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Item 3 of the provisional agenda*

Consideration of the outcomes of the preparatory intersessional meetings, including draft recommendations

Proposed recommendations on social housing**

Note by the secretariat

1. Based on the discussions held at the first session of the Open-Ended Intergovernmental Expert Working Group on Adequate Housing for All, social housing was designated as a priority topic and included by the Co-Chairs of the Working Group in the Roadmap of their presidency, developed following their appointment in December 2024. Pursuant to this decision, an Expert Group Meeting was convened on 9 June 2025, with the participation of 44 technical experts, to identify the principal challenges and trends in the social housing sector and formulate draft recommendations. Two Intersessional Meetings were subsequently organized on 27 June 2025 and brought together 103 participants, who undertook a review of the background documentation, provided substantive inputs and contributed to the refinement and validation of the draft recommendations. The process ensured broad representation, encompassing both technical expertise and institutional perspectives.

I. Background

A. Conceptual framework

2. The definition of what constitutes social housing varies significantly between countries. For the purpose of this discussion, the term is used here to refer to housing that is publicly planned, maintained and governed, including in partnership with other actors, and which aims to ensure adequate and affordable housing for all, with a focus on those excluded from the formal market, especially people with low and moderate incomes and those in vulnerable situations.

3. While the specific aspects of social housing vary widely by country and region and reflect context-specific realities, key features include:

(a) Housing costs are generally set below formal market rates and are often linked to incomes or to the costs of supplying the dwelling.

(b) Social housing is usually owned or managed by government bodies (e.g. municipalities, public housing offices), non-profit or limited-profit organizations (e.g. housing associations, semi-public or private social companies, cooperatives).

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** The present note has not been formally edited.

(c) Allocation is typically based on need and criteria such as income level, occupation (e.g. public employees), vulnerability (e.g. disability), or status (e.g., people experiencing homelessness, or living in informal settlements). In some contexts, social housing is designated as a universal provision, offering access to large shares of the population.

(d) The core purpose of social housing programmes is to address housing inequality, promote social inclusion and support marginalized groups.

4. Based on the mandate of most social housing programmes, an additional core principle of long-term affordability should be considered. This means that allocation and tenure models are designed in ways that prevent public subsidies or assets from being diverted to speculative market practices, particularly when they are part of ownership schemes. Effective protections (such as resale price caps, buy-back clauses, public reversion rights, Community Land Trusts) help ensure that housing developed with public support continues to serve its social function over time.

5. Social housing plays a critical role in mitigating the failures of the housing market, leading to unaffordability and exclusion, especially for lower-income groups. State intervention through social housing is essential to ensure stability, equity and access. Social housing is thus a critical component of inclusive housing systems globally. At its core, it is a public or publicly supported good, designed to ensure that all people (particularly those with low incomes or in vulnerable situations) can access adequate housing. But beyond individual shelter, social housing also serves broader social, spatial and economic goals such as:

(a) Social cohesion and stability: by preventing marginalization and offering a safety net during life transitions such as job loss, displacement or family breakdown.

(b) Spatial justice: by locating housing in areas of opportunity, social housing combats spatial segregation and ensures more equitable urban development. Locating social housing in central urban areas, particularly through the adaptive reuse of vacant buildings, can significantly reduce commuting distances, lower transport emissions and support climate goals, while enhancing residents' access to jobs and services.

(c) Market moderation: A strong social housing sector can serve as a counterbalance to speculative dynamics, contributing to greater price stability and affordability in the wider housing market as well as increasing quality.

(d) Climate and health resilience: when well-designed, social housing supports public health and climate mitigation by reducing energy poverty and increasing climate resilience.

(e) Livelihood security as access to stable and adequate housing lowers barriers to education, employment and mobility.

(f) Macroeconomic resilience, by stimulating the construction sector counter-cyclically, particularly in times of economic downturn.

6. The value of social housing is also evident in contexts of crisis and displacement. Whether in post-conflict recovery, natural disaster response or forced migration settings, social housing has provided a pathway to long-term integration and recovery. In rapidly urbanizing regions, especially where informal or self-built housing predominates, social housing systems increasingly intersect with upgrading programmes, tenure formalization efforts and community-driven development. These intersections require sensitivity to existing social networks, local building practices and livelihood strategies to ensure that new housing interventions are inclusive, appropriate and do not result in displacement. In some cases, relocation-based approaches have imposed unaffordable costs on low-income households, undermining access and long-term stability.

7. Furthermore, when integrated with broader policies, from climate adaptation to gender equality, social housing becomes an enabler of systemic change. The example of Brazil's *Minha Casa, Minha Vida* shows the power of integrated housing: in its second phase, 80 per cent of housing contracts were registered to women, especially single mothers and survivors of gender-based violence, strengthening their housing rights and economic security. The programme also paired housing with childcare, healthcare and infrastructure, highlighting how integrated solutions boost inclusion and resilience.

8. Social housing systems worldwide include both rental-based and ownership-based models, each with distinct advantages and challenges. Rental social housing offers higher flexibility, stronger stability in price setting, and therefore affordability, and the ability to reallocate housing based on changing household needs, making it more suitable for diverse and evolving populations.

Ownership-based social housing, on the other hand, can help build household wealth and stability but often requires higher upfront investment and may limit mobility.

9. Finally, it is important to stress that no single housing policy instrument can address the full spectrum of housing challenges. Instead, a range of approaches and tools (financial, regulatory and institutional) must be deployed in different combinations depending on local context, institutional capacity and population needs. Yet, within this broader mix, expanding social housing as critical infrastructure is essential, both to meet immediate housing needs and to anchor long-term strategies for equity, climate resilience and inclusive urban development.

B. Institutional, regulatory and financial set-up

10. Social housing systems depend on robust governance, clear regulations and sustainable financing.

11. Governance models for social housing range from centrally managed, state-led systems (e.g. Singapore) to decentralized or mixed arrangements involving provincial (e.g. Argentina, Brazil) or municipal (e.g. Finland) authorities, tenants associations (e.g. Denmark, UK) and non-profit companies (e.g. France), or housing cooperatives (e.g. Uruguay). Local authorities are increasingly assuming leadership, given their proximity to communities and capacity to address housing needs in a targeted manner. Despite the diversity of governance models, the effectiveness of social housing systems largely depends on the strength of fiscal frameworks, legal clarity and administrative capacity. Countries with well-defined responsibilities and adequate resources tend to achieve better outcomes. In addition, dedicated housing institutions or agencies have proven essential, not only for managing housing delivery and ensuring quality standards, but also for maintaining policy continuity and focus beyond electoral cycles.

12. While direct public provision remains vital in many contexts, social housing systems also depend on the strategic engagement of a broader range of actors. In this matter governments have a key role as both providers and enablers by setting the legal, fiscal and institutional frameworks that allow diverse actors (such as developers, constructors, financial institutions, social partners or tenants associations) to contribute effectively. Ensuring clarity of mandates, fairness of competition and alignment with public objectives is critical to maintaining coherence and quality across this mixed ecosystem.

13. Regulatory frameworks are also critical in determining access and equity of the system. Eligibility rules, rent setting, tenant protection and allocation criteria shape who can access social housing and under what conditions. Overly restrictive targeting can result in the residualization[1] of the sector, while inclusive models (e.g. in Austria or France) aim for social mix. Transparent, participatory processes for setting rent levels, allocating units and evaluating outcomes help to build public legitimacy and ensure fairness. Meaningful engagement of residents and civil society in these processes can strengthen accountability, improve targeting and align services with community needs. Public reporting and oversight mechanisms also reinforce trust in the system and support adaptive learning.

14. Legal and regulatory frameworks are essential for defining and upholding housing adequacy across different tenures. These frameworks should guarantee tenant rights, ensure non-discrimination and set enforceable standards for habitability and affordability. To reflect the diversity of contexts and housing needs, it is essential to ensure the adaptability of regulatory frameworks. Flexibility allows for locally appropriate solutions (such as cooperative tenure models, incremental housing approaches or the development of mixed-use neighbourhoods) that respond to specific social, economic and spatial realities. For example, incremental construction can serve as a legitimate and effective mode of social housing delivery, especially where public resources or institutional capacity are limited. Incorporating incremental pathways within social housing, through supportive regulations, technical assistance and incentive mechanisms, can enable governments to scale affordable, context-sensitive and culturally appropriate solutions while enhancing resident agency, participation and resilience.

15. Effective regulation is essential to enabling meaningful cooperation between the public sector and a range of other actors in delivering social housing, including private, cooperative and non-profit housing providers. Clear, transparent and enforceable rules help ensure that all participants operate within a shared public-interest framework. The example of Austria's limited-profit housing associations (LPHA) model[2] shows how well-designed regulatory systems can establish conditions for

[1] Residualization refers to the process by which social housing becomes limited only to people on lowest-income, experiencing highest vulnerabilities or most marginalised groups, often leading to segregation, and social stigma.

[2] https://www.housing2030.org/project/austrian-legislation-and-auditing-of-limited-profit-housing/

cost-based rent setting, capping land costs, financing and management expenses, quality standards, financial transparency and reinvestment obligations. Regulation operates through several layers: internal audits within each LPHA; industry-level oversight by specialist auditing bodies (Revisionsverbände) conducting annual inspections; external control by regional governments reviewing audit reports and subsidy compliance; and national legislation defining the sector's purpose and cost-rent rules.

16. Finally, financial sustainability depends on stable public investment complemented by a variety of financial tools, such as capital grants, demand-side subsidies, tax incentives, land-based instruments, social housing bonds or cooperative savings schemes. Successful systems integrate these tools within a coherent policy framework and maintain transparency in subsidy flows and allocation.

17. In many regions, the challenge is not only mobilizing funding but also strategic coordination to ensure that finance supports long-term goals of equity, inclusion and resilience.

18. In several regions, social housing financing is also significantly supported by mandatory employer or employee contributions into dedicated social housing funds. These centralized housing funds and dedicated social housing financing mechanisms play a key role in scaling up social housing. Examples include Mexico's INFONAVIT, Brazil's *Fundo de Garantia do Tempo de Serviço*, provident fund systems in Singapore and China and housing levies in Kenya. These funds aggregate large-scale resources from payroll deductions and employer contributions, which are then channelled into loans, subsidies or direct development programmes. These mechanisms also help pool resources and are essential tools for enabling sustained and structured support to national housing strategies.

19. Another important mechanism is the use of regulated saving schemes to channel domestic resources into social housing. These funds from government-backed savings accounts (e.g. the *Livret A* system in France), supported or guaranteed by the State (e.g. Germany, Austria, Slovakia) provide long-term, below-market loans for social housing construction and renovation. Such models offer stable, counter-cyclical financing and help safeguard housing investment during economic downturns.

20. Beyond formal state systems, community-driven savings groups also play a vital role, especially in low- and middle-income countries. Organizations like Slum Dwellers International coordinate savings schemes among low-income residents, pooling modest contributions into funds that support land acquisition, housing upgrades or incremental construction. These models not only finance housing but empower communities to engage in urban planning and negotiate for better living conditions.

21. Beyond the construction of new units, the maintenance, renovation and operation of existing social housing stock must be recognized as core pillars of social housing policy. In many contexts, inadequate attention to these aspects has led to accelerated deterioration, energy inefficiency and rising vacancy rates. Ensuring long-term habitability requires dedicated funding streams and clearly defined institutional accountability. Lifecycle-based financing models, maintenance reserve funds and sealed reinvestment mechanisms, such as those used in cost-rent systems and revolving funds, can help safeguard housing quality, extend asset longevity and reduce the need for costly interventions. Moreover, effective maintenance is essential for tenant satisfaction, improved health outcomes and enhanced climate resilience.

22. Equally important is the recognition of residents and housing applicants not as passive recipients but as rights-holders and contributors. Social housing systems are most effective when they incorporate mechanisms for sustained tenant participation, from allocation and design to oversight. Recognizing and strengthening the voice of "consumers" ensures that housing systems are responsive, transparent and grounded in lived realities.

23. An important consideration is that social housing cannot be addressed in isolation. Its accessibility, effectiveness and long-term sustainability are deeply influenced by the broader dynamics of the housing system. In many contexts where housing markets fail to meet the needs of a large segment of the population, including middle-income households, social housing programmes designed for the lowest-income groups have been overwhelmed by wider demand. This can result in the displacement of people most in need, undermining the equity objectives of the sector. A systemic approach is therefore critical: social housing must be developed in parallel with adequate housing supply across the income and tenure spectrum, and in articulation with upgrading approaches, underpinned by clear eligibility criteria, transparent allocation mechanisms and coordinated with policies on land use, housing finance and rental market regulation. Such integration helps prevent the distortion of social housing systems and enables them to serve as a protective pillar within a broader, inclusive and functional housing ecosystem.

C. Status and evolution of the social housing sector

24. Social housing has undergone a significant transformation globally, both in scale and character, shaped by demographic, economic and policy shifts. Traditionally rooted in the post-war welfare state models of Europe, social housing was designed to provide government-supported low-cost rental units to working-class families. Countries like the United Kingdom, the Netherlands and Sweden allocated large shares of housing stock – up to 30–50 per cent – to public or social providers. However, since the 1980s, neoliberal reforms led to reduced state investment, privatization and conversion to market use of public housing, with notable exceptions where strong policies have maintained public and cooperative stock at scale. In some cases, social housing is converted into market-rate rental (e.g. in Germany) or purchased by tenants (e.g. UK).

25. Privatization has frequently led to a long-term reduction in the overall size of the social housing stock. In many cases, units sold were not replaced, and there were no clear mechanisms to ensure one-for-one replacement. This has weakened the sector's capacity to meet ongoing needs and has contributed to chronic shortages in many urban areas. Further, for those who purchased former social housing, new challenges have emerged. While ownership offered initial benefits, many low-income buyers were unprepared for the costs of maintenance and repairs. Over time, this has resulted in deteriorating housing conditions, particularly as owners face ageing, illness or economic hardship, creating a new layer of housing vulnerability. The resale of privatized social housing into the private rental market has further eroded the public value of those units that, without strong legal safeguards, now generate private profit, sometimes through state-subsidized housing benefits, despite having been built for public use. These trends have also deepened intergenerational divides. Earlier buyers were able to secure affordable homeownership, while younger low-income households now face a system with fewer social housing options and greater dependence on unstable private rentals.[3]

26. Reduction in availability has further led to eligibility becoming increasingly restrictive, reinforcing concentration of poverty and social stigma, a phenomenon referred to as "residualization".

27. In recent decades, there has been a global resurgence of interest in social housing, driven by rapid urbanization, spiking prices on housing markets and increasing inequality. The concept has evolved from state-provided rental units to a broader set of approaches, including public-private partnerships, community-led housing and mixed-income developments. In many countries, social housing is now framed within the context of inclusive urban development, sustainability and spatial justice.

28. Yet, regional approaches vary widely. Europe has some of the most developed social housing systems, especially in countries like the Netherlands, Austria and France. While Northern and Western Europe maintain strong, mixed-income models, Southern and Eastern Europe have seen reduced stock due to privatization and limited reinvestment. Recently, affordability crises have revived policy attention on expanding social housing and green retrofitting programmes. For example, the relative size of the social housing stock has increased by over 2.5 per cent in Iceland and Korea since 2010.[4]

29. In North America, social housing is limited and highly targeted toward the lowest-income households. In the United States of America, recent trends emphasize voucher-based subsidies, non-profit partnerships and tax credit programmes like the Low-Income Housing Tax Credit. Canada has maintained a diverse system including co-ops and municipal housing.

30. Latin American countries have historically prioritized state-subsidized homeownership and large-scale public housing programmes (such as Brazil's *Minha Casa, Minha Vida* and Mexico's social housing model). However, in some instances these initiatives have faced criticism for their peripheral location and limited access to essential services. In parallel, countries like Uruguay and cities like Sao Paulo have also supported cooperatives and mutual-help groups as part of their social housing programmes. Recent policy shifts increasingly focus on integrating self-built and mutual-help solutions (e.g. *Minha Casa, Minha Vida Entitades*), upgrading informal settlements and better linking social housing to transport networks and public services.

31. Asia exhibits a wide spectrum of social housing approaches, from state-dominated systems to market-driven models. Social housing models can also combine rental and ownership approaches, as seen in Malaysia's People's Housing Projects. In China the government has made significant investments in affordable rental housing schemes (ARH) to support low- and middle-income families facing housing challenges, newly employed workers and stable employment migrant workers in urban areas. Further, Singapore and Hong Kong, China, maintain some of the world's most comprehensive

[3] Housing Europe Observatory (2021), The sale of social and public housing in Europe

[4] OECD, Affordable Housing Database, PH4.2. SOCIAL RENTAL HOUSING STOCK

public housing systems, with over 70 per cent of residents housed in government-built units. These systems prioritize long-term leaseholds, long-term planning and integration with transport and services. In South Asia, particularly India, social housing is driven by subsidy-based programmes like PMAY and large-scale slum upgrading initiatives. Across Asia, growing urban populations and rising inequality are pushing governments to explore more inclusive, resilient and mixed-use housing solutions.

32. In Sub-Saharan Africa, social housing provision remains limited and often shaped by the legacy of colonial planning. Today, most urban housing is still produced incrementally by residents themselves. In response, some governments have shifted focus from large-scale construction to supporting slum upgrading, tenure security and access to finance. Kenya and South Africa have expanded support to savings and credit cooperatives (SACCOs), housing construction cooperatives and dedicated housing funds. Ethiopia's[5] government-led condominium schemes with subsidized financing and Côte d'Ivoire's[6] rent-to-own schemes also reflect hybrid approaches aiming to expand access to housing. Infrastructure investment remains a critical gap, especially to extend services to urban peripheries.

33. In the Middle East and North Africa,[7] social housing provision remains limited and is primarily shaped by homeownership-driven policies, with public rental housing rare and constrained by institutional and fiscal limitations. State-led initiatives often target low- and middle-income households through subsidized homeownership programmes, as seen in Egypt and Morocco, though many developments face challenges related to location, infrastructure and uptake.

D. Key challenges faced by social housing sector

34. Despite its critical role in promoting inclusive and sustainable urban development, the social housing sector faces a range of persistent and emerging challenges. These obstacles limit the ability of social housing to meet growing demand, ensure long-term affordability and deliver on broader social and environmental goals. Addressing the following challenges is essential to realizing the full potential of social housing as a driver of equity and resilience.

(a) **Privatization, erosion, residualization[8] and stigmatization**: Many countries have sold or converted social housing into market-rate or owner-occupied stock, while narrowing eligibility to low-income or vulnerable groups. This has concentrated disadvantage, weakened the financial sustainability of the sector and contributed to social stigma. In some regions (such as parts of Europe, North America and countries from former Soviet Union) public stock has been significantly reduced, undermining the sector's stabilizing role.

(b) **Governance gaps and erosion of trust**: Unclear mandates, fragmented responsibilities, opacity in assignation and a lack of institutional continuity have weakened the delivery of social housing. The absence of dedicated providers or long-term planning frameworks can erode confidence in the system's ability to deliver. Where allocation procedures or eligibility criteria lack transparency, public trust in the fairness and purpose of social housing may be further weakened.

(c) **Finance and long-term sustainability**: The increasingly targeted focus of social housing has constrained rent-based cost recovery, while underfunded maintenance and renovation budgets undermine long-term viability.

(d) **Financialization**: In the social housing sector, financialization can take the form of asset-based funding models, securitization of public stock and increased private investor participation. While these approaches may bring capital, they often shift the focus away from long-term affordability and stability. In some contexts, the emphasis on ownership over rental has reinforced housing as an asset rather than a social good, weakening the role of social housing as part of a rights-based and non-market approach.

(e) **Lack of reliable and disaggregated data** hampering effective planning, allocation and evaluation.

[5] https://unhabitat.org/condominium-housing-in-ethiopia

[6] Centre d'Excellence de l'Habitat, Rapport Pays sur le Logement et le Developpement Urbain de la Côte D'Ivoire, available here

[7] ESCWA, Social Housing in the Arab Region: An Overview of Policies for Low-Income Households' Access to Adequate Housing, 2017

[8] Residualization refers to the process by which social housing becomes limited to only the lowest-income or most vulnerable groups, often leading to segregation, and social stigma.

(f) **Land scarcity and spatial inequality**: High land prices in urban cores often push social housing to peripheral locations, reinforcing socio-economic segregation, increasing commuting burdens and reducing access to jobs and services.

(g) **Cultural inadequacy**: Standardized housing designs may fail to reflect local customs, household structures or traditional livelihoods, especially in Indigenous, rural or multi-generational contexts.

(h) **Ageing stock and climate adaptation**: Much existing social housing requires retrofitting to improve energy performance, accessibility and resilience to climate risks. In some countries, shares of municipal housing stock remain vacant because units are unsuitable for habitation.

(i) **Demographic shifts**: Ageing population and evolving family structures demand flexible housing typologies, from accessible units for older people to adaptable spaces for diverse household compositions. Global trends such as declining fertility rates are also reshaping household structures and influencing planning.

E. Key trends

35. Social housing is undergoing a significant transformation across regions, shaped by evolving social needs, environmental imperatives and shifting policy paradigms. While these transformations are context-specific, several overarching trends are emerging that reflect a growing recognition of housing as a cornerstone of inclusive, sustainable urban development. Key trends include:

(a) **Community-led and cooperative models**: From Uruguay's mutual aid cooperatives to Brazil's *Minha Casa Minha Vida Entidades,* the Philippines' Community Mortgage Programme[9], and European housing cooperatives, resident-led models are diversifying provision. While promising, scaling remains a challenge, especially when these initiatives are set to compete for public support (funding, land allocation) through frameworks designed for professional developers and do not recognize the specific needs of these models in terms of timelines, more flexible documentation requirements and capacity-building needs.

(b) **Strategic land use tools**: Land banking, value capture and sharing, community land trusts and time-bound leases are being used to secure land for affordable housing in well-located areas.

(c) **Municipal leadership:** Cities such as Vienna, Paris, Barcelona, Sao Paulo and Seoul are advancing housing agendas by planning, financing and managing social housing while integrating it with broader urban policy.

(d) **Large-scale public programmes:** In Latin America and West Africa, governments have launched state-led housing initiatives to expand affordable supply, often combining national coordination, public investment and support from multilateral partners.

(e) **Cross-sectoral integration:** Connecting social housing programmes with transport, healthcare and gender equity agendas improves residents' well-being and ensures housing solutions reflect people's full livelihood needs.

(f) **Architectural and design innovation**: Modular, flexible and low-footprint designs are responding to demographic change, reducing costs and supporting environmental goals. Adaptive reuse and renovation are increasingly recognized as sustainable alternatives to new construction.

(g) **Integration of food systems:** Social housing is increasingly linked with food security through the incorporation of urban agriculture, community gardens and proximity to local food markets. Examples can be highlighted from cities like San Antonio, New York and Montreal.

II. Proposed draft recommendations

36. The following recommendations outline priority actions to strengthen the institutional, spatial, financial and design foundations of social and cooperative housing systems. While delivery models vary across countries and regions, the proposals reflect shared principles of long-term affordability, inclusion, habitability, public value and system-wide coherence.

[9] Community Mortgage Program – Social Housing Finance Corporation

37. The recommendations are structured around four priority areas:

(a) Key conditions for the development of sustainable and inclusive social housing programmes,

(b) Land allocation and spatial equity,

(c) Inclusive and sustainable design,

(d) Integrated support and equitable allocation.

38. Each section presents a set of high-level recommendations, followed by principles to guide implementation in different settings. Together, they outline a systemic approach to advancing the role of social housing as critical infrastructure for the realization of the right to adequate housing.

A. Enablers for inclusive social housing programmes

39. A functioning institutional framework is a prerequisite for the implementation of any social housing programme. Successful social housing policies require a clear, coordinated institutional structure with well-defined roles across national, regional and local levels. Dedicated agencies, political commitment and tenant involvement are key to ensuring accountability and sustained delivery, while adaptable regulatory frameworks allow for context-specific and inclusive models.

1. Develop robust institutional and policy frameworks to guide the implementation of inclusive and sustainable social housing programmes, ensuring sufficient flexibility to accommodate and support incremental housing approaches, mutual-help and cooperative delivery systems.

(a) Embedding social housing within a robust legal and institutional framework

40. Developing effective social housing systems requires more than a technical or construction-focused approach, but rather strategic foresight, institutional coordination and the ability to adapt to changing social, demographic and economic conditions. Central to this effort is the creation of long-term national strategies that articulate measurable goals and targets, realistic timeframes and transparent financial commitments. These strategies must not be static, but rather remain flexible and responsive to demographic shifts, urbanization pressures and changing macroeconomic conditions.

41. Importantly, social housing cannot be conceptualized in isolation. It is embedded within the wider housing ecosystem and must be understood in relation to market dynamics, access gaps and structural imbalances. Designing housing policy with this systemic lens ensures that interventions are not only targeted but also reinforcing of broader housing objectives.

42. Social housing should not be seen as a standalone solution, but rather as part of an overall comprehensive housing policy integrating a range of financial, regulatory and institutional tools. In particular, social housing should be understood in relation to other instruments, such as housing allowances, rent regulation and cooperative housing. Its effectiveness lies in how it complements other policy tools to create a resilient and inclusive housing system.

43. At the governance level, clarity of roles and mandates is essential. A fragmented institutional landscape hampers delivery. Clear definition of mandates and responsibilities across national, regional and local levels, supported by multi-level performance agreements, can align planning with implementation. These agreements should be co-developed with local authorities, social housing providers and tenant organizations, embedding shared accountability and realism in policy targets.

44. Sustaining progress across political cycles is another critical challenge as social housing requires institutional continuity. This can be fostered through governance models that are shielded from short-term political volatility, such as community-led, non-profit or limited-profit entities committed to long-term social missions. These actors often bring stability, as well as innovation, accountability and a deeper responsiveness to local needs.

45. Building sustained political support for social housing entails shifting the narrative: it is not merely a safety net, but a stabilizing force in the economy and society. Its impacts extend well beyond the provision of individual shelter, enabling labour mobility, supporting public health, mitigating inequality and enhancing social resilience. Recognizing these wider benefits helps position social housing as a mainstream infrastructure priority.

46. Furthermore, social housing policy should not be siloed. Integration with employment strategies, transport planning and urban development is vital to unlock co-benefits such as reduced commuting burdens, improved job access and more compact urban forms. In the face of climate

change, well-located social housing can also be a lever for climate action, reducing sprawl and fostering energy-efficient, transit-oriented development.

47. Demographic foresight is also essential. Strategies must anticipate and address the housing implications of changing demographics and ageing populations, while also promoting social mix and inclusive design to counteract segregation and exclusion. Similarly, social housing can support urban transformation, acting as a tool for upgrading informal settlements when approached sensitively to preserve existing social networks and livelihood strategies and address affordability constraints.

48. Governance innovation must also extend to recognize the broad spectrum of actors involved in housing delivery. Cooperatives, community organizations, mission-driven developers and non-profits all play indispensable roles, not just in construction, but in long-term management, community-building and tenant support.

49. Further, incremental housing, where households build or upgrade over time, should be recognized as a valid form of provision, supported by secure tenure, technical assistance and customized financial tools.

50. Where municipalities have both clear mandates and sufficient resources, they can act as facilitators of integrated, sustainable housing systems. They are uniquely positioned to provide land, plan infrastructure and align housing development with broader social goals. Participatory processes are particularly essential, especially where existing housing is being replaced or upgraded, to ensure that developments reflect the needs and voices of affected communities.

51. Beyond unit provision, social supportive measures, such as community mediation, integration programmes and services tailored to vulnerable groups, should be considered when designing social housing interventions.

52. Finally, gender-transformative approaches should be central in social housing. This means incorporating safety-enhancing design, securing women's tenure rights and offering targeted support to female-headed households or survivors of gender-based violence.

(b) Strengthening institutional capacity for sustainable social housing

53. Achieving sustained and equitable delivery, management and maintenance of social housing requires strong, well-coordinated institutions such as dedicated agencies with clear mandates to oversee planning, delivery and long-term maintenance.

54. To be effective, institutional arrangements must support inclusive models of delivery and management, including recognizing the vital roles of public, cooperative, mutual-help, community-based and non-profit actors. Coordinated mechanisms should facilitate equitable access to public resources and ensure alignment across these diverse providers.

55. Finally, success also depends on building technical capacity across institutions and providers. This includes sustained investment in training, knowledge exchange and partnerships with academia and civil society to promote innovation and long-term effectiveness.

(c) Enhancing regulatory oversight and tenant participation

56. To ensure the quality, accountability and long-term sustainability of social housing, Member States must build strong regulatory and oversight frameworks. Independent authorities should be introduced and empowered to monitor key areas such as financial sustainability, rent setting, affordability, tenant protections and minimum quality standards – including health, accessibility and habitability.

57. Transparent auditing and reporting mechanisms are essential for all providers receiving public support. Regulation should also support smaller-scale actors by offering technical assistance, regulatory flexibility and preferential access to land and finance.

58. Crucially, tenant participation must be institutionalized through representation on provider boards, consultative bodies and planning processes, in order to strengthen accountability, foster trust and ensure housing systems respond to real needs.

2. Mobilize long-term, diversified and accountable public-interest financing frameworks for social housing, including tailored channels for incremental, mutual-help, cooperative and community-based provision.

59. Ensuring the long-term sustainability of social housing requires robust, diversified and equitable financing frameworks that support not only the development of new supply but also the renovation, maintenance and long-term management of existing stock. These frameworks must uphold

affordability, quality and environmental sustainability, while reinforcing social housing as a strategic public asset, not merely a safety net.

60. Governments should shape multi-year national housing budgets, strategic regulation and support the creation of stable investment environments that attract responsible private and institutional capital. Public investment must be retained and reinvested in the system using closed-circuit funding models, such as revolving funds, where rental income or loan repayments finance the maintenance and future developments.

61. A balanced mix of financing instruments is essential. To build resilience, governments should also explore regulated savings schemes and community-based finance models. Employer- or employee-based housing funds can mobilize domestic resources if designed with strong governance and social safeguards.

62. To ensure that investment in housing advances social outcomes, governments should channel capital through accountable, public-interest financial intermediaries. Institutions such as cooperative banks or revolving social housing funds can play a key role in directing resources toward affordable and inclusive housing.

63. Financing schemes should include tailored funding channels for small-scale and community-driven delivery, recognizing their unique timelines and capacity-building needs. Community-led, cooperative and mutual-help initiatives are vital to expanding access to social housing. Similarly incremental models offer potential to expand access particularly in underserved areas. Governments should recognize, scale and support these models through dedicated, flexible and low-bureaucracy financing.

64. Financing frameworks should be developed to cover the full lifecycle, including maintenance, renovation and retrofitting. Establishing reserve mechanisms to support quality and liveability over time is crucial. To this end, applying cost-rent principles helps providers plan for ongoing maintenance and reduce long-term costs.

65. Climate finance should be actively leveraged to support energy-efficient retrofitting and the development of climate-resilient social housing, aligning housing strategies with national environmental goals.

66. To protect public investment and prevent speculation, financing frameworks must include safeguards, particularly in ownership-based models, such as resale price caps and public pre-emption rights.

67. Capital flows must be aligned with public interest objectives. This requires transparent financial intermediaries, regulatory oversight and strong accountability mechanisms. While private investment can bring scale and innovation, it must operate within frameworks that ensure equity, affordability and long-term social impact.

68. Investments marketed as delivering environmental, social and governance (ESG) benefits are increasingly being directed toward the social housing sector. To ensure that ESG investments in social housing contribute to social goals, shared social performance standards (e.g. rent accessibility, long-term tenure security and inclusion of low-income and marginalized communities) should be applied and monitored. These standards should be enforced by public authorities or mission-driven institutions to guarantee that public interest is protected and that benefits are measurable and transparent.

69. Governments should exercise extreme caution when considering the sale of social housing assets as a means of generating public revenue. While such measures may appear expedient for fiscal relief in the short term, experience across Europe shows that large-scale sales may cause irreversible loss and diminish the long-term capacity of the social housing system to meet growing and evolving needs. Maintaining and strengthening the public housing stock is a strategic investment that supports social cohesion, economic resilience and territorial balance. Any decisions regarding asset management should be guided by long-term public interest goals and a careful assessment of social and fiscal impacts.

70. Finally, sustainable finance depends on institutional capacity, professional management and inclusive governance, including tenant participation. Mobilizing finance for social housing is not merely a technical task, it also demands political will, policy coherence and a firm commitment to housing as a human right and a foundation of inclusive, sustainable development.

3. Build integrated housing, spatial and demographic data systems to support evidence-based planning and decision-making.

71. Robust data and monitoring tools are essential to building effective, inclusive and accountable social housing systems. Reliable information enables governments to assess housing need, guide resource allocation and evaluate system performance, while transparent reporting and resident engagement foster public trust and ensure that investments deliver long-term value.

72. Governments should invest in centralized, interoperable data systems that collect and integrate spatial, cadastral and socio-economic information. Regular, disaggregated housing needs assessments by income, age, household type, payment capacity and location are critical to ensure planning is responsive, inclusive and evidence based.

73. To strengthen accountability, social housing providers should be subject to standardized and regular reporting requirements, covering occupancy, rent levels, subsidy use, housing quality and tenant outcomes. Residents must be actively involved in monitoring and evaluation through participatory tools such as surveys and community scorecards.

74. Performance reporting should go beyond delivery metrics. It must also capture broader social, economic and environmental impacts, including health and education outcomes, labour market access, reductions in homelessness and carbon emissions. Cost-benefit and lifecycle assessments of public investment in social housing should be mandated, demonstrating its preventive value and long-term infrastructure role.

4. Demonstrate the public value of social housing through impact measurement.

75. Social housing delivers far-reaching benefits beyond individual shelter. To strengthen political and financial support, governments should systematically measure and communicate, including in non-technical language, its social, economic and environmental impacts. Evidence of contributions to inclusion, public health, gender equality, employment, climate resilience and territorial cohesion helps clarify the return of long-term investment and informs better policy design.

76. Social housing also plays a strategic macroeconomic role. It supports labour mobility and competitiveness by lowering housing costs, stabilizes employment during income shocks and buffers economic downturns by maintaining consumption and reducing volatility in housing markets. Moreover, it contributes to public health, reducing healthcare costs by ensuring basic living standards.

77. Given these broad outcomes, Governments should carefully evaluate the balance between rental and homeownership options. A more balanced social housing offer can better serve youth, mobile workers and low-income groups, while reinforcing links to social protection systems and promoting a more inclusive economy.

78. To support evidence-based policymaking, governments should also define the full fiscal and opportunity costs of social housing, including implicit subsidies and municipal obligations. Mandatory impact and cost assessments can enhance transparency, promote efficiency and position social housing as a long-term social infrastructure investment.

B. Land allocation and spatial equity

79. Land policy strongly shapes the accessibility and sustainability of social housing. Densifying within consolidated urban areas reduces infrastructure costs and improves service access. Local governments play a central role through land-use planning, while tools such as zoning incentives, land banks and public land allocation help secure well-located land for social housing. Integrating land policy with mobility and infrastructure planning supports more inclusive and connected communities.

1. Unlock access to well-located land for social housing development by mobilizing strategic public land use, land banking and land value sharing.

80. Ensuring access to well-located, serviced land is fundamental to building inclusive and sustainable social housing systems. Frequently, to lower costs, social housing is pushed to the urban periphery, where land is cheaper but infrastructure, services and opportunities are lacking. This practice entrenches spatial inequality, limits access to opportunities and income generation and increases environmental costs. To counter this, governments must take a proactive role in unlocking land for social housing in areas that are well-connected, central and rich in opportunity.

81. Strategic public land use, land banking and land value sharing mechanisms are key tools in this effort. Municipal land banks, supported by national frameworks, can play a vital role in identifying, acquiring and allocating land for social and cooperative housing. Mapping vacant or underused public

and private land (and buildings) in central and accessible locations, and planning for early urban expansion before land prices increase can help secure land for public good. Instruments such as land value sharing and inclusionary zoning, which can require private sector actors to contribute to social housing provision as a condition for increased development rights, can help ensure that urban growth actively supports inclusive housing systems.

82. Leasehold models (both temporary and long-term) offer an alternative to land sales, allowing the state governments to retain ownership and ensure affordability over time. Mechanisms such as land pooling, reallocation and community land trusts offer further ways to assemble land for social housing in a way that avoids displacement and supports community stability.

83. Public resources, including land, should be allocated through negotiated frameworks that prevent competition between community-based, non-profit and private actors, fostering collaborative delivery.

84. In addition, governments should strengthen cadastre, land registries and administrative systems to reduce fragmentation, increase transparency and prevent land speculation or capture.

2. Embed social housing into urban policy and governance to ensure equitable access to housing and promote territorial justice.

85. Social housing programmes must be fully integrated into broader urban and territorial development strategies. Ensuring that social housing is located near job opportunities and public services is essential for supporting labour market participation and improving the life chances of low-income households.

86. Land-use planning plays a central role in this integration. By aligning land and housing policy, governments can avoid the trap of relegating social housing to marginalized areas and instead ensure that homes are built where people can thrive. Promoting densification in consolidated urban areas and prioritizing adaptive reuse of vacant or underused buildings can reduce commuting emissions, support compact urban form, reduce infrastructure duplication and enhance residents' access to urban opportunities.

87. Social housing should be embedded into urban renewal and redevelopment efforts, including the upgrading of informal settlements, to promote inclusive development and avoid displacement. Moreover, coordinated planning across municipalities can help address the growing need for housing linked to population mobility, while investment in secondary cities can promote balanced territorial development and ease pressure on large metropolitan areas.

3. Align social housing with infrastructure planning to support connected and inclusive communities.

88. For social housing to foster truly connected, inclusive and resilient communities, it must be fully integrated with broader systems of infrastructure, land use and service provision. Housing delivery should be aligned with mobility networks, education, healthcare and green infrastructure, ensuring that residents can access essential services without facing spatial or economic exclusion.

89. Integrating social housing into economic development zones can further improve access to employment and reduce the spatial mismatch between where people live and where jobs are located. Densification in already serviced areas both improves access to opportunities and makes efficient use of land and infrastructure investments.

90. In addition to connectivity and service integration, social housing should also support livelihood security and food resilience. Incorporating productive spaces (such as community gardens, shared kitchens or workshops) can promote local food production, reduce household expenses and create income-generating opportunities. These features are particularly vital in contexts facing food insecurity or high levels of informal employment. By recognizing the housing unit as both a place of residence and a platform for social and economic participation, social housing policy can contribute more directly to urban sustainability, well-being and territorial justice.

C. Inclusive and accessible design

91. Social housing should be inclusive and adaptable, responding to diverse household needs, cultural contexts and demographic shifts. Design approaches that allow for flexibility, accessibility and integration with livelihoods and services can improve long-term sustainability and support social cohesion. Thoughtful design of shared spaces (such as courtyards, communal gardens and

multipurpose rooms) can foster social interaction, reduce isolation and enhance quality of life, particularly for ageing populations and diverse communities.

1. Establish inclusive, accessible and adaptable housing design standards for diverse needs and life stages, as well as form of delivery.

92. Social housing must be held to high standards of design, accessibility, environmental performance and cultural adequacy to ensure dignity, inclusion and long-term social value. Establishing inclusive design frameworks is essential to accommodate diverse household types, life stages and cultural needs, and to avoid the stigma often associated with poor-quality or visibly segregated housing.

93. Minimum standards should prioritize accessibility, adaptability and energy efficiency, while also enabling flexible use of space to support changing family structures, income generating activities and teleworking and ageing in place. This includes promoting non-institutional, community-based care models for older persons and persons with disabilities, ensuring their autonomy and integration in the community.

94. High-quality architecture and design diversity contribute to urban integration, reduce stigmatization and foster social cohesion. Social housing should be fully integrated into the urban fabric and mixed with other tenures to avoid segregation. Encouraging a diversity of unit types and resident profiles, through mixed-tenure and mixed-income models, supports vibrant, inclusive neighbourhoods.

95. Participatory planning and design are key to achieving cultural adequacy and community ownership. Marginalized groups should be supported to engage in co-design processes, with access to technical assistance, even when they are not directly involved in unit delivery. This approach strengthens social bonds, ensures relevance to local needs and promotes dignity in housing.

96. Health and environmental sustainability must also be central. This includes enforcing safe construction standards, enhancing outdoor and public spaces, prioritizing housing for those living in unhealthy conditions and introducing health monitoring systems. Social housing should lead by example in energy efficiency, renewable energy use and climate-adaptive design, while encouraging residents to adopt sustainable practices.

97. Finally, recognizing and supporting incremental housing is vital in many contexts. Legal security, technical assistance and tailored financial tools can help integrate this model into formal housing strategies, broadening access and empowering residents.

2. Promote cultural adequacy and economic inclusion through participatory design and support for informal livelihoods.

98. Social housing must be more than a roof and four walls, it should actively enable livelihoods, economic participation and community resilience. To achieve this, legal and design frameworks must be adapted to reflect local realities, particularly where informal work, home-based enterprises or incremental self-construction are prevalent. Recognizing and supporting these dynamics through flexible design and tenure security allows residents to adapt and improve their living environments over time.

99. Housing developments should be planned to include spaces for small businesses, community services and recreation, fostering both local economies and social cohesion. Participatory design processes are essential to ensuring cultural adequacy and making space for informal livelihoods in a dignified, integrated manner.

100. In the context of today’s digital economy, digital inclusion must also be addressed. Providing access to teleworking infrastructure and IT connectivity is critical to enabling marginalized groups – particularly women, youth and persons with disabilities – to engage in education, work and civic life.

101. Finally, the design of social housing must consider the role of public space to encourage community interaction, strengthen social bonds and accommodate needs of ageing populations and diverse households. By integrating economic opportunity, participatory governance, digital access and inclusive public space, social housing can serve as a foundation for dignified living, social mobility and long-term urban sustainability.

D. Integrated welfare support and transparent housing allocation

102. Ensuring the long-term impact of social housing requires more than the delivery of physical units, but rather a holistic approach that combines ongoing social support, inclusive governance and fair access. By developing integrated systems of service provision and applying transparent, equitable allocation criteria, governments can ensure that social housing functions as a lever for social inclusion, human development and territorial justice.

1. Develop integrated ecosystems of social partners to support the maintenance of the social housing stock and provide continued welfare support to beneficiaries, particularly through coordination with other administrative and social assistance systems.

103. Long-term success in social housing depends not only on quality construction but on the ongoing support of residents and the sustained maintenance of the housing stock. To achieve this, governments must build integrated ecosystems of social partners, bringing together public institutions, semi-public entities, NGOs and private service providers. These actors should work collaboratively to ensure that housing remains safe and dignified, while also supporting the social and economic inclusion of residents.

104. Clear governance structures, defined maintenance responsibilities and quality standards must be in place, alongside robust coordination mechanisms between housing agencies and key sectors such as health, education, employment and social protection. Integration with civil registration systems and social assistance platforms can help ensure that residents receive the full range of entitlements and services to which they are eligible.

105. This multi-actor, people-centred approach is essential for addressing the complex needs of vulnerable populations, promoting full citizenship and supporting pathways to autonomy and human development. It also ensures that social housing remains financially and physically sustainable over time, whether in rental or ownership models.

106. In parallel, resident participation and empowerment should be built into housing governance. Ensuring that tenants have a voice in the management of their homes and neighbourhoods helps to improve service quality, foster community responsibility and strengthen social cohesion.

107. By embedding social housing within a broader system of inclusive urban policies and support services, governments can reinforce its role not just as a housing solution, but as a driver of long-term social resilience and territorial equity.

2. Establish and implement transparent eligibility criteria and allocation procedures, grounded in principles of equity and inclusion.

108. To ensure that social housing reaches those who need it most, governments must establish and enforce transparent, equitable eligibility criteria and allocation procedures. These systems should be grounded in clearly defined indicators, including household income and needs, including disability, displacement or exposure to environmental risk.

109. Transparent and accountable allocation processes help to reduce discrimination, strengthen public confidence in housing institutions and ensure that resources are distributed fairly and effectively. By prioritizing equity and clarity, social housing systems can more effectively support social inclusion and respond to evolving demographic and environmental challenges.