



REDUCING
HOUSING
INEQUALITIES

Executive Summary of National Reports on the Housing System from a Multi- Level Perspective

**An extract from ReHousIn Deliverable 4.2 National
Reports on the Housing System from a Multi-Level
Perspective**

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This executive summary is an extract from Deliverable 4.2, 'National Reports on the Housing System from a Multi-Level Perspective', of the ReHousIn project, which analyses housing systems in nine European countries, focusing on tenure-policy frameworks and housing supply dynamics.

The full version of the deliverable is available [here](#).

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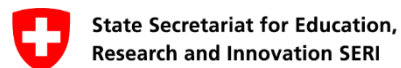
This document has been prepared in the framework of the European project [ReHousIn](#) – “Contextualized pathways to reduce housing inequalities in the green and digital transition”.

The ReHousIn project aims to spark innovative policy solutions towards inclusionary and quality housing. To achieve this, it investigates the complex relationship between green transition initiatives and housing inequalities in European urban and rural contexts, and develops innovative policy recommendations for better and context-sensitive integration between environmentally sustainable interventions and socially inclusive housing.

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Executive summary of analysis on housing systems from a multi-level perspective

Below is a consolidated summary of the key findings from the pan-European analysis on housing systems from a multi-level governance perspective:

Austria

Austria's housing system is shaped by a stable institutional framework marked by persistent political divergence across governance levels. The main policy instruments—limited-profit housing regulation, tenancy law, and housing subsidies—remain intact, yet their use is politically contingent. Housing policy change occurs rather through shifts in how policy instruments are mobilised by different regions, parties and coalitions. Recent decades have seen re-commodification trends, especially in the private rental sector. At the same time, de-commodified housing through limited-profit housing associations and publicly supported through subsidies, land banking, and zoning instruments, has been expanded. This has led to a segmented housing system increasingly determined by local political leadership and land policy capacity. The interaction between Austria's housing and environmental policy goals reveals tenure-specific tensions. Retrofitting policies tend to favour owner-occupied single-family homes, while rental housing—especially private and condominium stock—faces legal barriers and cost pass-through. Nature-based solutions (NBS) show very limited tensions in social housing due to rent regulation, but capacities for NBS implementation are unevenly distributed. While densification often aligns with social housing, as in Vienna, it is usually pursued through market-led redevelopment elsewhere. In sum, Austria's housing system filters crises and environmental demands through a multi-level, politically pluralistic framework.

France

At the national level, the housing system shows a complex picture combining elements of de-commodification and re-commodification. Despite the pro-ownership policies introduced since the 1970s, including measures targeting first-time buyers, the rental tenure kept on being supported through specific regulation and funding. Additionally, state fiscal incentives encouraged private investments in the rental market, while social housing production remained significant throughout the 2000s.

Affordability is supported by a strong social housing sector with long-term loans and mandatory quotas, a tradition of public land ownership and the consolidation of the right to housing. However urban regeneration policies, budget cuts, and limited fiscal autonomy of local authorities increasingly undermine the social housing sector and push partnerships with the private sector. Moreover, the land system is affected by rent-seeking practices driven by different actors.

Potential impacts of EEPs include reproducing wealth inequalities, reducing the production of new social units and/or pushing towards its less affordable forms, as well as increasing the cost of housing provided through urban regeneration, leading in some cases to gentrification.

Hungary

Hungary's housing system underwent major transformation after the end of its socialist era, shifting from a strongly decommodified model towards a market-driven structure. Widespread privatisation and the collapse of state-led construction left behind a minimal public rental sector and a heavily commodified homeownership model, without a robust housing finance system. By 2001, municipal housing served only 2–3% of the population, typically the most vulnerable. A strong private rental sector failed to develop due to political and policy barriers. From 2008 to 2015, the government focused on the fallout from the foreign currency crisis that resulted from poorly regulated credit markets, placing heavy burdens on both banks and borrowers. Post-2015 period saw ad-hoc policies, such as utility cost subsidies, VAT cuts and subsidised loans aimed at supporting families and ownership. Housing policy has been increasingly characterised by “helicopter-style” cash transfer schemes - ad hoc financial giveaways driven by political, economic, and construction industry interests, which can be viewed as partial decommodification measures. While such transfers may temporarily reduce commodification through state support, they primarily benefit households already able to save or invest, reinforcing inequalities while placing a considerable burden on the public budget. By 2022, reduced subsidies signalled recommodification again.

Italy

The Italian housing system is relatively commodified and homeownership-oriented, marked by a progressive marginalization of the private rental (PRS) and public housing (ERP) sectors, and a very small intermediate social rental sector (ERS). Housing policy in Italy remains fragmented, marked by weak national coordination and considerable regional and local disparities, after devolution of competences with funding cuts. Despite high eviction rates and over-representation of poverty among tenants, public discourse and policymaking continue to be dominated by a strong bias towards homeownership. Public housing (ERP) has been defunded and residualized, functioning as a safety net for the most vulnerable with very limited turnover, while the intermediate sector (ERS) is mainly shaped by market logic and financial capital. Beside some rhetorical shifts, public investment in de-commodified rental housing remains scarce, and land assets that could enable the production of affordable housing are privatized to comply with austerity and attract private capital. The private rental market was deregulated in the 1990s and has undergone significant commodification – recently accelerated by touristification dynamics. Within the Italian housing system, policies linked to the ecological transition risk reinforcing existing inequalities. Without stronger coordination, redistributive policies, a focus on decommodification and support for non-market actors, the transition risks deepening socio-spatial inequalities.

Norway

While post-war housing policy featured strong state involvement—particularly through land policy, cooperative housing, and subsidized finance—since the 1980s there has been a gradual shift toward market-oriented governance. Today, housing is predominantly treated as a private asset, with high homeownership rates, limited rental regulation, and residual public provision.

The report examines national policy tools such as Husbanken loans, planning frameworks, and fiscal incentives, showing how these offer selective support but lack the scale and regulatory force to influence broader affordability outcomes. It also explores the challenges municipalities face in steering housing development, as declining public land ownership and strong market pressures weaken local capacity, especially in contexts of urban densification.

A central focus is the changing role of cooperative housing actors, especially OBOS, whose operations now attempt to balance social commitments with commercial strategies. Environmental objectives—such as energy retrofitting and densification—are increasingly present in policy discourse, yet remain poorly integrated with housing equity goals.

Ultimately, the report identifies fragmented governance, limited state steering, and insufficient redistributive mechanisms as key barriers to a more inclusive and sustainable housing system.

Poland

Poland's housing system is dominated by market mechanisms, with state support focused on promoting homeownership through subsidies and mortgages. Public and social rental housing remain marginal, while local governments face financial constraints despite being formally responsible for social provision. Crises such as the post-socialist transition, global financial crisis, COVID-19, the war in Ukraine, and inflation have prompted temporary interventions (e.g., rent freezes), but have not altered the overall recommodification trend. Key challenges include a lack of strategic housing planning, limited public stock, and a fragmented, weakly regulated private rental sector. The growth of private rental schemes (PRS), especially in urban centers, has worsened affordability and spatial inequalities. Institutional tools like TBS and SIM remain underdeveloped, while housing financialization erodes tenure security. Climate policy has brought sustainable housing and energy efficiency into focus, notably via retrofitting and green construction. However, initiatives like “Clean Air” often benefit wealthier homeowners, reinforcing structural inequalities. Urban densification can lead to gentrification and displacement, further marginalizing vulnerable groups.

Spain

Spain's housing system faces a structural crisis marked by high commodification, minimal social housing, and widening affordability gaps. Rooted in a pro-ownership model, homeownership has declined since the 1990s while rentals expanded after the 2008 crisis,

amid housing financialization. Austerity, mass foreclosures, and asset privatization enabled global investors to consolidate portfolios, accelerating rentier accumulation and inequality.

The 2023 Right to Housing Law introduced rent controls and tenant protections, yet challenges persist. Social housing remains just 2% of stock—among Europe’s lowest—while speculative forces (short-term rentals, seasonal lets, foreign investment) inflate urban prices. By 2025, housing affordability surpassed unemployment as Spaniards’ top concern. Barcelona illustrates these tensions: rents outpace incomes, with 45% of tenants cost-burdened. Rural areas face depopulation and vacancy, deepening territorial imbalances.

EU Recovery funds (€6.8B) drive green transition activities, but uptake is slow amid bureaucracy and fragmented governance. Green gentrification and renoviction remain serious threats in the absence of strong anti-displacement measures. Government programs aim to industrialize housing and deliver 20,000 affordable units annually, addressing land, licensing, and labor bottlenecks.

Governance fragmentation, market logics, and wealth inequalities persist. Achieving greater housing decommodification requires long-term public investment, stronger regulation, and tenant protections to ensure climate transitions do not reproduce spatial inequities in Spain.

Switzerland

Switzerland is a country of tenants with the lowest homeownership rate in Europe. Housing policy at the national level is rather weak, and the responsibility for housing primarily lies with municipalities and cantons. The Swiss housing system strongly relies on the private market for the provision of housing, with cooperative and state-provided social housing occupying a marginal role. Regarding the trajectory of the Swiss housing system in the direction of de-commodification or (re-)commodification, it should be noted that there have not been substantial changes since the 1990s at national level. A compulsory and de-commodifying value capture recovering at least 20% of planning gains was introduced in 2014. On the other hand, several aspects of commodification can be observed: there is less financial support by the state for affordable rental housing, and even though there is rent regulation, its enforcement is weak and the modest protection of tenants from rental contract cancellations is creating major hardships to tenants in a market that is increasingly dominated by financialised actors. The high land and housing prices, coupled with environmental and energy policies that encourage densification and energy refurbishments, contribute to the demolition of affordable housing and its replacement with more expensive housing, particularly in rapidly growing large cities.

The United Kingdom (UK)

From the mid-20th Century until the 1980s, the UK housing system focused on de-commodification: expanding the housing stock, embracing tenure neutrality, and ensuring provision of subsidies across ownership and rental sectors. This was reinforced by de-commodification of housing at the local level, with direct production of SR by local authorities.

This shifted in the 1980s under Thatcher's government, as welfare restructuring drove re-commodification of land and housing. Housing policy favoured private provision over public investment, with weakened local governance—central government removed control from local housing budgets, meaning local authorities increasingly relied on private and non-profit actors to meet their housing provision responsibilities. Re-commodification also targeted land, with planning reforms such as 1990's Section 106 contributions, making social housing a negotiable share of private development. Other reforms incentivised land transfer to private actors.

The 2008 Global Financial Crisis deepened this trajectory, albeit shifting private investment increasingly into rental housing, increasing its financialisation. Subsequent crises have reinforced these trends. Recently, some local efforts support direct delivery of social housing by local authorities, leveraging existing public land and housing stock. However, the trajectory remains firmly toward re-commodification of land and housing, with each crisis creating conditions that are used to entrench these mechanisms further.