



The Housing Associations of Wales: Measuring the Impact III

WELSH ECONOMY RESEARCH UNIT
Yr Uned Ymchwil i Economi Cymru

Executive Summary

This is the third report commissioned by Community Housing Cymru (CHC) and prepared by the Welsh Economy Research Unit (WERU) at Cardiff Business School. The first economic impact assessment took place in 2008. Each report has highlighted key developments in the sector during the year. The 2008/09 report included three new organisations who joined CHC: Monmouthshire Housing, Bron Afon Community Housing and RCT Homes. The 2010 report, covering the 2009/10 period, now takes into consideration the economic impact of a further three new members (Newport City Homes, Merthyr Valleys Homes and Cartrefi Conwy), using the latest global accounts and a third round of survey information.

Housing Associations (HAs) or Registered Social Landlords (RSLs) are not-for-profit voluntary bodies providing affordable homes for those in housing need, while supporting housing-led regeneration and social care. The business model encourages reinvestment of surpluses from the renting or sale of properties to provide housing and safeguard stock.

HAs are managed by boards of volunteers comprising professionals, local councillors, and tenants. These organisations are able to produce evidence of energetic and innovative management practices in pursuit of the Welsh Housing Quality Standard. Their contribution to regeneration is substantial and important.

CHC Developments in 2009/10

The 2009 WERU report highlighted a number of developments that had taken place during that year. These developments, and subsequent progress, are as follows:

- In response to the recession, the Welsh Assembly Government secured an additional £42m of SCIF funding to support the provision of 500 additional homes to 2011, and brought forward £12m of SHG in 2008/09. A further £28m was made available in 2009/10 to support RSL schemes. An additional £20m from SCIF 2 was also awarded for expenditure in 2010/11.
- **Land Release Protocol** - 3 Welsh Assembly Government (WAG) sites were transferred to housing associations in 2009/10 under the Land Release Protocol. WAG sites across Wales continue to be identified for disposal to housing associations to address both shortfalls in affordable housing supply and provide contracts that support the construction industry. Seven sites are currently in line for transfer and additional sites are being identified for transfer in 2010/11.
- **Expanding Mortgage Rescue** - In June 2008 Jocelyn Davies AM, the Deputy Minister for Housing, announced an expansion to the existing Mortgage Rescue scheme funded via the Social Housing Grant (SHG) programme to provide £5m in 2008/09 and the funding in December 2008 increased due to the continuing economic

downturn, bringing the total to £9.5m for 2008/09. The same provision, £9.5m, was made for 2009/10 and £12m was made available for 2010/11 (this was increased to £14m in June 2010). Under the scheme housing associations can provide an equity loan to help reduce mortgage repayments or associations can purchase the property and rent it back to the occupier who then becomes a tenant.

- **Expanding Financial Inclusion Services** – 16 HAs came together in 2009 to create Moneyline Cymru, a Community Development Financial Institution (CDFI) in Wales, aimed at providing social and economic assistance to the individuals in greatest need. The initiative was part of the WAG financial inclusion strategy, having received £620,000 of Department of Work and Pensions (DWP) support. The five pilot outlets in South East Wales were launched at the end of 2009 and will save borrowers over £1m in the first year. Moneyline Cymru is currently developing a rural model which will be rolled out in West Wales during 2010.
- **Match funding European Union Convergence Programme** - In 2008, the Welsh Assembly Government provided funding for CHC to undertake a six month project to prepare the sector for the regeneration opportunities presented through the EU Structural Funds programme 2007-2013. Following the research, five key projects were identified under which housing associations and community mutuals could collaborate to submit bids: Tŷ Agored, Skills to Regenerate, Building Enterprise, Carbon Cymru retrofit programme and Carbon Cymru, micro generation skills. The original project ideas have changed significantly since first identified and much work has been undertaken by CHC and member organisations to progress bids to maximise funding for the sector.

Individual European Project Updates

- **Tŷ Agored** aims to engage and support hard to reach individuals through training, into job entry and on to sustainability and progression. A joint proposal has been developed with Tai Dysgu a Gwaith which has been submitted to the Welsh European Funding Office (WEFO) and is now being taken forward to business planning.
- **Skills to Regenerate** has transformed into the **Centre of Regeneration Excellence Wales**, an outcome far greater and much more beneficial for the sector. The Centre, funded by the Welsh Assembly Government for three years, will provide products and services which support community regeneration at an individual and at a strategic level.
- **Building Enterprise** has been developed to improve access to key services via the development of social enterprise services within community assets which exist in the housing sector. Work has now begun on the business planning and a delivery model has been formalised.
- **Carbon Cymru – retrofit energy programme** was designed to install renewable and low carbon technologies in low income households. This has now been superseded by Arbed - a WAG programme designed to develop a strategic targeted retrofit programme installing renewable and low carbon technologies, focusing on low income households. A total of 28 bids have been approved.

- **Carbon Cymru – sustainable micro-generation skills**, aimed at developing a strategic training programme addressed to up-skill the workforce to install and maintain micro generation technologies, has become Phase 2 of the Arbed programme. It is a tenure neutral programme, and it is anticipated that RSLs will bid for delivery agents' role.

Results of the Economic Impact Assessment

In 2009/10 Welsh HAs spent an estimated £689m (including operational expenditure, staffing costs, construction spend and maintenance/major works). Table E1 shows how much of this expenditure was retained in Wales

Table E1 Estimated Gross Spending of Welsh HAs in Wales by category 2009/10

	<i>£m</i>	<i>Percentage of all Welsh HA spend</i>
Construction	175.6	32.3
Maintenance repair and upgrading (<i>includes WHQS spend</i>)	159.7	29.4
Direct Labour costs	141.2	26.0
Land acquisition	24.8	4.6
Other *	16.7	3.0
Finance and business services	8.0	1.5
Transport/post/telecoms	6.0	1.1
Training services	3.1	0.6
Rents and rates	3.1	0.6
Consumables (stationery)	3.0	0.5
Energy/water	1.4	0.3
Hotels/ Distribution	0.4	0.1
Total	543.0	100.0

* 'Other' includes items such as 'depreciation of stock' and 'other management charges',

Welsh Input-Output tables detail transactions between different sectors of the economy and allow the effect of the target sector to be traced through the entire Welsh economy. These indirect impacts (supplier effects plus induced-income effects), shown in Table E2, are estimated to be £662m of additional output in the region, £280m of additional gross value added, and additional employment to service this extra demand of 10,800 Full-Time Equivalents (FTEs).

For every one full time person employed by a housing association, another two jobs are supported elsewhere in the economy.

The combined direct and indirect economic impacts are shown in Table E2. In 2009/10 HAs supported a total output of £1,351m, gross value added of around £421m, and an estimated 15,700 FTE jobs in Wales.

Table E2 Estimated Economic Impacts of the housing associations of Wales on the Welsh Economy 2009/10

	Direct Impact: HA Sector Output/ Employment	Indirect Impact: (Supplier effect + Induced Income effect)	Total Impact
Output £m	689	662	1,351
Gross Value Added (GVA) £m	141	280	421
Employment: Full Time Equivalents (FTEs)	4,900	10,800	15,700

* To provide an estimate of the direct GVA impact, total wage spend of Welsh HAs was used. This total should be treated as indicative only.

The sector can also be linked to an estimated £386m of regeneration spending.

Table E3 Estimated Regeneration Spend (excluding staff costs)

Spending Category	£m 2009/10
Brownfield construction	170.0
Greenfield construction assoc with regeneration	20.0
Repair & maintenance	188.8
Training budgets	3.1
Community Regeneration projects and other expenditure	4.0
Total	385.9

Note: These estimates are based on the assumption that the distribution of spending on greenfield sites associated with regeneration has been constant over the three year reporting period, and that the ratio between brownfield work and total construction is also consistent with previous years.

A Further Three Large Scale Voluntary Transfer (LSVT) Organisations join CHC

A further three LSVT organisations have joined CHC since the 2009 WERU report, again having undergone the exhaustive consultation and tenant approval process.

1 Background & Study Objectives

- 1.1 This report has been prepared by the Welsh Economy Research Unit (WERU) at Cardiff Business School for Community Housing Cymru (CHC). It is the third study undertaken.
- 1.2 Over this volatile three year reporting period the sector has been subject to considerable change and has had to exercise flexibility, imagination and resilience. In broad terms, the strategic context for the sector has been provided by the *National Housing Strategy: Better homes for people in Wales* which was published in 2001. This was followed by the *Welsh Housing Quality Standard (WHQS)* in 2002, which laid down a number of criteria to be adhered to by housing providers.
- 1.3 Local Authorities, faced with these minimum standards on the one hand and restrictions on borrowing on the other, were obliged to offer their tenants a way forward. One direction that has been taken, following negotiations and consultations between tenants and LA landlords, has been the transfer of housing stock from respective Local Authorities to newly incorporated registered social landlords.
- 1.4 Therefore, over the last few years a number of organisations have emerged across Wales, each taking slightly different forms but all charged with meeting the WHQS. These organisations are free of the old debts faced by the LAs and free of the restrictions faced by LAs in terms of borrowing.
- 1.5 Meanwhile, traditional (established) housing associations were encouraged to join together in consortia in order to qualify for Social Housing Grant, the idea being that larger groups could achieve efficiencies and economies of scale. Some housing associations fell into natural groups dictated by their geography. Other consortia were based on more contrived origins.
- 1.6 In 2008 and of great importance to the sector was the publication of the Essex Report: *The findings of the Affordable Housing Task and Finish Group* (2008).
- 1.7 In spring 2009, CHC published its review of '*European Funding Opportunities for the Social Housing Sector*'. Among its observations was the increasing recognition of housing's role in regeneration, driven by the WHQS.

- 1.8 The recession continued to bite well into 2010. Housing markets have been extremely subdued, lending is still very cautious and tight, and private sector construction activity very much suppressed. It was acknowledged relatively early that the social housing sector had a crucial role in underpinning activity, with demand for housing under unremitting pressure.
- 1.9 In 2009, three Large Scale Voluntary Transfers (LSVTs) were completed and their financial activities were included in the 2007/08 Global Accounts - *Financing the Future: The 2008 Financial Statements of Welsh Housing Associations*. In December 2007, RCT Homes became Wales' largest social landlord when it took over the 10,000 homes from Rhondda Cynon Taf County Borough Council. Monmouthshire Housing Association (MHA) Ltd was established on 21 January 2008 and received 3,600 homes from Monmouthshire County Council. Bron Afon Community Housing Ltd took over the social housing stock of Torfaen County Borough Council in March 2008. The economic impacts of these and the traditional housing associations (HAs) were estimated in 2009.
- 1.10 In 2010 and included in the 2009 Financial Statements of Welsh Housing Associations, *Meeting the Challenge*, the transfer of stock took place as follows:
- Merthyr Valleys Homes, March 2009 - 4300 homes
 - Cartrefi Conwy est.2008 - 3,800 homes and 159 leaseholder flats
 - Newport City Homes, March 2009 - 9000 homes
- 1.11 Transfers that have taken place but whose activities have not been included in the Global Accounts are excluded from this study.
- 1.12 The report proceeds as follows. Chapter 2 reviews CHC and HA activity over the year to October 2010. Chapter 3 presents up-to-date estimates of the economic impact of the activities of HAs on the Welsh economy, using the latest round of spending information from the consortia and LSVTs. Chapter 4 then provides brief profiles of the three new LSVTs that have been included in the impact assessment.

2 CHC and the Welsh Housing Associations

- 2.1 Community Housing Cymru (CHC) is the membership body for HAs, community housing mutuals and associated support providers in Wales. It is a private company limited by guarantee, holds a charity status and is a non-profit-making membership body owned by its members.
- 2.2 CHC delivers a number of services to members. Foremost among these services is raising the profile of the HA movement and informing and influencing the regulatory framework for housing within Wales. CHC helps to forge close links with the Welsh Assembly Government in the interests of better housing investment and regulation.
- 2.3 CHC has also worked hard to build links within its membership, and to encourage cooperation and collaborative working practices. These partnerships are a central focus of CHC activities.
- 2.4 Other services include the provision of information on sector developments and best practice. CHC also runs training programmes, facilitates networking opportunities and manages conferences. CHC publishes *Cartref* 6 times a year, a magazine which provides information and updates.
- 2.5 CHC has worked with Shelter Cymru and the representative body for providers of housing related support, Cymorth Cymru. It has lobbied at Welsh party political conferences for legislative change in the housing sector and greater public financial investment. In 2008, CHC held a joint conference with the Welsh Local Government Association (WLGA) launched by Sue Essex (the lead author of the Affordable Housing Task and Finish Group report). CHC attendance at party conferences allows it to promote CHC's broader manifestos.¹
- 2.6 Table 2.1 shows current membership of Welsh Housing Consortia.

Table 2.1 Welsh Housing Consortia, 2010

Name	Members include:	Primary coverage	Approximate No. of staff
DEVCO	Cynon Taf Community Housing	South, Mid and	1,150

¹ CHC Policy and Information Ltd is a subsidiary of Community Housing Cymru.

	Group, Hendre Group, Merthyr Tydfil HA and RCT Homes	West Wales	
GENuS	Melin Homes, Newport Housing Trust, Seren Group, and Monmouthshire Housing	South East and Mid Wales	1,200
Gorwel	Bro Myrddin, CT Cantref, Family, Grŵp Gwalia and Pembrokeshire	South, West and Mid Wales	1,000
Integrate	Cadwyn, Cardiff Community, Coastal, First Choice, Newydd, Taff, United Welsh, and Valleys to Coast	South and South West Wales	1,000
Syniad	Linc-Cymru, Pennaf Group, and Wales & West	North, South East, Mid and West Wales	600
Undod	CT Clwyd, CT Eryri, First Choice, Mid Wales, and North Wales	North and Mid Wales	400

2.7 Many of the developments within the sector have been in response to the first National Housing Strategy, *Better Homes for People in Wales*, published in 2001, where the principle that all households in Wales should have the opportunity to live in decent quality homes was set out.

2.8 The *Welsh Housing Quality Standard* (WHQS) was adopted in 2002 in recognition of the need to improve the physical condition of social rented housing stock.

2.9 Following detailed reviews, a number of Local Authorities have reached the conclusion that they are unable to meet the costs of achieving WHQS given the restrictions they face with regard to borrowing private finance for housing. This has driven the transfer of stock to Registered Social Landlords (such as HAs).

2.10 In 2009 WERU reported that Large Scale Voluntary Transfer of housing stock had resulted in 7 local authorities transferring their allocation: Bridgend (to Valleys to Coast Housing); Monmouthshire County Council (to Monmouthshire

Housing); Rhondda Cynon Taff (to RCT Homes); Torfaen (to Bron Afon Community Housing) Merthyr Tydfil (to Merthyr Valleys Homes); Conwy (to Cartrefi Conwy), and Newport (to Newport City Homes). Gwynedd, Ceredigion and Blaenau Gwent have opted to transfer their stock to a new housing association following a 'yes' vote in a ballot. Cartrefi Cymunedol Gwynedd, Tai Ceredigion and Tai Calon (Blaenau Gwent) are not included in this report.

- 2.11 Five years ago, the Welsh Assembly Government required HAs to join a consortium in order to qualify for Social Housing Grant (SHG). The responsibilities attached to managing the SHG programme are described in the *Social Housing Grant Management Guide* issued by the Housing Directorate at the Welsh Assembly Government in July 2006. The setting up of these consortia was also seen as an opportunity for more collaborative working and achieving cost savings through economies of scale.
- 2.12 Over the intervening years much has been learned about the effectiveness of consortia in delivering such efficiencies. Some consortia have gained advantage from the arrangement. Others have perceived fewer advantages from their consortia relationships.
- 2.13 *One Wales* (2007) set out the ambition that "...all households, in all communities and irrespective of their means, can afford a decent home..." with a commitment to increase the number of affordable homes by 6,500 in Wales over a four year period. An independent assessment of this ambition was commissioned in October 2007 by Jocelyn Davies AM, the Deputy Minister for Housing, and published in June 2008 as the Essex Review.
- 2.14 CHC is currently conducting a third iteration of an exercise to measure progress in terms of additional homes, and will report this in due course.
- 2.15 Towards the end of 2008, the Welsh Assembly Government secured an additional £42m of funding from the Strategic Capital Investment Fund to support the provision of 500 additional homes to 2011, and brought forward £12m of SHG in 2008/09 with a further £28m to be available in 2009/10 to support RSL schemes. These monies were allocated in record time. Year 1 investment was expected to fund 205 units.
- 2.16 Expanding Mortgage Rescue - In June 2008, Jocelyn Davies AM announced an expansion to the existing Mortgage Rescue scheme funded via the SHG programme to provide £5m in 2008/09. In December 2008 the funding was

increased due to the continuing economic downturn, bringing the total to £9.5m for 2008/09. The same provision, £9.5m, was made for 2009/10 and £12m was made available for 2010/11 (this was increased to £14m in June 2010). Under the scheme HAs can provide an equity loan to help reduce mortgage repayments or associations can purchase the property and rent it back to the occupier who then becomes a tenant. Concerns regarding the impact of the recession on private sector housing have been expressed by the industry.² Their chief focus appears to be that the planning process should be shortened and that section 106 agreements should be made more flexible in order to mitigate the effects of a stalled housing market on the construction industry.

- 2.17 Match funding European Union Convergence Programme - In 2008, the Welsh Assembly Government provided funding for CHC to undertake a six month project to prepare the sector for the regeneration opportunities presented through the EU Structural Funds programme 2007-2013. Following the research, five key projects were identified under which HAs and community mutuals could collaborate to submit bids - these being: Tŷ Agored, Skills to Regenerate, Building Enterprise, Carbon Cymru retrofit programme and Carbon Cymru, micro generation skills. The original project ideas have changed significantly since first identified and much work has been undertaken by CHC and member organisations to progress bids to maximise funding for the sector.
- 2.18 Land Release Protocol - 3 Welsh Assembly Government (WAG) sites were transferred to HAs in 2009/10 under the Land Release Protocol. WAG sites across Wales continue to be identified for disposal to housing associations to address both shortfalls in affordable housing supply and provide contracts that support the construction industry. Seven sites are currently in line for transfer and additional sites are being identified for transfer in 2010/11.
- 2.19 Expanding Financial Inclusion Services – 16 HAs came together in 2009 to create Moneyline Cymru, a Community Development Financial Institution (CDFI) in Wales, aimed at providing social and economic assistance to the individuals in greatest need. The initiative is now part of the WAG financial inclusion strategy having received £620,000 of Department of Work and Pensions (DWP) support. The five pilot outlets in South East Wales were launched at the end of 2009 and will save borrowers over £1m in the first year.

² <http://www.walesonline.co.uk/business-in-wales/business-news/2009/07/08/wag-s-homes-goal-a-challenge-91466-24099362/>

Moneyline Cymru is currently developing a rural model which will be rolled out in West Wales during 2010.

- 2.20 Individual European Project Updates - *Tŷ Agored* aims to engage and support hard to reach individuals through training, into job entry and on to sustainability and progression. A joint proposal has been developed with Tai, Dysgu a Gwaith which has been submitted to the Welsh European Funding Office (WEFO) and is now being taken forward to business planning.
- 2.21 *Skills to Regenerate* has transformed into the Centre of Regeneration Excellence Wales, an outcome far greater and much more beneficial for the sector. The Centre, funded by the Welsh Assembly Government for three years, will provide products and services which support community regeneration at an individual and at a strategic level.
- 2.22 *Building Enterprise* has been developed to improve access to key services via the development of social enterprise services within community assets which exist in the housing sector. Work has now begun on the business planning and a delivery model has been formalised.
- 2.23 *Carbon Cymru – retrofit energy programme* was designed to install renewable and low carbon technologies in low income households. This has now been superseded by Arbed - a WAG programme designed to develop a more strategic coordinated approach to activity/investment in domestic energy performance in Wales. A total of 27 bids were submitted for this programme and 18 bids were approved.
- 2.24 *Carbon Cymru – sustainable micro-generation skills* was aimed at developing a strategic training programme addressed to up-skill the workforce to install and maintain micro generation technologies and has become Phase 2 of the Arbed programme. It is mainly aimed at homes in the private sector with RSLs acting as the key delivery agent.

3 The Economic Impact of Welsh Housing Associations 2009/10

3.1 Background

- 3.1.1 This section estimates the direct and indirect economic impacts of housing association activity in Wales. It follows the two estimations produced by WERU in 2008 and 2009 which outlined the importance of the sector in Wales.
- 3.1.2 Included for the first time in this study are the expenditures of the three new LSVTs: Cartrefi Conwy, Merthyr Valleys Homes and Newport City Homes.
- 3.1.3 The economic impact estimates were calculated through use of the *Welsh Input Output Tables*. These provide a detailed financial map of the region, revealing financial flows of goods and services between industries, consumers and government. The Welsh Input Output Tables, which are produced and updated by WERU, are useful in indicating the effects of changes in one sector on another.

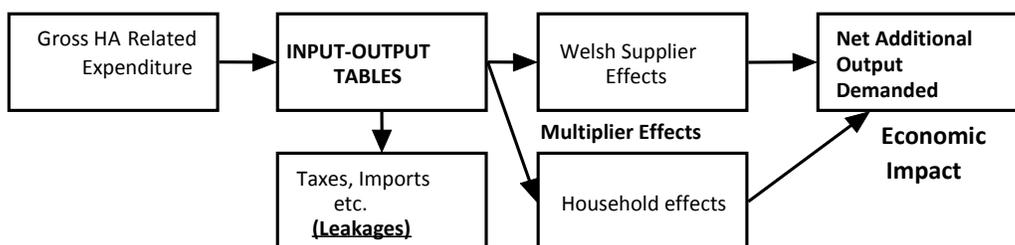
3.2 Methodology

- 3.2.1 Incomes generated by Welsh HAs, mainly through rents, grants, borrowings and property sales, are used to provide good quality, low cost homes in Wales. In order to achieve this, spending takes place on activities such as maintenance, repair and up-grading of existing housing stock, the construction of new homes, and on the wages of staff. These expenditures impact on other Welsh industrial sectors creating demand for goods and services. Where the Welsh economy is unable to supply all the inputs required to meet these demands, they must be sourced from outside Wales.
- 3.2.2 In order to model the direct impacts of Welsh HA spending, questionnaires were sent out to traditional HAs and LSVTs (see Appendix 1). The forms were completed and returned, detailing the amount individual HAs spent in 2009/10, and the proportion of that spend that was in Wales, for each major component of expenditure.
- 3.2.3 To estimate the total impact of HA spending on the Welsh economy, the direct impacts are combined with the indirect impacts. Spending by HAs requires some of the outputs of other Welsh industries, such as local building

contractors, and this regional sourcing then leads to further spending in the locality by those contractors. The extent of these *supplier effects* is dependent on the level of Welsh sourcing for the particular sector and on levels of regional sourcing by the suppliers themselves.

3.2.4 Furthermore, the Welsh HA sector directly employs over 5,500 people, with a portion of their wages and salaries being spent in the locality. This then generates further economic demand, generating regional incomes and output. These *induced income* effects are added to the supplier effects to estimate the total indirect effects of Welsh HAs. Figure 3.1 illustrates the flow of expenditure from Welsh HAs into the economic modelling process.

Figure 3.1 Estimation of Net Economic Impact in Wales



3.2.5 Information on HA spending taken from questionnaire returns was combined to create an aggregate sector, highlighting the breakdown of purchases made from other Welsh sectors. A provisional control total of direct expenditure was derived from the 2009 Financial Statements of Welsh Housing Associations, *Meeting the Challenge*, jointly published by Community Housing Cymru and the Welsh Assembly Government.

3.2.6 Data was then placed into the Welsh Input-Output tables, enabling the extent of the effects of HA expenditure to be traced through the entire Welsh economy.

3.3 Total Combined spending for the new Welsh LSVTs 2009/10

- 3.3.1 The expenditure contribution of the three new LSVTs to overall HA spend is shown in Table 3.1. Questionnaires were completed and returned by Cartrefi Conwy, Merthyr Valleys Homes, and Newport City Homes, and their spending totals combined. In 2009/10, the total combined spending for these new LSVTs was nearly £64m. Cartrefi Cymunedol Gwynedd, Tai Ceredigion and Tai Calon have joined CHC, but are not included within this report.
- 3.3.2 The majority of this expenditure (55.9%) was either on upgrading homes (major works programmes/ bringing properties up to the WHQS) or maintenance and repair activities.
- 3.3.3 Wages and salaries paid to staff within these new LSVT organisations accounted for just over a quarter of all expenditure (27.5%). All three of the new LSVTs operated direct labour forces, and these have been utilised in carrying out reactive repairs to their properties.

**Table 3.1 Combined Spend of new LSVTs: Percentage (%) by category
2009/10**

	<i>Percentage of all new LSVT spend</i>
Maintenance repair & upgrading <i>(includes Capital/ WHQS spend)</i>	55.9
Direct Labour costs	27.5
Other *	8.2
Finance and business services	3.6
Consumables (stationery)	2.0
Transport/post/telecoms	0.9
Training services	0.8
Rents and rates	0.8
Energy/water	0.3
Total	100.0
	£63.7m

* "Other" includes items such as "other management charges"/ "tenant initiatives"

3.4 The Economic Impact of HA Sector Activity: Total Spending of Welsh Housing Associations

3.4.1 The control total for HA expenditure, derived from the latest available Financial Statements of Welsh Housing Associations (2009), was calculated by adding up operational spend, an estimate of construction spend (calculated from the change in housing properties at cost year on year), spend on major works, and commercial/ non-social housing property spend. The estimated total was £689m of direct gross spend by the Welsh HA sector.

3.4.2 The relatively large control total figure (compared to that of previous years) can be seen to result from a number of factors, including:

- The additional impact of the three new LSVTs;
- The Welsh Assembly Government's decision to re-profile Social Housing Grant from 2010/11;
- Traditional HAs exhibited greater diversification, undertaking an increasing amount of non-grant funded development (grant receivable in 2009 fell within traditional HAs, as a proportion of capital cost for that year);
- Utilisation of the Strategic Capital Investment Fund (SCIF) which had been established in response to the economic downturn, with £42m spread over three years made available to social housing. A further £20m SCIF2 funding has been made available for expenditure in 2010 – 2011.
- Extra finance was raised through borrowing, evidenced in an increase in *gearing ratios* (the financial ratio that measures the percentage of capital employed by HAs that is financed by debt and long term finance).

3.4.3 A breakdown of expenditure by activity was calculated by aggregating the sample data from the spending survey returns, weighting by the overall sector profile (traditional or LSVT), and apportioning out the control total correspondingly. Table 3.2 shows estimated gross spending of Welsh HAs in 2009/10 by main spending components. Key elements here were observed to be construction (£250.8m or 36.4% of all gross spend) and maintenance, repair and upgrading of properties (£188.8m, or 27.4%).

Table 3.2 Estimated Gross Spending of Welsh HAs by category 2009/10

	<i>£m</i>	<i>Percentage of all Welsh HA spend</i>
Construction	250.8	36.4
Maintenance, repair and upgrading <i>(includes WHQS spend)</i>	188.8	27.4
Direct Labour costs	141.2	20.5
Other *	39.6	5.7
Land acquisition	27.6	4.0
Finance and business services	20.0	2.9
Transport/post/telecoms	6.9	1.0
Training services	3.4	0.5
Consumables (stationery)	3.4	0.5
Energy/water	3.4	0.5
Rents and rates	3.1	0.5
Hotels/ Distribution	0.8	0.1
Total	689.0	100.0

* "Other" includes items such as "depreciation of stock" and "other management charges".

3.5 Total Spending of Welsh Housing Associations in Wales

- 3.5.1 In order to estimate the amount of HA expenditure that is kept within the Welsh economy itself, data from the questionnaire returns on regional sourcing were used. This was further informed by discussion with HA representatives.
- 3.5.2 Expenditures that did not constitute a positive impact on the Welsh economy were removed, so that rent losses/bad debts and depreciation of stock were amongst the items 'leaked-out' of the model.
- 3.5.3 For the purposes of the Input Output analysis, and consistent with the methodology used in the previous two studies, new build construction was treated as an operational rather than a capital spend. Consortia estimations of the Welsh share of this construction spend were 70% of the total. Table 3.3 shows that construction is a major component of Welsh HA expenditure in Wales (£175.6m).
- 3.5.4 Local sourcing was even more apparent in HA spending on maintenance, repair and the upgrading of homes. This was the next largest component with £159.7m estimated to be retained within the Welsh economy. Where HAs did have to source materials from outside Wales for major works programmes, the installation work was typically carried out by local labour.

Table 3.3 Estimated Gross Spending of Welsh HAs in Wales by category 2009/10

	<i>£m</i>	<i>Percentage of all Welsh HA spend</i>
Construction	175.6	32.3
Maintenance, repair and upgrading <i>(includes WHQS spend)</i>	159.7	29.4
Direct Labour costs	141.2	26.0
Land acquisition	24.8	4.6
Other	16.7	3.0
Finance and business services	8.0	1.5
Transport/post/telecoms	6.0	1.1
Training services	3.1	0.6
Rents and rates	3.1	0.6
Consumables (stationery)	3.0	0.5

Energy/water	1.4	0.3
Hotels/ Distribution	0.4	0.1
Total	543.0	100.0

- 3.5.5 Direct labour costs (the wages and salaries paid to HA staff) are generally understood to be retained within the Welsh economy, and furthermore linked to spending in some of the less well off areas in Wales.³
- 3.5.6 The modelling analysis then estimated the impacts on the Welsh economy of successive rounds of purchases made by suppliers from other suppliers (supplier effects). To this were added the induced-income effects generated as employees of HAs, and HA suppliers (and their suppliers) spent their incomes, and in so doing, created further economic demands and employment.

3.6 Indirect economic impacts of HA Sector Activity

- 3.6.1 The indirect impact of HA spending in Wales (supplier effects plus induced-income effects) is estimated to be £662m of additional output in the region.
- 3.6.2 The impact on Gross Value Added, which is an estimate of how much real additional worth accrues to the region in terms of local additions to wages and profits, is estimated at £280m.
- 3.6.3 The additional employment required to service this extra demand is estimated to be 10,800 Full-Time Equivalents (FTEs). This implies that for every one full time person employed by a HA, another two jobs are supported elsewhere in the economy by HA activity.

3.7 Total Economic Impacts of HA Sector Activity

- 3.7.1 Combining the direct and indirect economic impacts of HA sector activity gives the total impact, as shown in Table 3.4. In 2009/10 HAs supported a

³ Direct labour costs exclude Employer costs, employee tax and National Insurance contributions.

total output of £1,351m, gross value added of around £421m, and an estimated 15,700 FTE jobs in Wales.

Table 3.4 Estimated Economic Impacts of the Housing Associations of Wales on the Welsh Economy 2009/10

	Direct Impact: HA Sector Output/ Employment	Indirect Impact: (Supplier effect + Induced Income effect)	Total Impact
Output £m	689	662	1,351
Gross Value Added (GVA) £m	141	280	421
Employment: <i>Full Time Equivalent</i> (FTEs)	4,900	10,800	15,700

** To provide an estimate of the direct GVA impact, total wage spend of Welsh HAs was used. This total should be treated as indicative only.*

3.8 Estimated Welsh Housing Association Regeneration Expenditure

- 3.8.1 Table 3.5 shows estimated regeneration spending for 2009/10. A full discussion on how regeneration is defined can be found in WERU's first report for CHC.
- 3.8.2 HAs are not normally required to report spending in terms of regeneration, and the latest WERU questionnaire enquiry was used only in a supplementary manner. Therefore, the estimates produced below depend on an assumption that the pattern of brownfield versus greenfield spending has remained similar to that reported in 2007/08. It is accepted here that the focus of HAs spending tends to be brownfield and therefore of a regenerative nature.
- 3.8.3 It is estimated that brownfield and greenfield construction activity linked to regeneration is around £190m. The amount of just over £188m spent on repair and maintenance can be added to this total.
- 3.8.4 To these sums can be added specific community regeneration projects and training budgets, adding up to an estimated total regeneration spend of just over £386m.

Table 3.5 Estimated Regeneration Spend (excluding staff costs) 2009/10

Spending Category	£m 2009/10
Brownfield construction	170.0
Greenfield construction assoc with regeneration	20.0
Repair & maintenance	188.8
Training budgets	3.1
Community Regeneration projects and other expenditure	4.0
Total	385.9

Note: These estimates are based on the assumption that the distribution of spending on greenfield sites associated with regeneration has been constant over the three year reporting period, and that the ratio between brownfield work and total construction is also consistent with previous years.

3.9 Summary

- 3.9.1 The economic impact of HAs on the Welsh economy has been to support an estimated 15,700 FTE jobs, equivalent to around £421m of value added in 2009/10.
- 3.9.2 Information collected from the HAs in Wales showed what had happened in the sector over the last year, and the Welsh Input Output Tables were used to calculate the economic impact on the Welsh economy. The Welsh Input Output Tables, which are produced and maintained by WERU, show how different sectors within the economy interact.
- 3.9.3 2009/10 saw a marked increase in the total expenditure of housing associations in Wales. There were a number of reasons for this increase including the impact of 3 new LSVTs, and diversification of traditional HAs as they undertook more non-grant funded development.
- 3.9.4 HAs, as a whole, spent a major proportion of their income on new-build construction, and on the repair, maintenance and up-grading of existing homes. A relatively high level of local sourcing was observed in these activities.
- 3.9.5 There are limitations to the modelling process; information collected for this study is based on a sample of data from the sector as a whole, and the model does not take into account what impact a change in demand would have on the cost of supply. However, the methodology used here is widely accepted as a powerful tool for estimating the economic impact of a sector.

4 CHC welcomes Three New Large Scale Voluntary Transfers (LSVTs)

- 4.1 The Welsh Housing Quality Standard (WHQS) requires substantial investment. After detailed review and consultation many local authorities have concluded that they were not all in a position to raise the funds necessary to meet WHQS. This has precipitated a number of large scale voluntary transfers across Wales, the most recent of which are case-reviewed below.
- 4.2 Included in the 2009 Financial Statements of Welsh Housing Associations, *Meeting the Challenge*, are Merthyr Valleys Homes, Newport City Homes and Cartrefi Conwy. These three LSVTs were therefore approached for detailed spending data, in addition to each of the other existing consortia members and LSVTs, in order to provide a newly estimated economic assessment. The Chief Executives and their senior management teams were approached and interviewed where possible as part of the research work in order to understand the current policy and economic context. Desk research and the interview process have been used to provide profiles for each of the newest LSVT organisations.

Newport City Homes

Introduction

The Newport Housing Commission was set up as an independent body to explore ways in which the city could meet the Welsh Housing Quality Standard by 2012. The Commission listened to evidence from local authority tenants, employees, housing experts, the Welsh Assembly Government and financial experts. It concluded in its report, entitled 'The Bridge', that the Council would not be in a position to raise housing standards, and that no option existed other than to recommend that tenants should vote for large scale voluntary transfer to a newly created housing association. Newport City Homes came into existence on 9 March 2009, taking over responsibility for 9,200 properties. It is the first urban/city based large scale voluntary transfer and tenants voted by a majority of 83%, which is the highest 'yes' vote in Wales to date.

Newport City Homes is a not for profit charity and a community mutual organisation which aims to move towards a fully tenant-led structure over the next five years. It has a Board of fifteen volunteers, of whom five are local authority appointees, five are industry experts and five are tenant volunteers. This Board strives to ensure that the organisation is value-led by being Fair, Innovative, Respectful, Sincere and Trustworthy and FIRST for people, places and partnerships. It is a dynamic social enterprise with a broad agenda, which includes improving life and community quality. For example, it is a major provider of telecare services working in partnership with health and social care agencies to assist older and vulnerable residents in the social and private sectors to remain in their homes with assistive technology.

The Board have adopted three key strategic aims with related priorities, targets and resources to guide the work of the association over the 2010 to 2015 period. These are to 'Deliver Excellent Services', 'Improve Homes & Neighbourhoods' and 'Add Value to Residents and the City'. By the delivery of such an agenda for change, NCH seeks to improve homes and neighbourhoods in Newport, and deliver significant additional benefits for the local economy in terms of jobs and enterprise.

The management team is led by Peter Cahill who has over thirty years of experience in the sector. He first worked in London, before eventually moving to Wales when he was appointed Chief Executive at Cardiff Community Housing Association. In 2003 he was made Chief Executive of Valleys to Coast in Bridgend, which was the first large scale voluntary transfer in Wales. Other roles have included Chair of the Welsh Federation of Housing Associations. He is currently a member of the European Housing Group, and Chair of Community Housing Cymru.

He has 20 senior managers to help him meet the challenges ahead. These managers have been recruited with particular regard to whether they as individuals chime with the people-focused ethos of the housing movement. The business is based at Nexus House, adjacent to Pilllgwenlly, providing employment for those living in this Community First area.

Key facts

- 9,131 homes for rent.
- Provision of management services to 643 leaseholders, 168 shared owners and 83 commercial premises.
- 60 staff.

- 900 homes for older persons (manages the largest sheltered housing scheme in Europe).
- An investment programme of around £30m a year, up to 2015, on WHQS works.
- Private finance facility in place for £112m with a syndicate of lenders (Barclays, RBS and Nationwide Building Society).
- 8 contractor frameworks in place for 5 lots of work - windows/doors, heating, cladding, internal (small) and internal (large) - supported by a more locally based supply chain of sub-contractors and material suppliers.
- Specialist work in regeneration areas and tower blocks to be procured.
- 300 jobs created and sustained by investment work of which 112 were new jobs - 66% of which have been filled by local people.
- 23 apprenticeship places supported, rising to 40 during the current year, all of whom are/will be Newport residents.
- Up to 30 Future Job Fund supported placements being promoted with local partners.
- Active employment agenda with Newport Construction Initiative, Job Centre Plus and the local authority.
- 70% + of capital and 20% + of on-going revenue expenditure spend in Community First areas.

Examples of NCH Initiatives

1. A Quality Improvement Panel of residents has been established to appoint framework contractors, monitor their quality/performance and engage in design and delivery, and services and policy development.
2. City Wide & Area Residents and Leaseholder Panels have been established and supported with observer rights at all Board meetings.
3. 'Living our Values' diversity and equality training and other customer excellence training is being delivered by an innovative approach involving actors, as NCH seeks to develop a high performance culture that is value-led.
4. Environmental and Community Funds have been set up to assist resident and community groups to develop projects to improve neighbourhoods and capacity.

5. A modular Management and Development programme is being procured to support managers over the next two years.
6. A Resident Service Centre is supplementing telecare services for households throughout Newport.
7. A Financial inclusion team has been established to assist residents, and NCH is providing funding support to Moneyline Cymru to provide further assistance and counter the costs of door step lenders.
8. School of Hard Knocks with Gwent Dragons and County Exiles with Newport County use rugby and football to engage young people in positive futures.
9. NCH's work with young people recognised by being shortlisted for UK Housing Awards.
10. Support for the Face to Face Project which provides a one stop shop facility for the residents of Newport to better coordinate the delivery of public services in collaboration with key partners such as CAB, Police, Health and the local authority.
11. NCH is working with the local authority and other Newport-based housing associations on the development of a common housing register combined with a single allocation policy.
12. Development of community audit approach leading to local action plans for each neighbourhood influencing regeneration proposals.
13. NCH is represented on the Local Service Board (by CE).
14. Improvement and development of one of the largest district heating systems in Wales consistent with the energy efficiency/sustainability agenda.
15. NCH works with the local authority and special advisers on the development of social enterprises.
16. The organisation uses a range of innovative communication methods to inform, raise awareness and promote involvement.
17. A Community Safety Team has been established to work with residents, neighbourhoods and partners on a range of issues including anti-social behaviour.

Merthyr Valleys Homes

Introduction

Merthyr Valleys Homes was launched on 30 March 2009, after a successful consultation process with prospective tenants. Merthyr Valleys Homes is a not-for-profit Registered Social Landlord and is registered under the Industrial and Provident Societies Act 1965.

In common with other LSVTs Merthyr Valleys Homes reinvests profits into the business, in order to maintain the quality of homes and to help finance new tenant services.

The Board arrangements are also consistent with the general model. Merthyr Valleys Homes has 12 board members, divided equally between Councillors from Merthyr Tydfil Borough Council, four Independent representatives, and four tenants.

The organisation is based in Merthyr Tydfil in the South Wales Valleys, and employs 188 members of staff. Its management team includes those responsible for housing management (including regeneration), asset management, Finance & ICT, and Organisational Development (including HR, Performance Management, Communications and Corporate Services).

Bringing homes up to Welsh Housing Quality Standard (WHQS) lies at the heart of Merthyr Valleys Homes' aims and objectives, and the Quality and Design Forum (QDF) has been set up so that tenants can participate in the repairs and improvement programme and select the design and specification of their new kitchens and bathrooms, who the suppliers and contractors are, and how the work will be monitored. This forum is open to all tenants.

Merthyr Valleys Homes vigorously pursues a policy of local sourcing and since its inception it has worked with 50 local businesses, supporting employment in the locality.

Key Facts

- Merthyr Valleys Homes manages 4,254 homes in the Merthyr Valleys area. The majority of the properties are houses; however, bedsits, flats and sheltered housing are also available.
- Merthyr Valleys Homes has a five year planned programme of improvements and regeneration which will cost £69.5m. These works have been split into 3 main 'lots' of work, with a number of other smaller headings. The main lots are:
 - Lot 1 – Kitchen, Bathroom and Electrical Improvement works
 - Lot 2 – Windows and Doors Improvement works
 - Lot 3 – Heating and Boilers Improvement works

- Lead contractors on the 'Lot 1' kitchens and bathrooms improvement programme are R&M Williams and Bullock Construction. Additional contractors are being sourced to accelerate this programme.
- Improvement works commenced in April 2010. To date 236 kitchens and 189 bathrooms have been completed. Next year, Merthyr Valleys Homes anticipates installing 975 kitchens and 716 bathrooms.
- Cherry Grove, Gurnos and Nant Y Coed in Troedyrhiw were the first targets of the Kitchen and Bathroom improvement phase.
- Merthyr Valleys Homes' Property Services Team has been awarded the contract for 'Lot 2' windows and doors improvement programme and works are due to start shortly.
- In pursuance of its apprenticeship scheme, 7 apprentices were recruited in September 2009 to learn about plastering, carpentry, bricklaying, plumbing and electric. These apprentices are part of the Property Services Team and work on the repairs and maintenance of the properties. They have been involved in refurbishing void properties to a WHQS standard.
- 10 Future Job Fund workers have been recruited and work within various departments. 2 young people have been offered extensions to their contracts.
- A Regeneration Investment Programme of £4.4m will be spent within the Borough.

Key Aims and Objectives

- Provide quality places for people to live.
- Sustain a people friendly environment.
- Deliver excellent services.
- Build communities and be community focused.
- Working in partnership.
- Ensure a sustainable and financially viable future.

Examples of Initiatives

1. To ensure the services meet the needs of the tenants and leaseholders, Merthyr Valleys Homes facilitates a wide range of forums. These include:
The Leaseholders Forum – Promotes two-way communication between leaseholders and Merthyr Valleys Homes.

Communications Forum – Ensures that all communications sent out are clear, understandable, fit-for-purpose and focus on the relevant topics.

Environmental Panel – Assesses and decides which environmental projects are allocated funding.

Grant Panel – Assesses and decides which individuals or community groups' applications are allocated funding.

2. The 'Environmental Programme: Improving Communities' has been initiated which identifies, supports and implements environmental improvements to open spaces within the Merthyr Valleys Homes neighbourhood, through a rigorous consultation process with local tenants and residents.
3. Merthyr Valleys Homes has a grant scheme which has awarded over £34,000 to a number of activities and clubs including the 3G's Arts and Music Group, Ladies in Action, Trefechen Wednesday Club, Pant and Dowlais Boys and Girls club, Haven Close residents and many more.
4. Merthyr Valleys Homes also operates a sponsorship scheme, which is designed to help communities flourish. Over £3,700 has been awarded to local groups including the Caeharris Guest Football Club, and The Friends of Taff Bargoed. The Friends of Merthyr Tydfil Music and Merthyr Tydfil Dragons have also successfully won sponsorships.
5. Merthyr Valleys Homes has launched an 'Estate Walkabout Programme', whereby tenants can meet the local area housing officer and surveyor to discuss any community concerns. Feedback received from the walkabouts is provided to all tenants.
6. Merthyr Valleys Homes' Garden Competition has been launched to encourage tenants to enhance the appearance of their communities.
7. Merthyr Valleys Homes works in partnership with a wide range of local organisations in its effort to support the community. These include local schools, Communities First, Job match, other RSLs, the Police and the Health Service.
8. Merthyr Valleys Homes has forged links with many external agencies including the Wales Co-operative Centre, the Money Guide Service and Citizens Advice Bureau to provide its tenants with free financial information and advice.
9. Together with Insight, Merthyr Valleys Homes has developed a Leadership and Management Programme for all Managers.

10. Merthyr Valleys Homes has been recognised by the Welsh Assembly Government as “working towards” the Wales Housing Management Standard for tackling Anti-Social Behaviour.

Cartrefi Conwy Cyfyngedig

Cartrefi Conwy Cyfyngedig is also a new large scale voluntary transfer. The organisation was set up in 2008 as a not-for-profit Industrial and Provident Society operating in the county borough of Conwy following months of consultation undertaken by a Task and Finish Group consisting of Tenant Forum members, County Councillors and staff. A ballot of tenants took place in November 2007 which resulted in the transfer of housing stock on 29 September 2008. The Head Office is located at Bryn Eirias, Colwyn Bay with Satellite Offices in Llandudno, Colwyn Bay and Mochdre with 160 people employed in total.

As with all the other LSVTs (of which there have been 170 in England and Wales) there is a powerful rationale to transfer stock to a new organisation which is motivated to meet WHQS and is empowered to access the necessary funding. A stock condition survey undertaken in 2007 estimated that £59.8m was required to be spent on major repairs and improvement works (necessary to meet WHQS) and routine maintenance in the period up to 2012 and that £251.6m was required over 30 years. These estimates were based on April 2007 prices and were exclusive of professional fees, VAT, management and administration costs.

These costs could not be funded by the local authority and it was recognised that stock transfer offered the best prospect of bringing the properties up to WHQS and maintaining them over the 30 year period.

The Board of Management is made up of 15 members, divided equally between tenants, council nominees and independent professionals.

Cartrefi Conwy has prepared a 30 year business plan which shows how it will meet its future borrowing requirements. This organisation, as with other LSVTs, is able to develop its own business ethos. Influenced by its tenants and the convictions of its

management, Cartrefi Conwy has articulated strong values which promise to treat people with honesty and integrity, to work to a high standard of excellence, and to listen, consult and be fully accountable. This ethos extends to employees as well as tenants.

Key Facts

- 3,779 homes, 158 leaseholders, 659 garages and 17 commercial properties were transferred.
- One third of housing stock is sheltered accommodation for the elderly or vulnerable and two thirds of stock is general needs.
- 160 employees.
- By the end of March 2010, 242 kitchens and 250 bathrooms have been upgraded, 637 heating systems installed, 184 homes have been rewired and 719 new doors have been fitted.
- Cartrefi Conwy, through the procurement process, have ensured their contractors sign up to the Targeted Recruitment and Training outcomes of the 'Can do Toolkit' published by i2i. This has resulted in the main contractor appointing 4 local apprentices and 11 other trainees, exceeding the 15% targeted training levels in the first year.

Examples of Initiatives

1. A full consultation was undertaken with tenants on how improvements should be delivered, i.e. a whole house approach, a geographic approach or an elemental approach. Tenants responded by coming up with their own programme of works. This has resulted in excellent progress towards WHQS.
2. To celebrate its first birthday, Cartrefi Conwy staff undertook three community makeovers at Peulwys Community House in Old Colwyn, St. Seiriols Gardens in Llandudno and developing a community garden in Abergele.
3. Cartrefi Conwy is determined to meet WHQS on time. Accordingly, it appointed a competitively priced professional consultant to undertake the procurement for the capital improvement programme. This also means that best practice and modern procurement 'know how' can be gradually transferred from the consultant to Cartrefi Conwy over the partnership period. The partnership agreement will run to 2012.

4. Cartrefi Conwy has entered into a partnership with G Purchase Construction (who are the main contractors working on internal improvements) and Crest Co-operative (who are a local social enterprise). Crest collects all on-site debris created from the improvement works, sorts it and sells on recyclable materials or re-useable items. The business also provides opportunities for work experience, and over the 3 year life of the programme over 300 individuals are likely to benefit. A recent shed replacement scheme in Kinmel Bay resulted in 5 tons of reclaimed timber being recycled instead of going into landfill. The initiative has created 6 full time posts.
5. The Maes y Dre Estate in Abergele is subject to a whole house refurbishment of 30 homes at a cost of £1.7m. The works involve extensive structural repairs and all related WHQS works. In addition, following a successful funding bid to the Welsh Assembly Government for Arbed funding, solar thermal panels using renewable energy to heat water is being provided to each property as part of the new energy efficient gas central heating systems. Hand-in-hand with the work has been the involvement of Crest Co-operative to do some of the work as well as supporting Coleg Llandrillo in their Pathways to Apprenticeships scheme.
6. The Executive Management Team participated in a 'back to the floor' day, undertaking janitor and repair work.
7. National Older Peoples day was celebrated with two tea dances, attended by over 160 tenants in Llandudno and Towyn.
8. Cartrefi Conwy also organises 'Walkabout Wednesdays' planned a year in advance for tenants and staff to look over housing estates and identify issues and areas for improvement. Part of the day involves a 'Meet the Chair' session which has been extremely popular with tenants. This is followed up by 'Feedback Fridays' to develop an ongoing action plan for that estate.
9. Tenants oversee the Community Chest fund which allocates £50,000 per annum for a period of 5 years. Community groups must submit applications for funding, which are assessed by a tenant working group.
10. While the improvements programme targets the interior of homes, the Environmental Fund of £771,000 per annum for the first 5 years will target the communal areas on estates. Tenants are fully engaged in the process and have an opportunity to put forward the ideas that will improve their estates.
11. On Kings Road in Llandudno, Cartrefi Conwy operated a whole estate approach in consultation with the tenants, combining the cyclical painting contract to paint the exterior wall finishings, with money from the Environmental Fund to provide defensible space between the houses and

- public footpaths. Alongside the physical regeneration, positive partnership working with Conwy CBC and North Wales Police has seen a substantial reduction in anti social behaviour. All these measures have created a new community feel to the area.
12. In response to housing need in a rural community, two bungalows suffering from structural disrepair were refurbished to the WHQS. The letting policy was altered to allow them to be re-designated for general needs use following consultation with Conwy CBC and the Community Council through the Rural Housing Enabler.
 13. The Tenants Forum Improvement Programme Working Group has been involved with the procurement process through evaluating tenders and participating in the interviews. This has provided opportunities for tenants to develop self-determination and confidence.
 14. The commitment to increasing tenant participation is clearly evidenced by Community Fun Days (Over 650 tenants attended the recent family fun day held in August of this year), which have been very successful in providing an alternative way for staff, contractors and other agencies to engage with tenants and other members of the local community, offering the opportunity to share information and consult on service delivery across a broad customer base.
 15. Key links with Coleg Llandrillo in Rhos on Sea resulted in a void property being turned into a painting and decorating section for the students to practice their skills on a 'live' home.
 16. Partnering with Northop Horticultural College, students were challenged to create designs for easy to maintain gardens. Chosen by tenants, the winning design was implemented on a void property - the idea being that tenants, with a bit of training, would be able to replicate this design.
 17. On a Sheltered Scheme in Ger y Mor, Pensarn, a combined effort by the Princes Trust, local Police support officers, North Wales Training, and tenants tidied up the rear gardens of these properties to encourage their use and provide a positive experience for all involved.

- 4.3 These LSVTs, as with the three cases reported in WERU's 2009 study, share a core commitment to delivering tenant satisfaction, and fully engaging their tenant population in that process. However, it is clear that the process of

transferring stock has increased the opportunity for organisations to express their own individual culture, to exploit innovative ideas and practices derived from the past experiences of the senior management teams (often from outside Wales), and to boost demand for professional employment. Over time these energetic new organisations will be able to influence attitudes held by those who have little knowledge of how the sector works and eventually will help to reduce the stigma attached to the sector.

5 Appendices

Appendix 1 – Spending Survey Form

Housing Association/Consortium Spending Survey			
<p>For further information on this survey or if you have any questions regarding it please contact: Neil Roche or Jane Bryan on 029 20876042.</p>			
<p>Name of Housing Association/Consortium: <input style="width: 100%;" type="text"/></p>			
<p>Contact Name: <input style="width: 80%;" type="text"/></p>		<p>Tel No: <input style="width: 80%;" type="text"/></p>	
<p>Position: <input style="width: 80%;" type="text"/></p>		<p>Email: <input style="width: 80%;" type="text"/></p>	
SECTION 1: EMPLOYMENT			
<p>1a. Can you tell us the total number of people directly employed by your Housing Association/Consortium. Please count all employees for whom National Insurance contributions are paid, plus any working directors, partners and owners.</p>			
<i>Number of Staff:</i>	Full Time:	Part Time:	Total:
Actual 2009/10	<input style="width: 60px;" type="text"/>	<input style="width: 60px;" type="text"/>	<input style="width: 60px;" type="text"/>
<i>Estimate 2010/11</i>	<input style="width: 60px;" type="text"/>	<input style="width: 60px;" type="text"/>	<input style="width: 60px;" type="text"/>
<p>1b. In addition, could you estimate the number of hours a part time member of staff would work per week on average. We realise this may vary by staff member & workload, but nevertheless your best estimate will be useful.</p>			
<input style="width: 60px;" type="text"/>		hrs.	
<p>1c. Please can you estimate the number of volunteers active in your HA/Consortium (incl. board members)</p>			
2009/10	<input style="width: 60px;" type="text"/>	<i>Number of Volunteers</i>	
SECTION 2: EMPLOYMENT COSTS			
<p>2. What are the total gross payroll costs for the following years (corresponding to employees. in Q1a)? (include NI, overtime and other staff costs, such as directors' or partners' remuneration)</p>			
£			
Actual 2009/10	<input style="width: 150px;" type="text"/>		
<i>Estimate 2010/11</i>	<input style="width: 150px;" type="text"/>		
SECTION 3: INCOME			
<p>3. What was the total income of your Housing Association/Consortium, net of VAT, for 2009/10 ?</p>			
			[A] Income (£)
TOTAL INCOME			<input style="width: 100px;" type="text"/>
which came from:			
Social Housing Grant			<input style="width: 100px;" type="text"/>
Other Grants (.....)			<input style="width: 100px;" type="text"/>
Rents (incl. commercial & residential)			<input style="width: 100px;" type="text"/>
Sales (Property and Services)			<input style="width: 100px;" type="text"/>
Borrowings			<input style="width: 100px;" type="text"/>
Other (.....)			<input style="width: 100px;" type="text"/>

SECTION 4: EXPENDITURE			
<p>4. Please provide your best ESTIMATE of the value and destination of your association/consortium expenditure for the period 2009/10 under each of the following headings.</p> <p>For example if £1,000 of your spending was on Finance and Business Services and 80% was sourced in Wales then £1,000 would go in the first column [A], and 80% in the second column for that category [B].</p> <p>Destination of expenditure is defined as the location where goods are purchased from, not where the goods originated or were manufactured.</p> <p>PLEASE EXCLUDE VAT AND DIRECT STAFF COSTS. IF YOU ARE UNABLE TO EXCLUDE VAT PLEASE TICK HERE <input type="checkbox"/></p>			
OPERATIONAL EXPENDITURE 2009/10	[A] Expenditure (£)	[B] % spent in Wales	[C] % spent in rest of UK
Energy/water for HA offices/HQ etc			
Rents & Rates			
Hotels/Distribution (HA expense items)			
Training Services			
Finance and business services			
Transport/post/telecoms etc			
Consumables paper/office stationery etc			
Construction			
Land Acquisition			
Maintenance & Repair (existing & acquired dwellings)			
Other (please specify):			
Other (please specify):			
TOTAL			
<p>Please feel free to add further categories if applicable.</p> <p>Please leave categories blank where no expenditure was incurred.</p>			
SECTION 5: REGENERATION RELATED EXPENDITURE			
<p>5. Please can you provide a rough ESTIMATE of the following percentages</p>			
TOTAL SPEND 2009/10 (same as Q4)			
percentage of which was spent on:			
Greenfield Development			
Brownfield Development			
106 projects			
Local SMEs (incl. social enterprises)			
Community Regeneration Projects*			
<p>*Community Regeneration Projects may include brownfield developments, urban renewal projects, removal of an eyesore, building renovations,</p>			

CHC Count of Additional Homes provided by RSLs 2009/10

Table A1	Additional Homes provided 2009 – 2010 by Tenure												
	Integrate		Gorwel		DEVCO		Syniad		GENuS		Undod		Total
	Rent	LCHO	Rent	LCHO	Rent	LCHO	Rent	LCHO	Rent	LCHO	Rent	LCHO	
Isle of Anglesey							34	5			42	0	81
Gwynedd											61	0	61
Conwy							69				41	2	112
Denbighshire											16	5	21
Flintshire							20				2	2	24
Wrexham							15	1			22	0	38
Powys							28				32	1	61
Ceredigion												3	3
Pembrokeshire			123	0	1								124
Carmarthenshire			25	0									25
Swansea	47	2	49	22									120
Neath Port Talbot	100		25	1									126
Bridgend	23	6			96	11	3						139
Vale of Glamorgan	38				4								42
Cardiff	257	10			10	5	173	4			1	0	460

Rhondda Cynon Taf	44				135								179
Merthyr Tydfil					65								65
Caerphilly	39				21				100	19			179
Blaenau Gwent	24				8					1			33
Torfaen									55	35			90
Monmouthshire									10	9			19
Newport		9					136		129	10			284
Totals RSLs	572	27	222	23	340	16	478	10	294	74	217	13	2286
Total	599		245		356		488		368		230		2286

Total rented	572		222		340		478		294		217		2123
Total LCHO		27		23		16		10		74		13	163

Table A2	Additional Homes provided 2009-2010 with and without grant																		
	Integrate			Gorwel			DEVCO			Syniad			GENuS			Undod			Total
	SHG	SCIF	NON-SHG	SHG	SCIF	NON-SHG	SHG	SCIF	NON-SHG	SHG	SCIF	NON-SHG	SHG	SCIF	NON-SHG	SHG	SCIF	NON-SHG	
Isle of Anglesey									39							26	16	0	8
Gwynedd																61	0	0	6
Conwy									47		22					39	2	2	11
Denbighshire																18		3	2
Flintshire									20							4			2
Wrexham									2	13	1					18	4	0	3
Powys									28							21	9	3	6
Ceredigion																3			3
Pembrokeshire				116	6	1			1										12
Carmarthenshire				25	0	0													2
Swansea	33	14	2	49	0	22													12
Neath Port Talbot	100			19	4	3													12
Bridgend	22	7					63		44	3									13
Vale of Glamorgan	32	6							4										42
Cardiff	204	25	38				9		6	177								1	46
Rhondda Cynon Taf	38	6					41	13	81										17
Merthyr Tydfil							58	6	1										6

Caerphilly	39								21				103		16				17
Blaenau Gwent	24								8				1						3
Torfaen													59	2	29				9
Monmouthshire													12	6	1				19
Newport			9							66		70	121	8	10				28
Totals RSLs	492	58	49	209	10	26	171	19	166	382	13	93	296	16	56	190	31	9	228
Total (excluding SCIF)	541			235			337			475			352			199			213
Total Including SCIF	599			245			356			488			368			230			228

Total SHG	492			209			171			382			296			190			174
SCIF		58			10			19			13			16			31		14
Non SHG			49			26			166			93			56			9	39

Table A3		Additional Homes provided in the financial year 2009-2010																	
LA Area	Integrate			Gorwel			DEVCO			Syniad			GENuS			Undod			Total
	Built	Reno vated	Acquir ed	Built	Reno vated	Acquir ed	Built	Reno vated	Acquir ed	Built	Reno vated	Acquir ed	Built	Reno vated	Acquir ed	Built	Reno vated	Acquir ed	
Isle of Anglesey										32	7					41		1	81
Gwynedd																57	4	0	61
Conwy										40	29					41		2	112
Denbighshire																6	5	10	21
Flintshire										19		1				0	2	2	24
Wrexham												16				20	2	0	38
Powys										28						8	6	19	61
Ceredigion																		3	3
Pembrokeshire				115	5	3													123
Carmarthenshire				17	8	0			1										26
Swansea	30		19	55	15	1													120
Neath Port Talbot	99		1	19	0	7													126
Bridgend	13		16				63		44			3							139
Vale of Glamorgan	32		6						4										42
Cardiff	224	12	31				7		8	166		11					1		460
Rhondda Cynon Taf	38		6				32	78	25										179
Merthyr Tydfil							49		16										65
Caerphilly	39								21				99	0	20				179
Blaenau Gwent	24								8						1				33
Torfaen													82		8				90
Monmouthshire													13		6				19
Newport	9									136			116	2	21				284

Totals RSLs	508	12	79	206	28	11	151	78	127	421	36	31	310	2	56	173	20	37	2286
Total	599			245			356			488			368			230			2286
Total built	508			206			151			421			310			173			1769
Total renovated		12			28			78			36			2			20		176
Total acquired			79			11			127			31			56			37	341

Table 4 – Units funded through SCIF 2009/10

Local Authority Area	Integrate	Gorwel	DEVCO	Syniad	GENuS	Undod	TOTALS
Isle of Anglesey						16	16
Gwynedd							
Conwy						2	2
Denbighshire							
Flintshire							
Wrexham				13		4	17
Powys						9	9
Ceredigion							
Pembrokeshire		6					6
Carmarthenshire							14
Swansea	14						4
Neath Port Talbot		4					
Bridgend	7						
The Vale of Glamorgan	6						
Cardiff							
Rhondda Cynon Taf	25		13				
Merthyr Tydfil	6		6				
Caerphilly							
Blaenau Gwent							
Torfaen					2		
Monmouthshire					6		
Newport					8		
WALES	58	10	19	13	16	31	147

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