

Social Housing Provision: Challenges and Responses in Ireland and Europe

PREPARED BY University College Dublin – Geary School for Public Policy
PRIMARY AUTHOR Michelle Norris
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Introduction

The individual country chapters of this research detail the most pressing challenges currently faced by social housing policy makers and providers in four jurisdictions of the United Kingdom and the 26 other EU member states; i.e., apart from Ireland. These chapters also explore the innovations and reforms policy makers have introduced in an effort to enable social housing sectors to meet these challenges more effectively.

Drawing on these analyses, this chapter identifies the most common challenges currently faced by social housing policy makers and providers across Europe and compares this to the situation in Ireland. The shared challenges examined here include financial and capacity constraints, which inhibit delivery of new social housing and are reinforced by the difficulty of providing new social housing while concurrently conducting renovation and energy retrofitting works to existing dwellings to meet climate policy goals. In addition, many European countries are struggling to address the challenges created by privatisation of social housing in previous decades.

Notably, in some (but not all) European countries, these specific challenges are underpinned by a broader problem—social housing need is expanding because market housing costs are rising faster than incomes; consequently, a greater proportion of households, in a wider range of income groups, find market housing unaffordable. These housing affordability problems are most acute among households living in the private/market rented sector and in the European countries where social housing sectors are smallest and where GDP per capita is lowest.¹ In some European countries, and Ireland is in this category, the increase and broadening of affordability problems has contributed to an increase in homelessness—the most acute manifestation of housing need.

In the second half of this chapter the social housing policy, financing and service reforms that have been initiated to address these challenges in European countries are outlined and compared to relevant developments in Ireland. The analysis examines reforms to arrangements for financing and providing social housing, accessing land for house building, addressing the negative impact of socio-spatial segregation and renovating and retrofitting social housing. The conclusions to the chapter identify the lessons Ireland can learn from these innovations.

Social Housing Challenges

Financing Challenges

In many European countries financing new social housing provision has become increasingly challenging in recent years. This situation reflects the difficulties in providing sufficient new social housing to meet the rising housing need, highlighted above, and the increasingly difficult delivery context in which social housing providers in many European countries operate. Construction costs have increased sharply in many countries in recent years due to rising interest rates and materials prices, because international supply chains were disrupted by the COVID pandemic and the war in Ukraine.² These recent pressures come on top of longer-term pressures that have driven house building cost inflation in many European countries, including rising development land prices—particularly in cities where social housing is often most urgently required—as well as the costs of meeting higher energy efficiency standards required in new and renovated dwellings to meet climate policy objectives. The impact of these strains is particularly clear in a number of countries. For example, in Denmark because social housing providers must adhere to legally imposed construction cost caps, higher input costs can effectively prevent new construction in some cases. While some temporary measures were adopted by the Danish government to try to deal with this issue, these have

¹ Hick, R., Pomati, M., & Stephens, M. (2024). Housing affordability and poverty in Europe: on the deteriorating position of market renters. *Journal of Social Policy*, 1-24

² Housing Europe (2023). *The State of Housing in Europe – 2023*.

now expired and, thus, building new non-profit housing in large cities like Copenhagen is extremely challenging.³

Not all the contributors to these difficulties in financing new social housing provision relate to the contextual factors, external to the social housing sector, however. In many countries reductions in government subsidies for the sector and shortcomings in and changes to the design of social housing financing systems are also impeding new housing output.

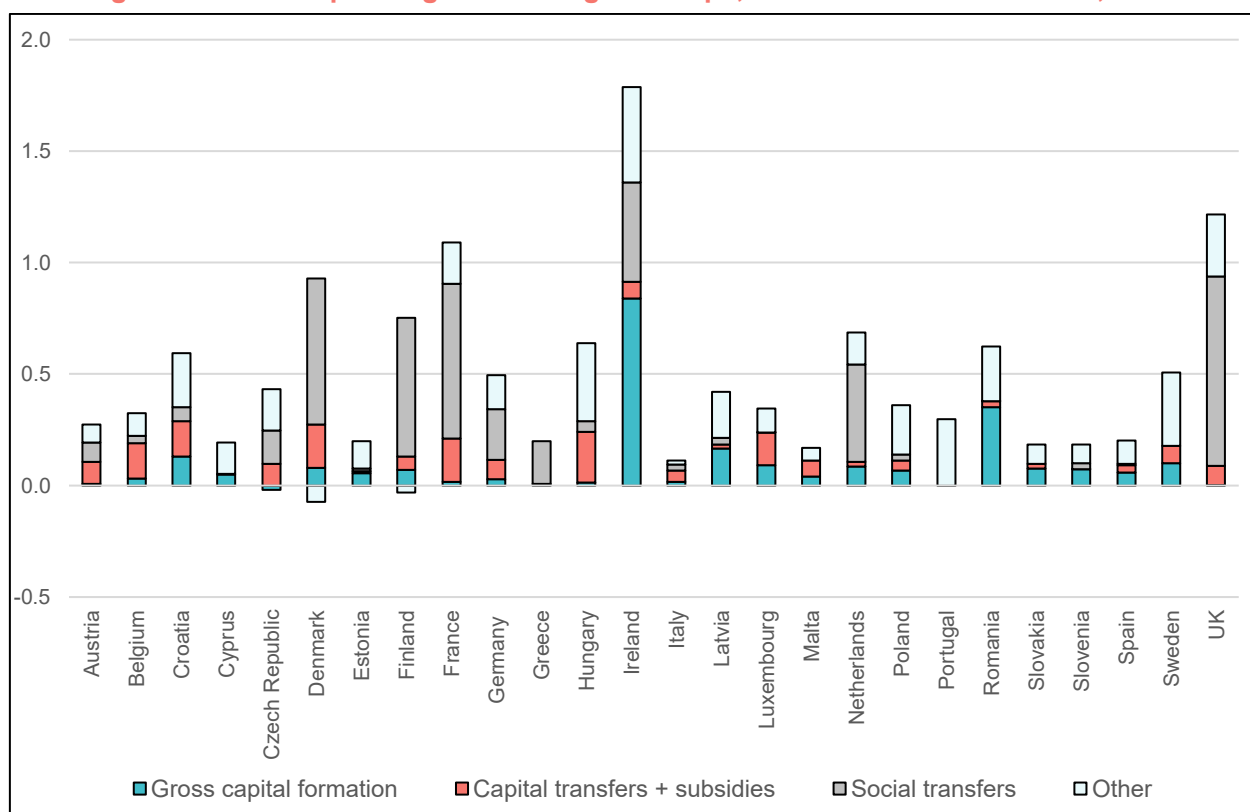
In relation to the first of these issues, Ireland is unusual in Europe because the public subsidies for social housing provision have increased very significantly in recent years (albeit from a low base in the late 2000s). The Housing Commission established by the Irish government to review housing policy calculated that public capital spending on housing in Ireland was the highest in the European Union as a percentage of national income in 2019 (see *Figure 1*).⁴ Although not all of this expenditure is devoted to social housing provision, the majority is. In contrast to Ireland, the availability of government finance for social house building generally contracted in real terms, or at least stagnated, in recent decades in most European countries, although, as outlined in a number of country chapters in this report, there are some green shoots of recovery in public investment in a number of cases more recently.⁵

However, as was explained in Chapter 2, in Western European countries public capital subsidies are rarely the primary source of finance for social housing provision because landlords are sufficiently large and well-regulated to raise finance from private sources and rents are high enough to help service these debts. As such, much of their capital comes from non-public sources (i.e., other than those captured in Figure 1), which is not the case in Ireland. However, public capital subsidies may still play an important role in ensuring that the provision of housing for letting at below market rents is economically viable. Therefore, the reduction of these subsidies has depressed new social housing supply in several Western European countries. This is the case in France for instance, due to the contraction in key public capital subsidy programmes for social housing such as the *Fonds National des Aides à la Pierre* (FNAP), which has seen its budgets decline in both nominal and real terms in recent years. Efforts to reduce social housing rents, which in turn reduce the own equity of French social landlords, have also weighed on investment.

³ Housing Europe (2025). *The State of Housing in Europe 2025 – Denmark*.

⁴ Housing Commission (2024). *Report of The Housing Commission*. Dublin: Stationery Office.

⁵ Recent EU-funded analysis of this question shows how public investment has changed in recent decades, as well as the different ways in which public funds related to housing investment are used. See: HOUSE4ALL (2025). *House for All: Access to Affordable and Quality Housing for All People*. European Compendium of Housing Policies. Luxembourg: ESPON EGTC.

Figure 1: Public Spending on Housing in Europe, as a % of National Income, 2019

Source: Housing Commission (2024)

Notes: The data use the Eurostat Classification of Functions of Government, which includes modules on housing, including one under the category 'social protection' and similar OECD data for the UK. National income in Ireland is based on GNI* otherwise national income refers to GDP. It is important to acknowledge that comparing public spending in different countries is challenging, because spending categories are not always uniformly defined, and data are not standardised across countries. In addition, it must be reemphasised that in several countries private sources of finance are used to support social housing and are thus not included in the figures. Finally, in most cases the data do not include support in the form of repayable low-interest public loans, which are the dominant form of public financing support in a number of countries.

Declining public capital spending has also depressed social housing output in England in recent decades. Despite this, total public spending on housing was high across the UK in 2019 (see Figure 1).⁶ This reflects the fact that in England, 'supply-side' subsidies from government for the costs of building or buying social house building declined from 82% of all government housing subsidy in 1975/76, to 33.3% in 1985/86 and 12% in 2021/22, while public spending on 'demand side' subsidies (mainly housing allowances for private and social renting tenants) has increased.⁷ This trend of redirecting, or reprioritising, government investment in housing away from supply side subsidies for social housing provision and towards demand side subsidies is also evident in several other Western European countries (e.g., France, Denmark and Germany) since the 1980s.⁸ In addition to reducing social housing output, this development has been criticised for driving inflation in market rents and house prices by inflating demand.⁹

In Southern, Central and Eastern European countries, where almost all capital finance for new social housing provision comes from government, increasingly including the EU in several cases, cuts to

⁶ Stephens, M. (2022). 30 years of housing policy in the UK: the big picture, in M. Stephens et al. (eds) *UK Housing Review 2022*. Coventry: Chartered Institute of Housing, pp. 11–22.

⁷ Perry, J. and Stephens, M. (2018). How the purpose of social housing has changed and is changing, in M. Stephens et al. (eds) *UK Housing Review 2018*. Coventry: Chartered Institute of Housing, pp. 30–39. ; Stephens, M. (2022).

⁸ Kemp, P.A. (2007). Housing allowances in comparative perspective, in P. Kemp (ed.) *Housing Allowances in Comparative Perspective*. Bristol: Policy Press, pp. 1–16.

⁹ Housing Commission. (2024).

public spending have an even bigger impact on social housing output. Here, in the absence of public capital funding, it is largely not possible to provide new social housing.¹⁰

In several European countries problems in, or changes to, the design of social housing financing systems have also impeded new social housing output and also the maintenance and upgrading of existing dwellings. Inadequate income from rents is a common problem in the design of social housing financing systems in Europe, particularly in those countries where social housing rents are pegged to tenants' incomes, rather than the costs of housing provision (see Chapter 2).

Rents charged by the municipalities that provide social housing in Croatia are far below maintenance cost, for instance, and to mitigate this, some municipalities have leased units to non-social tenants at higher rates, but these revenues are insufficient to fund new housing development. Research on ten large social housing landlords in Italy found that (although with significant variations) rental revenue covers roughly only 45% of operating costs, due to low rents (because these are pegged to incomes and tenants' incomes are generally low) and high rent arrears.¹¹ This is also a significant problem in Ireland. Norris and Hayden's (2020) research¹² on social housing provided by Irish municipalities indicates that the income-based rents used in this sector do not generate sufficient rental income to cover debt servicing and even maintenance of dwellings in some cases.¹³

However, even in countries where social housing sectors are large and have steadily expanded in recent years, changes to the design of financing models have created problems. France is a case in point. Here since 2018 social housing providers have been obliged to reduce the rents they charge many of their tenants because the government has reduced the housing allowances (*Aide Personnalisée au Logement – APL*) these tenants had been receiving. This resulted in less revenue from rents for social providers, which combined with rising interest rates on housing development loans, has constrained new building.

Delivery Capacity Constraints

While financing challenges are an important constraint on social housing output across Europe, they are not the sole constraint. In some European countries the organisational capacity of social housing landlords is a significant problem because they lack the expertise, organisational, governance and regulatory structures required to deliver new social housing at sufficient scale to meet need and/or in the design typologies and locations required. Sometimes both financing and delivery capacity are constrained.

Not surprisingly, delivery capacity is a particular challenge in those European countries without large social housing sectors and experience of delivering significant numbers of housing units in recent decades. As explained in Chapter 2, this sector is generally small in Southern, Central and Eastern European countries, so capacity challenges are particularly prevalent in this part of Europe. In Estonia for instance, many municipalities lack both the funds and expertise to develop new housing projects. Consequently, they have tried to develop partnerships with private actors to provide social housing. These involve municipalities providing some of the funds, with private developers sourcing the balance, and building out projects. However, these efforts have yielded mixed results, and several schemes have not been completed, while others have struggled to cover their ongoing costs due to low rents charged to tenants, or higher than anticipated interest rates on housing development loans.

Even in countries where social housing sectors are large, providers may struggle to deliver sufficient dwellings in the locations or design typologies in which they are most urgently required. In recent

¹⁰ Lux, M., & Sunega, P. (2014). Public housing in the post-socialist states of Central and Eastern Europe: Decline and an open future. *Housing Studies*, 29(4), 501-519.

¹¹ Saporito, R. and Perobelli, E. (2021). *Management dei servizi abitativi pubblici...* Milan: EGEA S.p.A.

¹² Norris, M. and Hayden, A. (2020). Funding Incentives, Disincentives and Vulnerabilities in the Irish Council Housing Sector, *Housing Studies*, 3(36), pp. 359–379.

¹³ See also: Lewis, E. (2019). *Social Housing Policy in Ireland: new directions*. Dublin: Institute of Public Administration.

years in France, almost 40% of new social housing units have been delivered by pre-purchasing new homes from private developers before they are completed (i.e., turnkey developments). This is a marked change in traditional practice for this sector as evidenced by the fact that only 6% of the total social housing stock was delivered in this way. This mode of delivery has benefits in terms of speed and also facilitates social mixing. However, in Ireland, social housing providers' reliance on turnkey purchases of dwellings from developers has been criticised for not delivering dwellings in the locations, sizes and design typologies most urgently required and for reducing the stock for sale to home buyers.¹⁴

Legacies of Privatisation

Ireland has a long history of privatising social housing by selling dwellings to tenants. Municipalities commenced sales on a large scale in the 1930s and it was estimated that two-thirds of all social homes built with support from the state had been sold to tenants by 2016.¹⁵ This is highlighted in *Figure 2*, below. These sales have helped to increase home ownership rates among low-income households and most of the privatised former social housing estates have blended seamlessly into the private sector. Although sales have declined significantly in recent years, because dwellings are sold at a significant discount from their market value (currently between 40% and 60%) and the market value reflects the likely replacement cost, this creates significant difficulties for maintaining supply of social housing.¹⁶

Ireland is far from alone in Europe in struggling with the legacy of social housing privatisation, however. Although in some Western European countries little social housing has been privatised, this is not the case in others. For instance, sales of social housing to tenants were introduced across the UK in the 1980s and applied to all public sector provided housing, including that provided by municipalities and government agencies. Although the 'right to buy' social housing was never extended to social housing provided by non-profit housing associations, at least not for very long or outside of some pilot projects,¹⁷ levels of sales of municipalities' public housing stock were very high—between 1980 and 2020 just over 519,000 dwellings were sold in Scotland, two million dwellings were sold in England, and around 150,000 in Wales. The high level of sales reflected the low prices at which dwellings were offered for sale (with discounts of up to 60-70% from market value for those who had been tenants for the longest periods).¹⁸ The scale of these discounts, together with central government restrictions on the use of the proceeds of sales by municipalities have meant that most of the social housing stock lost to sales was never replaced and the size of the social housing sector contracted significantly in the UK—from 52% of dwellings in Scotland in 1981 to 23% in 2022, from 30.5% to 16% of dwellings in England, and 28.5% to 16% in Wales concurrently.¹⁹

¹⁴ Housing Commission. (2024).

¹⁵ Norris, M. and Hayden, A. (2020). Funding Incentives, Disincentives and Vulnerabilities in the Irish Council Housing Sector, *Housing Studies*, 3(36), pp. 359–379. ; Norris, M. (2016). *Property, Family and the Irish Welfare State*. Basingstoke: Palgrave Macmillan.

¹⁶ Housing Commission. (2024).

¹⁷ See: Turnbull, D. (2020) *The Sale of Social and Public in Europe*. Brussels: Housing Europe.

¹⁸ Forrest, R. and Murie, A. (2010) *Selling the Welfare State The Privatisation of Public Housing*. London: Routledge.

¹⁹ Ministry of Housing Communities and Government, L. (no date) *Latest Statistics Releases and Live Tables*. London.

Figure 2: Local Authority Provided Social Housing Output and Sales to Tenants in Ireland, 1923-2020 (N).



Source: Department of Housing Local Government & Heritage, (various years); Norris, (2016).

Note: 1920s only include data for the period 1923-29. Sales of social housing to tenants were introduced in 1936 in Ireland, but annual data on sales were not published until the early 1950s. Consequently, all sales between the former and latter date are included in the '1950s' category in Figure 2. 2020s only include data for the period 2020-24. To ensure these data are comparable over the long term they only include social housing build or bought by social housing providers, not leased dwellings.

However, the challenges created by the legacy of privatisation are much more significant in the Central and Eastern European EU member states which privatised most of the state-owned housing stock developed under the communist regime during the transition to a free market economy in the late 1980s and 1990s.²⁰ As mentioned in Chapter 2, although this state-owned housing was not identical to social housing, the two sectors do share key features in common such as non-market provision and allocation. This state-owned housing was sold at very high discounts or in some cases given away for free and, as a result, all except the poorest households became owners of their homes. This means that the tenants who remain in social housing typically have very low incomes in countries such as Hungary and Estonia, and the sector has become a 'last resort' housing option for people unable to afford home ownership.²¹ The low incomes and low rents paid by these tenants, coupled with poor initial build quality of much of the state-owned housing stock in this part of Europe has created significant maintenance challenges. The remaining social stock in Romania is in urgent need of refurbishment, for example.²²

Notably, these maintenance problems are not confined to the state-owned housing stock that has remained in the social housing sector. In many of these countries the privatised housing stock that is now owner-occupied needs upgrading and renovation. Indeed, in many former socialist countries the stock was already in disrepair by the early 1990s, meaning the mass privatisations were also a

²⁰ Hegedus, J. and Tosics, I. (1996). The Disintegration of the East European Housing Model, in D. Clapham et al. (eds) *Housing Privatization in Eastern Europe*. London: Greenwood, pp. 15–40.

²¹ Kährlik, A. and Kõre, J. (2012) 'Estonia: residualization of social housing and the new programs.', in József Hegedüs, Martin Lux, and Nóra Teller (eds) *Social housing in transition countries*. London: Routledge, pp. 163–179.

²² Turcu, C. (2017) 'Mind the Poorest: Social Housing Provision in Post-crisis Romania.', *Critical Housing Analysis*, 4(2), pp. 54–66.

deliberate effort to transfer the cost of necessary upgrades from the newly independent states to individual households.²³ Czechia is unusual among Central and Eastern European countries in that a significant proportion of former state-owned dwellings are now private rented accommodation, but let at very low rents due to legacy rent controls and these homes need significant upgrading works.²⁴

Renovating and Energy Retrofitting Dwellings

Renovating and upgrading the social housing stock is a significant priority in the vast majority of European countries. Its prioritisation reflects the large contribution that housing makes to carbon emissions—buildings and the construction sector accounted for 39% global carbon emissions in 2019—and the high rates of energy poverty among social housing tenants, who tend to have below average incomes.²⁵ Poor quality and foregone maintenance coupled with the age of the social housing stock are also considerations. In most Western European countries, the majority of the social housing stock was built in the post-World War II period (between the 1950s and late 1970s) and in the former communist Central and Eastern European countries high levels of building of state housing went on until the 1980s.²⁶ Dwellings of this age generally require significant upgrading to bring them up to modern building standards. These different priorities are of course in some respects overlapping because energy efficiency retrofitting has not only general environmental benefits but also individual benefits for social renting households (e.g., lowering bills and increasing disposable income).

Addressing these priorities in practice is a significant challenge in all European countries, although the scale and nature of the challenge vary between countries.

The scale and complexity of the challenge in Western European countries where social sectors are large is exemplified by the experience of the UK. In the decade to 2010 there was high government investment in upgrading social housing to meet the 'decent homes standard' (as the programme for improving housing standards was known in England, but there were similar programmes in Scotland and Wales). Consequently, the energy performance of its social housing stock is good – more than 50% of these dwellings have an energy performance certification of C – above the average for the housing stock as a whole.²⁷ However much of the upgrading carried out at this time was low cost, 'shallow retrofit' (e.g., replacement of windows, insulation of attic space). Raising energy efficiency standards further will require extensive, 'deep retrofit' works (which reduce energy consumption by 70%+), but this is possible only when dwellings are vacated or are demolished and rebuilt.²⁸ High demand and shortages of social housing supply makes the latter an unattractive option, however, and the strong emphasis on the need for new social housing may have diverted providers' attention away from retrofit. The increasingly widespread mixing of tenures in apartment blocks, by design (to achieve social mixing policy objectives) or by accident (due to the impact of sales to tenants) also creates practical challenges for deep retrofitting of social housing.²⁹

These practical challenges are reinforced by financial challenges. From this perspective, the so called 'split incentive' whereby the landlord pays the capital costs of retrofitting, but the tenant enjoys the benefits in terms of increased thermal comfort and reduced running costs is a key problem because

²³ Turnbull, D. (2020) *The Sale of Social and Public in Europe*. Brussels: Housing Europe.

²⁴ Lux, M. and Mikeszova, M. (2012) 'Property Restitution and Private Rental Housing in Transition: The Case of the Czech Republic', *Housing Studies*, 27(1), pp. 77–96. Available at: <https://doi.org/10.1080/02673037.2012.629643>

²⁵ International Energy Agency (2019). 2019 Global Status report for Buildings and Construction, Global Status Report.

²⁶ Lux, M. and Sunega, P. (2014). Public Housing in the Post-Socialist States of Central and Eastern Europe: Decline and an Open Future, *Housing Studies*, 29(4), pp. 501–519. ; Scanlon, K., Whitehead, C. and Arrigoitia, M.F. (2014). Social housing in Europe. London: John Wiley & Sons.

²⁷ Perry, J. (2021) 'The zero carbon challenge', in M. Stephens et al. (eds) *UK Housing Review 2021*. Coventry: CIH.

²⁸ *Ibid.*

²⁹ Bright, S., Weatherall, D. and Willis, R. (2019). Exploring the complexities of energy retrofit in mixed tenure social housing: a case study from England, UK., *Energy Efficiency*, 12(1), pp. 157–174.

landlords lack economic incentives to invest in this work.³⁰ Although governments of all UK jurisdictions have introduced grant aid to help fund energy retrofit, these are not sufficient to fund all costs and cuts to rents have impeded social landlords' ability to finance this work from their own resources, particularly deep retrofit which is very expensive. Higher fire safety standards introduced following the Grenfell Tower tragedy in 2017 (in which 72 people died as a result of a fire in a high-rise social housing estate in London) have added to retrofit costs. However, because social landlords are obliged by law to meet fire safety standards, they often prioritise use of their own resources to retrofit existing dwellings over investment in new building.

Many of the practical and financial barriers to retrofitting the social housing stock faced by the countries where the sector is large are even more acute in countries where the sector is small. The quality of the housing stock is often worse in these countries, for instance, due to poorer initial build quality; maintenance services are also weaker due to longstanding revenue funding shortages. A recent study of social housing owned by public housing companies in Italy identified over 66,000 units that are currently empty but cannot be let unless they undergo major renovation, for instance.³¹ The high rates of privatisation of dwellings particularly in Central and Eastern European countries also creates severe practical challenges for renovation as social landlords may only own a handful of dwellings in an apartment block or estate.³² Low rents also limit the potential for social housing sectors to self-fund renovations.

In Denmark, Germany and the Netherlands social and private landlords have been able to fund energy efficiency retrofits by increasing rents to reflect the savings in tenants' fuel bills.³³ Additionally, in Austria built into the cost-based rent paid by each tenant is a contribution to a building renovation fund. This means that the cost of renovations typically do not require additional borrowing by social providers or changes to rents. Interestingly, Latvia, which is now developing cost-linked social housing through its new Housing Affordability Fund, will emulate the Austrian approach, with monthly rents helping to pre-finance future renovation costs. However, such models would be challenging to apply to the income linked social housing rent systems used in many of the countries where this tenure is small.

Socio-Spatial segregation

In some European countries the role of the social rented sector in contributing to spatial concentrations of low-income households and the contrary issue that its provision in some locations is too low to meet needs are concerns for policy makers. However, the prevalence of this concern varies significantly across Europe.

In both Denmark and France spatial concentrations of disadvantaged households in specific social housing estates is a concern for policy makers and has inspired significant policy action in response. In Denmark for instance, policy makers have raised concerns about 'udsatte boligområder' (vulnerable areas) with high concentrations of social housing and socio-economic disadvantage. In response they have introduced requirements to promote greater 'diversity' in these areas. Measures to be taken vary, depending on the assessed degree of disadvantage, but typically include requirements for non-profit housing providers to stop offering new rental contracts to households that meet various conditions related to income, criminal record, and most controversially nationality and ethnicity.

In France, the uneven distribution of social housing between cities and regions is a key concern for policy makers also. In response the *Loi relative à la solidarité et au renouvellement urbains* (Urban

³⁰ Palmer, J. et al. (2018). *What are the Barriers to Retrofit in Social Housing? Report for the Department for Business, Energy and Industrial Strategy*. Cambridge Energy.

³¹ Nomisma (2024). Osservatorio nazionale ERP 2023, preliminary findings presented at Federcasa General Assembly on 13 December 2024. Milan: Federcasa.

³² Turnbull, D. (2020). *The Sale of Social and Public in Europe*. Brussels: Housing Europe.

³³ Perry, J. (2021) 'The zero carbon challenge', in M. Stephens et al. (eds) *UK Housing Review 2021*. Coventry: CIH.

Solidarity and Renewal Law) was enacted in 2000. It requires municipalities with over 3,500 residents to ensure that at least 20% of the homes in their area are social housing. This policy was inspired by the concern that large metropolitan areas were providing most new social housing, and to ensure that affordable housing was available across the country. In many other countries by contrast, socio-spatial segregation is not a significant concern and, where it is, social housing often does not contribute to the problem because the sector is too small to generate any sizeable spatial concentrations. Thus, in many of the former communist countries in Central and Eastern Europe, action to address socio-spatial segregation focuses primarily on owner-occupied housing, which in many cases was originally state-owned but privatised following the transition to the market economy in the 1990s. There are also cases of countries with large social housing sectors that have generally avoided segregation, largely by strong urban planning procedures that intentionally aim for an even distribution of social housing. Finland is perhaps the best example of such an approach.

Innovations and Reforms

Financing Innovations

Governments of several European countries have tried to address the social housing financing challenges outlined above by reforming financing arrangements in various ways. Among these innovations, by far the most common one is drawing on capital funding from the European Union to finance social housing provision and renovation. As mentioned in Chapter 2, the European Union plays a particularly important role in funding social housing provision in lower income member states where the sector is small and national government funding for the sector is limited. Grants and loans from the EU's European Regional Development Fund (ERDF) currently provide the main source of capital funding for new social housing provision in Bulgaria and Latvia, for example, and is also an important source of funding for the sector in Czechia and Romania. The EU Renovation Wave and associated programmes are important sources of funding for social housing renovation in many EU member states.

In addition, in recent years several countries where social housing sectors are small have adopted mechanisms for financing social housing that have been used successfully in the European countries where this sector accommodates a large proportion of the population. An example of this housing 'policy transfer' has occurred between Denmark and Latvia.³⁴ As explained in its individual country chapter, Denmark has a national 'revolving fund' which part funds its social housing provision and renovation. When housing development loans are repaid, Danish social housing tenants continue to pay their rent as before and the revenue generated accrues to national funds that finance renovation and maintenance works for social housing and can support new house building.³⁵ In 2022 the Latvian government established a similar facility called the Housing Affordability Fund. It is funded with €42.9 million in capital from the national government; the fund can secure an additional €10 million in state loans, and it aims to support the development of 700 affordable rental units by 2026. Like the Danish model, the Latvian Housing Affordability Fund is designed as a self-sustaining fund, whereby revenues from loan repayments and rents will be reinvested in new housing provision.³⁶

A similar, but multi-faceted, initiative called KredEx was established by the Estonian government in 2001. It is an independent foundation designed to support the availability of finance for the renovation and energy efficiency retrofitting of apartment blocks. In addition to providing grants for social housing development, it administers the Apartment Building Renovation Loan Programme, which provides project finance to apartment building owners. This finance encompasses a combination of grants and preferential loans, which operate as a 'revolving fund', as well as loan guarantees to enable borrowers

³⁴ Soaita, A., Marsh, A. and Gibb, K. (2023) 'Policy movement in housing research: a critical interpretative synthesis', *Housing Studies*, 38(1), pp. 107–127.

³⁵ Larsen, H.G. and Lund Hansen, A. (2015) 'Commonifying Danish Housing Commons', *Geografiska Annaler: Series B, Human Geography*, 97(3), pp. 263–274.

³⁶ OECD (2023) *Strengthening Latvia's Housing Affordability Fund*. Paris: Paris: OECD Publishing.

to source commercial debt from Estonian banks. As mentioned in Chapter 2, loan guarantees are widely used to support the social housing providers' access to commercial debt in Western European countries. However, in Estonia one of the main users of KredEx loan guarantees is the housing co-operatives (also sometimes called 'apartment associations') which owners of apartments in Estonia are obliged to form. 70% of households in Estonia are members of these organisations, which are intended to ensure there are structures for making decisions regarding the management of the communal areas of the building and also renovation. KredEx provides loan guarantees to these housing co-operatives as a single legal entity, which allows their individual members to pool repayments and potential risk with their neighbours in order to deliver better quality and more attractive housing, and at a lower cost of finance. The KredEx initiative has helped to significantly improve housing standards in Estonia in recent years.

Institutional Innovations

In addition to reforming social housing financing arrangements, in recent years the governments of some European countries have also reformed the institutional structures that enable social housing delivery in an effort to increase output and strengthen maintenance and renovation practice.

Czechia has been particularly active in this regard since 2015, when the government published *Social Housing Policy Strategy 2015-2025*, which set out a comprehensive plan for reforming its fragmented and uncoordinated social housing system.³⁷ This strategy includes a ten-year plan for providing three types of social housing: 'crisis housing' for immediate needs; 'social housing' for vulnerable groups; 'affordable housing' for low-income households. Some aspects of this plan have been successfully implemented. For instance, the State Investment Support Fund (*Státní fond podpory investic*, SFPI) has been established to provide grants and loans for house building and renovation. It is funded by national government and EU funds and is currently focused on funding the provision of the affordable rental housing planned in the aforementioned strategy, which targets low- and middle-income households and key workers. The fund has a two-tier governance structure. Its day-to-day operations are managed by a Fund Committee that includes representatives of relevant ministries and independent experts, while strategic oversight is the responsibility of a Supervisory Board, appointed by parliament. The Law on Housing Support, which sets clear guidelines for social housing eligibility and rent limits, has recently been approved by the Czech parliament. However, despite these institutional innovations and efforts to build the capacity of the municipalities that provide social housing in Czechia, draw down of the available finance and new social housing output has remained lower than hoped.

Significant institutional innovation has also taken place in the Polish social housing sector, where *Towarzystwo Budownictwa Społecznego* (TBS or Social Housing Associations) were established in 1996 to provide social housing. These are non-profit companies which are modelled on similar organisations which play a central role in social housing delivery in France, the Netherlands and the UK. The TBS employ a cost-rent model, where rent is capped at 4% of the construction cost, and revenues cover maintenance, repairs, and loan repayments. They were originally designed to be a self-replenishing 'revolving fund' supported by finance from the Polish government's housing fund and the national development bank. Although TBS organisations were slow to be established, once set up they achieved high levels of social housing output between the late 1990s and late 2000s. However public funding was reduced from the latter date and since then TBS housing output declined significantly. This stagnation eventually led to TBS being replaced with a new model—Social Housing Initiatives (SIMs)—in 2021, though allowing pre-existing TBS units to remain operational.³⁸

³⁷ Ministry of Labour and Social Affairs of the Czech Republic (2015) *Social Housing Policy Strategy of the Czech Republic 2015-2025*. Prague: Ministry of Labour and Social Affairs of the Czech Republic.

³⁸ Muczyński, A., & Goraj, S. (2021). Dispersed privatization of council housing: Some structural effects in the municipal housing stock in Olsztyn, Poland. *Acta Scientiarum Polonorum. Administratio Locorum*, 20(4), 361–377.

Institutional innovation has been less widespread in Hungary, but nonetheless new and interesting institutional structures for social housing provision have emerged in some municipalities. For instance, the municipality responsible for the Józsefváros district of Budapest has engaged in significant institutional innovation to manage the stock of 4,100 apartments it owns. Some of these dwellings are let at what are officially categorised as market rents but, in reality, are below market, intermediate rents. These are managed by the Józsefváros Social Rental Agency, which has been established by the municipality for this purpose. The remainder of the municipality's housing stock is let at 'non-market' rents – some set at cost recovery level and others are rented for 'social rents' linked to tenants' incomes – and these are managed by a private company under a public service agreement with the municipality.

Intermediate Renting Sectors for the 'Squeezed middle'

In many European countries access to social housing has narrowed since the 1980s, so access is increasingly confined to the lowest income households. This is a function of declining social housing availability in many cases, such as the UK and Italy. If access is determined on the basis of need and few new tenancies are available, then only the neediest can gain access to social housing. In other cases, governments introduced household income limits for applicants for social housing for the first time in recent years, which has limited allocations of new tenancies to lower income households. The Netherlands is the prime example of this. This was done in response to complaints made by private landlords to the European Commission that providing public subsidies to enable social housing landlords to accommodate a wide spectrum of income groups is unfair competition and therefore breaches EU state aid rules.³⁹

Recent years have seen a partial reversal of this trend in some countries as new 'intermediate rental' sectors have been established to provide non-profit, affordable rented housing to those who have incomes that exceed the limit for access to social housing but who struggle to rent or buy housing on the market and also to 'key workers' such as nurses and teachers. As mentioned above, this type of housing has been provided since 2015 in Czechia, and it has recently been introduced into Ireland too. Here the Affordable Housing Act, 2021 established a new 'cost rental' tenure, in which dwellings are rented at cost price to households in this middle-income group.

Similar programmes have been in place in the UK, Finland and France for a longer period. In France, different levels of government subsidies (both direct and indirect) are provided based on the target groups for different housing schemes. Supports are available for housing aimed at those with moderate incomes (approximately 72% of households in France have an income low enough to qualify for access) who pay a rent which is below market but higher than that paid by lower income peers in more heavily subsidised social housing segments. In addition, a separate "intermediate" rental scheme, which falls outside of the social housing sector, also exists in France called the '*Prêt locatif intermédiaire*' (PLI). This housing is largely provided by commercial providers and is intended for those on middle incomes in regions where market housing is unaffordable and it receives a much smaller government subsidy.

Finland has been providing 'right of occupancy housing' to middle-income households for a long period. This tenure is a hybrid between renting and ownership. Residents must make an equity contribution (usually around 15% of development costs) and pay a cost-based rent on the balance. Their equity stake can be sold to the next tenant if and when they move out. A similar programme called 'shared ownership', whereby middle-income households purchase part of the equity in a dwelling and rent the rest, has operated in the UK since 1980. However, in 2011 a new intermediate rent tenure (called affordable rent) was introduced in England, Wales, and Scotland (but not Northern Ireland). This programme funds social housing providers to let dwellings at 80% of market rent to

³⁹ Priemus, H. and Gruis, V. (2011) 'Social Housing and Illegal State Aid: The Agreement between European Commission and Dutch Government.', *International Journal of Housing Policy*, 11(1), pp. 84–104.

households with incomes that are too high to qualify for social housing but too low to rent or buy in their locality.

Social Rental Agencies

Another innovation which has been adopted across Europe to deal with growing housing affordability challenges, and the shortage of social rented housing available to resolve these, is the leasing of dwellings from private landlords to sub-let as social housing. In many countries this form of housing is procured and managed by specialist Social Rental Agencies (SRAs).

This model emerged initially in Western Europe, and Belgium was one of the first Western European countries to establish SRAs in Europe.⁴⁰ Here SRAs were originally grassroots, welfare organisations which emerged in the 1980s in response to the shortage of social housing provision, but this model of housing provision was mainstreamed from the mid-1990s and now both the non-profit and local government sectors act as SRAs. They rent dwellings on the market and sublet them to low-income households. Leases between landlords and SRAs are nine years in duration (the standard lease duration in Belgium) and rents are below market but higher than social rents and can be renegotiated every three years. In Ireland, SRAs have been used since 2004, when a programme to fund them called the Rental Accommodation Scheme was established by central government. It enables municipalities to lease accommodation for reletting to households qualified for social housing. Landlords receive slightly below market rent from the municipality and tenants pay the municipality a social housing rent.⁴¹ This model is also very widely used in Luxembourg where approximately 30 non-profit associations and foundations act as Social Rental Agencies.

In each of these countries, SRAs are used to supplement the supply of mainstream social housing, but in several other Western European countries this model is used primarily to provide housing for homeless people and other vulnerable groups. In France, SRAs are called '*Agences Immobilière à Vocation Sociale*' (AIVS) and are used to enable homeless people and other vulnerable groups to access housing. AIVSs are usually NGOs, but they work in partnership with local authorities. Unlike in Belgium, AIVSs do not sublet the dwelling they lease from the landlord; rather, the letting agreement is between the landlord and the tenant, but the AIVS manages the dwelling on the landlord's behalf. Similar organisations called '*Soziale Wohnraumhilfen*' (Housing Assistance Agencies) also emerged in the 1980s in Germany. Although, in contrast to Belgium, these organisations do not receive national support from government, so in Germany SRAs have remained primarily a local initiative that is unevenly distributed throughout the country. German SRAs are also primarily focused on housing homeless people and other vulnerable groups and to meet the needs of this population they provide tenancy sustainment and social work type supports. SRAs are also used in the different jurisdictions of the UK primarily to provide accommodation for homeless people. They are run by municipalities and NGOs and used in Scotland to provide temporary accommodation for homeless people who are awaiting the allocation of a permanent social housing tenancy for instance. Scotland has a social enterprise organisation called Homes for Good (HfG) which leases private rented accommodation for sub-letting to homeless people and also provides its own accommodation for this purpose. Therefore, it is both a landlord and an SRA.

More recently, this model has been adopted in parts of Central and Eastern Europe where mainstream social housing provision is very low, but while the use of SRAs in this part of Europe remains low and spatially uneven, it is growing, and some interesting innovations have emerged in these countries. In Czechia, for instance, a 'Municipal Rental Agency' (*Městská Najemní Agentura* - MNA) was established in Prague in 2021. This was initially a pilot project but was made permanent in 2024. This model has also been adopted in Slovenia, but has only supported 640 tenancies to date.

⁴⁰ De Decker, P. (2002). On the Genesis of Social Rental Agencies in Belgium. *Urban Studies*, 39(2), 297-326. <https://doi.org/10.1080/00420980120102984>

⁴¹ Norris, M. and Coates, D. (2010). Private sector provision of social housing: An assessment of recent Irish experiments, *Public Money and Management*, 30(1), pp. 19–26.

Legislation to enable the establishment of social rental agencies was enacted in Poland in 2021. However, this model was already in use in this country for several years prior to this in projects organised by the Habitat for Humanity NGO.

Reforming Privatisation Practices

The aforementioned challenges created by the privatisation of social housing have inspired reform of this policy in a small number of European countries. In Malta, for instance, the option to purchase a home was removed from all new social housing tenants from 2022. This decision reflects the need to preserve and grow this country's social stock. Similarly, in Scotland and Wales, the right to buy social housing provided by municipalities, which was introduced in 1980, was significantly scaled back in recent years (e.g., as the discounts for purchases reduced), before being completely abolished in 2016 and 2018, respectively. In Ireland, restrictions on the type of social rented dwellings that can be sold to tenants have contributed to the marked decline in sales in recent years highlighted in Figure 2.

Preventing, Reversing and Addressing the Implications of Socio-Spatial Segregation

European countries have initiated a variety of measures to prevent, reverse or address the implications of the socio-spatial segregation sometimes generated by having large concentrations of low-income households in social housing.

A particularly widely used mechanism to prevent socio-spatial segregation is inclusionary zoning. This is a land use planning mechanism that requires or sometimes incentivises developers to include some social housing in new private housing developments. It was used initially in the United States, but its use has spread to Europe since the 1980s. Inclusionary zoning has been used in Ireland since 2000, when legislation was introduced that enabled municipalities to require that a proportion of new housing developments are used for social housing (for rent) and affordable housing (for sale at below market price); the requisite proportion must be transferred to the municipality at cost price (in the case of dwellings or serviced sites for housing) or at existing use value (in the case of raw land). Thus, in Ireland inclusionary zoning has been used both as a mechanism for getting private developers to contribute to the costs of social housing provision and for avoiding socio-spatial segregation.⁴² This mechanism is also used in England, Scotland and Wales and also in the Netherlands, but in these cases, it has been used primarily as a mechanism to secure contributions from developers to the costs of providing social housing (and other critical infrastructure) by transferring land or dwellings at cost or below cost price.⁴³

France is distinctive among European countries because here uneven distribution of social housing between cities and towns is an active political concern, and to address this challenge, this country operates a version of inclusionary zoning at the urban settlement level. As mentioned above, its Urban Renewal and Solidarity Act, 2000 (Loi Solidarité et Renouvellement Urbain - SRU Law), requires many municipalities ("communes") responsible for large towns and cities to ensure certain minimum levels of social housing provision. This is set at a level of either 25% or 20%, depending on the so-called 'tension' indicator. At least 25% of all housing should be social housing in areas with "high" tension, and 20% in other communes subject to the SRU obligations.⁴⁴ Notably these targets

⁴² Redmond, D., Hegarty, O. and Reynolds, M. (2021) *Planning Gain and Obligations: Promise and Performance of Part V*. Dublin: Clúid Housing.

⁴³ Foye, C. (2022) 'Section 106 Viability and the Depoliticization of English Land Value Capture Policy', *International Journal of Urban and Regional Research*, 46(2), pp. 269–286.

⁴⁴ An assessment of "high" tension is primarily based on the ratio between the number of annual applications for social rental housing in an area and the number of actual annual re-lets / moves into social rental housing (excluding internal moves within the social stock); i.e., a ratio of 1 would mean that over the period considered, there were as many moves into social housing as there were applications. The ratio above which the label of "high" tension is used is set by legal decree, and periodically revised. The most recent decree was passed on the 28th of April 2023 (available at: <https://www.legifrance.gouv.fr/jorf/id/JORFTEXT000047507044>). There is currently no one simple ratio above which "high" tension is declared, as there are various and complex mitigating factors that are taken into

refer to the existing housing stock not just new housing, and adherence to them is monitored by central government and municipalities that fail to do so face fines.

France also has a very strong tradition of urban renewal programmes designed to reverse existing concentrations of socio-spatial segregation. Many of the neighbourhoods 'targeted' contain high levels of social housing. The latest French National Urban Renewal Programme (NPNRU) covered the 2014-2024 period and funded multi-faceted programmes for the regeneration of target neighbourhoods designed to promote social diversity, diversify the housing stock, open up areas and promote economic development. These programmes may encompass: demolition of buildings and reorganisation of land use, on occasion including 'de-densification' (i.e. building lower rise buildings), provision of replacement buildings and refurbishment of existing dwellings to broaden the building and dwelling types while promoting energy efficiency and the development of new public spaces, services and facilities.

In addition, the 2017 Equality and Citizenship Law⁴⁵ introduced significant changes to social housing allocation rules in France. This legislation requires that at least 25% of available social housing in the more 'attractive' neighbourhoods⁴⁶ be reserved for households in the first quartile of the income distribution of social-housing applicants (i.e., the 25% least-resourced applicants), up from 19% in 2016.⁴⁷ This measure aims to break the cycle of poverty concentration in disadvantaged neighbourhoods with historical over-concentrations of social housing or more vulnerable households.

In response to concerns about socio-spatial segregation in social housing estates in Denmark, recent legislation requires that municipalities and sector social housing providers must not assign new tenancies to certain types of households in locations where there are high concentrations of low-income and disadvantaged households. This legislation specifically forbids the allocation of dwellings in these neighbourhoods to certain categories of housing applicants, including recent convicts, non-EU/EEA citizens or their ancestors, and those in receipt of certain social security benefit payments. However, as outlined in the Danish country chapter, a recent court ruling means that the policy, at least as currently constituted, will have to come to an end and a different approach to de-segregation will have to be developed.

Czechia has attempted to address the negative impacts of socio-spatial segregation by strengthening the integration between housing and social services. These initiatives were started by NGOs and advocacy groups working with marginalised households, but subsequently secured mainstream funding from central government and the EU. In 2007 a central government Agency for Social Inclusion was established, and it supports municipalities to devise and implement public service and spatial development strategies for the inclusion of socially excluded groups, including Roma communities. A 2017 European Social Fund project supported 16 municipalities in devising new ways of providing and managing social housing. These innovations have been further expanded in some Czech municipalities such as the City of Brno, which has devised a programme to social housing provision with supports in other areas, such as employment, debt and social services. To avoid the emergence of new or growth of existing concentrations of socio-spatial segregation the Czech government does not generally fund new social housing provision in socially excluded localities (SVLs), characterized by poverty, social exclusion and dilapidated housing conditions. Although

account. However, as a general principle a ratio of 4 or above is typically seen as "high". See the chapter on France for more discussion of the SRU law.

⁴⁵ Loi n°2017-86 du 27 janvier 2017 relative à l'égalité et à la citoyenneté

⁴⁶ As outlined in the chapter on France, certain (predominantly urban) areas are designated as 'Quartiers Prioritaires de la politique de la ville' [Priority urban policy areas], or QPV. These are areas that suffer from high levels of social and economic disadvantage, and often contain higher than average relative shares of social housing. Thus, the 2017 law is an effort to allocate a disproportionate share of the lowest income applicants to social housing outside of these areas. An overview of the largely data-driven approach to identifying QPVs can be found (in French only) at:

<https://www.data.gouv.fr/datasets/quartiers-prioritaires-de-la-politique-de-la-ville-qpv/>

some of these SVLs include high concentrations of social housing, many do not, they mainly encompass privatised former state-owned housing.

Renovation and Energy Retrofitting of dwellings

As mentioned above, the renovation and retrofitting of social housing is a widespread challenge across Europe. Social housing in many countries requires modernisation due to its age and energy retrofitting to help meet national and European climate policy targets. However, despite this, innovation and reforms to address these challenges are less common than would be expected, and the finance available is limited in many countries.

In Western Europe, France is a leader in relation to renovation and energy retrofitting of its social housing stock. The scale of its renovation activity is linked to its very extensive urban renewal and renovation programmes, as highlighted above. In addition, the French Climate and Resilience Law, 2021 (*Loi n° 2021-1104 du 22 août 2021*) set ambitious goals to improve the energy efficiency of buildings, including social housing, and banned the rental of properties with the lowest energy ratings, starting with G-rated properties in 2025. The French government's Building Energy Renovation Plan (*Plan de Rénovation Énergétique des Bâtiments*) and the National Low-Carbon Strategy (*Stratégie Nationale Bas-Carbone*) include annual targets for the retrofitting of 200,000 social housing units each year between now and the end of the decade. To achieve this objective a variety of financing supports have been put in place by government including grants, low-cost loans and tax subsidies (including reduced VAT and property taxes).

Among the European countries where social housing provision is low, Bulgaria has been particularly active in energy efficiency retrofitting. Although its social housing sector is almost non-existent, in this country generous public subsidies have been made available under the EU's Recovery and Resilience Facility (RRF), to enable low-income homeowners to improve the energy efficiency of their dwellings. These are managed by municipalities, and subsidy levels previously reached 100% of eligible costs (currently cover 80%), thereby eliminating financial barriers for these households. However, the proportion of the total housing stock that has been renovated with the help of these subsidies is still relatively low, and their future is unsure if the availability of subsidies from the EU changes.

Conclusions

This chapter has examined the most pressing challenges currently faced by social housing policy makers and providers in the four jurisdictions of the United Kingdom and the other 26 members of the European Union and compared these to Ireland. The chapter also explored the innovations and reforms that policy makers in these different countries have introduced in an effort to enable social housing sectors to meet these challenges more effectively.

The chapter reveals that Ireland is unusual among its European neighbours because national government funding for social housing provision here has risen significantly in recent years to levels that are amongst the highest in the EU as a percentage of national income. As a result, social housing output in Ireland has also expanded.⁴⁸ Public grant aid on energy efficiency retrofit of social housing in Ireland is also very generous by the standards of many other EU member states and the UK – it currently covers 50% of costs for deep retrofit of these dwellings. In contrast, in many other European countries public capital spending on social housing provision has contracted in real terms, or at least stagnated, in recent years.⁴⁹ The high level of public spending on social housing in Ireland in part reflects the fact that this country is unusual in Western Europe because the capital costs of its social housing provision and renovation are almost entirely funded by government grants and loans., whereas in many neighbouring countries the sector is funded by a wider variety of sources, including commercial loans, social landlords' own equity, and tenants' rents also play a greater role in providing

⁴⁸ Housing Commission. (2024).

⁴⁹ HOUSE4ALL (2025). House for All: Access to Affordable and Quality Housing for All People. European Compendium of Housing Policies. Luxembourg: ESPON EGTC.

revenue funding. Therefore, total spending on social housing in these countries may in fact be higher than in Ireland, but this non-governmental spending is not captured in the national accounts. As much as possible, complete figures covering both public and private investment in social housing are outlined in the individual country chapters in this publication.

It is also notable that while Ireland is addressing its shortage of affordable housing by increased public investment in new social housing provision and also in the renovation and energy-efficiency retrofitting of existing dwellings, this development has not generally been accompanied by the reforms to social housing financing and delivery arrangements seen in other European countries. It may be the case that the scarcity of public funding has forced other European countries to innovate in order to increase social housing output, whereas these same pressures are not currently evident in Ireland. Nonetheless, in preparation for periods when government funding is less freely available, the Irish government could usefully explore the potential to adopt some of the reforms introduced in other social housing sectors in Europe in recent years that have been outlined in this chapter. This includes diversification of funding sources to include more non-governmental funding, reforms of rents so they more closely reflect costs and can provide a stable source of revenue financing for social housing provision, and reform of delivery mechanisms to expedite output and improve management and maintenance standards as has been done successfully in other European countries.⁵⁰ These reforms would also address some existing challenges in the Irish social housing sector. For instance, despite the generosity of government grants for energy efficiency retrofit of social housing, take up of these grants has been below target, in part because social housing providers have difficulty in funding their contribution to costs because income from rents is insufficient for this purpose.

While arrangements for the financing and delivery of social housing in Ireland have not been subject to the same level of reform seen in several other European countries, in other respects the Irish social housing sector has been an innovation leader in Europe. For instance, inclusionary zoning has been successfully applied to new housing developments in Ireland to prevent the emergence of new socio-spatial concentrations of disadvantage. As a result, a large proportion of the new social housing provided in recent years in Ireland is located in mixed tenure estates, and the available evidence indicates that these estates are successful and popular with social housing tenants and home buyers.⁵¹ The 2021 legislation also established a new cost rental (intermediate rental) tenure in Ireland, which has already had considerable success in addressing the housing affordability challenges of the 'squeezed middle'.⁵² The Irish government has also provided funding for energy efficiency retrofitting of the social housing stock, and the possibility of specifying minimum energy performance standards for rented dwellings is being explored.⁵³

The experiences of applying similar innovations in other European countries highlight some lessons that could inform improvements to their application in Ireland, however, and could help ensure mistakes made elsewhere are not repeated in Ireland. For instance, while inclusionary zoning has been effective in combatting socio-spatial issues in new housing developments in Ireland, this district level intervention could be usefully extended to incorporate measures to combat socio-spatial segregation at town and city level, as is done in France.⁵⁴

Although the establishment of the new cost rental tenure fills a critical gap in affordable housing supply in Ireland, the use of similar initiatives in the UK indicates that they bring risks as well as benefits. In

⁵⁰ Pittini, A., Turnbull, D. and Yordanova, D. (2021). *Cost-Based Social Rental Housing in Europe: The cases of Austria, Denmark, and Finland*. Dublin: Housing Agency., Housing Commission. (2024).

⁵¹ Hayden, A. and Jordan, B. (2018) *Rebuilding the Irish Neighbourhood: How can we make mixed tenure communities work?* Dublin: Housing Agency., Norris, M. et al. (2022) *Social Housing in Mixed Tenure Communities*. Dublin: Housing Agency.

⁵² Byrne, M., O'Callaghan, C., Sheridan, S., et al. (2024) *The Impact of Cost Rental Housing: Security, Affordability and Place*. Dublin.

⁵³ Government of Ireland (2021) *Housing for All: A new Housing Plan for Ireland*. Dublin: Stationery Office., Housing Commission. (2024).

⁵⁴ Norris, M. et al. (2022). make the same suggestion in the Irish context

England in recent years dwellings for affordable or intermediate rent have come to dominate affordable housing supply. They accounted for 53% of affordable housing output in 2021/22, while social rented housing accounted for just 13%. While in this case social housing financing challenges may have contributed to this outcome, it does illuminate the risk that social housing landlords will find it more attractive to provide dwellings for intermediate rent than for social rent.

The experience of social housing providers across Europe suggests that policy on energy efficiency retrofitting also has the potential to generate similar unintended outcomes. In some European countries social housing providers have prioritised investment in the energy retrofitting of the existing housing stock over new housing development, because the former is often a legal or regulatory obligation whereas the latter is not.