quality can be maintained whilst scale is expanded at system-level.

Lessons & Takeaways

Many of our programmes were created on an emergency basis to respond to specific high-risk needs, and our learning has come through hands-on experience, including trial and error. Ideally, there would be time for planning and resources established in advance, but unfortunately, this is not the reality in our country. On the other hand, we have learned a great deal from these emergency experiences, and our greatest strength is our ability to navigate adverse situations, which are inherent to the conditions of vulnerability in our country.