
SOCIAL HOUSING MODELS IN LATVIA AND A COMPARATIVE ANALYSIS OF THE EU MEMBER STATES

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Abstract. This study examines social housing models in Latvia, comparing them with those of other member states of the European Union (EU) through comparative and document analysis methodologies. The research investigates Latvia's current social housing landscape, its historical development, and the challenges in meeting the needs of vulnerable populations, particularly the elderly. Latvia's social housing sector, characterised by a very small share of the total housing stock and quality issues, is compared with 3–5 EU countries, focussing on funding mechanisms, target groups, and quality standards. The analysis reveals significant disparities between Latvia and other EU countries in social housing provision, with Latvia having one of the lowest incidences in the EU. Key findings include the impact of demographic trends on housing needs and the challenges posed by the ageing housing stock. The study concludes with recommendations for policy improvements and implementation strategies, contributing to the understanding of social housing dynamics in Latvia within the broader EU context and providing information for more inclusive and sustainable housing solutions.

Keywords: *Social housing, Latvia, European Union, comparative analysis, ageing population, property reuse, urban development, housing policy, demographic trends, sustainable housing.*

INTRODUCTION

Social housing plays a crucial role in addressing the housing needs of vulnerable populations in Europe. It provides affordable, accessible, and quality housing options for those who cannot meet their housing needs through the regular market (Gibb, 2002; The State of Housing in Europe 2022, 2022). In many developed countries, social housing is designed to offer long-term affordable housing for specific groups, with a primary focus on accessibility and affordability (Sanchaniya & Geipele, 2023) rather than profit maximisation (Araji & Shahin, 2021; Pittini & Laino, 2012; Freimane, 2020; Ismail et al., 2020).

The concept of social housing as an essential infrastructure underscores its importance in supporting various social needs beyond providing a safety net for disadvantaged populations (Scheba & Turok, 2021; Lo et al., 2020; Ajayi et al., 2020; Robbins, 2020). Social housing is associated with greater economic and

social benefits, including improved health, well-being, educational outcomes, and community cohesion (Babich et al., 2023; Yang et al., 2021).

Latvia's housing context is uniquely shaped by its historical and socioeconomic factors. Following the collapse of the Soviet Union, Latvia experienced massive privatisation of housing, resulting in a minimal public housing stock (Hess & Tammaru, 2019a, 2019b; Treija & Bratuškis, 2019). Unlike many Western European countries with varied social housing models, Latvia struggles with both social and private rental sectors being small due to the high rate of homeownership after privatization (Jany, 2020).

The country faces significant demographic challenges, including population decline and ageing. Latvia's population is projected to fall from just under 1.9 million to around 1 million by the end of the century, with a significant increase in the proportion of elderly citizens (United Nations UN, 2024; Petersons, 2019). These demographic shifts have profound implications for housing needs and policies.

Furthermore, Latvia's social housing stock is characterised by large Soviet-era housing estates, which represent a significant part of the housing infrastructure. These estates, initially built to provide affordable housing under socialist policies, now face challenges related to the ageing infrastructure and the need for modernisation (Gentile, 2019; Krišjāne et al., 2019).

This study aims to analyse social housing models in Latvia and compare them with those of other EU member states to identify best practices and potential areas for improvement. By examining funding mechanisms, target groups, quality standards, and implementation strategies in different countries, this research aims to provide valuable insights for policymakers and housing practitioners working towards more inclusive and sustainable housing solutions in Latvia.

1. RESEARCH METHODOLOGY

This study employs a comparative analysis and document analysis approach to examine social housing models in Latvia compared to other EU member states. The research methodology is designed to provide a comprehensive understanding of the current landscape, challenges, and potential improvements in the Latvian social housing sector.

The study selects three to five EU member states for comparison with Latvia. The selection criteria are based on similar size or economic conditions to Latvia, innovative approaches to social housing, and diversity in social housing models (e.g., universalistic, targeted, generalist, and residual approaches). This selection allows for a balanced comparison and the identification of potential best practices that could be applicable to the Latvian context.

The research uses several data collection methods. These include document analysis, which involves reviewing policy documents, legislation, reports and academic literature related to social housing in Latvia and the selected comparison countries. Additionally, statistical data are collected and analysed, focussing on quantitative data on social housing stock, demographic trends, and economic indicators from national statistical offices and Eurostat. Case studies are also

examined, providing concrete examples of different approaches through specific social housing projects or initiatives in the selected countries.

A comparative framework is developed to analyse social housing models in the selected countries. This framework encompasses key elements such as funding mechanisms, target groups, quality standards, allocation systems, integration with other social policies, and governance and management. The examination of funding mechanisms explores how social housing is financed, including public funding, private investment, and innovative financing models. The analysis of target groups considers the intended beneficiaries of social housing in each country, ranging from universal approaches to more targeted models.

Quality standards are assessed by evaluating the physical condition, energy efficiency, and overall quality of the social housing stock. The comparison of allocation systems examines how social housing is distributed and prioritised among eligible individuals or families. The study also investigates how social housing policies interact with other areas such as healthcare, education, and social services. Finally, governance and management consider the roles of different stakeholders in the provision and management of social housing.

This comprehensive framework allows for a nuanced comparison of social housing models, considering both quantitative metrics and qualitative assessments. The analysis considers historical and cultural contexts that may influence housing policies in each country, ensuring a holistic understanding of the factors that shape social housing provision.

Using this methodology, the study aims to identify strengths and weaknesses in Latvia's current social housing model and draw insights from successful strategies in other EU member states that could be adapted to the Latvian context. This approach facilitates a thorough examination of various social housing models, potentially informing policy recommendations to improve Latvia's social housing sector.

2. RESULTS AND DISCUSSION

Our analysis reveals that Latvia's social housing model is characterised by a very small share of social housing, comprising less than 5 % of the total housing stock. The sector consists of housing estates that require significant renovations. The model focusses on a targeted allocation, serving primarily low-income households and vulnerable groups. The funding mechanisms are limited and heavily rely on municipal resources. Furthermore, the sector faces challenges in meeting the needs of an ageing population (Tajani et al., 2023; Housing Europe, 2018).

Compared to other EU countries, several key differences emerge. Although countries like the Netherlands (32 %), Austria (23 %), and Denmark (19 %) have substantial social housing sectors, Latvia's share is significantly lower. This disparity highlights the need for increased investment in Latvia's social housing stock. Many EU countries employ diverse funding strategies, including public-private partnerships, dedicated housing funds, and tax incentives. In contrast, Latvia's funding for social housing is primarily dependent on limited municipal

budgets, constraining growth and renovation efforts (Pittini and Laino 2012; Freimane, 2020).

Some EU countries, such as Denmark and Sweden, adopt more universal approaches to social housing, while others, such as the UK and France, use a mix of targeted and universal systems (Pittini & Laino, 2012). Latvia’s highly targeted approach may limit its ability to address broader housing affordability issues. Countries like Austria and the Netherlands have implemented comprehensive programmes for energy-efficient renovations of social housing. Latvia faces significant challenges in upgrading its ageing housing stock to meet modern standards of quality and sustainability (Housing Europe, 2018; Streimikiene & Balezentis, 2019).

		SIZE			
		Large (>19%)	Medium (11-19%)	Small (5-10%)	Very small (0-5%)
ALLOCATION CRITERIA	<u>Universalistic</u>	The Netherlands, Denmark, Sweden			
	<u>Generalist</u>	Austria	Czech Republic, France, Finland, Poland	Belgium, Germany, Italy	Slovenia, Luxemburg, Greece
	<u>Targeted</u>	<u>Residual</u>	UK	France	Belgium, Estonia, Germany, Ireland, Malta

Fig. 1. Social housing models in the EU (Pittini & Laino, 2012).

The study finds that Latvia’s demographic trends significantly influence its social housing needs. The projected population decline (from 1.9 million to about 1 million by 2100) requires a reevaluation of long-term housing strategies (Pittini and Laino 2012; Petersons, 2019). The rapidly ageing population (with the 65+ age group expected to increase substantially) demands more age-friendly housing solutions. These trends contrast with many Western European countries, which are dealing with housing pressures from population growth and urbanisation (European Commission, 2023).

Our analysis identified several innovative practices from EU countries that could be adapted to the Latvian context. These include the Netherlands’ social housing associations model, which combines non-profit status with professional management; Austria's limited-profit housing associations, which leverage private investment for social housing; Denmark’s “common housing” approach, which fosters tenant democracy and community engagement; and Sweden’s municipal housing companies, which balances social responsibility with market-orientated operations.

Table 1. The decline of the Latvian Population and Working-age Adults (Levin & Sinnott, 2015)

Age group	2012 (%)	2030 (%)
0–14	14.3	14.2
15–49	47.1	40.1
50+	38.6	45.6
Working age (aged 15–64)	67.2	60.4
50+ share of working-age population	29.8	33.6

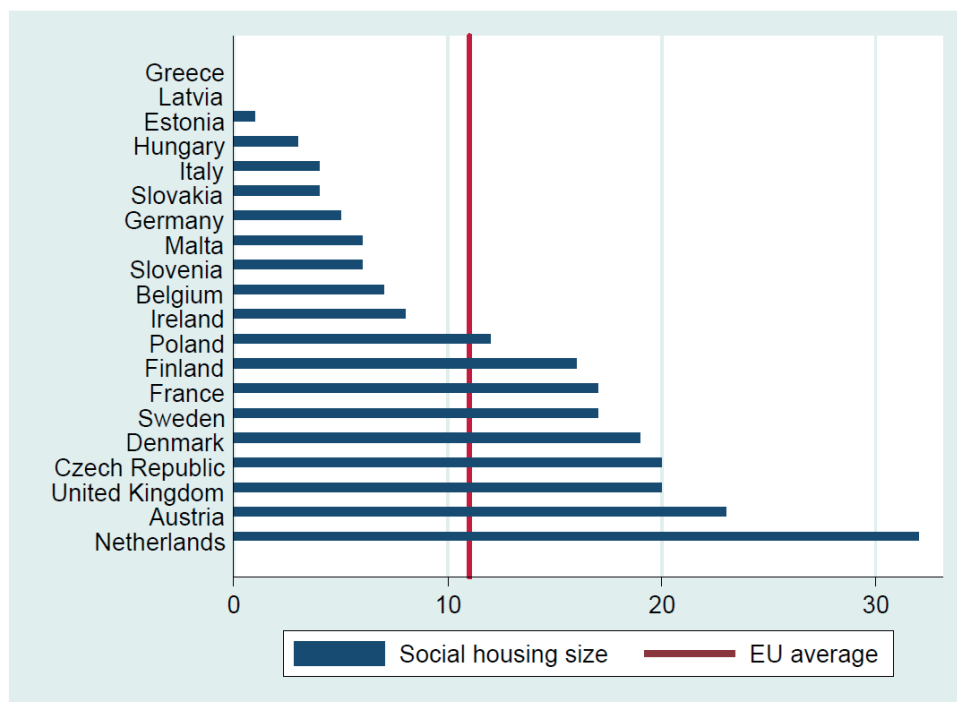


Fig. 2. The share of social housing in Latvia compared with other EU member states (Pittini and Laino 2012).

The research highlights several challenges for Latvia's social housing sector, including limited financial resources for new construction and renovation, the need to balance targeted support with broader affordability concerns, and adapt existing housing stock to meet the needs of an ageing population (OECD, 2020; Streimikiene & Balezentis, 2019). However, these challenges also present opportunities, such as the potential for adaptive reuse of underused buildings for social housing, integration of age-friendly design principles in renovation projects, and development of new financing models, potentially involving EU funds and private sector partnerships.

The findings suggest several policy implications for Latvia. There is a need for a comprehensive national strategy to expand and improve the social housing sector (Kovalivska et al., 2020; Puķīte et al., 2016; Puķītis et al., 2017; Tupenaite et al.

2018). The importance of diversifying funding sources and exploring innovative financing mechanisms is evident. There are potential benefits in adopting a more mixed approach to social housing allocation, balancing targeted and universal elements. There is an urgency to address the quality and sustainability of existing social housing stock. Finally, there is an opportunity to integrate social housing policies with broader urban development and social inclusion strategies.

In conclusion, although Latvia faces significant challenges in its social housing sector compared to many EU counterparts, there are ample opportunities for improvement by adapting successful practices from other countries. The key lies in developing a holistic approach that addresses not only the quantity of social housing but also its quality, sustainability, and responsiveness to changing demographic needs.

CONCLUSIONS

This comparative analysis of social housing models in Latvia and selected EU member states has revealed several key findings and implications for future policy and practice.

Latvia's social housing sector faces significant challenges, characterised by a very small share of the total housing stock, ageing Soviet-era buildings, and difficulties in meeting the needs of vulnerable populations, particularly the elderly. The country's unique historical context, including mass privatisation following the collapse of the Soviet Union, has resulted in a housing landscape distinctly different from many Western European countries.

Compared to other EU member states, Latvia's social housing provision is notably limited. Although countries like the Netherlands, Austria, and Denmark have substantial social housing sectors, Latvia, along with other Eastern European countries, has less than 5 % of its housing stock dedicated to social housing. This disparity highlights the need for significant investment and policy reform in Latvia's social housing sector.

Demographic trends, including population decline and rapid ageing, pose additional challenges to Latvia's housing policies. The projected decrease in population, coupled with an increasing proportion of elderly citizens, requires a reimagining of housing strategies to meet changing needs.

The study identified several best practices from other EU countries that could be adapted to the Latvian context.

These include the following:

1. Diversifying funding mechanisms to increase investment in social housing.
2. Adopting more flexible approaches to target groups, balancing universalistic and targeted models.
3. Implementing innovative strategies to renovate and repurpose existing housing stock.
4. Integrating social housing policies with larger social and health services.

Based on these findings, we recommend the following policy improvements for Latvia:

1. Increase public investment in social housing to expand the available stock.
2. Develop comprehensive renovation programmes for older Soviet-era housing estates.
3. Implement age-friendly design principles in both new constructions and renovations.
4. Create more flexible allocation systems that respond to changing demographic needs.
5. Foster partnerships between the public, private, and non-profit sectors to leverage resources and expertise.

In conclusion, while Latvia faces significant challenges in its social housing sector, there are ample opportunities to improve by learning from other EU member states. By adopting a holistic approach that considers demographic trends, economic factors, and social needs, Latvia can work toward creating a more robust, inclusive, and sustainable social housing system. Future research should focus on the practical implementation of these recommendations and their long-term impacts on housing accessibility and quality of life for vulnerable populations in Latvia.

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