Fact sheet 22 EVICTION PREVENTION FUND

What is the Eviction Prevention Fund?

Every year a lot of families find themselves threatened with eviction because they cannot pay the rent. The Eviction Prevention Fund (in Dutch: Fonds Bestrijding Uithuiszettingen) of the Flemish Government aims to prevent eviction by providing financial support for the Public Centres for Social Welfare (in Dutch: OCMW) so that they can support private tenants with rent arrears. The Fund only intervenes in the case of rent arrears of minimum two and maximum six months on the private housing market.

How does the Fund work?

It is the responsibility of tenants with rent arrears to contact the OCMW of their place of residence. The OCMW is free to decide whether it wants to support tenants to pay off the rent arrears and whether it will appeal to the Fund. If the OCMW offers assistance and appeals to the Fund, it will conclude an agreement with the tenant as well as with the landlord.

The OCMW pays 50% of the rent arrears to the landlord within five working days of signing the agreement (maximum 1,250 euros). The OCMW receives from the Fund a flat rate amount of 200 euros and 25% of the rent arrears (maximum 625 euros) for each assistance process. After successful assistance, the Fund grants an additional 35% of the rent arrears (maximum 875 euros).

It is up to the OCMW to decide whether or not it reclaims this financial support from the tenant. The remaining rent arrears will be settled by means of a repayment plan between the tenant and the landlord.

Advantages of the Fund

The main objective of the Fund is to prevent evictions by reducing rent arrears. Thanks to the

financial support of the Fund the landlord rapidly recovers a substantial part of the arrears. In addition, the OCMW is involved at a relatively early stage, which makes the assistance process more likely to succeed. As a result, the OCMW can also look for the most appropriate solution if there are structural financial problems (such as alternative housing or financial support).

The landlord agrees not to claim for eviction as long as the repayment plan is respected. If new rent arrears do occur, the landlord agrees to inform the OCMW and gives at least two weeks to find an appropriate solution.

Challenges for local authorities

However, the procedure also involves challenges. The OCMW and the Fund can only take action after an application has been made by a tenant. This presupposes that tenants and landlords are well-informed about the existence of the Fund and take action in time. It is therefore useful for local authorities to inform their inhabitants. In addition, the Fund is likely to increase the workload of the OCMW. Social workers do not only have to draw up a repayment plan, but also address the possible tense relationship between the tenant and the landlord. Nevertheless, their work is essential in order to prevent homelessness and high indebtedness.



Learn more about the <u>Fund</u>
Read more on <u>Wonen Vlaanderen</u>
OCMW's will find practical guidelines <u>here</u>.



This fact sheet was written in collaboration with Wonen Vlaanderen.

