THE CONCEPT OF TENANT DISPLACEMENT IN THE MANAGEMENT OF HOUSING STOCK

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Abstract

Effective local housing policies require integrated and flexible ways of managing the resources of social, council and social building society flats. The paper presents a systemic concept of relocating tenants within the local housing resources to premises of a different type. The concept is based on the proposal to rent the flats to the tenants on a temporary basis. Such a solution leads to more efficient housing resource utilization as well as making the housing policy in Poland more rational at times of a housing deficit. Empirical research has proved that the existing legal regulations reduce the scale of tenant transfers in Olsztyn and the concept of creating "a chain of voluntary transfers" has not been, in fact, implemented.

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1. Introduction

According to the Constitution of the Republic of Poland, public authorities shall pursue policies conducive to satisfying the housing needs of citizens, in particular combating homelessness, promoting the development of low-income housing and supporting activities aimed at the acquisition of a home by each citizen. There is a widespread view that a home is a basic human good that allows individual and social needs to be satisfied and provides security and happiness (DONNER, 2000). At the same time, a home is an extremely expensive commodity which is unavailable to some members of society. What is more, it requires high financial input followed by payments associated with its rent or ownership.

Since the beginning of the system transformation, the Polish state housing policy, whose characteristic feature is decentralisation and gradual cutting of funds allocated to the direct support of housing, has failed to solve major housing problems in Poland which include a considerable housing deficit of both qualitative and quantitative nature. Inadequate funds from the national budget to support local governments burdened with housing assistance programs for low-income citizens as well as the lack of money in local budgets for new investments and maintenance lead to a situation where the public needs for housing cannot be satisfactorily met and the existing housing stock is becoming increasingly de-capitalized. What needs particular attention are those households that are not able to satisfy their housing needs on the market but whose material status is too high to qualify

for social or council housing. Properly restructured and selectively addressed housing support instruments should be accompanied by changes in regulations, the purpose of which should be the optimal utilization of existing resources, particularly social and council ones. Such optimization requires the flexible management of these resources, especially by creating "a chain of voluntary transfers" of tenants to more suitable types of accommodation.

The paper presents the concept of relocating tenants within the local housing resources to premises of a different type. It is based on the proposal to rent flats to tenants on a temporary basis. Once launched, the "transfer chain" will contribute to the more efficient utilization of existing local housing resources and to a more rational means of satisfying the housing needs of the most disadvantaged citizens, while accounting for their individual needs and financial standing. The above theoretical concept has been supplemented with empirical studies on the scale of tenant transfers within the council and social housing resources in Olsztyn in relation to the quantitative changes taking place in that housing stock.

2. Sectors of the Local Housing Market and Their Users

In the housing market, there are diverse groups of users (tenants) who differ in terms of their social and material standing, which also varies the nature of their housing needs and their capacity to satisfy them. Each of the groups usually needs a different type of council (or state government) assistance, thus different instruments of the housing policy. Taking into consideration the tenants' material situation and the specific character of satisfying their housing needs we can divide the housing market in Poland into the following sectors:

- night shelters, homes for the homeless and sheltered housing,
- temporary accommodation,
- the stock of social and full-value council flats,
- the stock of social building societies,
- the stock of cooperative flats,
- the stock of commonhold associations and single family homes.

In the housing policy, there are plans to include a new type of housing, that is to be at the disposal of so called social housing groups (SGMs), as part of a draft project to provide the tenants with the long-term opportunity of gradually assuming ownership of the flat they have been renting. The launch and proper coordination of tenants' transfers within the individual sectors of the housing market will make the utilization of the existing housing stock more flexible, which in turn will help meet the needs of low- and medium-income households. The table below shows the performance of individual sectors of the housing market taking into account the characteristics of the relevant groups of tenants.

Night shelters and homes for the homeless provide beds to the homeless for one night or for several days. The definitions of the above terms can be found in the Act on financial support for establishing social premises, sheltered accommodation, night shelters and homes for the homeless of 8 December 2006 (Dz.U. 206, No 251 item 1844 with amendments). A night shelter is a building or a part of a building designed to provide beds to the homeless people, along with technical facilities necessary for the night shelter to operate properly. A home for the homeless is a building or a part of a building designed to provide 24-hour accommodation to homeless people, along with the technical facilities necessary for the home operate properly. Homes for the homeless deal with social work and offer specialist legal and psychological help. They also provide one hot meal a day and essential clothing. In Poland, there are no legal regulations concerning the standards, setting up and running of hostels for the homeless. However, the diversification of such standards should encourage actions that could help people leave homelessness. According to the Act on social assistance of 12 March 2004, it is the local council (gmina) that is legally obliged to provide deprived people with shelter, meals and essential clothing (Dz.U. of 2009, No 175, item 1,362 with amendments). The Act defines a homeless person as a person without a regular dwelling who is not registered for permanent residency. Details concerning the purpose of night shelters and homes for the homeless, including their operation and rules of admission as well as regulations regarding order, are stated in the internal codes of conduct of these organizations.

Sheltered accommodation is a form of social assistance where specialists teach tenants to live independently or where 24-hour care is provided to disabled tenants. Sheltered housing gives the opportunity to function independently in a secure environment and within a local community. It can

be run by any social assistance organizational unit or by a public benefit organization. People who need day-to-day assistance due to an emergency life situation, age, disability or illness, and who do not qualify for residential care - in particular people suffering from mental-health disorders and those who leave youth fostering centers or placement under the foster care order as defined in the provisions of the family support and foster care law, are eligible applicants. A tenant of a sheltered establishment is obliged to cover a part of maintenance costs which is proportional to their income. In justified cases, they can be released from this obligation by the head of the county administration (starosta). Rooms and facilities in sheltered flats are designed to suit the basic requirements and abilities of the tenants. A sheltered flat must accommodate at least three residents and its minimum usable space cannot be less than 12 m². Apart from a living room, such a flat has a kitchen, a bathroom and a toilet, as well as a common room for social activities. The rooms must be large enough for tenants moving around on wheelchairs to maneuver freely.

Another sector is temporary accommodation. Its elementary function is to give a gmina the opportunity to evict those tenants who are no longer entitled to social or substitute accommodation. According to the Act on the protection of tenant rights, the temporary dwelling must be suitable for living in, must have access to a water supply, a toilet either inside or outside of the building, natural light and electrical lighting, and the possibility to be heated. Its internal walls cannot be damp and must be fit to install cooking facilities. Also, the habitable space per one person must be at least 5 m² and, if possible, the flat should be located in the same town or in the vicinity of the town that the relocated tenants had lived in. The agreement to rent a temporary dwelling should be concluded for a definite period of time that is not shorter than one month and not longer than six months.

The third sector consists of premises belonging to the gmina housing resources, particularly of social flats and full-value council flats. Possessing the above resources by the local council is a basic instrument of the local housing policy, aimed especially at the needs of low-income households as well as households that are otherwise entitled to council accommodation. Social flats are a part of the council housing stock and are earmarked for the poorest citizens. To be fit as social housing, a dwelling must be defined as habitable in terms of furnishing and technical condition with no fewer than 5 m² of living space per person in the tenant's household (10 m² in the case of a single person household), yet its standard can be reduced. Such premises are often of very low quality and are allotted to people with the lowest income who have been evicted from other flats. The tenancy agreements for social flats are agreements for a fixed period of time that can be concluded only with a tenant who has been granted a right to tenancy by court or with a person who has no legal title to any tenancy and whose income does not exceed the limit stated in the gmina council resolution. The social tenancy agreement can be renewed if the tenant's situation justifies such a decision. The council can terminate the tenancy agreement without giving the correct amount of notice if the tenant has obtained another tenancy title that can be executed.

The stock of full-value council flats constitute a major part of the gmina housing resources and are used to satisfy the housing needs of low-income citizens and special care groups (such as the disabled, the elderly, single mothers, people employed in the gmina on a temporary basis, etc.). The tenancy agreements for premises from this particular stock are concluded only for an unspecified period of time. According to the Act on the protection of tenant rights and municipal housing, and amendment to the Polish Civil Code of 21 June 2001 (Dz.U. 2001, No 71, item 733 with amendments) it is the gmina that is responsible for defining the terms and procedures of council flat rental. As stated by the Act, the gmina defines the groups that can apply for tenancy in council flats as well as deciding on the potential tenants' income limits and specifying other accessibility criteria for these housing resources (such as the lack of a legal title to a flat). The tenancy agreement can be terminated in cases that have been stated in the above mentioned Act. Thus, the landlord can terminate the legal right to tenancy if the tenant has used the dwelling in a way that is contrary to the tenancy agreement, neglects his responsibilities as a tenant, thus causing damage to or demolition of common facilities, or persistently infringes the prevailing order making it difficult for other tenants to use the premises. In addition to the above, a notice to vacate the dwelling can be issued when the tenant has failed to pay rent or other utility bills for at least three full payment periods, has leased, subleased or assigned the use of the premises or their part free of charge to a third party without the landlord's written consent, or uses premises that must be vacated due to the demolition or renovation of the building. It is also possible to terminate tenancy agreements by the gminas with a six-month notice providing the tenants are offered another dwelling to rent. The offered dwelling must meet the same requirements as substitute

accommodation. The above mentioned options can be found in relevant sections of multi-year programs of the gmina housing resources management. When deciding on the rent and other related payments to be paid by the tenants of a substitute dwelling, the gmina has to take into account the relation of the substitute flat size and furnishings to the flat being vacated. Notably, a tenant's improved material situation is not a reason to terminate the lease, which enables well-off tenants to pay low rents at the expense of other taxpayers.

Social building societies are entities that have been established to provide affordable flats to rent out to people who are not well-off (the Act on certain forms of supporting housing investments, Dz.U. of 2000, No 98, item 1070 with amendments). Their task is to build social housing for rent. Social building societies are only allowed to rent flats out to individuals provided that they or their co-tenants do not hold a legal title to another flat in the same gmina on the day of the lease commencement. If they happen to have a legal title to a flat in another gmina, the social building society can rent them one of its flats under the condition that the change in the place of residence was the result of finding a new job in the vicinity of this society's resources. Another condition is the income earned by the tenant's household, which cannot exceed the limit determined on the basis of the average monthly salary in a given voivodeship (a high-level administrative subdivision of Poland). According to the cooperative tenancy right to a home, the rules are the same in the case of housing built with the help of public funding by housing cooperatives. Every two years, the tenants are obliged to submit a declaration of their average monthly household income from the previous year to the Social Building Society by April 30 and to inform the society, without delay, about receiving a legal title to another dwelling. Had the declaration contained false information, the tenancy agreement can be terminated without notice. The tenancy agreement can also be terminated in the part concerning rent when the declaration is not submitted on time or the family income is higher than the permitted level. The flat allocation criteria and procedures are stated in the company deed or society statute, while the rules of cooperation between the society and the gmina are set out in a relevant contract. There is a concept to link social and ownership housing resources by launching so called social housing groups (SGMs) which would deal with building and managing housing for rent with the option of transferring ownership rights to the tenants. In the process of building the SGM housing, social housing investors will compete on the housing market with housing cooperatives and developers. However, this particular segment is still in the making and therefore, no legal regulations concerning its operation are in power yet.

Another sector is the stock of cooperative flats (both tenant and privately owned). The goal of a housing cooperative is to satisfy the housing needs of its members and their families by providing them with independent flats or single-family houses, as well as premises serving a different purpose (as stated in the Act on housing cooperatives of 15 December 2000; Dz. U. 2001 No 4 item 27 with amendments). Housing cooperatives can transfer their ownership rights to their members or grant them a cooperative tenancy right to a home. The cooperative tenancy right to a home is an inalienable right arising by way of a contract between the cooperative and its member. A cooperative undertakes to hand a dwelling over to a tenant while the tenant undertakes to make a housing contribution and make regular payments as set out in the Act on housing cooperatives and the statute of the cooperative. The right expires the moment the membership is terminated. The cooperative can pass a resolution about the cooperative housing tenancy right expiration if the tenant uses the dwelling in a way that conflicts with its original purpose, neglects his or her obligations thus causing damage or demolition of common facilities, persistently infringes the prevailing order making it difficult for other tenants to use the premises, or fails to pay the rent. Separate ownership of cooperative housing arises in way of transferring the ownership rights to dwellings which are the property of housing cooperatives (older resources) or by means of a contract to build a dwelling which is concluded between the cooperative and its member who contributes funds to cover the costs of constructing this dwelling (newly-built resources).

The last sector is made up of dwellings in commonhold associations and single-family houses. In this sector, dwellings are usually bought (or built) by high-income households according to market rules – typically taking advantage of the dynamically developing mortgage market. It is worth noting that, for many years, council, state and cooperative flats were sold at very low prices, which has led to a situation where many owners of old flats in commonhold associations do not have adequate funds to maintain the buildings properly, thus hampering renovation and modernization works in this

housing stock for a long time. Another part of flat owners who had bought their dwellings at priority prices sold them afterwards at the regular market price and made undue profit.

The sectors of housing stock described above are a background for the concept of transferring tenants in order to develop a more efficient policy to satisfy the most urgent housing needs by means of the existing housing resources, particularly council and social ones.

3. The Concept of Tenant Displacement in the Management of Housing Stock

The rules of managing the Polish public housing resources are far from flexible. This means that even when the tenants' financial standings improve, they do not have to vacate the dwelling. There are legal regulations that enable them to occupy council flats on the existing terms. Therefore, the flats are no longer temporary and accessible and, instead of serving the original purpose for which they had been built and maintained, bring undue profits to their tenants. Currently binding regulations impose the obligation to conclude tenancy agreements for unspecified periods of time on gminas, and do not enable them to verify the tenant's financial standing during the term of the agreement. Consequently, the dwellings are occupied by tenants who can afford to purchase or rent a dwelling on the free market. It is almost impossible to recover such dwellings because, very often, after the tenant's death, the lease is transferred to family members, disregarding the fact that their material status does not meet the vital requirements. As a result, the number of recovered flats is insufficient to satisfy the needs of those low-income citizens who are in real need of dwellings. A similar lack of flexibility and direct access to temporary dwellings can be observed in the social housing stock.

In order to alleviate the problems resulting from the inflexibility of public housing management policies, it seems necessary to encourage voluntary tenant transfers among individual types of housing stock as the tenants' material standing changes and as they become eligible to apply for accommodation from a different source. The organizations that encourage the above mentioned "chain of voluntary transfers" are gminas, as it is their responsibility to implement local housing policies. These organizations should be supported by other sectors, including the boards of social building societies and housing cooperatives.

The proposed concept of voluntary tenant transfers corresponds well to the idea of strengthening the role of the gmina, giving it power to indirectly (as a regulator) and directly (financially) influence all the sectors of housing resources that are financed from the public budget (draft legislation guidelines..., 2010). The concept of transferring tenants is based on offering flats that are well suited to their needs and financial capacities. The offer includes a chain of dwellings: a night shelter – a home for the homeless – a social dwelling – a council flat – a social building society flat – a flat from the stock offered by housing cooperatives or the market (e.g., commonholds) (Fig.1).

When developing the above diagram of tenant transfer within the local housing resources, the population of people whose housing needs are not satisfied was divided into four groups (segments), (see Fig. 1):

- 1) people with the lowest income (who are eligible to apply for social dwellings, night shelters or homes for the homeless) and people with special needs (sheltered housing),
- 2) people with low income (council flats),
- 3) people with modest and average income (who can apply for housing provided by social building societies or by housing cooperatives under SGM regulations),
- 4) people with high income (who can satisfy their housing needs on the market by buying a flat or building a house).

The first group includes the homeless, people in difficult life situations, the disabled or ill, those who have a steady income that is very low (less than 10% of the average monthly salary in a given voivodeship per member of the tenant's household) and those without an income altogether. As their financial standing improves, the homeless who are staying at night shelters or homes for the homeless can be offered social dwellings or a place in sheltered flats. Tenants of social dwellings who pay the rent regularly, follow the principles of community life and earn a steady income can apply for full-value council flats. If they fail to pay the rent regularly, they are relocated to temporary premises. Better-off tenants can be offered social housing for rent (such as a social building society flat or a cooperative tenant flat) on a temporary basis and, if over time the tenants' material standing improves, will be granted ownership rights to the flat according to the regulations proposed within the SGM formula.

The second segment consists of tenants who are eligible to apply for renting council flats (the income of these persons is at least 25% of the average monthly salary in a given voivodeship per member of the tenant's household). After the relevant parts of legal regulations have been amended, tenancy agreements in this segment should be concluded for a fixed period of time. When the agreement expires, the tenants' material standing should be verified and, if it has improved significantly, the tenant will be offered a tenancy agreement for a dwelling in a social building society or housing cooperative. Such flats will be leased for a fixed period of time and, as their material situation improves, the tenants who meet the relevant requirements will finally be granted ownership rights to these flats.

The third segment contains people who cannot afford to buy or rent a flat according to the market rules, but whose material standing is too good to make them eligible for a dwelling rented out by the gmina (the income of these persons does not exceed 130% of the average monthly salary in a given province per member of the tenant's household). Such people are offered a social building society flat for rent (with a participation payment) or can be granted a certificate of occupancy for a tenant flat in a housing cooperative (if they can afford to pay the necessary housing contribution). At the subsequent stage, their cooperative tenancy right can be transformed into an ownership right or they may decide to buy a different flat on the market.

Fig. 1. The concept of tenant displacement in the management of housing stock *Source:* own study.

Finally, the last of the above listed groups have an income that is high enough to purchase (or lease) a flat or house on the market, either primary (from a developer or a housing cooperative) or secondary; the income of these persons does exceed 130% of the average monthly salary in a given province per member of the tenant's household. Members of this group can satisfy their housing needs on their own, usually by means of mortgages. Since this group uses neither council nor social housing resources, their role in the system of tenant transfers is very limited.

It is worth emphasizing that vacating the dwellings alone will not solve the problem of the council housing deficit. What is more important is to implement a more efficient housing policy, both at the national and local level. In particular, there is an urgent need to build new council and social housing and to convert premises and buildings in the existing stock into social flats. We suggest that, as part of the voluntary tenant transfer system, low standard council flats be transformed into social dwellings, while their tenants (having verified their incomes and ensured that they had been paying their rents regularly) could be offered a transfer to flats of better technical standards. Also, it seems necessary to reduce the scale of the scattered privatization of flats by means of substantial discounts.

In the future, the gmina should be given the right to control the incomes of its council flat tenants. Currently binding legal regulations allow their incomes to be checked only once, when a person from the waiting list signs his or her first tenancy agreement. All the tenants who occupy council dwellings have tenancy agreements for unspecified periods of time and pay low rents irrespective of their income or material standing (draft legislation guidelines..., 2010). The change of such a state of things has been proposed in the draft amendments. Therefore, anticipating planned amendments to the Act, the proposed concept of tenant transfers facilitates more efficient management of public housing resources and helps to satisfy the most urgent housing needs by means of the existing council and social housing resources.

4. The Evaluation of the Scale of Tenant Transfers in the Housing Stock of the City of Olsztyn – Own Study

In order to help verify the theoretical concept presented in the paper, the authors have attempted to evaluate the scale on which the actual relocation of tenants within the council and social housing stock in Olsztyn takes place. Due to difficulties in accessing direct data, the evaluation was performed by means of an indirect method, taking into account the quantitative changes that had taken place in these stocks over a longer period of time. As of 31 December 2012, the investigated housing resources in Olsztyn consisted of 5,337 dwellings with a total surface area of 239,444 m². The above housing resources included:

- a) 5,328 dwellings with a total surface area of 238,908 m² which were located in 837 buildings, including:
 - 679 buildings which were the property of commonhold associations, containing 3,761 flats with a total surface area of 177,285 m²,
 - 158 buildings which were the property of the gmina, containing 1,567 flats with a total surface area of 61,623 m²;
- b) 9 dwellings with a total usable surface of 536.8 m² located in the buildings of housing cooperatives.

From the entire housing stock, the city designated only 273 flats for social purposes. In the period of 2000-2012, a total of 154 social dwellings and 347 full-value council flats were built. The rate at which new council flats were acquired by the local housing stock was slower than the rate of privatizing housing stock belonging to the gmina of Olsztyn, which is clearly demonstrated in Table 1: in the period of 2008-2012, the gmina sold 902 council flats to their tenants at discount price. More details concerning the changes in the council housing stock are presented in the table.

The above data, concerning the number of applications for council housing that were submitted and actually approved, shows that throughout the study period, the housing resources in Olsztyn were gradually shrinking, whereas local housing needs remained high. No new council buildings with flats to rent have been built since 2008 besides 4 buildings with 64 social dwellings and 3 habitable containers with social flats and emergency dwellings. Annually, the council retrieves an average of 96 dwellings, mostly as a result of evictions and deaths or, less frequently, because the tenant has moved to another location. The retrieved premises are of low quality and their parameters do not meet technical habitability standards, so they require expensive renovation. For example, in 2010, the gmina retrieved 76 such flats, the renovation of which cost more than 1 million PLN. The

number of retrieved dwellings continues to fall from year to year, especially when full-value flats are concerned. The retrieved full-value flats were designated to meet the housing needs of low-income citizens, while social dwellings were rented to people in deep poverty or those who had been evicted from their previous dwellings by virtue of court order granting them the right to social housing. Additionally, some flats that had been acquired by the gmina were used either as substitute accommodation for tenants of sheltered flats being vacated or tenants of council flats under renovation at the cost of a future occupier, or as temporary accommodation.

Table 1

Quantitative changes in the housing stock of the Gmina of Olsztyn in 2008-2012

Specification	Year				
	2008	2009	2010	2011	2012
Number of dwellings in the stock	5,945	5,907	5,718	5,577	5,337
Number of new dwellings	45	64 social flats	-	6 social flats 16 temporary dwellings	-
Number of retrieved and renovated dwellings	97	approx. 80	76	111	115
Number of sold dwellings	142	142	175	160	283
Number of applications for rental	597	685	617	528	510
Number of approved applications for rental	13	26	30	36	32

Source: own study on the basis of the database of Wydział Spraw Lokalowych (the Department of Housing) in Olsztyn.

The studies have shown that in analyzed period, the scale of actual transfers within the housing stock in Olsztyn was largely limited and the concept of a vast "chain of tenant transfers" was not put into practice. The following reasons are responsible for this situation: the tenants had the opportunity to buy a council flat with a substantial discount, almost all the tenancy agreements were concluded for an unspecified period of time, and finally, the rents for flats in the gmina housing stock were relatively low. Another important factor was the specific mentality of people who occupied council dwellings – they treated their council flats as their personal property and did not want to move out. According to the present analysis, about 100 tenants take part in the system of swapping council flats in the city of Olsztyn. The circumstances that led to decisions about the relocation of tenants included, first of all, accumulated unpaid rent and disproportions in the size of a given flat and the number of occupants, as well as the necessity to improve the living conditions of families with many children whose flats were too small.

At the end of last year, the demand of the city for full-value council accommodation was assessed at 450 dwellings, while the demand for social housing amounted to 421 dwellings, including 417 flats for tenants who had been evicted by virtue of the court and 4 allocated to low-income families who were qualified by the Social Housing Committee. Apart from the privatization of gmina flats, the major reason as to why the council housing stock in the city of Olsztyn has been shrinking are the demolitions of buildings or closedowns of individual dwellings due to the bad technical condition of buildings.

The stock of social building society flats for rent is the sole responsibility of the Social Building Society in Olsztyn, which deals with implementing the part of the municipal housing policy aimed at satisfying the housing needs of families with steady incomes who meet the statutory criteria of eligibility. At the end of 2012, the housing resources of social building society flats in Olsztyn consisted of 37 buildings containing 775 dwellings which varied in size from 30 to 55 m². In the period of 2008-2012, the number of dwellings that returned to the stock reached 100. They were retrieved due to the death of a tenant or because a tenant had bought a flat on the free market, as well as due to a tenant's relocation. The formula of social building societies significantly lessens the problem of

insufficient housing resources in the city. On the other hand, it does not meet the expectations of low-income members of the local community. The requirement of a steady income (at a specified level) and relatively high costs of maintenance are a barrier that most of them are not able to overcome. Nevertheless, a lot of Olsztyn residents are interested in the offer of the local social building society despite these restrictions.

5. Summary and Conclusions

In the face of the critical housing situation in Poland, which manifests itself by a quantitative and qualitative shortage of dwellings, as well as low incomes which are in contrast with the high costs of constructing housing, it is necessary to encourage creating efficient housing policies, both on the national and local government level. It has become essential to thoroughly re-construct the existing instruments of support and to intensify assistance for those households which are not able to satisfy their housing needs on their own by buying a dwelling on the real property market. In order to improve the living conditions of such households, a multi-track housing policy is required. On the one hand, the policy-makers should aim to enhance local council investments leading to increased resources of council and social building society housing, while on the other hand, necessary changes in legal regulations should be passed in order to eliminate disadvantageous legal barriers and make the management of public housing stock more flexible, which in turn would lead to the more efficient utilization of the existing housing resources. The proposed idea of voluntary tenant transfers within different sectors of the local housing stock has been based on the concept of the temporary nature of tenancy agreements concluded with individual tenants for periods of time based on their current material standing.

The above proposal can be regarded as one of the support instruments contributing to the more efficient management of the existing housing stock, as well as leading to improved living conditions of families that are most in need. The key role in stimulating and coordinating planned tenant transfers shall be played by the gminas which are responsible for carrying out an effective housing policy. Such an approach leads to strengthening the role of the gmina which, consequently, would have an indirect (regulatory) and direct (financial) influence on all sectors of its housing resources that are subsidized from public funds. The gmina should be supported by social building societies and cooperatives in the process of encouraging the "chain of transfers".

The research presented above has resulted in the following conclusions:

- 1) A necessary condition to launch the system of large scale tenant transfers is to make regulations concerning council and social housing stock management more flexible. Such legal changes are planned to be put into force after public consultations have been completed. The desired changes relate to such matters as: making it possible to lease council flats for a specified period of time, introducing the category of a social lease and the right to the regular verification of council tenants' incomes, and making the rules of allocating social housing more flexible.
- 2) The factor that has a particularly negative effect on promoting voluntary tenant transfers is the scattered privatization of council housing at prices reduced by substantial discounts, which has been practiced by many gminas. This particular practice, as well as the option to buy flats from the social building societies, makes the management of housing for rent inflexible rather than adaptable, because the prospective option of purchasing the occupied accommodation prevents some tenants from making the decision to move to another dwelling.
- 3) Another factor of vital importance that hinders voluntary tenant transfers is the specific mentality of people occupying housing for rent. They treat council or social flats which have been allocated to them as their personal property, often of a sentimental value, and thus, are not willing to move elsewhere. Many tenants see their future life in these flats or intend to transfer their tenancy title to their heirs. Some postpone their decision to buy waiting for more attractive discounts or for the gmina to renovate their dwellings using public funds.
- 4) Empirical studies have confirmed that in the current legal and market situation, the scale of actual tenant transfers in Olsztyn has been very limited and the concept of "a chain of voluntary tenant transfers" has not been put into practice. Apart from the opportunity to buy council flats with very attractive discounts and the legal obligation to conclude tenancy agreements for unspecified periods of time, the relatively low costs of renting dwellings belonging to the gmina housing resources were yet another reason for such a state of things.

- 5) The actual scale of voluntary displacements of tenants residing in social building society flats in Olsztyn, similarly to the case of council housing, was relatively small. The main causes of tenant transfers or the retrieval of social building society housing resources were the deaths of tenants, and tenants purchasing new flats on the market or moving to another accommodation.

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- Ustawa z dnia 21 czerwca 2001 r. o ochronie praw lokatorów, mieszkaniowym zasobie gminy i zmianie kodeksu cywilnego (Dz. U. 2001 Nr 71 poz. 733 ze zmianami) [*the Act on the protection of tenant rights and municipal housing, and amendment to the Polish Civil Code of 21 June 2001 (Dz.U. 2001, No 71, item 733, with amendments)*].
- Ustawa z dnia 26 października 1995 r. o niektórych formach popierania budownictwa mieszkaniowego (Dz. U. z 2000 r. Nr 98, poz. 1070 ze zmianami) [*the Act on some forms of support to housing investments (Dz.U. of 2000, No 98, item 1070 with amendments)*].
- Ustawa z dnia 15 grudnia 2000 r. o spółdzielniach mieszkaniowych (Dz. U. z 2001 Nr 4 poz. 27) [*the Act on housing cooperatives of 15 December 2000; Dz. U. 2001 No 4 item 27 with amendments)*].
- Uchwała Nr XIX/314/12 Rady Miasta Olsztyna z dnia 25 stycznia 2012 r. w sprawie wieloletniego Programu Gospodarowania Mieszkaniowym Zasobem Gminy Olsztyn na lata 2012 –2016 [Resolution No XIX/314/12 of the City Council in Olsztyn of 25 January 2012 on the multi-year Programme of the Gmina Housing Resources Management in 2012-2016].
- Założenia projektu ustawy o społecznym zasobie mieszkań czynszowych, społecznych grupach mieszkaniowych oraz o zmianie niektórych innych ustaw, Ministerstwo Infrastruktury, Warszawa, 29 kwietnia 2010r. [Draft legislation guidelines on the social resources of housing for rent, social housing groups and the changes of some acts of law, Ministry of Infrastructure, Warsaw, 29 April, 2010].