



ComActivate

Enabling community action for energy sufficiency

D2.3 SUSTAINABILITY AND BUSINESS AND INVESTMENT PLANS FOR THE OPERATION OF THE LOCAL RC IN JÓZSEFVÁROS (HUNGARY)

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1 Introduction

A fundamental question of the next years will be the capacity of the individual households and building communities to carry out necessary adjustments that are essential in reaching the EU's ambitious energy and climate targets. The latter includes a climate framework that centers on three ambitious targets for 2030. First, it aims to achieve a binding 42.5% share of renewable energy in its final energy mix, while maintaining an aspirational "top-up" goal of 45%. Parallel to this, energy efficiency efforts are backed by a binding mandate to reduce final energy consumption by at least 11.7% relative to 2020 projections. With regard to residential buildings, as spelt out in the Energy Performance of Buildings Directive (EPBD), a 16% decrease needs to be achieved in their primary energy consumption by 2030. These measures are critical components of the overarching commitment to slash net greenhouse gas emissions by at least 55% compared to 1990 levels, providing a clear legislative pathway toward reaching total climate neutrality by 2050.¹

A key instrument in supporting the refurbishment of the existing residential building stock to achieve these goals, will be the one-stop-shops (OSSs). Designated as compulsory by the recast EPBD, and imagined on a geographical scale that they are equitable distributed for universal access, these OSS will serve as intermediaries between the residents/owners and the different public authorities, as well as provide advice on the availability of subsidies and maybe even support the buildings in choosing the appropriate contractors, and other professionals. Their exact profile, as well as the level they will be placed in the bureaucratic systems is still under development in most countries. Importantly, in many cases already existing OSSs will accommodate this EPBD demand.

The ComActivate project already made its contribution to the system of OSSs by establishing and/or supporting the operation of Resource Centres (RCs) in its pilot cities. An RC was established or assisted in Burgas (Bulgaria), Budapest-Józsefváros (Hungary), Elektrėnai and Kaišiadorys (Lithuania). All of them are operated by public entities. However, this model is not universal: NGOs and SMEs can become involved in their maintenance as well. The latter models – which are also widespread – typically have a diversified funding source, with little or no public funding. The funding model however determines the target audience: low income, vulnerable groups are unlikely to pay a service fee, thus their inclusion presupposes an OSS providing free services. Which is the case for the Resource Centres in the ComActivate project. RCs in ComActivate have a mixed audience, thus they need to serve both vulnerable households and those with a stable income. And while they are all situated within the municipal system, their long-term sustainability is less secure than it would be expected from such a public body.

The current Sustainability and Business and Investment Plan builds on the project research outcome, that the existence of Resource Centres partially depends on the availability of funding for building refurbishments, be it from the EU, or from national subsidy schemes. In addition, public funds are needed in case vulnerable residents are in the focus of operation.

The current Plan of the sustainability of the RC in Józsefváros has the aim to consider both these external and internal contexts and create a feasible and sustainable pathway for the upcoming years. It aims to lay down the foundation of at least middle-term sustainability by outlining a vision of the municipality and the Resource Centre up to 2030 containing different scenarios for the future (section 3) that relies on the current context (section 2) and the current operation of the RC (section 4). It also takes a step ahead, and in section 5 describes a way to sustainability until 2030, by focusing on the prospective clients, services, human resources and financing.

¹ <https://caneurope.org/publications/2030-climate-energy-targets/>

2 Context

2.1 Physical and social characteristics and building stock

District characteristics Administratively, Budapest consists of 23 districts, one of which is Józsefváros (VIII. district). Józsefváros includes a wide variety of areas, which are very diverse both in terms of their urban and social character.

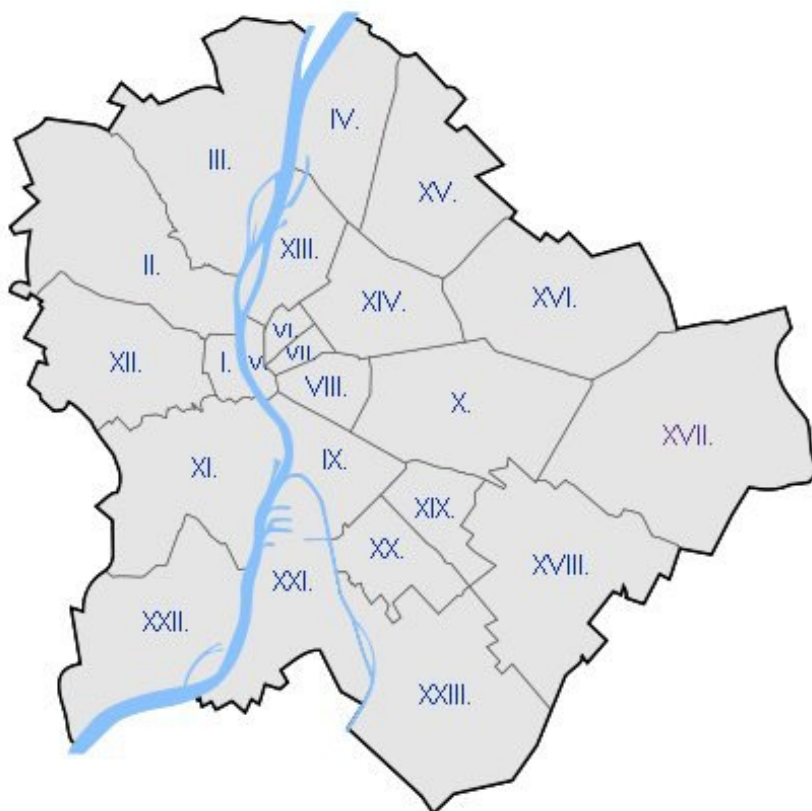


Figure 1. The situation of Józsefváros (VIII.) to other Budapest-districts.

Józsefváros is considered one of the most disadvantaged districts of the capital in several respects. Although a number of economic and social indicators have improved over recent decades, the most deeply rooted structural social challenges persist.

Whilst the complex urban rehabilitation program in the past decade in the district has been successful in alleviating segregation rates in Magdolna and Orczy-quarters, and large investments in Corvin-quarter invited more educated residents in the district, Józsefváros' social characteristics remained below the Budapest means. According to the Integrated Urban Development Strategy of Józsefváros (2020), the average educational attainment and employment rate of the district's population remain below the mean levels observed in Budapest. Among the districts of the capital, Józsefváros has the lowest average net domestic income per capita, as well as the lowest life expectancy at birth. Furthermore, although it has decreased in recent years, the unemployment rate remains relatively high. The population of this district is less educated than the average in Budapest, and even less educated than in other inner Pest districts.

Additional significant challenges in the district include the prevalence of drug use, school segregation and dropout, and the poor quality of life experienced by a considerable share of the older population. Overall, a substantial proportion of residents can be considered disadvantaged in one or more

dimensions, often facing multiple, complex forms of social vulnerability, which aggravates the risk of energy poverty.



Figure 2. Illustration of the urban character of the district with colours indicating the Pilot Area. (source: [MapHub](#))

The district's position is determined by the fact that it is located on the outskirts of Budapest's city centre, in the middle of the most developed region of Hungary. The district is an integral part of the capital's economy with important institutions, therefore, and due to its central position, has good transport connections. Furthermore, Józsefváros is home to residential areas of widely differing status, institutional and green spaces of national importance, and industrial areas. Even by the standards of the capital, it has exceptionally high urban density, dominated by residential and service buildings. It amplifies the effects arising from the city's climatic conditions and geographic location.

During the summer months, urban heat islands form in the most densely built-up areas, where temperatures exceed 40°C. The increasingly frequent episodes of intense rainfall in the region cannot be effectively absorbed by the soil. As a result, moisture infiltrates the walls of older, uninsulated buildings, and on surfaces already dampened by leaks from damaged water and wastewater pipes, it causes additional water intrusion in basement and ground-floor areas. This presents significant public health risks for residents. Furthermore, due to the dense building fabric, energy intensity within the district is also extremely high.

2.1.1 Building stock

Nearly three-quarters of the buildings in Józsefváros were constructed before 1950, and many date back to the late 19th century. Taking into consideration the urban character of the Pilot Area's quarters – namely, Losonci-, Magdolna- and Orczy-quarters – these proportions are even higher. Since then, the refurbishments were generally not sufficient, the buildings are energetically outdated, their maintenance is wasteful and expensive.



Photo 1. Typical 2-storey buildings in Orczy-district with ornate street façades. (source: [24. hu](http://24.hu))

Typical building structures in the area are terraced, 2–4-storey structures with a layout consisting of a street-front building, an inner courtyard, and courtyard-facing walkways. Roughly half feature ornate street façades, which significantly restrict the methods available for physical and thermal refurbishment, as external insulation on visible surfaces tough applicable, but its high costs cannot be afforded by the Municipality.



Photo 2. Inner courtyard with O-shaped walkways. (source: 24.hu)

Besides the typical residential buildings built around the turn of the 20th century, the Pilot Area includes also a neighbourhood of panel housing complexes built in the 1970s. These ten-storey high residential buildings have over 100 apartments each. They are connected to district heating, thus their comfort level is well exceeding that of the old housing stock of the Pilot Area. However, overall

conditions contribute to high energy consumption. Based on the district-wide Sustainable Energy and Climate Action Plan (in further text SECAP) analysis and 2019 data, 33% of CO₂ emissions resulting from natural gas consumption in the district originate from the residential sector. For these reasons, Józsefváros and the Pilot Area is most exposed to energy poverty in Budapest.



Photo 3. Práter street in Losonci-district with typical building built before 1950 (right), and panel buildings built around the 1970s. (source: [Google Maps](#))

According to the 2022 census data, there are 47 886 flats in the district. Although we do not have exact numbers, around 15 000 of the flats are located in the Pilot Area, from which around 17% is municipally-owned. In the more segregated areas of the Pilot Area, the floor area of half of the flats is smaller than 40 m². Individual, room-control gas-heating operates in 51% and 41% of the flats in Magdolna- and in Orczy-negyed, respectively. These devices on the average are outdated, and tenants often don't have the knowledge or the budget to get them serviced and make them more efficient. Building centered heating operates in 15% and 24%, flat centered heating in 19% and 14%, respectively. Around 10% of residents use only electricity for heating, which – in these poorly conditioned flats, especially those with a high ceiling height – can be utterly energy-demanding and result in high monthly utility fees. According to data, some use other solid fuels but their numbers are insignificant. In Losonci-negyed – where panel buildings are predominant, 71% uses district-heating.

2.1.2 Social characteristics and energy poverty

With regard to energy poverty, although, as a result of district-level developments over the past decade and the effects of gentrification, Józsefváros does not fall significantly below the Budapest average, a generally lower level of educational attainment remains characteristic of the district. This trend becomes more nuanced when examining the educational attainment of residents in the district and within the Pilot Area by tenure status.



Photo 4. View from a flat to the panel buildings of Losonczi-district. (source: 444.hu)

8th district	Home-owner		Private Renter		Municipal Tenant	
<i>below elementary school</i>	3 894	9%	1 308	10%	1 129	14%
<i>elementary school</i>	5 056	12%	2 125	16%	2 085	27%
<i>vocational- technical school</i>	3 740	9%	1 161	9%	1 312	17%
<i>graduate degree</i>	13 002	31%	4 132	32%	2 005	26%
<i>higher education</i>	16 336	39%	4 353	33%	1 264	16%
Total	42 028	100%	13 079	100%	7 795	100%
Pilot Area						
<i>below elementary school</i>	1 531	10%	630	13%	679	16%
<i>elementary school</i>	2 308	15%	1 037	22%	1 232	30%
<i>vocational- technical school</i>	1 654	11%	553	12%	752	18%
<i>graduate degree</i>	4 827	32%	1 393	29%	1 011	25%
<i>higher education</i>	5 003	33%	1 123	24%	442	11%
Total	15 323	100%	4 736	100%	4 116	100%

Table 1. Number and percentage of adult residents categorized by flat occupancy status and educational level (above: data about the whole district, below: data about approx. Pilot Area. Source: 2022 census data, Hungarian Central Statistical Office.)

According to 2022 census data, across the entire district the proportion of individuals with primary education or lower is 21% among homeowners, 26% among private market tenants, and 41% among municipal tenants. The corresponding figures for those with secondary or higher education are 70%, 65%, and 42%, respectively.

In the Pilot Area, these proportions are somewhat less favourable: the share of individuals with primary education or lower is 25% among homeowners, 35% among private tenants, and 46% among

municipal tenants, while the proportions of those with secondary or higher education are 65%, 53%, and 36%, respectively.

In Hungary, jobs requiring only primary education or lower are typically characterised by precarious working conditions and low wages. As a result, within the population living in the low energy-efficiency building stock described above, this social group is the most affected by energy poverty, as these households combine high housing-related costs with the lowest income levels.

The high maintenance costs stem from the fact that the ageing building stock, as indicated by the data above, typically does not utilize energy efficiently for heating and cooling. The lack of insulation, outdated and uninsulated doors and windows, single-glazed windows, as well as cold walls often affected by dampness, result in a high energy demand to heat the apartments, even when they have a small floor area. This is further compounded by the fact that buildings of older construction frequently have very high ceiling heights in the apartments.

Experiences from energy advisory services also confirm that these factors can lead to extremely high monthly utility bills, which, in the context of low household incomes, place a significant financial burden on the residents living in these dwellings.

2.1.3 Available subsidy-schemes

National-level subsidy schemes. Currently there are no national or EU grants available to finance energy efficiency upgrades for multi-family buildings (MFABs) in Hungary. An interest rate subsidy exists since 1988, but it results in a too low subsidy content to finance major renovations. In April 2024, the government announced a new home renovation and energy modernisation programme starting from June 2024, to support the energy efficient renovation of single-family homes, funded by an EU RePower programme. Although Budapest residents are also expected to be eligible to apply, the programme is only available for single family dwellings built before 2007. There are very few of these in Józsefváros. No information is yet available on which modernisation programmes the Hungarian state will implement besides this one in the coming years.

Budapest-level subsidy schemes. In 2026, the Municipality of Budapest, in cooperation with the districts wishing to participate, launched the Budapest Green Panel Programme, which focuses on the energy-efficient refurbishment of buildings constructed between 1946 and 1995 using panel or other prefabricated construction technologies. In Józsefváros, approximately 50 such condominium buildings are located, currently providing housing for several thousand residents. The programme consists of two phases: preparatory and implementation. Only those residential communities that have received support during the preparatory phase and successfully completed it, will be eligible to apply for the implementation phase. Phase one funds the preparation of a decision-preparatory study (DPS) justifying energy-efficiency modernisation with no co-financing required. Phase two supports renovation measures from the decision-support study, covering 30% of total project costs, with a minimum of 10% own contribution (the rest is paid by a state supported loan). The budget is HUF 12 million (approx. EUR 31,338) for the preparatory phase and HUF 100 million (approx. EUR 261,192) for the implementation phase in Józsefváros.²

District level subsidy schemes. Condominiums or cooperatives located within the district may submit applications for financial support outside the regular grant scheme in order to eliminate life-threatening structural conditions. That means on one hand that eligible buildings can apply any time and not have to wait for any application deadline; on the other hand, there is enough financial source allocated for this kind of emergency interventions in the annual municipal budget. Eligible interventions may include, among others, the refurbishment of roofs or suspended corridors, as well as the replacement of main electrical lines or ageing gas pipelines. Depending on the total cost of the investment and the number of residential units in the building, the municipal co-financing may cover

² Taking into account the fact, that the subsidy rate is planned to be 30% and at least 30% energy savings is required, it is expected that about 1-2 panel buildings can be awarded throughout the programme in 2026.

50–75% of the renovation costs, half of which is provided as a non-repayable grant, while the other half is offered as an interest-free loan. The repayment period, depending on the level of support granted, may range from 2 to 10 years. Decisions on the applications are taken by the competent committee of the Municipality. In 2024, the Municipality provided HUF 189 million (approximately EUR 490,000) in non-repayable grants and the same amount in interest-free loans to applicants. In 2025, this amount was HUF 122 million (approximately EUR 315,000). As the financial support for eliminating life-threat in these buildings is stated in local regulations, this support is going to stay available in the upcoming years.

In 2023 and 2024, the Municipality of Józsefváros announced a call for proposals again to provide support to condominiums for the renovation of parts of buildings in undivided common ownership to carry out renovation work on common property. The call does not limit the nature of the renovation, so it could also be used for energy efficiency investments, but the level of support available is not sufficient to encourage energy substantial efficiency renovation. In fact, a maximum of HUF 2,000,000 per condominium is available (about EUR 5,100). In 2025, 47 condominiums received the grant from the budget of the previous year. The most common investments were the complete renovation of roofs, electrical wiring replacements, and side corridors in critical condition. The total amount of the grant was HUF 73 million (approx. EUR 188,200) with a mean of HUF 1,55 million (approx. EUR 4,000) per project. Currently there is an open call for this year (2026) with an overall amount of 120 million HUF (approx. 305,000 EUR). The Municipality aims to allocate around 15-100 million HUF each year for this purpose in order to contribute to the upgrade of the privately owned building stock in the district, especially to those who could not afford minor renovations without any support.

The municipality has been running a home renovation programme for several years to help tenants of municipally owned flats to renovate their flats. A minimum of HUF 50,000 (EUR 130) gross and a maximum of HUF 500,000 (EUR 1,300) gross per application can be charged to the grant. There is no restriction on the type of renovation. Among 116 applications, 86 tenants received the subsidy. Among the renovations, there were 19 joinery changes, 22 electrification of gas-based individual heating systems, and just as many had built suspended ceilings to reduce the air volume to be heated. In 2024, applicants were required to participate in RenoPont's (former OSS operated by the Hungarian Energy Efficiency Institute) energy consultancy as an eligibility condition to apply. In 2025, it wasn't a requirement due to RenoPont's unfortunate closure.

Subsidies available on the market. Since the abolition of state support for Housing Savings Banks in 2018, subsidized bank loans are the only meaningful source of financing for condominium renovations, as EU and state funds are not available. Condominium or housing cooperative joint loans are a regular feature in the portfolios of various commercial banks, and the ways in which they are used are similar. In general, the following activities, relevant from an energy efficiency point of view, can be carried out with condominium/ housing cooperative loans for jointly owned and cooperatively owned parts of buildings:

- Renovation of roof, external facade or staircase;
- Chimney renovation, lining;
- Construction or installation of central heating;
- Renovation or replacement of various piping systems (water, electricity, gas, waste water);
- Replacement or renovation of windows and doors;
- Renovation of public utilities;
- Replacement of individual heating installations in the community.

The subsidy content of these loans are 70% of the interest in the first 5 years, while 35% in the next 5 years. As these loans have typically annually volatile interest rates they are exposed to the unstable inflation environment and consequently are able to finance rather small-scale interventions.

Among the support schemes available on the market, it is also worth mentioning that, within the framework of the Energy Efficiency Obligation Scheme (EEOS) starting in 2021, an increasing number of companies offer free attic floor insulation. The essence of the process is that the company carries out the insulation works in advance, then certifies the resulting energy savings and sells them to an energy supplier that is subject to the EEOS obligation. The revenue generated from the sale of Certified Energy Savings (CES) covers the material costs, labour costs and all related expenses, meaning that the property owner does not have to contribute to the investment, or only to a minimal extent. Based on a similar approach, one of the major insulation material manufacturers has launched a façade renovation programme available to private homeowners, under which the company provides the insulation materials free of charge, while the costs of design and installation must be covered by the property owners. However these renovation schemes have their boundaries: 1) they prefer the lower hanging fruits of the renovation market and avoids complex renovation, and 2) sharply end up if the quotas for implementing energy efficient interventions by the energy companies are over (e.g. the quotas of 2026 were already used up in January and February, thus no more interventions under this scheme is foreseen).

The Municipality has a very limited room for manoeuvre regarding renovation activities. No funding is currently available from the national government, therefore the only additional financial resources are those obtained through direct funding by the EU.

Since 2022, access to European-level funding has only been possible through projects financed directly by the European Union. As of 2022, the Union no longer allocates cohesion funds to Hungary, such as those from the European Regional Development Fund. Consequently, investment programmes financed through comprehensive, state-level operational programmes have also been significantly reduced, leaving municipalities with almost no available funding opportunities.

In the absence of such resources, complex programmes aimed at addressing the housing crisis in the district through both social and physical interventions have also become unfeasible. For example, within the framework of the Competitive Central Hungary Operational Programme, the Magdolna–Orczy Neighbourhood Programme was implemented in Józsefváros. As part of this programme, two buildings underwent full renovation, two buildings received thermal insulation, and a community garden was established (all within the ComActivate Pilot Area). In addition, window replacement was carried out in 180 dwellings, while the programme also addressed employment and public safety through socially sensitive, practical measures.

Such operational programmes enabled many municipalities to initiate the energy-efficient renovation of their building stock; however, in the absence of these funding sources, these efforts can no longer be continued. For this reason, it became necessary to develop the Municipality's asset conversion strategy. Buildings in the worst condition that cannot be renovated in a cost-effective manner are sold after the tenants' relocation, and the revenue generated by the sale of the plot is reinvested into the renovation of the Municipality's vacant dwellings that are in poor condition. These refurbished apartments serve several purposes: through public calls they provide housing for new tenants; when transferred to the management of social services they support programmes that help people transition out of homelessness; or they function as replacement dwellings for households relocating from the most deteriorated municipal residential buildings.

Moreover, the money generated by selling these buildings serve the minor renovation of other tenement buildings. Since 2022, the annual budget allocated to building renovation is distributed among multiple municipal buildings, allowing for the implementation of partial renovation works. This approach is justified not only by the urgency of certain structural repairs, but also by the equally important objective of improving the living conditions of as many residents as possible, even if only to a limited extent, within the constraints of the available resources. It is also a key consideration that the Municipality is able to carry out these renovation works while the buildings remain inhabited. Furthermore, exact technical improvement of heating-systems require complex architectural and technical refurbishments, therefore the latter must be the first step towards a more energy-efficient building-stock.

2.2 Institutional context

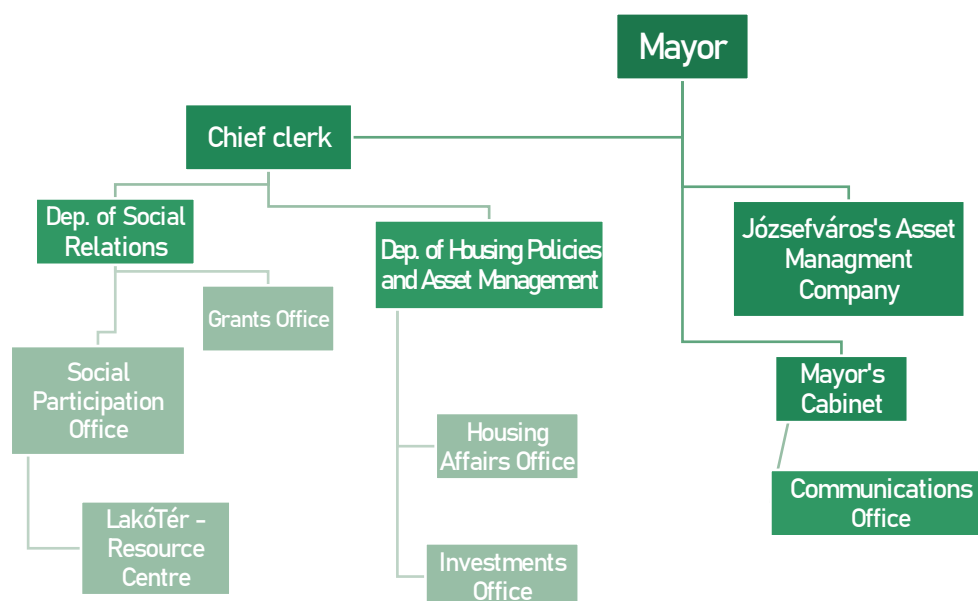


Figure 3. Excerpt from Józsefváros Municipality's organogram with departments working on or supporting housing affairs and/or subsidies

In 2019, the Community Participation Office was established within the Mayor's Office. Its objective is to strengthen local communities in Józsefváros and to involve residents in joint decision-making, while also ensuring an adequate level of transparency and community participation in municipal processes. From 2022 onwards, a shift in perspective took place within the Municipality's Housing Policy and Asset Management Department and the Józsefváros Asset Management Company. Staffing levels were expanded in order to define the Municipality's new housing policy directions and to develop the institutional structure and internal attitude change necessary for their implementation within both the municipal administration and the asset management company. One branch of this effort is the LakóTér Office, which in its physical form means the established Resource Centre (further: RC). It focuses on maintaining contact with municipal tenants. Its staff members originated from the Community Participation Office, bringing with them the experience accumulated in communication and community engagement. The staff maintain a close and continuous working relationship with colleagues from the Housing Policy and Asset Management Department as well as with the staff of the municipal asset management company.

Furthermore, the work of the RC is supported by the Grants Office, which provides advisory services and information to applicants and interested parties regarding currently available funding opportunities, and is also involved in the evaluation of applications and the financial settlement process following project implementation.

In addition, the Communications Office is indirectly involved in the RC's activities, as it continuously and strategically communicates the opportunities offered by the RC, promotes events in a targeted manner, and provides relevant information. It also conducts communication campaigns during application periods for available funding schemes, during which potential applicants are informed through personalised written communication.

Accordingly, the services of the RC also encompass the contributions of these organisational units (see Chapter 4 for further details).

3 Vision

Combating housing poverty and renewing the municipal housing management system is a prominent objective of the Municipality's Economic Programme. A central element of the Asset Management Plan is the municipal rental building and housing development programme described above.

Consequences of housing poverty go beyond poor-quality housing and contribute to a number of other social problems, such as the emergence of segregated areas, poor health conditions, and segregation in schools and kindergartens. As stated in the Municipal Asset Management Plan, "a fundamental principle is that the Municipality treats affordable housing as a social service, where the level of rent paid by tenants should primarily be determined by social need, rather than by cost-recovery or economic efficiency considerations." Within the Roma Strategy written in 2023, among the objectives related to the human dimension of housing, improving the quality of client relations is identified as a key goal. As part of this, it declares that the social services provided by the Municipality should be expanded to include comprehensive social work carried out in municipal rental buildings, which encompasses not only family support but also community organising and community development.

In the Sustainable Energy and Climate Action Plan (SECAP) of the district, there are some exact goals for 2030 regarding energy efficiency improvements of residential buildings. The aim for refurbishment rates of MFABs are 40% (that means around 13 000 flats), and 35% energy saving coming from these investments. This goal concerns only privately owned flats, where the Municipality takes an encouraging role. For this reason, both the provision of information and advisory services are also objectives for the Municipality, the practical implementation of which would be the RC targeting private property owners. However, this is yet primarily hindered by financial constraints, as neither the Municipality nor the residents of the district have access to the resources necessary to enable the realization of these objectives.

In Hungary the future of the political climate for the next years is highly ambiguous. Currently there is no clear commitment towards the provision of state level subsidy schemes towards the modernisation and energy efficient renovation of urban housing stock. Therefore, in the following points, we will consider three different scenarios, which are:

- A. **No subsidy scenario.** There will be no change and no further support available, or only targeting single family houses (which are nearly non-existent in this district and Pilot Area);
- B. **Subsidies available for home-owners.** There will be available support schemes, but only for individual owners (to use for single unit renovations);
- C. **Subsidies available for energy-efficiency investments, targeting condominium or cooperative buildings.** There will be new support schemes introduced for MFABs.

3.1 No subsidy scenario

At present, the objectives related to the renovation of residential buildings are based on the assumption that the Municipality can rely solely on its own resources to achieve progress in energy efficiency.

The plans concerning municipal residential buildings to be implemented by 2030 are set out in the Asset Management Plan. According to this plan, the aim is to vacate fourteen municipal rental buildings while ensuring that the residents are rehoused in fair and renovated replacement dwellings. The primary objective of the demolitions is to ensure that residents currently living in outdated and low-quality housing conditions can move to better-quality homes. This means that those living in dwellings without basic comfort facilities can obtain fully serviced apartments, and households living in overcrowded or very small apartments can move to larger homes. The programme also provides the possibility that if several families live together in one dwelling, they may receive two smaller apartments during the relocation process. In the relocations currently underway, the average floor area of the new apartments accepted by tenants is approximately 30% larger than that of their

previous homes. In this way, the Municipality can most effectively and directly reduce the level of housing poverty in the district under the current circumstances.

In this scenario, in addition to the technical interventions, the work of the Resource Center (RC) also contributes to maintaining the condition of municipal housing through the social support provided to municipal tenants and by strengthening their trust in public institutions. The identification and articulation of problems, followed by referral to the appropriate services, not only improves tenants' quality of life but also supports the preservation of the physical condition of dwellings and buildings and helps maintain their energy efficiency. To further strengthen this approach, in the coming years the RC will continue to develop its work with tenants based on the lessons learned from community organising activities and on the needs expressed in feedback from clients.

Besides, the RC's goal is to reach more residents living in energy poverty with those already existing services available for them, like the financial subsidies and energy-efficiency counselling. Without support schemes addressing the problem of its core (e.g., inefficient building structures), it is only possible for the Municipality to mitigate the financial burden of these clients.

3.2 Subsidies for individual households

If the currently available support schemes—primarily accessible on a per-household basis—are extended to include homeowners of individual flats but not building communities, this would justify the establishment of an additional, more targeted advisory office within the organisational structure of the Mayor's Office, alongside the existing RC.

The current operation is multifaceted and, reflecting the specific conditions of the district, primarily provides services rooted in a social approach. The newly established office would operate with a service package similar to the RenoPont model implemented at the beginning of the project, offering personalised advisory support to help applicants design the most suitable and energy-efficient renovation pathway, as well as assisting in establishing connections with contractors.

3.3 Subsidies for multi-apartment buildings

If more comprehensive support schemes for energy efficiency investments in condominium and cooperative buildings become available, the Municipality would aim to operate an expanded office with a strong focus on facilitating access to such funding. This new office would be established separately from the current, whereas the current RC (LakóTér) would continue its work with municipal tenants. In order to advance the building energy renovation objectives set out in district-level strategies, the Municipality considers it its responsibility to promote these opportunities to as many potential beneficiaries as possible and to provide them with appropriate support, and that would be the duty of the newly established Resource Centre.

Under this scenario, the primary task of the office would be to provide preliminary information to beneficiaries in alignment with funding cycles, through municipal communication platforms and in-person information forums. This would be complemented by comprehensive support for interested parties, including individual advisory services for condominium representatives and assistance in preparing application documentation. A common challenge is the lack of consensus among residents regarding participation in funding schemes; therefore, community facilitation may also become a necessary complementary service. Where permitted and financed by the support schemes, the office would facilitate the preparation of decision-support documentation; however, the development of detailed design plans and the implementation of works would remain the responsibility of relevant technical professionals and market actors. The office's role would extend to connecting stakeholders, maintaining the coherence of the process, and managing its key steps. Following implementation, the office would support condominium associations in verifying the completion of works and compliance with contractual conditions, and, where necessary, in initiating appropriate procedures in case of issues.

At present, an additional challenge is that even when funding opportunities are available—such as the Budapest Green Panel Programme—there is limited interest among eligible condominium

associations in utilising them. Consequently, the RC may also take on the role of proactively identifying and targeting buildings in particularly poor condition that are eligible for support, and directly engaging residents to facilitate their participation in financially viable renovation investments.

4 Current operation of the RC

4.1 Clients

The dedicated Resource Centre is Lakôtér, but it is embedded in a supporting municipal institutional framework (see Figure 3), in which different departments provide services for different clients (see Chapters 2.3 and 4.2 for further details). The primary objective of the RC and the supporting services presented is to improve the living conditions of vulnerable people. These are the groups most affected by energy poverty, meaning they are unable to afford the energy required for adequate heating and the functioning of everyday life. Due to the district's characteristic building stock and the high proportion of disadvantaged residents, this group also includes homeowners and tenants in the private rental market (see Chapter 2.1).

One of the Municipality's key financial support schemes is the housing allowance, which is available to all eligible applicants regardless of their tenure status. The objective of the support is to ensure that households retain sufficient disposable income after covering their housing-related expenses (in the case of municipal tenants, rent and service charges). To this end, the Municipality defines a recognised housing cost based on the number of household members and supplements this amount by a specified proportion, taking into account the household's income level. The support is paid partly directly to the service provider, while the remaining amount is transferred to the beneficiary. According to data from February 2026, 47% of beneficiaries live in owner-occupied dwellings, 17% are private market tenants, and 41% are municipal tenants paying either social or market-based rent. In 2026, a reform of the scheme is planned with the aim of reaching a greater number of private tenants.

The primary target group of community organizers working in RC is municipal tenants, as community organising activities are primarily implemented within municipal rental buildings. Strengthening trust in public institutions, renewing municipal services related to tenants, and adapting these services to emerging needs are therefore primarily linked to municipal tenants. As discussed elsewhere, due to limited financial resources the Municipality is currently able to lay the groundwork for energy efficiency investments mainly in buildings within its own housing stock.

At the same time, issues related to energy awareness, as well as the facilitation and engagement of residents, are also addressed by colleagues working in other departments of the Municipality (such as the Community Participation Office and the Grants Office). Consequently, the broader local population also forms part of the client base in a wider sense. In addition to using the energy advisory services, expressing interest in condominium-related funding opportunities, or contacting the RC for various matters, residents are also engaged through the organisation of neighbourhood festivals and thematic community events. These events are organised by RC staff in cooperation with the Community Participation Office and other local civil society organisations within the district. At these events, the RC operates a dedicated information stand where its activities are promoted through interactive and playful activities.

Last but not least, condominium managers and leaders of housing cooperatives also form part of the target group, together with private individuals interested in opportunities related to condominium buildings. The communication programme of the RC is operated by the Communications Office, which also includes a monthly Condominium Newsletter edited by the Grants Office, addressed to all interested stakeholders. Currently, 437 district residents and condominium managers are subscribed to this newsletter.

4.2 Services provided

As we have highlighted the fact in previous deliverables of the ComActivate project, the optimal operation of the Resource Centre is limited by the lack of major subsidies for the renovation of the multi-family building stock (that take up nearly exclusively the housing stock in District 8 of Budapest). Under these circumstances, the Municipality was cooperating with the already existing RenoPont Office in the district (an OSS that was operated by the Hungarian Energy Efficiency Institute). Unfortunately, because funding from other resources (e.g. market-based funding by collecting service fees, being part of energy efficiency obligation schemes and having intermediary functions in state programmes) has stopped, it had to be closed. The otherwise limited Municipality's budget couldn't afford to finance its operation.

The Municipality's own stock of rental buildings and municipal dwellings are also in extremely poor condition, with buildings burdened by fundamental technical and structural problems. For this reason, the Municipality primarily allocates its resources to ensuring a safe and healthy living environment for its tenants living in these apartments, improving their quality of life and minimising their housing-related costs. As a result of an earlier strategic objective of the Municipality, the LakóTér Community Space, aimed at strengthening the involvement of residents in participatory processes, opened in Autumn 2025. This is where the locally adapted Resource Center operates and where activities aimed at reducing energy poverty take place.

Community organising in municipal tenements

The objective of this group of activities is to raise awareness of individual and community resources, strengthen trust among neighbours and, particularly, towards institutions, and to channel clients towards municipal support schemes and services, while also providing information about the different administrative pathways available in various situations. Community organisers hold information forums in every municipal building affected by renovation works, with the participation of all stakeholders involved in the implementation. These meetings allow tenants to voice their concerns and uncertainties and to ask questions. At the same time, they provide an opportunity to establish personal contact with tenants and to map community dynamics and conflicts. This creates an opportunity not only for building trust, but also for addressing problems that have previously remained outside the scope of institutional attention.

Based on a previously developed set of criteria, intensive community organising activities are currently taking place in six selected municipal buildings, from which four sits in the Pilot Area. The aim is to develop a methodology that can later be applied in other municipal housing buildings to achieve the objectives described above. As part of this process, common spaces within the buildings are redesigned in cooperation with residents following a process of collective planning (for example courtyard greening initiatives). In addition, various community programmes are organised, such as shared celebrations, thematic discussions and picnics.

Cooperation between service teams working with municipal tenants

The tenancy inspection group of the municipal asset management company regularly conducts visits in municipal rental buildings and in municipal dwellings located within condominium buildings. The purpose of these visits is to assess the condition of the apartments and to verify whether tenants fulfil their maintenance obligations and comply with the other terms set out in their contracts.

During these visits, staff also collect information about tenants facing particular difficulties, technical faults and other anomalies within the dwellings. The colleagues maintain ongoing contact with the staff of the Resource Center, who establish personal contact with tenants facing problems and help direct them to the appropriate services in order to resolve their issues. They also provide support throughout the process until the problem is resolved.

Regular case discussions regarding tenants experiencing difficulties are organised between the social service provider, the municipal asset management company, the Housing Policy and Asset Management Department, and the Resource Center staff. The aim of these meetings is to ensure that tenants living in undignified or particularly poor conditions receive appropriate housing solutions.

Energy advisory services

A free opportunity is available for the entire local population to participate in personalised, face-to-face energy advisory consultations. Within this service, an energy expert visits the applicant's home and assesses household energy-use habits (for example the temperature to which the apartment is heated, ventilation practices, thermostat use and other behavioural patterns), as well as the placement of furniture and heating appliances. The expert then summarises the main weaknesses on site and provides recommendations on what changes the resident could make in order to achieve a certain level of reduction in utility costs. Appointments for the service can be booked in advance on the Resource Center's website. Community organisers also actively recommend participation in the service to tenants who experience difficulties in paying their utility bills, as well as to those who come to the attention of the municipal asset management company, the social service provider, or the Housing Policy and Asset Management Department. We would have intended the service to start before the heating season, therefore it has started in November, 2025. Within three months, ten clients have already made use of the service, half of them private renters. Currently, appointments are being scheduled with residents participating in the social service provider's arrears management programme.

Forums for condominium managers and members of committee

Events to share information for condominium managers are being held every 3-6 months in the RC. The event, besides discussing on the most frequent questions about legal issues and taxation, regularly focuses on the subsidies provided by the municipality to Home-owners Associations. These tenders are for renovating common spaces, façades and renovations for mitigating urban heat island effect. The participants are informed by the employees of the Municipality, who work with the tenders. During these events, the eligibility criteria and the application process are presented in detail. The managers can also acquire information about how to manage renovations, and where they can get help.

Informational materials about the call are also distributed in a targeted manner to condominiums that meet the eligibility conditions: posters and leaflets are placed in the buildings, and the relevant condominium representatives are informed about the launch of the call via email. In addition, during the application period it is possible to consult in person with staff members of the Municipality's Grants Office regarding applications to the Municipality's condominium support schemes. This is also accompanied by a communication campaign across all communication channels of the Municipality.

The forums are advertised online, at information points across the district (e.g. institutions, squares, junctions etc,) and in municipal customer service locations.

Communication on several platforms

The Citizen Participation and Housing Offices in the Municipality, along with the RC, have produced several flyers and guidebooks, which are available district-wide, e.g., at health care and social institutions. Flyers about available subsidies target those who are eligible but unaware of these opportunities, for example those who are not in touch with the Municipality in any way and are hard to reach online. These are about for example the housing support, arrears management support, supports related to health issues childrearing or different kind of crises (flat annihilation, elimination from gas services). Another flyer is a handbook about public utilities and managing matters with the utility providers. For municipal tenants, we issued a guidebook about how and where they can organize duties after the contract or report a problem. There is a brochure about the available social services in the district with the exact location and contact information. Besides, to alleviate conflicts occurring in the tenements among tenants, the Resource Center designs eye-catching, often humorous placards to enhance restorative practices and raise awareness about following the house rules together.

Urban developments paired with awareness-raising

The Municipality's Green Office was established to promote awareness among residents. Continuous cooperation is maintained with Rév8 Zrt., an organisation specialised in urban development and

spatial planning, particularly in relation to climate-adaptive public space development and urban greening. Traffic calming is supported through the reform of road-use regulations as well as through the promotion of public transport and alternative mobility solutions. Awareness-raising is implemented through dedicated event series (e.g. Earth Day, Car-Free Day) and educational workshops organised jointly by staff of the Green Office and the Community Participation Office.

4.3 Human resources and financing

Currently four full-time community organizers (one leader) and a part-time assistant is working at the RC. The opening hours are on Mondays, Wednesdays and Thursdays, usually for 4-6 hours, until late afternoons, however anyone can book to hold their relevant event in the space beyond this time-frame. As mentioned above and explained in later segments, colleagues of the RC are in constant contact with the employees of the asset management company and the social services institutions with regards to their mutual clients.

Furthermore, three officers working at the Grants Office in the building of the Municipal Office. They are working full-time, managing the applications and giving advice and information about the subsidies available at the municipal-level.

The Energy-usage expert is not employed by the Municipality, he is working on the Energy usage advice service by a contract.

Learning from the experience of the financial struggles of RenoPont, the new RC is integrated into the Municipal Office structure, under the Social Participation Department. The establishment and launch of the RC were implemented by the Municipality through the Budapest Capital Solidarity Fund. The office hosting the RC is a municipal premise, while its renovation plans were prepared by architects working in the Investment Office; the execution of the renovation and the remuneration of the staff working there were financed by the funding. A condition of the grant, however, is a five-year maintenance period for the established service following the conclusion of the project period (May 2026). Therefore, the Municipality has committed to the RC over this timescope. The objective is that, during this time, the RC becomes an integral part of the Office by becoming embedded and supporting the effective functioning of the Office and other municipal institutions through its activities. In that case, the Municipality would have to finance the RC by its own budget.

With the support of ComActivate, we are able to integrate energy efficiency-related activities into the operation of the RC. The funding ensures the provision of energy efficiency advisory services and also allows us to present awareness-raising programmes to the public at community events, such as the Józsefváros Community Festival. Through the colleagues involved in the project, a wide range of professional perspectives are channelled into the development of the RC's activities. The workshops implemented in the framework of ComActivate have provided an opportunity for colleagues working in the district—affiliated with various institutions yet engaged in the management of the municipal housing stock—to move beyond addressing everyday practical issues and to reflect on long-term strategies and more abstract challenges, as well as to discuss emerging questions. The further training of professionals dealing with the municipal housing stock has also been made possible by the project, indirectly contributing to the preservation of the housing stock by encouraging a more conscious and personal approach toward tenants using the dwellings. The training sessions have also proven successful in strengthening team cohesion among staff working across different departments, thereby improving cooperation. In-person project-meetings have enabled participating colleagues to incorporate new perspectives into their own tasks and to build professional relationships.

Józsefváros is cooperating with Budapest Főváros' climate agency, Contemporary Architecture Centre, and Rév8 Inc. to advance the renovation of blocks of flats with the participation of residents. As all these organizations are currently running similar projects, we aim to find synergies and share resources. This includes grants, support in selecting the appropriate financial structure, and raising energy awareness. Meanwhile, we are taking part in another project, funded by the EUI, Rock the Block, frequently discussing with the Municipality of Egaleo and NGOs from Greece about methodology.

4.4 Challenges

Challenges of the current operation and the “no change” scenario.

The aim of the RC project was to establish an institution for municipal tenants that is built on community work and low-threshold information provision, and that simultaneously provides support to residents living in municipal buildings while strengthening the participatory nature of the Municipality's housing policy decisions.

Beyond fostering the involvement of residents, the objective of strengthening trust is to ensure that, in the long term, tenants and local inhabitants develop a greater willingness to engage with institutions, pay closer attention to developments and funding opportunities within the district, and make use of these opportunities to a greater extent. This forms the foundation for establishing a culture of active cooperation with the Municipality. In the fieldwork phase, six municipal rental buildings were selected. In several buildings, concrete improvements initiated by residents were launched and the activities in general helped address long-standing cohabitation conflicts. Based on feedback from tenants, trust towards the Municipality increased, residents' level of information regarding housing matters improved, and their willingness to express opinions and participate in decision-making on common issues strengthened.

However, daily tensions related to cohabitation created additional challenges. In many cases, the kind of residential community or cooperative attitude that community organising can build upon has still not developed. The lack of participation, consultation and shared responsibility slowed down or made several processes uncertain. This affects community presence and communication as well. These challenges are needed to be addressed when the RC is setting up their methodology for the next cycle of community organizing.

Additional challenges if the Municipality would be committed to advance the RC

Even in the event of a shift in political approach—where energy efficiency becomes a more prominent priority and new support schemes, as outlined above, are introduced—the Municipality would still need to address several challenges.

A decisive factor is that, at present, there is no clear regulatory framework, guidance, or national-level strategy in place in Hungary regarding the implementation of climate adaptation. In such an environment, adaptation is inherently difficult: while the Municipality may define its own strategy and development directions within its competences, any future funding schemes may not necessarily align with the programmes already established. As a result, the Municipality may not be able to fully exploit emerging opportunities. For example, it would be essential to establish, at the national level, clear priorities regarding preferred energy carriers, as determined by the responsible ministry, since this fundamentally shapes the range of available options. Municipal strategies would then need to be aligned accordingly at the local level. This creates a high degree of uncertainty for municipalities, making it difficult to take initial steps, while the building stock continues to deteriorate.

Closely related to this is the lack of clarity regarding the vision of energy providers operating in Hungary in relation to achieving climate targets. Just as there is no clearly articulated state-level preference for specific energy carriers—nor an operational plan to support such preferences—energy providers also lack a transparent strategy for responding to changes in consumption patterns. For instance, in the case of large-scale electrification, it remains uncertain whether and how MVM Energetika Zrt. would be able to meet the increased residential energy demand. Similarly, if the Municipality sought to improve energy efficiency by introducing district heating into renovated dwellings, it is unclear whether the existing network infrastructure would be capable of supporting such demand.

These are critical issues to which the Municipality must have clear answers if it intends to establish a district-level advisory office that facilitates renovation processes. However, in such an uncertain environment, it is difficult to adapt to long-term needs.

In addition, the effectiveness of a future office would be significantly constrained by the limited interest of condominium associations in undertaking large-scale, long-term energy efficiency investments, even when financial support is available. One reason is that, despite subsidies, they often struggle to commit to providing the required co-financing, preferring instead to allocate available resources to more urgent, smaller-scale repairs and maintenance works. In such an economic context, long-term planning becomes challenging, and short-term disadvantages—such as inconvenience during renovation works and immediate financial costs—tend to be perceived as outweighing long-term benefits. Another contributing factor is that, based on experience, collective decision-making and shared commitment at the condominium level have weakened over time, with individual interests increasingly dominating. These entrenched patterns would likely be difficult to overcome, even with appropriately trained professionals.

Finally, the expertise of staff working in the new office must also be considered. The current staff of the RC would not take on roles in the newly established unit, as it would operate in parallel with the existing RC. However, given the specific social context of the district, there is a strong need for social competencies that professionals with a background primarily in energy or grant management may not necessarily possess. During the initial phase of operation, newly recruited staff would therefore need to acquire these contextual and interpersonal skills.

5 Securing sustainability towards the 2030 goals

Given that the political commitment to increasing energy efficiency in the coming years is highly uncertain, the sustainability of RC has also been assessed according to the scenarios presented in Chapter 3. The three different scenarios are:

- A. there will be no change and no further support available, or only targeting single family houses (which are nearly non-existent in our district and Pilot Area);
- B. there will be available support schemes, but only for individual owners (to use for single unit renovations);
- C. there will be new support schemes introduced for condominiums and MFABs.

5.1 Clients

- A. Expanding the current target groups' recipients. In this scenario, the Municipality cannot expect a more favourable financing environment; therefore, the RC would not be able to significantly expand its services.

In terms of clients, this means that residents living in municipal rental buildings would continue to constitute the primary target group for the RC's current services. These services include community organising, the organisation of residents' meetings, conflict management, and information provision through regular in-person presence in municipal buildings.

The promotion of currently available funding schemes, as well as the provision of comprehensive information and assistance in the application process, would also continue. For periodic funding calls, it is already common practice for the Municipality to implement a communication campaign based on a comprehensive communication strategy in order to reach as many eligible clients as possible. In such cases, information forums are also organised for condominium managers, and these events take place at the RC – a practice that would continue in the future.

The target groups of the city-level and district-level support schemes described above are primarily condominiums; therefore, alongside municipal tenants, they also constitute an

important target group of the RC. At the same time, the available support schemes mainly target buildings in significantly deteriorated condition. The investments implemented through these programmes contribute to reducing the severity of energy poverty in the district. In addition to eliminating life-threatening structural risks, the aim of these funding programmes is to minimise housing-related expenses for the households living in the buildings.

- B. **Broadening the client base with private home-owners.** If support schemes for private homeowners become available, the Municipality would be able to broaden its client base. Currently, advisory services and consultations related to such funding schemes are not sustainable in the district, as there is no accessible support available for typical district apartments and houses. With the introduction of such funding opportunities, the RC will be able to work much more extensively with individual homeowners.

In this scenario, a modest expansion of the activities provided to residents would take place. In the district's Climate Strategy and SECAP (Sustainable Energy and Climate Action Plan), the Municipality has declared as a priority that buildings within the district should reach a better level of energy performance. In connection with support schemes that become available to property owners, the Municipality would enlarge the target group of the current energy advisory service.

- C. **Main target group becomes the condominiums' managers.** In the third scenario, the Municipality's primary client group would be condominium managers and representatives of housing cooperatives. However, condominiums that meet the eligibility criteria of the funding schemes would also be actively identified, and informational materials would be placed in shared spaces in order to promote the support of the majority of residents required for submitting applications.

This process would also involve the work of the Municipality's Participation and Green Office, which is responsible for awareness-raising activities among residents, including those related to energy issues. As part of the process, staff members would also come into contact with residents of the condominiums (for example at the final stage of the process when feedback is provided), however the Municipality's primary clients would be the condominium managers.

5.2 Services provided

- A. **Strengthening the current services and opening to other tenant communities.** The objective of continuing work in municipal rental buildings is to further strengthen residents' trust in the institution, ensure that problems experienced in the dwellings are clearly articulated, and enable the institution to identify appropriate solutions and implement them in the most effective and optimal way possible.

If the political environment remains unchanged, strengthening this process will remain the main objective. As a result, communities with stronger cohesion may develop among residents living in municipal rental buildings, and mutual trust among them may also improve. Building on this foundation, the Municipality may later develop larger-scale programmes, including those aimed at increasing energy efficiency.

In such an environment, the topic of energy awareness can be promoted to a wider segment of residents by integrating it as a dedicated programme element at popular community events, such as neighbourhood festivals.

In the absence of accessible energy-related funding schemes, the Municipality's scope of action is limited partly to raising public awareness and partly to improving the energy efficiency of its own facilities.

- B. **Minor expansion of services.** If funding schemes for homeowners become available, application-related advisory services would be launched in addition to the activities outlined in Scenario A. Energy advisory services would prepare interested residents for applying for available funding schemes.

For those who are still at the planning stage of renovation, the Municipality would provide tailored recommendations. Based on the characteristics and current condition of the dwelling to be renovated, interested homeowners could receive guidance on the types of renovation measures required (e.g. window replacement, heating system modernisation, etc.) as well as on their recommended sequencing. In addition, advisory services would cover administrative aspects of the application process, including required documentation and procedural guidance.

The service would be delivered at the RC. Currently it is accessible to anyone during opening hours, and the community organisers present at the site direct clients to the appropriate service according to their needs. Advisory services would take place at the RC and could be accessed by anyone during office hours.

To promote the advisory service, a dedicated subpage would be created on the Municipality's website providing key information and general guidance, where appointments could also be booked online in advance. In addition to in-person consultations at the office, advisory services would also be available online.

- C. **Significant expansion of services.** In this scenario, in addition to the activities described above, a significant expansion of services would take place. Currently, an information forum for condominium managers is organised every six months. If funding schemes become available, the most prominent part of these forums would focus on information about the funding opportunities.

In their current format, the forums include separate information stands for all topics affecting condominiums, staffed by competent representatives of the Municipality or the municipal asset management company. Under the expanded service model, the topic of funding schemes and the related services would be represented with the largest capacity. The services to be developed would follow the process of applying for funding schemes. The concept outlined here assumes a cyclical application period for accessing financial support.

Prior to the official launch of the application period, the new office would implement a communication campaign based on a pre-developed strategy in order to engage condominiums that meet the eligibility criteria. A key element of this campaign would be communication through the Municipality's online and offline communication channels. In addition, the office would actively reach out to relevant condominiums (e.g. through the distribution of printed materials), drawing attention to an information forum presenting the details of the funding scheme. This forum would be organised within two weeks after the call for applications is published and would target representatives of the affected buildings.

Following this, interested clients (representatives of condominiums) would be received in the office, where consultations would focus on the specific needs, plans and opportunities of the given condominium. At the same time, colleagues would prepare the representatives for the application process and provide guidance regarding the collection of necessary documentation (e.g. general assembly resolutions). If there is no unanimous or at least two-third proportion (as is usually needed for funds) of willingness among apartment owners to apply for the funding, the office staff would also contribute to facilitation efforts and consensus-building among residents.

The next step following a joint decision to apply — the preparation or commissioning of detailed technical design plans — involves several uncertainties. It is a deciding factor that whether the preparation of decision-preparatory studies is included as part of the application documentation and whether this activity is also eligible for financial support, or whether applicant buildings must prepare them in advance. Depending on the financing structure and whether the preparation of construction plans is also funded by the subsidies, the responsibilities of the new office would also include the preparation of the decision-preparatory studies: assisting in the process of tendering the detailed design plans and maintaining contact with the selected parties until the documentation is completed. The Municipality's role would be then to provide assistance within the project management

process by supporting applicants in preparing procurement procedures for commissioning the required design services. In the case of a successful application, the office would provide comprehensive assistance during the procurement process for selecting contractors. In addition to maintaining contact with the contractor, the office would ensure continuous communication with the condominium manager regarding the progress of renovation works.

Once the construction works are completed, the closing of the process would be organised jointly with the residents, including the collection of feedback, which would provide important input for the further development of the service.

5.3 Human resources and financing

- A. **No change in staff and integration in the Municipal Office.** In this scenario, the Municipality does not plan to recruit additional staff members. The current mode of operation would continue with the activities described above. At the same time, it would remain a priority to ensure close cooperation and continuous communication among staff members involved in services related to municipal housing. These include social workers employed by the social service provider, housing administration officers and tenancy inspectors working for the municipal asset management company, colleagues at the Municipality's Department of Housing Policy and Asset Management, as well as the community organisers working at the RC.

As the RC was established in the framework of a Budapest Főváros subsidy, the Capital Solidarity Fund (Fővárosi Szolidaritási Alap), the Municipality has guaranteed to maintain the RC for a minimum 5-year period. Moreover, the offered services are strongly aligned with several Municipal and district-wide strategies: it is integrated into not only the Long Term Asset Management Plan, the Environmental Protection Program of Józsefváros, but also in the Local Program for Equal Opportunities; moreover, they are parallel with the Urban Developmental Strategy of Budapest as well. Therefore, financial sustainability is politically assured, since it depends on the decision of the Body of Representatives. Besides direct municipal funds, we expect to channel in occasional EU-level funding through direct application (like the LIFE and EUI funds). With this integrated financial model, we are able to enhance the sustainability of the RC.

- B. **One extra staff financed by the Municipality.** If funding schemes for homeowners become available, an additional staff member would be required to support applicants throughout the application process. This colleague would need competencies covering energy-related issues, administrative aspects of funding applications, and the relevant regulatory framework.

Initially, the Municipality would provide this service through a contracted expert under a service agreement. However, if demand exceeds the workload that can be handled by one person within standard working hours, the Municipality would also consider establishing the position as a permanent in-house role.

- C. **Expanding working staff and seeking for funding.** If the availability of funding schemes leads the Municipality to expand its operational capacity and commit to facilitating the effective utilisation of state-supported funding programmes within the district, it would also become necessary to expand the number of staff members in line with the growing scope of services. Since the detailed structure of potential new funding schemes is difficult to predict at this stage, it is not possible to determine exact staffing numbers for the team managing the expanded services. Staffing needs will largely depend on the scale of operational capacity required and on the financial attractiveness of the funding schemes, which will influence the level of demand among residents.

If funding schemes are implemented in cyclical application periods, the first cycle would initially be launched with a smaller team. Based on the experience of this initial phase, the Municipality would assess the level of capacity required for the long-term operation of the

service. This assessment would also be influenced by the prevailing market conditions and by the financial resources available for operating the new office.

The operation of the office would require a manager with experience in funding applications and project management, and with professional qualifications and experience in building energy performance or technical engineering. The manager would need to maintain effective communication with all stakeholders involved in the process, including contractors and condominium managers.

In addition, it would be necessary to employ colleagues experienced in facilitation and process management, ideally with practical experience in construction or renovation projects. These staff members would maintain contact with the representatives of participating condominiums and support the renovation process from the initial application stage, through procurement procedures for construction works, until the completion of the renovation.

Depending on the nature of the funding schemes, there may also be a need for staff responsible for administrative assistance and for the continuous communication of the office's activities through social media channels and, on an occasional basis, through professional publications and other communication platforms.

Further staffing needs may arise depending on whether the funding schemes cover the preparation of technical implementation plans or whether preparatory decision-preparatory study forms part of the funding structure. As noted above, if the preparation of DPSs forms part of the subsidy (i.e., planning takes place in the first phase of the application and implementation in a subsequent phase), the Municipality would assist and facilitate the process by supporting condominiums in the tendering procedure, thereby contributing to the selection of designers, as well as connecting stakeholders across the various disciplines. Following the completion of the DPSs, and provided that the condominiums also secure funding for this phase, its role would likewise extend to project management — from the tendering process for the selection of contractors through to the completion of the works and the verification of the work carried out. If the subsidy would not cover the DPSs, then the preparation of these documents would be the responsibility of the condominiums. However, the office's colleagues would give advice for the representatives of HOAs if they are interested in this kind of assistance. Due to the complexity of the office's work, it would need to operate in a location separate from the premises currently hosting the RC. This is also justified by the fact that the current RC primarily functions as a community space designed to be perceived by residents as an accessible, welcoming and human-centred environment. By contrast, the activities of the new office would primarily involve administrative and office-based work, which would not align with the concept of the current RC. The Municipality would therefore provide a separate space for this work. Depending on its available capacity, this could be established within an existing office building or customer service facility operated by the municipal asset management company. Alternatively, the service could be organised within the municipal administration itself, potentially with newly recruited staff.

The long-term sustainability of the office will also depend on the broader political environment, which is difficult to predict even in the event of future changes. For example, it remains uncertain whether the state would establish its own institutional system to support residents in accessing funding schemes, or whether it would allocate resources to enable these services to be delivered through existing local institutional structures. In the absence of such arrangements, it may become necessary to seek support through European Union funding programmes or to develop a public-private partnership strategy that could ensure the long-term sustainability of the service. However, given the current uncertainties, the development of such a strategy would be premature at this stage.