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## Measuring the Socio-Economic Impact of the Welsh HA and Community Mutual Sector

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Commissioned by the Community Housing Cymru Group  
Produced by the Welsh Economy Research Unit  
Sponsored by Hugh James

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WELSH ECONOMY RESEARCH UNIT  
*Yr Uned Ymchwil i Economi Cymru*



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### **Executive Summary**

Since 2008 the Welsh Economy Research Unit at Cardiff University has prepared an annual report for Community Housing Cymru (CHC) with the objective of estimating the economic impact of CHC membership. This fifth report again undertakes this evaluation but also reviews the last five years.

Large Scale Voluntary Transfers (LSVT) from Local Authorities to Registered Social Landlords (RSL) have been taking place for the last 24 years across the UK, and the Community Mutual sector is fast becoming the principal deliverer of affordable housing.

CHC is the representative body of the sector in Wales. It now has 70 organisations under its umbrella. Around half of these are actively undertaking new housing development. At the start of the report series, 95,000 homes were provided by CHC members (Table E1), who directly employed around 4,000 people. The movement now provides over 153,000 homes and employs around 7,500 people.

**Table E1 Affordable homes in CHC membership 2008-2012**

	<b>Affordable homes</b>	<b>% Change in number of Affordable Homes 2008-2012</b>
2008	95,000	
2012	153,000	+61.1%

Each year the research process is accompanied by a count of new homes provided by RSLs, using the template originated in 2008, as set out below:

- Number of additional homes by local authority area and tenure.
- Number of additional homes by local authority area and Social Housing Grant (SHG)/non Social Housing Grant.
- Number of additional homes by local authority area which were built, renovated or acquired.

**Table E2 Additional homes provided by CHC membership 2008-2012**

	<b>Additional homes</b>
2008	1533
2009	2142
2010	2286
2011	2033
2012	1973

The latest count indicates that 1973 new homes were provided during the year 2011/12 by RSLs. Of these, 1432 were achieved through SHG [see Appendix Table A2].

The need to sustain this rate remains. In May 2012 the Welsh Government set a new target of providing 12,500 homes during the current term of Government (to 2015). The total here is divided between building 7,500 new homes (a thousand more than the previous government's target) and also renovating 5,000 existing empty properties (utilising the Houses into Homes scheme launched in April 2012). This means continued investment under stubbornly difficult economic conditions; the higher gearing levels across the sector which are up by 16% over the last five years reflect the challenge.

#### **Economic Impact Assessment 2012**

In 2011/12 Welsh Housing Associations (HAs) spent an estimated £951m (including operational expenditure, staffing costs, construction spend and maintenance/ major works). Table E3 shows how much of this expenditure was retained in Wales.

**Table E3 Estimated Gross Spending of Welsh HAs in Wales by category 2011/12**

	<b>£m</b>	<b>Percentage of all Welsh HA spend</b>
Maintenance, repair and upgrading (includes WHQS spend)	231.7	31.4
Direct Labour costs	208.3	28.2
Construction	192.4	26.1
Other	39.6	5.4
Land acquisition	23.8	3.2
Transport/post/telecoms	12.3	1.7
Finance and business services	11.3	1.5
Rents and rates	5.2	0.7
Training services	4.4	0.6
Energy/water	3.9	0.5
Consumables (stationery)	2.7	0.4
Hotels/ Distribution	2.0	0.3
<b>Total</b>	<b>737.6</b>	<b>100.0</b>

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) are estimated to be £850 million of additional output in the region, £362 million of additional gross value added, and additional employment to service this extra demand of 12,700 Full-Time Equivalents (FTEs).

**Table E4 Estimated Economic Impacts of the Housing Associations of Wales on the Welsh Economy 2011/12**

	<b>Direct Impact:</b> HA Sector Output/ Employment	<b>Indirect Impact:</b> (Supplier effect + Induced Income effect)	<b>Total Impact</b>
Output <b>£m</b>	951	850	1,801
Gross Value Added (GVA) <b>£m</b>	208	362	570
Employment: Full Time Equivalents <b>(FTEs)</b>	7,500	12,700	20,200

\* 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 direct employment estimate is calculated from HAs covered in the 2011 Financial Statements of Welsh Housing Associations.

For every one full time person employed by a housing association, nearly two other jobs are supported elsewhere in the economy. The combined direct and indirect economic impacts are shown in Table E4. HAs supported a total output of £1,800m in 2011/12; Gross Value Added of around £570m; and an estimated 20,200 FTE jobs in Wales.

**Table E5 Estimated Regeneration Spend (excluding staff costs) 2011/12**

	<b>2012 £m</b>
Brownfield construction	185.0
Greenfield construction assoc. with regeneration	16.0
Repair & maintenance	280.5
Training budgets	5.7
Community Regeneration projects and other expenditure	6.0
<b>Total</b>	<b>493.2</b>

*Note: These estimates are based on the assumption that the distribution of spending on greenfield sites associated with regeneration has been constant over the reporting period, and that the ratio between brownfield work and total construction is consistent over time. Survey information only provides a partial account so this data is supplemented by studying the activities of HAs as portrayed on their websites and in company reports.*

Table E5 shows that an estimated £493m of spending can be linked to community regeneration effects. The main portion of this money is on repair and maintenance as HAs bring their properties up to the Welsh Housing Quality Standard (WHQS).

Figure E1 plots the value of spending on local goods and services over the five year period. In real money, CHC members have spent over £2.7bn on Welsh goods and services to supply their own services to their customers, over the five year period.

Figure E1 CHC Members' spending in Wales 2008 – 2012, £m



Table E6 then provides a summary of total impacts of CHC member activity over the last five years, showing substantial support to the Welsh economy. A large proportion of these impacts have been channelled through the construction industry in Wales, providing a vital stimulus to the sector during a period of general economic slowdown and uncertainty.

**Table E6 Estimated TOTAL (Direct + Indirect) Economic Impact of the Housing Associations of Wales on the Welsh Economy 2008-2012**

	2008	2009	2010	2011	2012
Output (£m)	917	1067	1423	1578	1801
Gross Value Added (GVA) (£M)	304	355	443	496	570
Employment:					
Full Time Equivalents (FTEs)	12047	14540	15700	17100	20,200

Table E7 shows the contribution of Housing Associations to regeneration. This continues to be important, particularly with regards to working towards WHQS, and with increases over the previous year reflecting the impact of the latest LSVTs.

**Table E7 Estimated Regeneration Spend (£m) (excluding staff costs) 2008-2012**

	2008	2009	2010	2011	2012	Total
Brownfield construction	109.8	102.6	179.0	165.9	185.0	742.3
Greenfield construction assoc with regeneration	19.2	16.0	21.1	18.4	16.0	90.7
Repair & maintenance	97.7	149.8	198.8	241.4	280.5	968.2
Training budgets	1.9	2.1	3.3	3.7	5.7	16.7
Community Regeneration projects and other expenditure	2.9	2.7	4.2	6.1	6.0	21.9
<b>Total</b>	<b>231.5</b>	<b>273.2</b>	<b>406.4</b>	<b>435.5</b>	<b>493.2</b>	<b>1839.8</b>

*Note: see note Table E4*

### **Achievements over the last five years**

#### **2008**

- The first WERU Report identified £917m of output, £304m of GVA and over 12,000 jobs supported by the sector, and acknowledged the significant work of the movement in terms of community building, regeneration and supporting construction capacity and competitiveness in Wales.
- CHC members provided 95,000 affordable homes and directly employed 4,000 people.
- Secured additional funding from SCIF to support the provision of 500 additional homes.

#### **2009**

- The second WERU Report identified £998m of output, £332m of GVA and 14,540 jobs supported by the sector, showing that CHC membership had grown by over 20% in terms of employment supported by the sector since the previous year.
- CHC members provided 112,000 homes and direct employment of 5,000 people.
- 2,142 new homes were supplied by the sector.
- The release of public land was driven forward.
- First tranche of SCIF funding was spent.
- CHC won Welsh Government funding for its members to press on with Mortgage Rescue in Wales, where HAs provide equity loans to reduce mortgage repayments or can purchase property and rent it back to the occupier.
- Moneyline Cymru was launched by a collaboration of 16 HAs.
- Three new LSVT organisations emerged: Bron Afon, RCT Homes and Monmouthshire Housing.
- Important sources of innovation in relation to new tenant payment card systems, Repairs hotline, Leadership and Management Development Programmes, the Fall Service, Anti-social behaviour teams initiative.

#### **2010**

- The third WERU Report identified £1,351m of output, £421m of GVA and 15,700 jobs supported by sector activity.
- Further £12m of SHG made available.
- Pressing forward with Land Release Protocol – 3 Welsh Government sites were transferred to HAs, with 7 more identified.
- SHG funding of £12m secured for the Mortgage Rescue Scheme.

- The expansion of Financial Inclusion Services (Moneyline Cymru) with a rural model rolled out in West Wales.
- Convergence funding projects including Tŷ Agored (training), Centre of Regeneration Excellence, Building Enterprise, Carbon Cymru - retrofit energy programme, and sustainable micro-generation skills were developed.
- 3 new LSVTs: Cartrefi Conwy, Newport City Homes and Merthyr Valleys Homes joined CHC membership.

**2011**

- The fourth WERU Report identified £1,541m of output, £484m of GVA and 17,100 jobs supported by sector activity.
- HAs had exceeded the Welsh Government target of 6,500 new homes.
- To date in 2011 Moneyline had loaned over £2m (amounting to 5,000 loans) and encouraged over 2,500 people into saving. They also won the 2011 Credit Today Responsible Lender of the Year Award.
- A pilot scheme, the Welsh Housing Partnership, was formed in September 2011 by Coastal Housing Group, Hendre Group, Seren Group and Cymdeithas Tai Clwyd with the support of Welsh Government and the Principality Building Society.

**2012**

- The fifth WERU Report identifies £1,801m of output, £570m of GVA and 20,200 jobs supported by HA sector activity.
- The growing presence of the sector in Wales is demonstrated by an increase of 87% in terms of GVA by the sector since 2008.
- CHC members now provide over 153,000 homes and employ around 12,000 people.
- Latest LSVT (NPT Homes) organisation comments on ‘the open and supportive culture that was encountered by the newcomers from other Housing Associations’.
- Welsh Government launches ‘Wales Infrastructure Investment Plan for Growth and Jobs’ and commits £4m a year for 30 years to support the issue of a £100m bond.
- Welsh HAs begin the process of consolidating a bond issue.
- A report by Housing + Cymru found 276 separate community development activities, with at least 48,690 individuals and 8,485 households benefiting from these activities, linked to an expenditure of over £10m, of which £6m was from the HAs directly.
- Houses into Homes scheme is launched by Welsh Government in February 2012 with an April start to bring some of the 22,000 empty residential properties back into use. Welsh Government is putting in £5m to support loans to owners to bring properties back into use for sale or rent (but not owner occupation).
- The Welsh Housing Partnership by now has purchased 142 houses across 17 local authorities in Wales (of which 40% were purchased direct from housing developers).
- Since the first WERU report, CHC members have spent an estimated £2.7bn on locally sourced goods and services of which over £800m was on maintenance and repair to bring houses up to WHQS.
- Over the five years, CHC members have spent over £1.8bn on works having regenerative effects.

**Summary Remarks**

In spring 2012, in its ‘Wales Infrastructure Investment Plan for Growth and Jobs’ document, the Welsh Government made a commitment to ‘support the development and implementation of a Welsh Housing Bond through providing revenue funding’. They are

committing £4m a year for 30 years to support a bond issue of £100m. This endorsement is important for instilling confidence in the product. Aside from this endorsement, which is symbolic rather than substantial, the professionalisation of the sector, its stable long-term revenue streams and the unquenchable demand for homes reinforce the safety of this form of potential financing.

Case study evidence shows that efficiencies and cost savings are being made through early contractor engagement and collaboration, without compromising on quality. The long-term planning time-frame of HAs is amenable to exercising high procurement standards and practices, which in turn helps to drive up the competitiveness of local firms. The NPT Homes profile also revealed that the sector as a whole is uniquely collaborative in sharing best practice and learning from each others' experiences.

In researching this report, countless examples of activities which improve the lives of HA tenants were evidenced. This concurs with the findings of the recent report for the Welsh Government Housing Directorate which showed the substantial contributions to the Welsh Government's wider socio-economic goals made by the social housing movement.

## **1 Study Objectives and Brief Context**

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This report has been prepared by the Welsh Economy Research Unit (WERU) at Cardiff University for Community Housing Cymru (CHC). It is the fifth report, in a series which has analysed the spending patterns and economic impact of the ever-increasing family of social housing and community mutual organisations in Wales. The remit of this latest report is wider, containing a time series of quantitative impacts over the last five years.

The first report, written in 2008, highlighted the rapidly changing political and strategic context which has required the housing movement to be responsive, innovative and dynamic.

In 2001 the Welsh Assembly Government published the National Housing Strategy: Better homes for people in Wales (2001). This was followed in 2002 by the Welsh Housing Quality Standard. This standard has, throughout Wales, provided the impetus for the formation of new social housing organisations to receive the Large Scale Voluntary Transfer (LSVT) of housing stock from Local Authorities.

In 2005 the Welsh Government also encouraged the Housing Associations (HAs) to form Consortia in order to qualify for Social Housing Grant (SHG). The idea was that by coming together HAs would be able to make procurement cost savings. Some Housing Associations were able to build effective alliances, but for others the *raison d'être* for binding together was not so strong and the consortia idea worked less well. Today there is no compulsion to be part of a consortium, but some HAs still report benefits from working collaboratively.

In 2006 the Social Housing Management Grant programme (SHMG) was launched by Welsh Government to help social landlords achieve high standards of housing management. The programme supported a range of projects designed to encourage housing management good practice, to support the implementation of new housing management policies, and to encourage innovative schemes. The grant programme has been used to generally encourage improvements in the running of social housing management and services; and provide education and training in housing management. Some of these schemes are considered in later sections.

The Essex Report,<sup>1</sup> published in 2008, set out the findings of the Affordable Housing Task and Finish Group. The Report, researched and written during the early months of the banking crisis, witnessed a down-turn in the housing market against a persistent back-drop

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<sup>1</sup> [http://www.cewales.org.uk/cew/wp-content/uploads/essex\\_report1.pdf](http://www.cewales.org.uk/cew/wp-content/uploads/essex_report1.pdf)

of poverty and its negative influence on health and wellbeing, economic activity and achievement. The Report recognised the growing importance of Housing Associations as providers of affordable housing.

A year earlier, the Welsh Assembly Government had published the 'One Wales' document which committed to increase the supply of affordable homes by 6,500 in Wales by 2011 with an ambition of ensuring that '...all households, in all communities and irrespective of their means, can afford a decent home...'

The Essex Report noted that this target would not address future needs. It also stated that Housing Associations should be given more freedom to release resources and innovate but 'within a clearer risk and performance based regulatory framework'. For its part, Welsh Government stated support for greater use of European Investment Bank Funds, public land release and section 106 agreements to boost HAs' own resources, and that the Welsh Government should use its strategic Capital Investment Fund to further boost funding, seeing the links with HA activity and the wider and crucial regeneration agenda.

The inception of the WERU report series coincided with this target statement, and progress towards these targets has been monitored and reported each year.

Between April 2009 and March 2010, 2,472 additional affordable homes were provided by the social housing sector, making a total of 6,707 in the first three years of the term of that government, then exceeding the target of 6,500 new homes by March 2011 set out in the One Wales document. Housing Associations in Wales who are members of CHC were responsible for 8 out of every 10 homes provided over the three year period. These were part-funded by the Welsh Assembly Government's Social Housing Grant Fund and the Strategic Capital Investment Fund.

The Deputy Minister at the time acknowledged that this could not have been achieved 'without the co-operation and excellent work from Housing Associations who have provided the vast majority of new affordable homes and local authorities who also played their part'. Community Housing Cymru noted a production rate which had increased year on year as a result of additional government support, better regulation and a greater use of Registered Social Landlords' own resources.

The need to sustain this rate remains. In May 2012 the Welsh Government set a new target of providing 12,500 homes during the current term of Government (to 2015). The total here is divided by building 7,500 new homes (a thousand more than the previous government's target) and also renovating 5,000 existing empty properties (utilising the Houses into Homes scheme launched in April 2012). This means continued investment under stubbornly difficult

economic conditions; the higher gearing levels across the sector which are up by 16% (in part as a result of covenant re-pricing) over the last five years reflect the challenge.

The new housing target is intended to be achieved over the current Government term with additional funding (including a £3m initial investment in the Welsh Housing Partnership, a further £6m announced in June 2102 and £12m over 2 years announced in October 2012), supporting the development of a Welsh Housing Bond (for which they are committing £4m a year for 30 years to support a bond issue of £100m), and accelerating Land Release for housing, encouraging new models of development (e.g. Ely Bridge<sup>2</sup>), developing new and innovative ways to access housing (e.g. co-operative housing and mutual home ownership) and securing the best position to exit the Housing Revenue Account Subsidy system.

This then provides the context for this report. Section 2 provides a review of Housing Association activity in Wales and profiles the new CHC member, NPT Homes.

In Section 3 we report the findings of the 2012 Housing Associations Spending Survey, which were used to estimate the economic impacts arising from Housing Association activity. These were derived from manipulation of the Welsh Input-Output Tables (WERU 2007). Regional impacts are reported in terms of Welsh output, gross value added and jobs supported by HAs both in-house, and through their supply chains (and wage spending). More information on the Welsh Input-Output project is available at [www.weru.org.uk](http://www.weru.org.uk). The sector's Global Accounts 2011, the latest available at the time of this research, have been used to derive an estimate of total spending.

In Section 4, we plot the economic impact of HAs in Wales over a five year period with explanatory commentary and caveats. A review of regenerative activity over the period and the results of the additional homes survey, placed in the context of previous surveys, is outlined.

Section 5 then examines, in a qualitative commentary, some of the challenges faced by the social housing sector in terms of funding and the responses being made. The section also examines the wider economic and social contributions made by Housing Associations through innovative or philanthropic practices. This includes examples of efficiencies gained through collective bargaining of its members, collaborative ventures, and shared ownership schemes (intermediate housing market products) to assist those unable to afford their own homes. This is followed by a brief review of the wide ranging initiatives that have become typical for members, as they seek to improve the lives and prospects of their tenants.

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<sup>2</sup> <http://www.bbc.co.uk/news/uk-wales-south-east-wales-17732602>

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## **2 CHC, Welsh Housing Associations and the Community Mutual Sector**

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Community Housing Cymru (CHC) is the membership body for Housing Associations, Community Housing Mutuals and associated support providers in Wales. CHC itself is a private company limited by guarantee, holding charity status. It is a non-profit-making membership body which is owned by its members.

In 2010 CHC formed a group structure in Wales with CREW Regeneration Wales and Care & Repair Cymru to jointly champion not-for-profit housing, care and regeneration.

This group organisation now employs 41<sup>3</sup> people, whose task it is to inform the membership of key sector developments and best practice, run training programmes, facilitate networking opportunities, and manage conferences.

An important element of CHC's work is raising the profile of the housing association movement and influencing the regulatory framework for housing within Wales. CHC necessarily works closely with government.

The CHC home page reports that Housing Associations in Wales are now responsible for 153,000<sup>4</sup> homes. They together are estimated to employ around 12,000 people either full or part-time (source: CHC and WERU). There are over 70 not for profit housing associations operating in Wales, of which approximately 30 are involved in new housing development.

To date, Large Scale Voluntary Transfer of housing stock has resulted in a number of 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); Newport (to Newport City Homes); and Ceredigion to Tai Ceredigion. More recently Gwynedd stock has transferred to Cartrefi Cymunedol Gwynedd, Blaenau Gwent to Tai Calon Community Housing and Neath Port Talbot to NPT Homes. There have been some rejections: Swansea, Wrexham, the Vale of Glamorgan, Caerphilly and Flintshire. The Local Authorities of Cardiff, Carmarthenshire, Denbighshire, Pembrokeshire and Powys expect to achieve the Welsh Housing Quality Standard.

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<sup>3</sup> [http://www.chcymru.org.uk/shadomx/apps/fms/fmsdownload.cfm?file\\_uuid=0D3550CA-C096-47EC-87A0-F5475976BF20&siteName=chc\\_dev\\_final](http://www.chcymru.org.uk/shadomx/apps/fms/fmsdownload.cfm?file_uuid=0D3550CA-C096-47EC-87A0-F5475976BF20&siteName=chc_dev_final)

<sup>4</sup> [http://www.chcymru.org.uk/about-us/en/about-us\\_home.cfm](http://www.chcymru.org.uk/about-us/en/about-us_home.cfm)

Table 2.1 Welsh Housing Consortia, 2012

Name	Members include:	Primary coverage	Approximate No. of staff
DEVCO	Cynon Taf Community Housing Group, Hendre Group (of which Hafod is part), Merthyr Tydfil HA, RCT Homes, Rhondda HA	South, Mid and West Wales	1,600
GENuS	Melin Homes, Newport Housing Trust, Seren Group, Monmouthshire Housing Association, Tai Calon Community Housing	South East, and Mid Wales	1,100
Gorwel	Bro Myrddin HA, CT Cantref, Family HA, Grŵp Gwalia & Pembrokeshire HA.	South, West and Mid Wales	1,800
Integrate	Cadwyn HA, Cardiff Community HA, Coastal Housing Group, Newydd HA, Taff HA, United Welsh, and Valleys to Coast.	South, and South West Wales	1,000
Syniad	Linc-Cymru HA, Pennaf Housing Group, and Wales & West Housing.	North, South East, Mid and West Wales	950
Undod	CT Clwyd, CT Eryri, Mid Wales HA, and North Wales HA.	North and Mid Wales	400

Each year since 2008 CHC has requested that its membership fill in three tables, as described below:

Table 1: Number of additional homes by tenure and local authority area

Table 2: Number of additional homes by SHG/non SHG and local authority area

Table 3: Number of additional homes which were built, renovated or acquired.

The results of these surveys are reported below for the last five years (with a more detailed breakdown for 2011/12 to be found in the Appendix).

Table 1 Number of additional homes by tenure and local authority area

	Rented	LCHO	Total
2007/08	1049	484	<b>1533</b>
2008/09	1769	373	<b>2142</b>
2009/10	2123	163	<b>2286</b>
2010/11	1743	290	<b>2033</b>
2011/12	1788	185	<b>1973</b>
<b>Total</b>	<b>8472</b>	<b>1495</b>	<b>9967</b>

**Table 2 Number of additional homes by SHG/non SHG and local authority area**

	SHG	Non-SHG	Total
2007/08	842	691	<b>1533</b>
2008/09	1198	944	<b>2142</b>
2009/10	1740	546	<b>2286</b>
2010/11	1820	213	<b>2033</b>
2011/12	1432	541	<b>1973</b>
<b>Total</b>	<b>7032</b>	<b>2935</b>	<b>9967</b>

**Table 3 Number of additional homes which were built, renovated or acquired**

	Built	Renovated	Acquired	Total
2007/08	932	41	560	<b>1533</b>
2008/09	1415	42	685	<b>2142</b>
2009/10	1769	176	341	<b>2286</b>
2010/11	1553	74	406	<b>2033</b>
2011/12	1532	56	385	<b>1973</b>
<b>Total</b>	<b>7201</b>	<b>389</b>	<b>2377</b>	<b>9967</b>

In March 2011, the housing stock of Neath Port Talbot County Borough Council was transferred to NPT Homes. Following the custom of this series of reports, the new organisation is profiled below:

#### NPT Homes

Large Scale Voluntary Transfer of the housing stock of Neath Port Talbot County Borough Council had been under discussion since 2002 amid a degree of scepticism among constituents about the alternatives. During 2008 the LA concluded that it did not have the resources (and not sharing the benefit of debt write-off experienced by transfer organisations) to meet Welsh Housing Quality Standard (WHQS) or indeed other housing targets. Following a period of campaigning, consultation and scrutiny of an Offer Document, tenants gained understanding and experienced a change of mood, then agreeing that the newly formed NPT homes should take ownership of NPTCBC's property portfolio. The transfer was completed on 4 March 2011.

NPT Homes is based on the community housing mutual model and, as a Registered Social Landlord (RSL), regulated by the Welsh Government. The not-for-profit status means that all monetary gains from its activities will be re-invested in existing and future housing stock. It currently employs 450 full time equivalents.

The transferred property portfolio comprises 9194 homes along the coastal plain and up into five Valleys; a mix of 1-3 bedroom flats and 1-4 bedroom houses. 456 properties are in sheltered schemes, while others are designated to the elderly but are un-managed. It is the second largest RSL in Wales. There are an additional 615 leased properties.

The Organisation is run by a voluntary Board of five tenants, five councillors and five independent individuals. Neath Port Talbot CBC were able to nominate their members to the Board and they, with the tenant board members, selected the independent members. A separate scrutiny Committee exists to ensure that there is no democratic deficit. This Committee (an able group of 8) has received externally delivered training on understanding the organisation, team-work, and chairing skills.

Responsible to the Board are an executive team of four led by the Chief Executive Linda Whittaker. A wider management team of nine heads of service manage HR, training, corporate governance, investment strategy, property management & maintenance, tenant involvement, finance and ICT.

The Offer Document, consistent with the ethos of the Housing Movement, enshrines the principles of integrity, respect and honesty. NPT Homes promise high service standards, an inclusive and focused approach to their tenant customers, and an intention to use their resources for providing, where possible, a culture of opportunity and learning. These principles will be realised through efforts to safeguard job security, create opportunity, encourage innovation, protect the vulnerable, and to build community. In their turn, tenant clients are invited to respond to this ethos and participate in community and contribute to management.

The organisation is very new and a relative latecomer to the process of transfer. However, the Board-appointed operational team has exceptionally strong credentials. For example, the Chief Executive has 20 years' experience in housing and with stock transfers in England and Wales. The Director of Housing and Community Regeneration has also worked at a senior level in social housing for NPT CBC. The combined strengths and experience of the full team, in common with many others in the movement, bolsters perceptions in relation to the strong professionalism of the third sector.

This is further evidenced by the open and supportive culture that was encountered by the newcomers from other Housing Associations, in stark contrast to the closed approach of local authorities, during the set up period and since. The team undertook consultations with HAs that had experienced transfer resistance and those that hadn't in order to develop the best strategy for success. Established HAs have also been willing to share their mistakes and experiences, for example, in relation to structuring major works programmes, the need for annual performance reviews and having contractors in reserve, should appointed contractors fail to deliver.

The economic crisis is now in its fifth year. The Governor of the Bank of England described it as 'a saga that goes on and on and on. The idea that we're coming to the end of it seems unrealistic.'<sup>5</sup> Housing Associations have provided continuity of expenditure over this difficult period and under-pinned construction activity helping to maintain capacity in Wales,

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<sup>5</sup> <http://www.telegraph.co.uk/finance/economics/9461982/Mervyn-King-urges-patience-as-Bank-of-England-cuts-growth-forecasts.html>

financed through a mix of public and private sector funding. Many negotiated their arrangements under more favourable conditions than today. With banks now risk averse as they drive to re-capitalise, lending terms are punishing. NPT Homes had to produce a credible 30 year business plan and meet rigorous tests to win funding from a consortium of three high street banks. On the plus side, NPT Homes will not have to face unanticipated and possibly punitive adjustments to terms over the life of the agreed debt. However, it cannot yet meet the demand for homes. Stock is lost under the Right to Buy Scheme but this does create revenue to acquire replacement stock. Welsh Government policy is that this should be existing, rather than new housing, which can then be refurbished to WHQS. The Chief Executive also commented that most well-managed RSLs will be long familiar with bonds as an alternative source of finance.

Even though new, NPT Homes is already innovative. There is wide variation in culture and 'feel' (and wage distortions caused by Corus in Port Talbot) across the property portfolio and the organisation wants to measure its impact on community regeneration, following a projected spend of £220m over six years. This means understanding the base-line. Consequently, they are seeking to apply the CREW Regeneration Wales toolkit to the Borough, splitting it into 15 Local Investment Planning Areas, each having between 300-500 properties. For these they will assemble key quantitative economic data, then adding qualitative elements such as perceived well-being picked up through survey. Over time, this will inform their business strategy and provide feedback on their performance as an RSL.

In common with other HAs, NPT Homes has an acute awareness of the potential for their activities to impact on the local economy in a wider sense. A number of examples were noted. They have created partnerships with the Local Employment Agency and with NPT College to provide apprenticeships sponsored by NPT Homes and its contractors, in addition to work placements, training courses and the creation of inspectors.

Tenant representatives (convened in a 15 strong group called POWER – also trained) were involved in the procurement process. In setting up the framework, 'Meet the Buyer' events were held for interested contractors. Once appointed, 'Meet the Contractor' events were held for prospective sub-contractors/employees, each treated on a one to one basis. Over 300 youngsters were interviewed and given feedback, boosting their experience and employability. Throughout the process, tenant participation was seen to empower and build confidence, though it is still too early to see how this might cross-over into the community at large.

NPT Homes is also building £4m offices on a brownfield plot in Baglan Energy Park, using local inputs and services where possible. Multi-use space will be available for community access.

### **3 The Economic Impact of Housing Associations in Wales**

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#### **Background**

This section highlights the economic importance to the Welsh economy of housing association sector activity in the financial year 2011/12. The estimation combines the direct and indirect economic impacts of both the spending of housing associations in Wales, and the wages paid to staff in the sector.

The estimates of economic impact are derived from an application of the Welsh Economy Research Unit's *Welsh Input-Output Tables*. This resource models the trading interactions of companies and other economic actors within the region and provides an assessment of the direct and indirect expenditure impacts of established sectors and new infrastructure.

#### **Methodology**

The approach taken in this research follows that used in the previous four studies for Community Housing Cymru by the Welsh Economy Research Unit into the economic impact of housing associations in Wales (from 2008 to 2011).

The assessment of the economic impacts of housing associations in Wales needs to take place at two discrete levels. There is a need to first estimate the direct economic impact of the sector in Wales. This focuses on the spending linked with housing associations as they strive to supply good quality, affordable homes.

The income that housing associations receive through rents, grants, borrowings and property sales is spent mainly on maintenance/ upgrading of existing stock, new build construction and expenditure to pay staff wages. In gaining an estimate of direct effects there is a need to examine information from the housing associations relating to spending by category.

However, the estimation of direct effects only provides a partial estimate of impact. There is also a need to consider how the spending of housing associations supports economic activity in Wales indirectly. Expenditure by housing associations requires outputs from other Welsh industries, such as local maintenance/building contractors, and this regional sourcing then in turn leads to further regional spending by those contractors, and so on. The extent of these supplier effects then depends on the level of Welsh sourcing for the particular sector and on levels of regional sourcing by its suppliers.

Furthermore, housing associations in Wales employ over 12,000 people. This adds to local incomes, a large part of which will likely be spent in the region, further adding to local

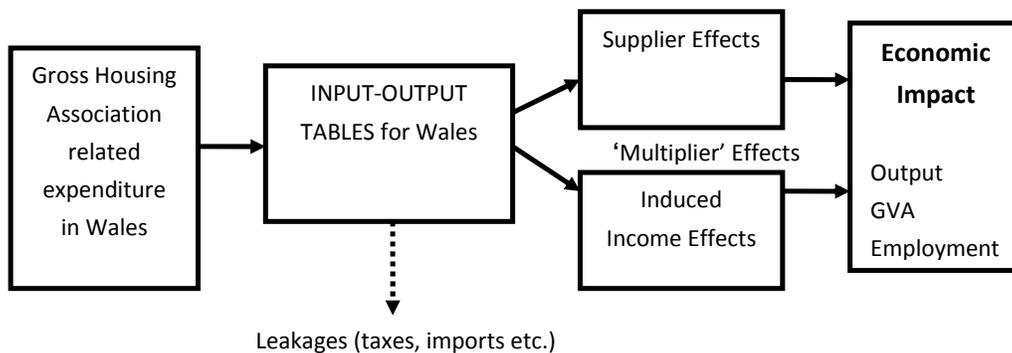
incomes, as will their suppliers etc. These are induced-income effects and can be added to supplier effects to form the total indirect consequences of the direct local economic activities. These effects, levered by housing associations, can be expressed in terms of spending, incomes and jobs.

To estimate these indirect economic impacts it is necessary to have a model of the Welsh economy which shows how different types of consumption spending create supplier and induced-income effects across different sectors of the Welsh economy. The Input-Output tables for Wales provide such a framework. The most recent Input Output Tables for Wales (for 2007) were produced by the Welsh Economy Research Unit with support from the Environment Agency Wales (July 2010). For more details please visit:

<http://business.cardiff.ac.uk/welsh-economy-research-unit>

Figure 3.1 provides a summary of the approach. Here, the direct spending of housing associations is used within the framework of the Input-Output tables for Wales to estimate indirect supplier and induced income effects.

**Figure 3.1 Estimation of Net Economic Impact in Wales**



In order to estimate the economic impact of Welsh housing association activity, detailed financial information was collated through a spending questionnaire sent out to housing associations (see Appendix 1). This information was then combined to create an aggregate sector showing a breakdown of purchases made from other Welsh sectors, which then generate the economic impact throughout the whole economy.

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

A provisional control total of direct expenditure was derived from the 2011 Financial Statements of Welsh Housing Associations, 'Drive for Innovation'<sup>6</sup> (published by Community Housing Cymru). This total includes operational spend (including staff costs), construction/upgrading spend (derived from the change in housing properties at cost year on year) and commercial property spend. This came to a total of £951m of direct gross spend by the Welsh HA sector.

The breakdown of expenditure by activity was calculated by aggregating the spending questionnaire returns. Table 3.1 highlights the gross spending estimate by Welsh HAs for 2011/12. Here key elements of spend are maintenance, repair and upgrading (£280m) and construction (£275m), contributing around 30% each of all gross spend.

**Table 3.1 Estimated Gross Spending of Welsh HAs by category 2011/12**

	£m	Percentage of all Welsh HA spend
Maintenance, repair and upgrading (includes WHQS spend)	280.5	29.5
Construction	274.8	29.0
Direct Labour costs	208.3	21.9
Other *	95.1	10.0
Finance and business services	27.6	2.9
Land acquisition	23.8	2.5
Transport/post/telecoms	15.6	1.6
Energy/water	7.6	0.8
Rents and rates	5.7	0.6
Training services	5.7	0.6
Consumables (stationery)	3.9	0.4
Hotels/ Distribution	2.3	0.2
<b>Total</b>	<b>950.9</b>	<b>100.0</b>

\* "Other" includes items such as "depreciation of stock" and "other estate costs/management charges".

<sup>6</sup> The *Drive for Innovation* report includes in its analysis "...the 37 housing associations that own the most homes in the sector and carry out its development activity..." (page.9). The economic impacts estimated by WERU therefore relate to this cohort of major HA organisations. Smaller HA organisations are not included in these accounts, and therefore their effect cannot be modelled. However, they account for the difference in the quoted direct employment of 12,000 and the estimated 9,150 employees (7,500 FTEs) that are covered by the financial accounts. Therefore, the relatively small spending effects linked to these employees have not been included.

### Total Spending of Welsh Housing Associations in Wales

The spending questionnaire sent out to housing associations asked for estimates of the proportion of each category of expenditure that was sourced within Wales. This data, along with information from discussions with sector stakeholders, was used to derive a total for housing association spending on Welsh goods and services.

Responses from individual housing associations in 2012 were consistent with the trend from previous years in that local sourcing was particularly prominent in the supply of goods and services to maintain/repair and upgrade housing units. Table 3.2 shows that an estimated £231m was spent in Wales on maintenance and upgrading activities.

Wage expenditure (direct labour costs) has a high level of retention in Wales. Here the assumption made was that they are retained within the Welsh economy (although employer costs, employee tax and National Insurance contributions were removed as leakages before economic modelling). Importantly the wages paid to housing association staff provide incomes within some of the less well off areas of the region.

**Table 3.2 Estimated Gross Spending of Welsh HAs in Wales by category 2011/12**

	£m	Percentage of all Welsh HA spend
Maintenance, repair and upgrading (includes WHQS spend)	231.7	31.4
Direct Labour costs	208.3	28.2
Construction	192.4	26.1
Other	39.6	5.4
Land acquisition	23.8	3.2
Transport/post/telecoms	12.3	1.7
Finance and business services	11.3	1.5
Rents and rates	5.2	0.7
Training services	4.4	0.6
Energy/water	3.9	0.5
Consumables (stationery)	2.7	0.4
Hotels/ Distribution	2.0	0.3
<b>Total</b>	<b>737.6</b>	<b>100.0</b>

\* "Other" includes items such as "depreciation of stock" and "other estate costs/management charges".

New build construction, another major component of Welsh HA spend, was defined as an operational (rather than capital) spend for the purposes of the Input Output analysis. This followed the methodology utilised in previous versions of this study. Questionnaire returns estimated that the Welsh share of their construction expenditure was approximately 70% of their total spend on construction. Table 3.2 shows that the Welsh share of new build construction in 2011/12 was an estimated £192.4m.

Leakages in spending that do not constitute a positive impact on the Welsh economy were removed. These included expenditures on such items as rent losses/ bad debts and depreciation of stock in the 'Other' category.

The expenditures by different categories shown in Table 3.2 were used as inputs into the economic modelling process. Here estimates of the indirect effects were derived as: successive rounds of purchases were made by suppliers from suppliers; and the wages of housing association staff, and suppliers, were spent creating further economic impacts.

**Indirect economic impacts of HA Sector Activity 2010/11**

The indirect impact of HA spending in Wales (supplier effects plus induced-income effects) is estimated to be £850m of additional output in the region.

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 £362m. The additional employment required to service this extra demand is estimated to be 12,700 Full-Time Equivalents (FTEs). This implies that for every one full time person employed by a HA, nearly two other jobs are supported elsewhere in the economy by HA activity.

**Total Economic Impacts of HA Sector Activity 2011/12**

**Table 3.3 Estimated Economic Impacts of the Housing Associations of Wales on the Welsh Economy 2011/12**

	<b>Direct Impact:</b> HA Sector Output/ Employment	<b>Indirect Impact:</b> (Supplier effect + Induced Income effect)	<b>Total Impact</b>
Output <b>£m</b>	951	850	1,801
Gross Value Added (GVA) <b>£m</b>	208	362	570
Employment: Full Time Equivalents <b>(FTEs)</b>	7,500	12,700	20,200

*\* 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 direct employment estimate is calculated from HAs covered in the 2011 Financial Statements of Welsh Housing Associations.*

Combining the direct and indirect economic impacts of HA sector activity gives the total impact, as shown in Table 3.3. In 2011/12 HAs supported a total output of £1,801m, gross value added of around £570m, and an estimated 20,200 FTE jobs in Wales.

### **Regeneration and sustainable living**

Previous WERU reports have highlighted the important role the sector plays in regeneration. Table 3.4 gives estimates for 2012 spending on this element of activity, showing regeneration to be at the forefront of operations. The box below gives examples.

**Table 3.4 Estimated Regeneration Spend (excluding staff costs) 2012**

	2012
Brownfield construction	185.0
Greenfield construction assoc. with regeneration	16.0
Repair & maintenance	280.5
Training budgets	5.7
Community Regeneration projects and other expenditure	6.0
<b>Total</b>	<b>493.2</b>

**Note:** *These estimates are based on the assumption that the distribution of spending on greenfield sites associated with regeneration has been constant over the reporting period, and that the ratio between brownfield work and total construction is consistent over time. Survey information only provides a partial account so this data is supplemented by studying the activities of HAs as portrayed on their websites and in company reports.*

**RCT Homes:** A scheme has been approved to contribute to the regeneration of Penrhys neighbourhood (with the private sector) involving 100 new private homes and with the attraction of new business into a deprived area. A Corporate and Social Responsibility Manager was appointed in January 2012 whose role is to develop relationships with local contractors and the wider community to lever support and resources to support regeneration projects (for example, renovating Rhydyfelin AFC changing facilities). RCT will also act as an organising conduit between the community and Tower Regeneration Ltd who have provided a £3m community fund over 7 years during the life of the new open cast mine. A new Regeneration Team was set up in 2012 to oversee regeneration activities for RCT Homes and Meadow Prospect.

**Melin:** A number of important schemes are in progress here, including Factory Rd Scheme in Brymawr, Blaenau Gwent, and the Brookfield Scheme in Cwmbran Town Centre.

**Grŵp Gwalia:** The Group is redeveloping the former Roma Fish Bar in Gorseinon, which is a mixed residential and business brownfield town centre site. It is refurbishing the former Harp Inn in Skewen for residential use, and demolishing old and surplus to requirement health centres and re-developing the sites for residential use, under the Welsh Government's land release protocol. It is working with the parish to provide community and residential facilities for the over 55s at St Michael's Church Manselton in Swansea.

**Hendre:** Hendre is redeveloping the Woodcroft Care Home. It has purchased the Theatre Royal in Barry for redevelopment as ExtraCare for the Vale of Glamorgan. The former HHPG Offices have been purchased for redevelopment to provide temporary supported interim accommodation, and Hendre is developing the former coal yard for housing in Llantwit Major.

**Merthyr Tydfil HA:** The HA is taking on a major refurbishment of the Flooks Building and the Old Town Hall in Merthyr - both listed buildings and substantial projects (the latter in excess of £8m).

The 2012 spending survey asked Housing Associations to report specific projects linked to Regeneration, and the following examples of work progressed throughout the year show that small and large projects are making an impact, either through new building in deprived areas or through refurbishment of old buildings.

The examples in the box above show the scope and scale of work undertaken, sometimes small scale and sometimes more wide-ranging, with each making tangible differences to the local community. It should be emphasised that this work is expected to be representative of HAs undertaking construction work.

#### 4. Housing Associations in Wales – the last five years in numbers

This section plots the economic impact of HAs in Wales over a five year period, reviews regenerative activity over the same period, and also plots the increases to the number of homes over the period.

In order to provide a more accurate comparison between estimates over a time series, changes in the price level (inflation) need to be taken into account. HM Treasury Gross Domestic Product deflators<sup>7</sup> have been utilised in this section to account for price changes and ensure ‘constant’ not ‘current’ prices are used. This means that year 2008 to 2011 figures have been inflated upwards appropriately so that they are expressed in 2012 pounds.

Economic impact Input–Output reporting starts with the total spend or output (£m) of the ‘sector’ (in this case the CHC membership). Table 4.1 shows that, as the membership of CHC has increased each year, it can be linked to year on year output increases. In 2010 there was a substantial increase in the economic impact indicators when compared to 2009, this partly resulting from the additional impact of three new LSVTs. Other factors that contributed to the rise in housing association output in 2010 included: the Welsh Government’s decision to re-profile Social Housing Grant from 2010/11; traditional HAs exhibiting greater diversification in undertaking non-grant funded development; utilisation of the Strategic Capital Investment Fund (SCIF) established in response to the economic downturn; and extra finance raised through borrowing, and evidenced in an increase in gearing ratios.

Over the last 5 years, CHC members have spent nearly £3.5bn, (linked to £760m of value added) on service provision and house-building/maintenance for the benefit of communities in Wales, while directly employing increasing numbers of people in Wales, some of whom have transferred from local authorities.

**Table 4.1 Estimated *Direct* Economic Impact of the Housing Associations of Wales on the Welsh Economy 2008-2012**

	2008	2009	2010	2011	2012
Output (£m)	447	521	726	821	951
Gross Value Added (GVA) (£m)	103	122	149	178	208
Employment:					
Full Time Equivalent (FTEs)	3300	4100	4900	5500	7500

<sup>7</sup> [http://www.hm-treasury.gov.uk/data\\_gdp\\_index.htm](http://www.hm-treasury.gov.uk/data_gdp_index.htm)

The next stage is an estimation of how much of the total spend has been spent on services and suppliers procured in Wales, stimulating the local economy, and then generating supplier and income spending effects.

**Table 4.2 Estimated Gross Spending (£m) of Welsh HAs in Wales 2008-2012**

	2008	2009	2010	2011	2012	Total
Construction	116.2	106.9	184.9	181.6	192.4	782.0
Maintenance & Repair	93.2	137.2	168.1	205.2	231.7	835.4
Other*	161.7	182.6	218.7	253.4	313.4	1129.8
<b>Total</b>	<b>371.1</b>	<b>426.7</b>	<b>571.7</b>	<b>640.2</b>	<b>737.5</b>	<b>2747.2</b>

\*Other selling sectors in Wales

Table 4.2 summarises the headline expenditure and shows that over the five years CHC members have injected over £2.7bn into the Welsh economy in real terms. Around 58% of this has been on constructing new homes, refurbishing or renovating properties for residential use, and in maintaining the condition of their housing portfolios. This information is represented graphically in Figure 4.1. The year on year increase is accounted for by organisations joining the membership.

**Figure 4.1 CHC Members' spending in Wales 2008 - 2012**



**Table 4.3 Estimated *Indirect* Economic Impact of the Housing Associations of Wales on the Welsh Economy 2008-2012**

	2008	2009	2010	2011	2012
Output (£m)	470	546	697	757	850
Gross Value Added (GVA) (£m)	201	233	295	317	362
Employment:					
Full Time Equivalents (FTEs)	8747	10440	10800	11600	12700

Table 4.3 then gives an estimation of the supplier and induced income effects arising from the spending stimulus in the economy. Most of these impacts will have been felt in the construction industry, and then rippling out to other sectors from the impact of their income spending. The type of construction work ranges from quite large contracts supplied through building contractors who have won places on HA frameworks, to smaller sub-contractors, then to the general trades.

This work tends to be relatively labour intensive, and the durability, predictability and consistency of HA spending in Wales has played a part in maintaining capacity in the construction sector, as well as providing apprenticeships and targeted training; a point noted by the 2012 Welsh Government Community Study report<sup>8</sup>.

Table 4.4 then shows the total economic impact in today's money, which is the sum of the headline direct spending of CHC members (all spent on communities in Wales but not necessarily provided by Welsh suppliers) and the indirect impact (which can be linked to local sourcing).

**Table 4.4 Estimated TOTAL (Direct + Indirect) Economic Impact of the Housing Associations of Wales on the Welsh Economy 2008-2012**

	2008	2009	2010	2011	2012
Output (£m)	917	1067	1423	1578	1801
Gross Value Added (GVA) (£m)	304	355	443	496	570
Employment:					
Full Time Equivalents (FTEs)	12047	14540	15700	17100	20200

<sup>8</sup> <http://wales.gov.uk/docs/caecd/research/120608communitystudyen.pdf>

Table 4.5 then presents five years of estimated regeneration spending.

**Table 4.5 Estimated Regeneration Spend (excluding staff costs) 2008-2012, £m**

	<i>2008</i>	<i>2009</i>	<i>2010</i>	<i>2011</i>	<i>2012</i>	<i>Total</i>
Brownfield construction	109.8	102.6	179.0	165.9	185.0	742.3
Greenfield construction assoc with regeneration	19.2	16.0	21.1	18.4	16.0	90.7
Repair & maintenance	97.7	149.8	198.8	241.4	280.5	968.2
Training budgets	1.9	2.1	3.3	3.7	5.7	16.7
Community Regeneration projects and other expenditure	2.9	2.7	4.2	6.1	6.0	21.9
<b>Total</b>	<b>231.5</b>	<b>273.2</b>	<b>406.4</b>	<b>435.5</b>	<b>493.2</b>	<b>1839.8</b>

**Note:** These estimates are based on the assumption that the distribution of spending on greenfield sites associated with regeneration has been constant over the reporting period, and that the ratio between brownfield work and total construction is consistent over time. Survey information only provides a partial account so this data is supplemented by studying the activities of HAs as portrayed on their websites and in company reports.

## **5. Strategic Challenges and Innovative HA Responses**

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The social housing sector in Wales faces the long term challenge of meeting ever-increasing demand for housing in a funding environment that is ever-tightening. There is pressure from all quarters for housing associations to be innovative in how they go about their business; that is, in:

- how they finance their activities in the context of reduced public funding,
- how they generate demand through devising new affordable housing product options,
- how they reduce their costs and increase their efficiency through early contractor engagement and procurement know-how,
- how they undertake activities which link to wider social welfare gains, and thus validate their claim on the public purse,
- how they communicate the necessity for government policy vision which operates outside short-run government terms of office.

This section of the report spells out these challenges and provides an objective analysis of HA responses, which is intended to engage both policy-makers and housing associations, each having to play a part in Wales' social housing future.

### **Financing Social Housing**

The purpose here is to contextualise the current funding environment, to probe the broad limits and potential of alternative sources of funding, and briefly review funding practices in Europe.

The Housing Act of 1988 allowed the Large Scale Voluntary transfer from Local Authorities to Registered Social Landlords (RSLs). RSLs were able to access private money to supplement other receipts such as government grants, rents and income from house sales to finance additional homes, effectively a re-financing process through releasing equity (Gibb, 2002). From the government point of view this removes large chunks of public expenditure from the public sector balance sheet. The practice of transfer has been established for over two decades, and was seen to gain momentum during the last Labour government.

However, the current reductions in government funding are driven by lack of money rather than ideology. The Welsh housing budget has been cut from £517m in 2009/10, £403m for 2010/11, £404m for 2011/12, and £358m for 2013/14. Money for building homes dropped over 30% in the last round.

Meanwhile, the 2010/11 Social Housing Grant (SHG) budget was £99.8m including £40m bought forward. The 2011/12 budget was set at £69.2m but boosted by reserves and consequential funding from Westminster which provided a total of £96.9m. The next few years will not match this (2012/13 just under £61m; with 2013/14 and 2014/15 at £48,1m), but Wales is more fortunate here than England where the old grant system has ceased.

This means a higher dependence on private finance. Fortunately, housing associations have always been considered credit worthy with stable rental streams, and banks have been able to obtain funding themselves to take up large positions in the sector often for as little as 25 basis points over the Libor rate. As a result, banks have historically provided nearly 90% of private sector funding<sup>9</sup>. According to the Financial Times (May 28<sup>th</sup> 2012) housing associations have outstanding debts of £60bn of which £50bn are in bank loans – mostly from the five big lenders: Royal Bank of Scotland, Lloyds Banking Group, Barclays, Nationwide and Santander. This reflects the dominance of the banking sector by a few; something for concern for all. Moreover, since the 2007 credit crunch banks have been making it more difficult for borrowers, through higher interest rates and/or shorter pay-back periods, and penalties on non-spending.

**Table 5.1 Recent UK Housing Association Bond Issues**

<b>Organisation</b>	<b>Description of Bond</b>
The Housing Finance Corporation (THFC)	Founded in 1987 as a specialist aggregating financial intermediary providing funding to social housing projects. Consistent history of accessing finance for the sector since its inception. Latest issue of £131m bond in 2012 (with 14 participating housing associations) yielding 5.37%. THFC allocated £68m (over 30 years +) to Welsh borrowers in 2012. First deal with Welsh borrowers was cut in 1990. <a href="http://www.insidehousing.co.uk/finance/housing-association-in-biggest-bond-issue-of-2012/6521528.article">http://www.insidehousing.co.uk/finance/housing-association-in-biggest-bond-issue-of-2012/6521528.article</a> last accessed 22nd August
Places for People	Issued in December 2008. Most recent - £140m from issuing a retail bond in 2012, paying a fixed gross income of 5% per year till December 2016. Oversubscribed and raised £140m. Over the last decade Places for People has raised £850m in the UK and overseas capital markets compared to the £300m from government funding. <a href="http://www.guardian.co.uk/housing-network/2011/aug/12/bonds-future-of-housing-finance">http://www.guardian.co.uk/housing-network/2011/aug/12/bonds-future-of-housing-finance</a> last accessed 22nd August.
Sanctuary	Following a £200m issue in 2010, Sanctuary issued a £300m 35 year bond in 2012 attracting 20 investors at a cost of 5.08%. The money raised will contribute to a £750m development plan delivering (in total) 5,000 new affordable homes in England and Scotland. <a href="http://www.insidehousing.co.uk/finance/housing-association-in-biggest-bond-issue-of-2012/6521528.article">http://www.insidehousing.co.uk/finance/housing-association-in-biggest-bond-issue-of-2012/6521528.article</a> last accessed 22nd August

This has focused attention on the capital bond market, which has lately seen relative strength in investing in the UK as an alternative to investment in Europe. Most housing associations are experienced in long term business planning (perhaps over three decades) which is amenable to the capital markets, which are becoming a more mainstream option

<sup>9</sup> <http://www.bdo.uk.com/press/social-housing-capital-markets-bonds-bridge-funding-gap>

with issuing bonds popular with both borrowers and lenders (often Pension funds and Insurers). Table 5.1 gives examples of some high profile bond issues.

Crucially, from the demand-side, one of the reasons why Housing Associations are seen as a 'safe bet' by bond holders and banks alike links to a perception that governments consider them too important to fail. This implicit support has led some investors to regard housing association bonds as proxy government bonds<sup>10</sup>. In England, Moody's (the rating agency) which currently rates 20 English housing associations and around £12 billion in debt in the UK social housing sector, concluded that universal credit reform was a manageable risk. Importantly, government safeguards were an important factor in their risk assessment<sup>11</sup>.

Rating agencies clearly give careful consideration to government positioning where relevant and "wishy-washy", directionless policy could impact severely on market sentiments, raising the cost and reducing accessibility of private sector money. Against this must be balanced by the will of government to create liquidity in the markets through quantitative easing and the limits and freedoms to rental rates as regulated by government, and the level of housing benefit (also government regulated). Given these complex relationships there is ample scope for bull and bear sentiments here as with any other market, but the key conclusion from this brief assessment is that the financial stability of the sector will continue to be dependent on government constancy, even during times of budget constraint.

**The Welsh Government is being different here.** In spring 2012 in its 'Wales Infrastructure Investment Plan for Growth and Jobs' document, the Welsh Government made a commitment to 'support the development and implementation of a Welsh Housing Bond through providing revenue funding'. They are committing £4m a year for 30 years which has the potential to lever in a further £80 - £100m of capital funding at an acceptable interest rate. This may be achieved via a Bond or a Property Deal route, with the funding vehicle currently under development. This endorsement is important for instilling confidence. Aside from this endorsement, which is symbolic rather than substantial, the professionalisation of the sector, its stable long-term revenue streams and the unquenchable demand for homes reinforce the safety of this form of potential funding.

The process of consolidating bonds is not without its challenges, but what is more important is the will to access this sort of funding. Creating a bond is quite a complex process, requiring specialised legal and financial advice, which has to be paid for and takes up time. In addition there are unknowns along the process, for example, it is not possible to set an interest rate until the bond is issued, and if the issue is open to the public there is an obligation for a high level of disclosure and regulatory compliance. However, once the bond is set up, it is no more complicated than traditional banking.

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<sup>10</sup> <http://www.ft.com/cms/s/0/a0c6e2b8-a5bf-11e1-a3b4-00144feabdc0.html#axzz246RuN4T0>

<sup>11</sup> <http://www.affinitysutton.com/AffinitySutton/PDF/Moody's%20Special%20Comment%20Press%20Release.pdf>

The difficulty for individual housing associations is that because the set-up costs are high it is usually only worthwhile having a large initial bond issue (typically between £100m to £300m). This contributes to an 'equity gap' which is as much a problem for this sector as for others, as housing associations (as with many other businesses) tend to need smaller sums (typically £10m to £50m). Bonds are paid back on maturity (at the agreed and fixed interest rate), and are an attractive proposition for investors in the current low interest environment.

There are plenty of examples of social landlords who have raised long term finance on the UK Bond market, usually through syndicate arrangements, as Table 5.1 illustrates. Bonds to the value of £1.35bn were issued by the UK social housing sector in the first four months of 2012 which has already exceeded the £852bn raised in 2011. Between 2008 and 2012, £5.4bn of bond value was raised by 20 housing associations which was estimated to be more than the whole of the previous two decades.

Appendix 2 describes the range of funding mechanisms that have been evidenced across the social housing sector in Europe. Publicly funded initiatives include grants (Social Housing Grant in the UK), the release of publicly owned land, loans, and subsidies. Private sector lending incentives include tax privileges and government-backed guarantees. Government intervention is a common thread.

**A brief review of Intermediate housing products and ownership schemes in Wales**

The ratio of house prices to earnings (a measure of affordability) has steadily worsened through the years, suggesting a still inflated housing bubble. There is nothing to suggest in recent history that this will self-correct and policy makers cannot afford to be complacent. The number of people who cannot afford to buy (but want to) and do not qualify for government support is increasing. A number of options have been developed in Wales which help to bridge the gap between renting and owning.

**Shared Ownership** enables the purchase of a new or existing home from a housing association. The buyer purchases the maximum share in the property that can be afforded with a minimum requirement (say 25%) with rent paid on the remaining share. Properties may be new or being sold by existing shared-owners. The rent on the outstanding share is set at a maximum (of say 3%) of the value of the share.

**Equity Loans** enable the purchase of a new property from a house builder with the help of an equity loan from that house builder.

**Rent to Buy** offers the opportunity to rent a newly built home at an Intermediate Rent which is charged at approximately 20% lower than would be expected for a similar home on the

open market. An offer to buy the home on Shared Ownership terms can occur at any time during the tenancy.

**Intermediate Rent** offers the opportunity to rent a brand new or existing home. The rent charged is lower than the market rate and let by a Registered Social Landlord.

**Cooperatives**, of which there are currently four in Wales. CHC supports their development and the contribution they can make in increasing the supply of affordable and social housing and bringing new finance into the sector. CHC also recognises that developing the skills within the co-operative and mutual housing sector to allow it to grow must be prerequisite to any legislation. The approach being taken by relevant stakeholders to support the establishment of pilot co-operative housing projects has been welcomed.

#### **Intermediate housing products and ownership schemes outside Wales**

**Homestake** A Scottish Government initiative where tenants purchase between 60-80% of a new open market home with grants to housing associations to purchase the remaining share.

**VI programme** in the USA that involves the replacement of some high density social housing on large estates with lower density mixed tenure schemes.

**Regeneration-linked ownership** in Rotterdam where unimproved properties can be purchased at less than market price with government support but which have strict rules over resale.

**Socially-bound ownership** also in Holland where the occupier buys a 25% stake in a housing association property but with a clause that if the household moves out it must be sold back to the housing association, and **Ownership buy-back** where a household buys the full value of the property from the housing association with the requirement that it must be offered back to the organisation if it is to be sold.

*In Wales, 'Rent First is a subsidised intermediate rent solution providing people with a mid-market rental housing solution as well as potentially assisting them in the outright purchase of their home in the future.'*

<http://wales.gov.uk/docs/desh/publications/110329housingrentfirsten.pdf>

*Houses into Homes scheme launched by Welsh Government in February 2012 with an April start to bring some of the 22,000 empty residential properties back into use. Welsh Government is putting in £5m to support loans to owners to bring properties back into use for sale or rent (but not owner occupation).*

A pragmatic view is that 'no amount of innovation in product development will be meaningful unless the products can be made affordable<sup>12</sup>; either through house prices dropping or earnings rising.

### **Housing consortia collective bargaining and collaboration strategies**

Previous WERU Reports described the recent history of forming consortia among HAs to qualify for Social Housing Grants, and creating scale economies. The requirement to work in this way no longer exists, perhaps in recognition that the process is not necessarily beneficial for HAs that do not have natural synergies or are not close to each other. Some consortia, however, have 'stuck' and have reported procurement benefits.

For example, Integrate is the largest housing association consortium in Wales and is a 'virtual enterprise' run by 4 staff linked to 7 members: Cadwyn Housing Association, Cardiff Community Housing Association, Coastal Housing Group, Newydd Housing Association, Taff Housing Association, United Welsh Housing Association and Valleys to Coast Housing, involving over 24,000 properties in 15 local authority areas. In 2011 it was estimated their development and planned maintenance spend would be £40m. By consortia working, member organisations can reduce costs (while maintaining quality) through better procurement. There have been scale economies in delivering development and maintenance programmes, supporting supply chain partners, and in terms of efficient service to their tenants. In recent research for CEW, an Integrate representative observed that by involving the knowledge and expertise of the contractor in the early decision making, and accessing technical knowledge that would be excluded in the 'traditional' process, or not drawn on until it's too late, they were able to make cost-savings. Early contractor involvement (ECI) was seen to either to eliminate or better manage the risks of a project before it moved to detail design and construction. ECI created certainty in terms of cost, time and quality.

By way of example, a regeneration project on a row of terraced houses in Barry was managed with an improved specification and cost reductions as a result of having 5 contractors around the table pre-tender. This and other projects have not gone over budget (the norm under previous arrangements). 'ECI enabled projects to be planned, designed and built in a more efficient and less adversarial way. In a genuine collaborative relationship it allows collective, shared responsibility – reducing risks or managing them better'.

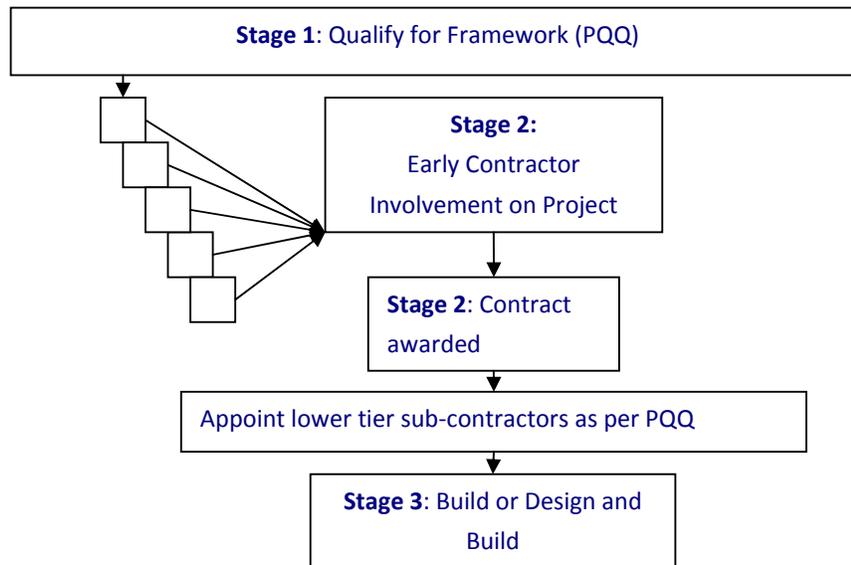
Integrate Consortia's current Contractor Framework Agreement is running from 2011 to 2015. The Framework is divided into 3 lots (projects up to £1m, Projects from £1-£3.5m and Projects over £3.5m), with each Lot having 6 contractors. The number of contractors has markedly declined from 40 to 6 for the current framework, following recognition that it was not possible to maintain rigorous quality standards with too many contractors. Integrate

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<sup>12</sup> <http://www.hackneyhomes.org.uk/document/intermedaitehousing.pdf>

held a series of workshops prior to finalising the current Framework. Pre-qualification Questionnaires met the Official Journal of the European Union to ensure contractors were able to bid on a level playing field.

**Figure 5.1 Typical Housing Association Construction Collaboration Process**



Source: WERU

HAs are showing every sign of working collaboratively, while not necessarily within a rigid consortia framework. HAs frequently report collaborations with local authorities. For example, Cynon Taf Community Housing Group works with its local authority on neighbourhood renewal schemes in designated areas within the borough. Seren, itself a consortia of 5 organisations, works with regeneration partners Newport, Caerphilly, Monmouthshire and Torfaen Councils on a regeneration project in Caldicot, and works with Newport, Caerphilly and Monmouthshire as Empty Homes Partner, assisting in the purchase and reuse of problem empty homes. Similarly, Monmouthshire HA works with its county council.

**A New Collaboration – The Welsh Housing Partnership**

In September 2011 Coastal Group, Hendre Group, Seren Group and Cymdeithas Tai Clwyd joined an innovative buying partnership with the objective of increasing the supply of affordable homes. It is a pilot scheme, supported by the Welsh Government and Principality Building Society.

With the intention of purchasing around 150 homes for rent in the first year, it has so far bought 142 houses across 17 local authorities in Wales (of which 40% were purchased direct from housing developers). The project will cost £16million, financed from £3million of Welsh Government grant funding, a £12million loan from Principality Building Society’s Commercial Division and £1million of equity finance from the investors in the Welsh Housing Partnership.

In June 2012 WG announced a further £6m of funds, followed by an extra £12m over 2 years, which was announced in October 2012.

### **Housing Association Contribution to the Quality of Life in Communities -Tenant Engagement Activity**

This year the Welsh Government Housing Directorate commissioned a report from consultants Housing + Cymru 'Housing Associations in Wales -Improving the lives of tenants and communities: A descriptive study' to mitigate a generally poor understanding identified in the Essex Report of the contribution made by housing associations to the lives of their tenants, the communities in which they live and to the wider socio-economic goals of government<sup>13</sup> (Housing + Cymru, 2012). Among the key findings for 2010/11 were:

- 276 separate community development activities in the HAs studied,
- with at least 48,690 individuals and 8,485 households benefiting from these activities,
- linked to an expenditure of over £10m,
- of which £6m was from the HAs directly.

Our supplementary review of ongoing engagement activity is shown at Appendix 3. Activities can be characterised as being typical or innovative, and/or having high or low penetration (i.e. in terms of numbers engaged or impact in the community) and/or high or low impact (in terms of life effects). An analysis of the activity shows much that has become typical among HAs in Wales, i.e. these under-recognised contributions to the wider goals are in fact well-established.

#### **Community Initiatives**

There are a number of community initiatives which create links with local schools, universities and colleges.

For example, Bron Afon runs the **Green Futures Programme** which currently engages 60 individuals on the Open Network College Programme. Merthyr Valleys Homes and the University of Glamorgan work with young people on a film and communications project relating to the Old Town Hall, and Monmouthshire HA runs a **Green Finger Programme** with Chepstow Comprehensive.

Many initiatives seek to engage young people and prepare them for work or for life challenges. One example is **Tapestri** (run by Grŵp Gwalia) which is a social enterprise providing training for the young unemployed. Also omnipresent in the sector are efforts to support the elderly or the impaired. The **Digital Inclusion Partnership** was set up to familiarise the elderly with computer services, important for communicating with their housing association but having additional benefits relating to maintaining independence.

<sup>13</sup> <http://wales.gov.uk/docs/caecd/research/120608communitystudyen.pdf>

A number of schemes are innovative. CT Clwyd has developed a new skate park. Skate boarding is a popular and skilled youth activity but is often considered anti-social when pursued in public places. Tai Calon is working on a **Media Skills Project** for 14-16 year olds which provides children with an opportunity to develop their creativity using the latest technology.

Wales & West have provided opportunities for young people to learn how to maintain and repair their bicycles. Tai Ceredigion have created an inter-generational club between primary school pupils and sheltered housing tenants in Aberystwyth. Seren's **OK Kids** supports families and helps parents with techniques to deal with child behaviour. Their family Intervention project provides intensive support to families facing eviction as a result of anti-social behaviour.

Merthyr Valleys Homes are running a pioneering **Save to Earn Scheme**, and RCT Homes' **Open Spaces Initiative** canvassed 500 local people on how to make their communities safer and more attractive.

All these ideas and activities demonstrate the inherent challenges facing the sector in terms of social behaviour, dependency and low economic activity but they also showcase the energy and inventiveness of Housing Associations across the board, and have the potential to generate employment.

### **Summary Remarks**

In relation to Financing:

- HA bonds are an attractive and safe proposition for investors who are seeking alternatives to lack-lustre European and Emerging Economies investment propositions.
- While smaller HAs (as in Wales) face greater challenges in consolidating issues, the will exists in Wales to follow this route.
- Welsh Government is providing a strongly supportive endorsement of this route.

In relation to bridging gaps between renting and ownership:

- Housing affordability is an entrenched problem which shows no prospect of lessening in the short/medium term and there is a need to explore methods of subsidy and bridging the gap between renting and owning.
- The problem is intractable in London and the South, and innovation has been driven from here, providing exemplars for Wales to follow.

In relation to Collaboration and Partnership working:

- Case study evidence shows that efficiencies and cost savings can be made through early contractor engagement and collaboration, without compromising on quality.
- Having long term planning time-frames, HAs are well-positioned to exercise high standards of procurement, driving up competitiveness in local firms.
- The RCT Homes profile also revealed that the sector as a whole is uniquely collaborative in sharing best practice and learning from each others' experiences.

In relation to Improving the Life Quality of Customers:

- Reinforcing the observations and calculations made in the recent report for the Welsh Government Housing Directorate which show the substantial contributions to

Welsh Government's wider socio-economic goals, HAs are able to provide countless examples of activities which improve the lives of their tenants.

- These may affect a few greatly or many just a little and are often innovative, holding the prospect of being rolled out more generally.

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Appendix 1: New homes provided by RSLs 2011/12

**Table A1** Additional Homes provided 2011/12 by Tenure (Source: CHC)

Local Authority	Rented	LCHO	Total
Isle of Anglesey	23	8	<b>31</b>
Gwynedd	13	14	<b>27</b>
Conwy	8	1	<b>9</b>
Denbighshire	44		<b>44</b>
Flintshire	35	1	<b>36</b>
Wrexham	89		<b>89</b>
Powys	35		<b>35</b>
Ceredigion	90		<b>90</b>
Pembrokeshire	26		<b>26</b>
Carmarthenshire	77	13	<b>90</b>
Swansea	262	35	<b>297</b>
Neath Port Talbot	47	33	<b>80</b>
Bridgend	105	2	<b>107</b>
The Vale of Glamorgan	46		<b>46</b>
Cardiff	141	3	<b>144</b>
Rhondda Cynon Taf	24	5	<b>29</b>
Merthyr Tydfil	43	9	<b>52</b>
Caerphilly	72	25	<b>97</b>
Blaenau Gwent	118	4	<b>122</b>
Torfaen	68	21	<b>89</b>
Monmouthshire	185	7	<b>192</b>
Newport	237	4	<b>241</b>
<b>WALES</b>	<b>1788</b>	<b>185</b>	<b>1973</b>

**Table A2** Additional Homes provided 2011/12 with and without grant (Source: CHC)

Local Authority	SHG	Non-SHG	Total
Isle of Anglesey	31		<b>31</b>
Gwynedd	24	3	<b>27</b>
Conwy	9		<b>9</b>
Denbighshire	42	2	<b>44</b>
Flintshire	35	1	<b>36</b>
Wrexham	83	6	<b>89</b>
Powys	34	1	<b>35</b>
Ceredigion	90		<b>90</b>
Pembrokeshire	18	8	<b>26</b>
Carmarthenshire	49	41	<b>90</b>
Swansea	250	47	<b>297</b>
Neath Port Talbot	47	33	<b>80</b>
Bridgend	79	28	<b>107</b>
The Vale of Glamorgan	34	12	<b>46</b>
Cardiff	114	30	<b>144</b>
Rhondda Cynon Taf	22	7	<b>29</b>
Merthyr Tydfil	52		<b>52</b>
Caerphilly	52	45	<b>97</b>
Blaenau Gwent	105	34	<b>139</b>
Torfaen	68	4	<b>72</b>
Monmouthshire	59	133	<b>192</b>
Newport	135	106	<b>241</b>
<b>WALES</b>	<b>1432</b>	<b>541</b>	<b>1973</b>

**Table A3** Number of additional homes which were built, renovated or acquired in the financial year 2011/12 (Source: CHC)

Local Authority	Built	Renovated	Acquired	Total
Isle of Anglesey	23		8	<b>31</b>
Gwynedd	15		12	<b>27</b>
Conwy		9		<b>9</b>
Denbighshire	30	1	13	<b>44</b>
Flintshire	32		4	<b>36</b>
Wrexham	82	1	6	<b>89</b>
Powys	33		2	<b>35</b>
Ceredigion	89		1	<b>90</b>
Pembrokeshire	26			<b>26</b>
Carmarthenshire	41	14	35	<b>90</b>
Swansea	251	5	41	<b>297</b>
Neath Port Talbot	57	8	15	<b>80</b>
Bridgend	106		1	<b>107</b>
The Vale of Glamorgan	43		3	<b>46</b>
Cardiff	137		7	<b>144</b>
Rhondda Cynon Taf	22	2	5	<b>29</b>
Merthyr Tydfil	52			<b>52</b>
Caerphilly	70		27	<b>97</b>
Blaenau Gwent	113	3	6	<b>122</b>
Torfaen	52		37	<b>89</b>
Monmouthshire	75	7	40	<b>122</b>
Newport	183	6	122	<b>311</b>
<b>WALES</b>	<b>1532</b>	<b>56</b>	<b>385</b>	<b>1973</b>

**Appendix 2: Spending Survey**

<p><b>Economic Impact Questionnaire</b> Housing Association/Consortium Spending Survey</p>	
<p><i>For further information on this survey or if you have any questions regarding it please contact: Neil Roche 029 20 876648 or Jane Bryan on 029 20 876042.</i></p>	

Name of Housing Association/Consortium:

Contact Name:  Tel No:

Position:  Email:

**SECTION 1: EMPLOYMENT**

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.

<i>Number of Staff:</i>	<i>Full Time:</i>	<i>Part Time:</i>	<i>Total:</i>
<i>Actual 2011/12</i>	<input style="width: 60px; height: 20px;" type="text"/>	<input style="width: 60px; height: 20px;" type="text"/>	<input style="width: 60px; height: 20px;" type="text"/>
<i>Estimate 2012/13</i>	<input style="width: 60px; height: 20px;" type="text"/>	<input style="width: 60px; height: 20px;" type="text"/>	<input style="width: 60px; height: 20px;" type="text"/>

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.

hours.

1c. Please can you estimate the number of volunteers active in your HA/Consortium (incl. board members)

2011/12  *Number of Volunteers*

**SECTION 2: EMPLOYMENT COSTS**

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)

£

<i>Actual 2011/12</i>	<input style="width: 60px; height: 20px;" type="text"/>
<i>Estimate 2012/13</i>	<input style="width: 60px; height: 20px;" type="text"/>

**SECTION 3: INCOME**

3. What was the total income of your Housing Association/Consortium, net of VAT, for 2011/12 ? In the challenging economic conditions we are particularly interested to know what sources of finance have been utilised and especially any innovative sources...

	Income (£)
<b>TOTAL INCOME</b>	<input style="width: 90%; height: 20px;" type="text"/>
<b>which came from:</b>	
Social Housing Grant	<input style="width: 90%; height: 20px;" type="text"/>
Other Grants (.....)	<input style="width: 90%; height: 20px;" type="text"/>
Rents (incl. commercial & residential)	<input style="width: 90%; height: 20px;" type="text"/>
Sales (Property and Services)	<input style="width: 90%; height: 20px;" type="text"/>
Borrowings	<input style="width: 90%; height: 20px;" type="text"/>
Other (.....)	<input style="width: 90%; height: 20px;" type="text"/>
Other (.....)	<input style="width: 90%; height: 20px;" type="text"/>

**[PLEASE COMPLETE "Page 2" which is on a separate sheet]**

**SECTION 4: EXPENDITURE**

4. Please provide your best ESTIMATE of the value and destination of your association/consortium expenditure for the period 2011/12 under each of the following headings.

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].

Destination of expenditure is defined as the location where goods are purchased from, not where the goods originated or were manufactured.

PLEASE EXCLUDE VAT & DIRECT STAFF COSTS. IF YOU ARE UNABLE TO EXCLUDE VAT PLEASE TICK HERE (dropdown)

OPERATIONAL EXPENDITURE 2011/12	[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):			
<b>TOTAL</b>			

Please feel free to add further categories if applicable.  
Please leave categories blank where no expenditure was incurred.

**SECTION 5: REGENERATION RELATED EXPENDITURE**

- 5a. Please can you provide a rough ESTIMATE of the following percentages

percentage of CONSTRUCTION spend which was spent on:	
Greenfield Development	
Brownfield Development	

- 5b. Please could you provide links\* to any information on regeneration work that your HA is involved with  
Examples might include: 106 agreements; work with local SMEs (including social enterprises);  
and community regeneration projects (e.g. urban renewal projects, removal of an eyesore, building renovations).

\* please add internet links/ names of reports or other relevant information to text box above

Appendix 2: Funding mechanisms for affordable housing

Funding Mechanism	Outline Description
Grants	Directly able to influence housing supply, but limited to available funds and political commitment to housing. Often used to lever and secure other sources of funds
Discounted Land Price	Traditionally a key vehicle to manage urban development outcomes, where governments are a major land holder. Can be applied specifically to affordable housing goals. Subject to land availability and market conditions.
Public Loans	Traditionally the primary financing strategy for social / affordable housing programs. Cost effective fund raising. Revolving liquidity (through loan repayments) can offer longer term reinvestment potential. Recently, curtailed by public sector borrowing limits and the attractiveness of low private mortgage rates. As so called 'soft' loans, may not require same security as for private finance.
Protected circuits of savings for specified Investments	Used to achieve a dedicated flow of affordable credit for affordable housing programs. Sustained in some countries, while others have dismantled them to improve competitiveness of local banks amidst foreign competition.
Private loans	Increasingly play a role in financing affordable housing, either partially or entirely. Vulnerable to changing financial conditions and alternative investments. National approaches vary in cost effectiveness and the appropriateness of the fund raising and distribution mechanisms that are used.
Interest rate subsidies	Useful in the early phase of a mortgage to reduce higher relative costs. Containing the cost to government over time relies on steadily rising wages and house prices and stable interest rates.
Tax Privileged Private Investment	Used to channel investment towards affordable housing and to compensate investors for lower rates of return and profit restrictions.
Government secured private investment	Government backed guarantees to reduce risks to financial institutions investing in affordable housing, passed on in a lower cost of finance.
Tax Privileges for providers of affordable housing	Many countries provide a variety of tax privileges to registered organisations, for example income and investment deductions, depreciation allowances, reduced sales and property taxes, exemptions from capital gains tax. These allowances compensate the efforts of the preferred providers towards achieving the social policy objectives of governments.
Own reserves and surpluses	Mature housing organisations can leverage their balance sheets, reserves and surpluses to invest in additional housing. Funds raised may be pooled to support weaker organisations or to promote innovation and competition.
Tenants' Equity	Some funding models incorporate a small tenant equity contribution. Governments may assist low income tenants to make this contribution. Larger contributions may lead ultimately to tenant purchase of dwellings.

Source: Milligan, Gurran, Lawson, Phibbs and Phillips *and cited* by Lawson, J (2010) 'European housing strategies, financing mechanisms and outcomes' in Financing Social Housing after the Economic Crisis, CECODHAS European Social Housing Observatory, BSHF. [p://www.bshf.org/published-information/publication.cfm?lang=00&thePubID=7AD1065F-15C5-F4C0-99BAE15289421527](http://www.bshf.org/published-information/publication.cfm?lang=00&thePubID=7AD1065F-15C5-F4C0-99BAE15289421527) accessed 20<sup>th</sup> August 2012

Appendix 3 Review of HA Tenant Engagement Activity

Housing Association	Name of Initiative	Type of Initiative	Description	Web Link	Impact Category: High Impact (HI) Typical (T) Innovative (I) High penetration (HP)
Bron Afon	Green Futures Programme	Community Initiative	Open Network College Programme (60 people)	<a href="http://www.neighbourhoodsgreen.org.uk/module/casestudy/display/casestudydisplay.aspx?casestudy=28">http://www.neighbourhoodsgreen.org.uk/module/casestudy/display/casestudydisplay.aspx?casestudy=28</a>	Typical
Tai Calon	Green Earth @ Tai Calon	Youth-Unemployment Initiative	Green Earth @ Tai Calon Ground maintenance team. Young people who cannot get a job and are not in education or training provide the grass cutting service.	<a href="http://www.taicalon.org/index.php/repairs-and-maintenance/116-green-earth-tai-calon">http://www.taicalon.org/index.php/repairs-and-maintenance/116-green-earth-tai-calon</a>	Typical (in partnership with local authorities)
Family Housing	Maes Mwldan Extra	Extra Care Scheme	Opened in April 2011. First of its type in Ceredigion. Care is provided to tenants who have been assessed by the Ceredigion Council, and we are now working with local government in Pembrokeshire and Carmarthenshire to develop extra care schemes.	<a href="http://www.housingcare.org/downloads/facilities/generated-brochures/159555-maes-mwldan-cardigan-wales.pdf">http://www.housingcare.org/downloads/facilities/generated-brochures/159555-maes-mwldan-cardigan-wales.pdf</a>	Typical
Tai Eryri	Enterprise Centre, Canolfan Fenter Congle Meinciaiu	Enterprise venture	Opened in November 2011: an enterprise centre on a former petrol station, contains 12 business units and a cafe, centre uses renewable energy technologies in order to generate heating and electricity. Has reached BREEAM excellent 'standard'	<a href="http://www.congmeinciaiu.org.uk/">http://www.congmeinciaiu.org.uk/</a>	Typical
Tai Eryri	Ynni LLyn project	Reduce Fuel Poverty	In 2011-12 succeeded in attracting the LEAF grant to initiate Ynni LLyn project. Project aims to reduce fuel poverty through establishing an area which is self-sufficient in energy consumption, LEAF grant allows Tai	<a href="http://www.taieryri.co.uk/images/uploads/page-images/Files/Saesn">http://www.taieryri.co.uk/images/uploads/page-images/Files/Saesn</a>	Innovative

			Eryri to commission specialist advisers to measure energy use and advise on ways to consume and save accordingly.	eg/CYWAITH%20CYF%20BUSINESS%20PLAN%20FOR%202012-15%20-%20final.pdf	
CCHA	Affordable Warmth Service	Community Warmth- Elderly	Affordable Warmth Service, £215,000 grant from the Big Lottery Fund, assist with concerns with heating or insulation, energy efficiency and fuel bills advice, buying energy and fuel more appropriately, increasing income by identifying any unclaimed benefits	<a href="http://www.ccha.org.uk/admin/content/files/Performance/CCHA_2011_Financial_Statements.pdf">http://www.ccha.org.uk/admin/content/files/Performance/CCHA_2011_Financial_Statements.pdf</a>	T
Tai Clwyd	New Skate Park	Community Engagement -Youth	New skate park developed under guidance of Tai Clwyd, 300 came to official opening in Denbigh, children come from Liverpool and Manchester	<a href="http://www.taiclwyd.com/en/news/annual-reoprt-2010-11/">http://www.taiclwyd.com/en/news/annual-reoprt-2010-11/</a>	Innovative
Rhondda HA	The Island Trust	Community Engagement	One week in 2012, 9 young people from Penygraig and Brynna, went on a 6 day sailing voyage called 'pegasus'	<a href="http://rhondda.org/wp-content/uploads/2011/10/RHA-Newsletter-Summer-2012-FINAL-VERSION.pdf">http://rhondda.org/wp-content/uploads/2011/10/RHA-Newsletter-Summer-2012-FINAL-VERSION.pdf</a>	TYPICAL low penetration High Impact
Rhondda HA		Youth-Community Support	Young People's flats, formed an innovative partnership with RCT council to support flats that teenage carers can live in for short, trial periods to see whether they are ready to take a tenancy on their own	<a href="http://www.rcthomes.co.uk/mediaFiles/downloads/35366102/RCT_Homes_Annual_Review_2010_11.pdf">http://www.rcthomes.co.uk/mediaFiles/downloads/35366102/RCT_Homes_Annual_Review_2010_11.pdf</a>	Typical High Impact
North Wales	The Denbighshire Empty Homes Project,	Regeneration	The Empty Homes Officer has identified 800 long-term empty homes & >150 owners interested in bringing their property back into use. A draft Empty Homes Strategy will be presented to North Wales Housing Association's Board and Denbighshire CC in April 2012. North Wales Housing Association has supported the recruitment of 2 specialist Officers who have raised		Innovative

			awareness of empty homes for affordable housing.		
Tai Ceredigion	local digital site at the Bro Teifi Sheltered Scheme in Cardigan	Digital Inclusion-elderly	Local digital site at the Bro Teifi Sheltered Scheme in Cardigan. Tenants can access the Tai Ceredigion looking local page through their SKY television, Nintendo Wii or mobile phones for information on rent, repairs and tenancy issues.	<a href="http://issuu.com/communityhousingcymru/docs/around_the_houses__november_2011">http://issuu.com/communityhousingcymru/docs/around_the_houses__november_2011</a>	Typical
Grwp Gwalia	Dreamscheme	community involvement- young persons (youth schemes);	A community based project working with children & young people to carry out some simple jobs in the area and gain points, which they can then spend on trips.	<a href="http://www.gwalia.com/media/Files/downloads/37056939/Gwalia__Annual_Report__2011__weblinked.pdf">http://www.gwalia.com/media/Files/downloads/37056939/Gwalia__Annual_Report__2011__weblinked.pdf</a>	Typical
Tai Calon	'Cre8'	community involvement- young persons (youth schemes);	Media skills project for 14-16 year olds launched in 2012 in Blaina; 'Cre8' provides children outside mainstream education with an opportunity to learn through experience in creative industries using the latest technology..	<a href="http://issuu.com/communityhousingcymru/docs/around_the_houses__december_2011">http://issuu.com/communityhousingcymru/docs/around_the_houses__december_2011</a>	Innovative
North Wales	Making Movies on the Pier	community involvement- young persons (unemployed male);	Group of Noddfa homeless hostel service users, created a 20 minute film on Colwyn Bay pier, filmed –with TAPE (a community arts and media organisation)	<a href="http://issuu.com/communityhousingcymru/docs/around_the_houses__january_2012">http://issuu.com/communityhousingcymru/docs/around_the_houses__january_2012</a>	Typical Low Penetration
Wales & West	MUGA	community involvement- young persons (unemployed male);	Barracksfield Tenants Association and Youth Forum achieved first place in the Tenant Participation Projects Award for their Multi Use Games Area (MUGA) project in May 2011. The project was started in 2007 to give young people somewhere to play off the streets. The Groups have, with support from WWH's Community Development Projects Officer, raised over £65,000.	<a href="http://www.wwha.net/SiteCollectionDocuments/Corporate%20Social%20Responsibility%20Report%202011.pdf">http://www.wwha.net/SiteCollectionDocuments/Corporate%20Social%20Responsibility%20Report%202011.pdf</a>	Typical Low Penetration
Wales & West	Dr Bike'	community involvement- young persons (youth schemes);	Provision for young people to learn how to maintain and repair their bike 12 sessions over summer and half term holidays. Accessed Community's First Trust Fund to carry on the project, and purchase a secure	<a href="http://www.wwha.net/SiteCollectionDocuments/Corporate%20Social%20Responsibility%20Report%202011.pdf">http://www.wwha.net/SiteCollectionDocuments/Corporate%20Social%20Responsibility%20Report%202011.pdf</a>	Innovative High Penetration

			container as a workshop, hire a bicycle mechanic and youth worker for two hours a week from April to September 2012 fund two Open College Network bicycle maintenance courses for young people		
Wales & West	Arbed Efficiency Scheme	Employment/ Training	Arbed energy efficiency scheme has nine additional posts with contractors. During 2011 worked with Job Match Bridgend to support two long-term unemployed people into work, via the Employment Routes programme	<a href="http://www.wwha.net/SiteCollectionDocuments/2011WWHAAnnualReportandFinancialStatements.pdf">http://www.wwha.net/SiteCollectionDocuments/2011WWHAAnnualReportandFinancialStatements.pdf</a>	Typical
Merthyr Valleys	e-card scheme	Decoration Allowance	MV reviewed their decoration allowance scheme and introduced an e-card scheme - New tenants are now able to purchase decorating materials from B & Q using an electronic payment card during the first three months of their new tenancy	<a href="http://www.mvhomes.org.uk/documents/content/publications/mv_homes_annual_report_welsh.pdf">http://www.mvhomes.org.uk/documents/content/publications/mv_homes_annual_report_welsh.pdf</a>	<b>ALLOWANCE POINTS SCHEME</b> in conjunction with shops and local businesses
Merthyr Valleys	community grant	community involvement	Merthyr People First opened a new community enterprise shop and workshop. Penydarren Boys and Girls Club bought a new pitch line marking equipment Dywlo Bach Pre-School playgroup purchased educational equipment	<a href="http://www.mvhomes.org.uk/documents/content/publications/mv_homes_annual_report_welsh.pdf">http://www.mvhomes.org.uk/documents/content/publications/mv_homes_annual_report_welsh.pdf</a>	<b>COMMUNITY GRANT SCHEME</b> run by NEARLY EVERY HA,
Cynon Taf	Timebanking project	community involvement	Timebanking project provides opportunities/new skills for the residents of Cwmaman.	<a href="http://timebank.org.uk/">http://timebank.org.uk/</a>	<b>Typical COMMUNITY ENGAGEMENT PROJECT</b>
Tai Ceredigion	Wales's first Inter-generational Club	community involvement- young and old	Primary school pupils and sheltered housing tenants have got together in Aberystwyth to form Wales' first Intergenerational Club. Launched 13 July 2012 at Plas Crug Primary School.	<a href="http://www.welshicons.org.uk/news/community/the-generation-game-comes-to-aber/">http://www.welshicons.org.uk/news/community/the-generation-game-comes-to-aber/</a>	innovative inter-generation
United Welsh	Tenants Do Digital	Digital Inclusion	Groups have been given support to access online services and familiarise with digital services	<a href="http://www.uwha.co.uk/About/United%20Welsh%20annual%20report%202011.pdf">http://www.uwha.co.uk/About/United%20Welsh%20annual%20report%202011.pdf</a>	Typical
United Welsh	Life Skills' in action	community involvement	Residents work alongside professionals to gain skills	<a href="http://www.uwha.co.uk/About/United%20Welsh%20annual%20report%202011.pdf">http://www.uwha.co.uk/About/United%20Welsh%20annual%20report%202011.pdf</a>	Typical <b>WORK INVOLVEMENT PROGRAMME,</b>

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Seren	'OK Kids' Project	Family Support	Supports families and parents, helps parents with techniques and strategies to deal with their children's behaviour	<a href="http://www.chcymru.org.uk/chc_dev_final/newyddion/latest-news/2012/member-news/en/new-parenting-project-officially-launched.cfm">http://www.chcymru.org.uk/chc_dev_final/newyddion/latest-news/2012/member-news/en/new-parenting-project-officially-launched.cfm</a>	Innovative High Impact
Seren	Family Intervention Project	Family Support	Family Intervention Project works with families facing eviction due to anti-social behaviour, the FIP provides intensive family focused support	<a href="http://www.solas-cymru.co.uk/wp-content/uploads/2012/05/agency_leaflet_P4-21.pdf">http://www.solas-cymru.co.uk/wp-content/uploads/2012/05/agency_leaflet_P4-21.pdf</a>	Innovative High Impact High Penetration
Seren	'Come surf with me'	Digital Inclusion	Project partnership between Upper Sirhowy Valley Communities First, 150 people living in Markham Village learnt how to use internet and email	<a href="http://www.communities2point0.org.uk/case-study-come-surf-with-me">http://www.communities2point0.org.uk/case-study-come-surf-with-me</a>	Typical
Taff	Riverside Back2 Basics programme,	community involvement- young	Year 3 of project, 140 activities throughout Riverside, aimed at providing young people with stimulation, 65 young people enjoyed a night of competitions, arts and crafts, and music.	<a href="http://www.taffhousing.co.uk/node/111">http://www.taffhousing.co.uk/node/111</a>	Typical <b>COMMUNITY INVOLVEMENT PROGRAMME,</b>
Cadwyn	Action Camp	community involvement- young	Three days of camping <ul style="list-style-type: none"> <li>• Fun activities</li> <li>• Make new friends</li> <li>• Learn new skills</li> </ul>	<a href="http://www.cadwyn.co.uk/wp-content/uploads/2011/10/2241-Cadwyn-Newsletter_TenantsMag-Summer-11-4.pdf">http://www.cadwyn.co.uk/wp-content/uploads/2011/10/2241-Cadwyn-Newsletter_TenantsMag-Summer-11-4.pdf</a>	Low Penetration High Impact
NPT Homes	Youth Forum	community involvement- young	NPT Homes are working in partnership with existing youth services within Neath Port Talbot to form a Youth Forum. In addition, young people will be offered a number of informal opportunities to have a say in how NPT Homes involves them.	<a href="http://www.npthomes.co.uk/downloads/Get_Involved.pdf">http://www.npthomes.co.uk/downloads/Get_Involved.pdf</a>	Youth forum is run by nearly every HAs and very successful at working with local authorities
Merthyr Housing	Save to Earn	Credit Scheme	Savings Incentive Scheme	<a href="http://www.mtha.org.uk/main.cfm?Type=SAVE&amp;MenuId=161&amp;Menu3Id=212">http://www.mtha.org.uk/main.cfm?Type=SAVE&amp;MenuId=161&amp;Menu3Id=212</a>	Innovative
Merthyr Housing		community involvement- young	Film and communications projects with young Wales and University of Glamorgan relating to Old Town Hall	<a href="http://www.mtha.org.uk/documents/website/Policies%20And%20Procedures/Corporate/Annual%20Report%202011%20(Eng).pdf">http://www.mtha.org.uk/documents/website/Policies%20And%20Procedures/Corporate/Annual%20Report%202011%20(Eng).pdf</a>	Typical High Impact Low Penetration
Coastal	Social Circle 506	Community Involvement-Elderly	Trips for socially excluded >55 yrs.	<a href="http://www.coastalhousing.co.uk/pdfs/winter2011.pdf">http://www.coastalhousing.co.uk/pdfs/winter2011.pdf</a>	Typical Low Penetration

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					High Impact
Monmouthshire	Green Fingers and Company	community involvement- young	Green Fingers and Company, Chepstow Comprehensive alternative education programmes, including Gardening	<a href="http://issuu.com/cl_mha/docs/mha_annual_accounts_2011">http://issuu.com/cl_mha/docs/mha_annual_accounts_2011</a>	Typical Low Penetration
Monmouthshire	I'm Bored club'	community involvement- young	Informal community group children and parents, high visibility vests so they can go out walking with the children's safety.	<a href="http://www.freepressseries.co.uk/news/8984724.Rogiet_children_s_club_bids_to_end_the_boredom_blues/">http://www.freepressseries.co.uk/news/8984724.Rogiet_children_s_club_bids_to_end_the_boredom_blues/</a>	Innovative
Newport City Homes	City Streetz project	community involvement- young	City Streetz project- group of 40 11-16 year olds in week long initiative with Urban Circle, at Coleg Gwent's Newport Campus - MC-ing and graffiti art, and a concert.	<a href="http://www.newportcityhomes.com/default.asp?contentID=814">http://www.newportcityhomes.com/default.asp?contentID=814</a>	Typical
Newport City Homes	Newport BME Housing Forum Launch	community involvement-	Newport BME Residents Forum Launched in 2012, 100 people attended launch, action-packed day included traditional music and dancing, resident-led forum supported by Newport City Council aims to identify housing issues affecting BME	<a href="http://chcymru.org.uk/chc_dev_final/newyddion/latest-news/2012/member-news/en/fun-at-the-newport-bme-housing-forum-launch.cfm">http://chcymru.org.uk/chc_dev_final/newyddion/latest-news/2012/member-news/en/fun-at-the-newport-bme-housing-forum-launch.cfm</a>	
Newport City Homes	Resident Festival 2010	community involvement-	Resident Festival 2010- residents planned and organised the event, in its second year, rock climbing and arts and crafts. Presentations about Youth projects and information stalls about NCH	<a href="http://www.newportcityhomes.com/downloads/Press%20Releases/Resident%20Festival.pdf">http://www.newportcityhomes.com/downloads/Press%20Releases/Resident%20Festival.pdf</a>	Typical
Newport City Homes	Environmental Improvement Fund	Regeneration	Environmental Improvement Fund launched in 2009, handed out £62k of grants to 24 organisations ranging from Pill Environmental action Group to Forest Children's Centre	<a href="http://www.newportcityhomes.com/default.asp?contentID=751">http://www.newportcityhomes.com/default.asp?contentID=751</a>	Innovative
Newport City Homes	Community Fund	community involvement	Community Fund Launch, an annual pot of £20k give grants of up to £1k to projects which encourage neighbourhood involvement, to a radio show and activities to celebrate black history month	<a href="http://www.chcymru.org.uk/chc_dev_final/newyddion/latest-news/2012/member-news/en/newport-city-homes-community-fund-application-successes.cfm">http://www.chcymru.org.uk/chc_dev_final/newyddion/latest-news/2012/member-news/en/newport-city-homes-community-fund-application-successes.cfm</a>	Typical
North Wales	Gwynedd & Ynys Mon Youth Justice Services	Working with Young Offenders'	Working with Young Offenders' - Project provides dedicated housing related support to individuals from Gwynedd aged 16 –18, who are engaged with the Gwynedd & Ynys Mon Youth Justice Services. Vulnerable young people are encouraged to tackle,	<a href="http://www.nwha.org.uk/en/general-supported-housing/yjs-youth-justice-services-project">http://www.nwha.org.uk/en/general-supported-housing/yjs-youth-justice-services-project</a>	Innovative project High Impact

			offending behaviour and contributory problems connected to accommodation status. The project also provides housing advice.		
CCHA			Golden Club for >55s, bingo/computer sessions meeting on a monthly basis, with 25 members	<a href="http://www.ccha.org.uk/admin/content/files/Our%20Services/CHAT/2011/CCHA%20Chat%2059.pdf">http://www.ccha.org.uk/admin/content/files/Our%20Services/CHAT/2011/CCHA%20Chat%2059.pdf</a>	Typical High Impact
RCT Homes	Youth Engagement Strategy	community involvement- young	Youth Engagement Strategy, included a tour of community initiatives to inspire young people from Penywaun to start their own project to improve the local environment: the word on street media project 'Action Camp'	<a href="http://rcthomes.verseone.com/mediaFiles/downloads/35982147/RCT_Homes_Annual_Review_2010_11_online_version.pdf">http://rcthomes.verseone.com/mediaFiles/downloads/35982147/RCT_Homes_Annual_Review_2010_11_online_version.pdf</a>	Typical - reaches 30-40 young people from each HA area
RCT Homes	Open Spaces	community involvement	500 local people were canvassed on how to make estates look better and be safer. Ideas will be converted to local projects and potentially employment.	<a href="http://rcthomes.verseone.com/mediaFiles/downloads/35982147/RCT_Homes_Annual_Review_2010_11_online_version.pdf">http://rcthomes.verseone.com/mediaFiles/downloads/35982147/RCT_Homes_Annual_Review_2010_11_online_version.pdf</a>	Innovative
RCT Homes	Meadow Prospect		RCT Homes' subsidiary charity set up in 2007 to support social enterprises; community-based renewable energy schemes; and initiatives that develop skills of individuals. Meadow Prospect provided the working capital that enabled Grow Enterprise Wales to become a multi-million pound social enterprise providing training and job placements for hundreds of young unemployed people.	<a href="http://rcthomes.verseone.com/mediaFiles/downloads/35982147/RCT_Homes_Annual_Review_2010_11_online_version.pdf">http://rcthomes.verseone.com/mediaFiles/downloads/35982147/RCT_Homes_Annual_Review_2010_11_online_version.pdf</a>	Typical High Penetration High Impact
RCT Homes	estate and environmental improvement programme	Regeneration	RCT homes estate and environmental improvement programme gave £80,000 of grants to community led projects, led to projects bringing a further £61,000 in matched funding, included a community garden at Bryntirion	<a href="http://www.rcthomes.co.uk/mediaFiles/downloads/35366102/RCT_Homes_Annual_Review_2010_11.pdf">http://www.rcthomes.co.uk/mediaFiles/downloads/35366102/RCT_Homes_Annual_Review_2010_11.pdf</a>	Innovative
Gwynedd	Take CTRL	Digital Inclusion	Training for people in North Wales, arranging information and training sessions	<a href="http://www.google.co.uk/url?sa=t&amp;rct=j&amp;q=take%20ctrl%20">http://www.google.co.uk/url?sa=t&amp;rct=j&amp;q=take%20ctrl%</a>	Typical
V2C	Community Companions	community involvement- Elderly	A new befriending scheme funded by the Big Lottery Fund and Bridgend County Borough Council. It is led by Bridgend Association of Voluntary Organizations	<a href="http://www.bavo.org.uk/older_people_services.htm">http://www.bavo.org.uk/older_people_services.htm</a>	Typical High Penetration

			(BAVO) in partnership with a range of statutory and voluntary organizations		
V2C	Digital Inclusion- Partnership Project	Digital Inclusion	Aiding elderly and Youth with computer services	<a href="http://www.v2c.org.uk/DigitalInclusion.html">http://www.v2c.org.uk/DigitalInclusion.html</a>	Typical
V2C	Make a difference scheme	Regeneration	Make a difference scheme is designed to be a wide ranging approach to involving communities to look closely at where they live and then working with the assistance of V2C on making positive changes. Examples of potential projects could be reclaiming a derelict piece of land for a community garden, starting a youth project over the summer holidays or starting a community crèche	<a href="http://www.v2c.org.uk/newsandinfo.html">http://www.v2c.org.uk/newsandinfo.html</a>	Typical REGENERATION INITIATIVE,
Hafan	Spectrum'	community involvement- youth	Hafan's youth education project ', funded by Comic Relief and the Welsh Government, aims to educate the youth of Wales about domestic abuse and it's consequences. We deliver the project in schools throughout Wales talking to people aged between 11 and 18 years of age. In addition to raising awareness about abuse amongst young people 'Spectrum' also delivers sessions to teachers, teaching support staff, youth workers, social workers and other interested professionals	<a href="http://www.hafancymru.co.uk/content/public/educationlearningwork/SpectrumProject.aspx">http://www.hafancymru.co.uk/content/public/educationlearningwork/SpectrumProject.aspx</a>	Innovative
Rhondda HA	Reality Baby	community involvement- youth	14 Young people attended a residential weekend to gain an understanding of responsibility and life style change that being a parent brings..	<a href="http://rhondda.org/wp-content/uploads/2011/10/RHONDDA_REPORT_final.pdf">http://rhondda.org/wp-content/uploads/2011/10/RHONDDA_REPORT_final.pdf</a>	Innovative Low Penetration High Impact
Rhondda HA	Lights, Camera, Action'	community involvement	RHA tenants created a DVD of useful information about RHA and topics relating to their tenancy	<a href="http://rhondda.org/wp-content/uploads/2011/10/RHONDDA_REPORT_final.pdf">http://rhondda.org/wp-content/uploads/2011/10/RHONDDA_REPORT_final.pdf</a>	Typical High Impact
Melin	Jump Fund	community involvement- grants	'Jump Fund' small grants up to £250 for individuals, Torfaen visually impaired Gym Group used money to buy branded t-shirts and to distinguish volunteers	<a href="http://www.melinhomes.co.uk/sites/default/files/Melin%20News%20-%202013%20-%20SMALL.pdf">http://www.melinhomes.co.uk/sites/default/files/Melin%20News%20-%202013%20-%20SMALL.pdf</a>	Typical
Melin	Groundforce	community involvement-	Coed Eva and Tylgoed Groundforce launched July 2011. Groundforce teams developed in partnership	<a href="http://www.melinhomes.co.uk/sites/default/files/Annual%20R">http://www.melinhomes.co.uk/sites/default/files/Annual%20R</a>	Typical

		Training, Work	with Torfaen training teams gave free gardening and landscaping tin their local area, provided a vital snow clearing service also.	eport%202010%20-2011.pdf	
Tai Clwyd	Bus Stop	community development	Bus Stop is a mobile community development project, which is free and confidential and is open to anyone living in Conwy and Denbighshire County. The Project is supported and managed by Cymdeithas Tai Clwyd and also receives financial assistance from Cartrefi Conwy and North Wales Housing	<a href="http://www.taiclwyd.com/communities/bus-stop-project/">http://www.taiclwyd.com/communities/bus-stop-project/</a>	Innovative
Gwalia	Community Chest	Community development	Tenants and Gwalia Care and Support clients can apply to £12k community chest fund for activities that benefit them and their communities.	<a href="http://content.yudu.com/Library/A1xacq/GwaliaampMeSpring201/resources/34.htm">http://content.yudu.com/Library/A1xacq/GwaliaampMeSpring201/resources/34.htm</a>	Typical
Tai Eryri	Housing, Employment and Language' project	Community Inclusion	'On the Llyn Peninsula, developed in conjunction with Tai Eryri, Communities First and Gwynedd Council, housing allocations policy give priority to local applicants from Aberdaron, Botwnnog and Tudweiliog.	<a href="http://www.taieryri.co.uk/images/uploads/page-images/Files/Saesneg/CYWAITH%20CYF%20BUSINESS%20PLAN%20FOR%202012-15%20-%20final.pdf">http://www.taieryri.co.uk/images/uploads/page-images/Files/Saesneg/CYWAITH%20CYF%20BUSINESS%20PLAN%20FOR%202012-15%20-%20final.pdf</a>	
Gwalia	Tapestri	Community Inclusion- Youth, unemployed	Tapestri is a social enterprise providing training and jobs for young, unemployed people. It is available for social events , recent events include live theatre, jazz and musical performances	<a href="http://www.tapestri.co.uk/">http://www.tapestri.co.uk/</a>	Typical but challenging
Tai Calon	First Radio Show for Housing Association in Wales on BRFM	Community Engagement	Possibly the first in Wales to have its own radio programme. The weekly show on community radio, Brfm, will be presented by tenants and staff of Tai Calon Community Housing.	<a href="http://www.housingnet.co.uk/housingnet-html-60/We_Believe_We_Are_The_First_To_Take_To_The_Airwaves_14054.html">http://www.housingnet.co.uk/housingnet-html-60/We_Believe_We_Are_The_First_To_Take_To_The_Airwaves_14054.html</a>	Innovative
Bron Afon	Neon youth club	Community Inclusion- Youth,	Following a Blaenavon community audit which revealed a deficit of facilities for young people, Bron Afon worked with the Police and Communities First to establish a Youth Club, run by community volunteers. 160 young people from across South Wales joined the NEON to put on a fashion show to raise funding. Some attended Bron Afon's AGM to speak about the difference the NEON has made to	<a href="http://www.bronafon.org.uk/Portals/0/Docs/Supporting%20docs%20for%20applicants%20Sept%2010/A%20Year%20in%20the%20Life%20of%20Bron%20Afon%2020092010[1].pdf">http://www.bronafon.org.uk/Portals/0/Docs/Supporting%20docs%20for%20applicants%20Sept%2010/A%20Year%20in%20the%20Life%20of%20Bron%20Afon%2020092010[1].pdf</a>	Typical

			their lives.		
Bron Afon	Down to Earth	Community Inclusion- Youth	5 young people participated in the Down to Earth Project and gained qualifications in sustainable development and Global citizenship from Welsh Government	<a href="http://www.downtoearthproject.org.uk/">http://www.downtoearthproject.org.uk/</a>	Innovative Low Penetration

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