

**Community
Housing
Cymru**



Socio-Economic Impact of the Housing Association and Community Mutual Sector in Wales 2016/17



beaufortresearch

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EXECUTIVE SUMMARY

This report for Community Housing Cymru (CHC) estimates the economic impact of the CHC membership, in terms of gross value added impact, and direct and indirect Full Time Equivalent (FTE) jobs. It also provides a time series from 2007/08 to 2016/17.

Housing Associations (HAs) refer to Community Mutual organisations, Large Scale Voluntary Transfers (LSVTs) and Traditional Housing Associations.

CHC represents over 70 not-for-profit housing associations and community mutuals in Wales. These vary in terms of the number of homes managed, the range of services provided and their geographical coverage. In 2016/2017 29 housing associations had an active development programme. Each year, CHC members report the number of new homes provided and Table E1 includes the information for 2016 /2017.

Table E1 Additional homes provided by CHC membership 2008 - 2017

	Additional homes
2008	1533
2009	2142
2010	2286
2011	2033
2012	1973
2013	1862
2014	1850
2015	1923
2016	2322
2017	2533

The 2,533 additional homes provided in 2016-17 is an increase on previous years and puts housing associations on target to achieve the sector's 12,500 additional homes targeted over a five year period as part of the housing pact signed between Welsh Government, WLGA and CHC.

As well as reporting additional homes, the survey questionnaires also report sources of income. Those responding to the survey indicate that of the total sector income of approximately £1.1bn, housing associations receive approximately £122m from Welsh Government as social housing grant. In addition, housing associations receive approximately £51m in other grants, of which 81% comes from Welsh Government and 19% from other sources. The balance of Housing Associations' income is from sources such as rents, sales, borrowing as well as other activities such as service charges etc. The relationship between the money received from Welsh Government compared to other sources can be expressed as for every £1 received from Welsh Government, the housing associations bring £6.01.

Economic Impact Assessment 2016/17

In 2016/17 Welsh Housing Associations (HAs) spent an estimated £1,051m (including operational expenditure, staffing costs, construction spend and maintenance/ major works). Table E2 reports the share of this expenditure *retained* in Wales.

Table E2 Estimated Gross Spending of Welsh HAs in Wales by category 2016/17

	£m	% of all Welsh HA spend
Direct labour costs (inc. temp staff etc)	268.12	30.2%
Construction	253.47	28.6%
Maintenance & repair	229.25	25.8%
Other	53.25	6.0%
Finance & business services (inc. insurance)	37.07	4.2%
Land acquisition	29.42	3.3%
Transport etc.	5.40	0.6%
Rent & rates	3.86	0.4%
Training	3.35	0.4%
Energy / water etc.	2.02	0.2%
Consumables	1.87	0.2%
Hotels etc.	0.40	0.0%
Total	887.47	100%

The estimated extra jobs and gross value added linked to CHC member activity are shown in Table E3.

Table E3 Estimated Economic Impacts of the Housing Associations of Wales on the Welsh Economy 2016/17

	Direct Impact: HA Sector Output & Employment	Indirect (supplier effect and induced income effect)	Total Impact
Output £m	1,051	911	1,962
Gross Value Added (GVA) £m	295	433	728
Employment Full Time Equivalents (FTEs)	8,731	13,389	22,120

**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 employees and agency staff.*

HAs in Wales supported a total output of £1,962m in 2016/17, gross value added of around £728m, and an estimated 22,120 FTE jobs in Wales. For every one full time person employed by a HA, one and a half other jobs are supported elsewhere in the economy.

CHC membership organisations spent £20m on community regeneration in 2016/17, in addition to expenditure on brownfield and greenfield construction, training and repairs/maintenance – a total of the £471m overall – see Table E4.

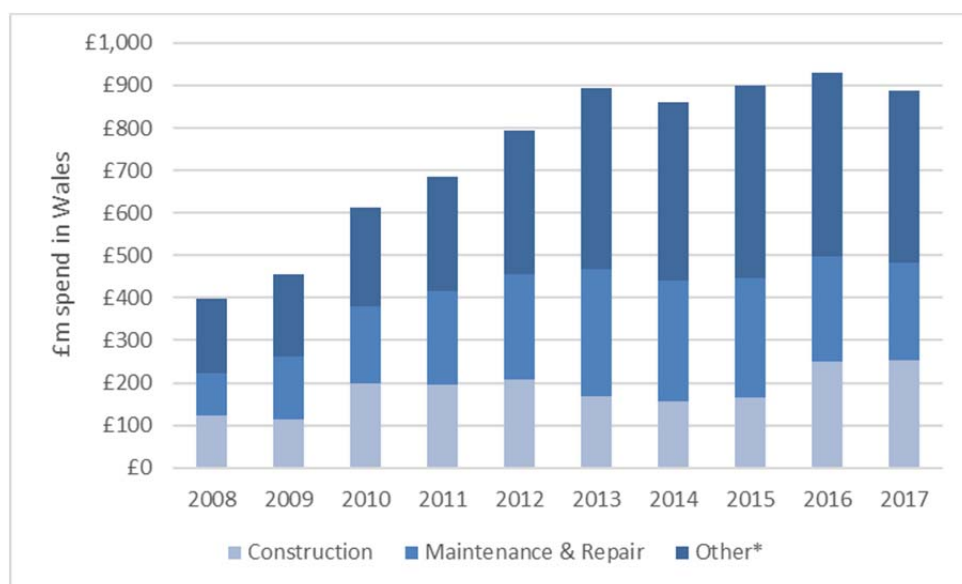
Table E4 Estimated Regeneration Spend (excluding staff costs) 2016/17

	2017 £m
Care and health	1.6
Employment support and apprenticeships	2.1
Digital inclusion	0.5
Social enterprise development	0.3
Financial inclusion	1.1
Energy projects	7.4
Empty homes	4.5
Assisting victims	2.0
Other	0.7
<i>Sub-total</i>	<i>20.3</i>
Brownfield construction	206.4
Greenfield construction associated with regeneration	11.3
Training	3.3
Repair and maintenance	229.2
Total	470.6

Figure E1 and Tables E5 and E6 show various measures over a 10 year period. Figures prior to 2017 (2008-2016) have been adjusted so that they are expressed in 2017 pounds. These “constant” prices are appropriate to enable a more accurate comparison of monetary values, effectively removing any differences which are merely the result of inflation.

The value of spending on local goods and services over the 10-year period is shown in Figure E1. Welsh HAs have spent around £4.1bn in the Welsh economy on housing properties (either on constructing new builds or on maintenance/repair) over the 10-year period.

Figure E1 Welsh HA spending in Wales 2008 – 2017 (constant prices 2017 pounds)



*Other selling sectors in Wales and wages/salaries

A summary of *total* impacts of Welsh HA activity over the last 10-year period appears at Table E5, and the regeneration impacts in E6.

Table E5 Estimated TOTAL (Direct + Indirect) Economic Impact of the Housing Associations of Wales on the Welsh Economy 2008-2017 (constant prices 2017 pounds)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Output £m	984	1,144	1,527	1,693	1,933	2,093	2,033	2,127	2,005	1,962
Gross Value Added (GVA) £m	326	381	475	532	611	689	686	707	766	728
Employment: Full Time Equivalents (FTEs)	12,047	14,540	15,700	17,100	20,200	21,360	21,350	22,295	23,077	22,120

Table E6 Estimated Regeneration Spend (excluding staff costs) 2008-2017, £m (constant prices 2017 pounds)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	Total
Brownfield construction	119	112	196	181	202	184	185	200	195	206	1,781
Greenfield construction associated with regeneration	21	17	23	21	17	9	8	9	13	11	150
Repair & maintenance	107	164	217	263	306	318	306	310	284	229	2,503
Training budgets	2	2	3	4	6	8	7	7	4	3	48
Community Regeneration projects and other expenditure	3	3	4	6	6	30	30	22	32	20	156
Total	252	298	443	475	537	550	536	548	528	471	4,638

MAIN REPORT

1. The Economic Impact of Housing Associations in Wales

1.1 Background

An estimation of the economic impact of housing association spending in Wales, in 2016/17, is set out in this chapter. We define the economic terms used in the estimation process. We then explain the methodology for estimating the economic impact of housing association sector activity to the economy of Wales.

The reported results for the Welsh economy cover: gross spending by category; gross spending in Wales by category; and “knock-on” (multiplier) effects of housing association-related spending in terms of total spending, gross value added and employment supported by housing association spend in Wales.

This report is part of a series of reports and follows on from estimates of economic impact provided by the Welsh Economy Research Unit (WERU) 2008-2015, and the estimate of economic impact provided by Beaufort/HECL in 2016. All care has been taken to ensure continuity with previous work but the reader should be aware that there is the potential for methodology differences between the estimates produced here and the estimates for previous years. This study (as with the 2015/16 edition) has not had access to the Input Output model used by WERU in previous editions of this work. Discussion with WERU has confirmed that the relationships between direct and indirect impacts established in 2015 relationships remain current and therefore these coefficients are used to provide the estimates of direct and indirect impacts arising from the activities of the Housing Associations in Wales.

1.2 Sources of economic impact

The outputs from a number of economic sectors are purchased by housing associations. The majority of spending takes place on staff wages, construction of new housing, and maintenance and repair of existing housing units. In addition to these, purchases are made of such items as financial services, IT equipment, energy supplies and training of staff.

We begin our estimation process by identifying the proportion of total housing association spending that is on imported goods and services, and then consider how far the remaining (import adjusted) total spending by housing associations supports gross value added and employment in the Welsh economy.

1.3 Measures and types of economic impact

The magnitude and nature of economic activity associated with Welsh housing associations can be quantified in a number of ways. These are highlighted in Table 1.1.

Table 1.1 Measures of Economic activity

Measure	Description
Spending	Expenditure on goods and services that is associated with housing associations
Gross Value Added (GVA)	The total of all revenues, from final sales and (net) subsidies, which are incomes into organisations/ businesses. Those incomes are then used to cover expenses (wages, salaries), savings (any surplus, depreciation), and taxes.
Employment	The number of jobs that are supported in Wales as a result of the spending of housing associations. These are reported as Full Time Equivalents (FTEs), a measure that involves converting any part-time jobs into comparable full-time jobs (e.g. typically around 2 part-time jobs equal one full-time).

In order to quantitatively assess the main economic impacts of housing associations in Wales an economic impact model of the Welsh economy is utilised. This produces estimates in terms of:

1. **Direct Welsh Spending, GVA and Employment Impacts** - This measure captures the gross spending, gross value added and employment supported directly through the spending of housing associations in Wales.
2. **Indirect (Supplier) Welsh Spending, GVA and Employment Impacts** -This measure accounts for supply chain impacts in Wales associated with the direct effects above. For example, as a housing association spends money on Welsh goods and services, the suppliers of these also have to purchase goods and services in Wales to meet these demands. Therefore, indirect spending, GVA and employment are supported in the Welsh economy.
3. **Induced (Income) Welsh Spending, GVA and Employment Impacts** -This is an estimate of the impact arising from additional wage spending on goods and services elsewhere in the economy.

1.4 The Economic Impact Methodology

The methodology follows that used on an annual basis since 2008 by the Welsh Economy Research Unit of Cardiff Business School in similar work for Community Housing Cymru.

Housing associations in Wales were sent a questionnaire survey (see Appendix 1) asking them to estimate their spending broken down by major categories. A total of 33 of the largest housing associations responded. This compares to 35 in 2015/2016, although this is merely a reflection of two mergers in 2016/17 – Gwalia and Seren group to form Pobl and Tai Cantref merging with Wales and West, meaning two returns were received from these housing associations rather than four. These data were collated and used to calculate the direct effects of housing association spending in Wales, presenting an aggregate breakdown of purchases from other sectors of the economy.

A control total for spending was derived from the “2016 Financial Statements of Welsh Housing Associations” produced by Community Housing Cymru. Here, operational spend (staff costs etc.), construction/upgrading spend (being estimated from the change in housing properties at cost year on year) and commercial property spend were examined.

The control total was calculated at £1,051m of direct gross spend by the Welsh HA sector, which is a slight fall (0.4%) on the total in the previous year. Using the completed questionnaires to

allocate this total by spending category Table 1.2 outlines the gross spending estimate by Welsh housing associations for 2016/17¹. The principal elements of direct expenditure were direct labour costs (£298m, or 28% of all sector spend), maintenance, repair and upgrading (£267m, or 25% of all sector spend), and construction (£280m, or 27% of all sector spend).

Table 1.2 Estimated Gross Spending of Welsh HAs by category 2016/17

Category	£m	% of all Welsh HA spend
Direct Labour Costs (inc temp staff etc)	298.5	28.4%
Construction	279.9	26.6%
Main. & Repair	267.0	25.4%
Finance & BS (inc. insurance)	81.4	7.7%
Other	58.8	5.6%
Land Acquisition	30.0	2.9%
Transport etc.	12.7	1.2%
Rent & Rates	8.3	0.8%
Energy / water etc.	5.4	0.5%
Consumables	3.1	0.3%
Training	4.4	0.4%
Hotels etc	1.6	0.2%
Total	1,051.0	100.0%

“Other” includes items such as “depreciation of stock” and “other estate costs/management charges”.

Incorporated into the estimated gross total spending figure for Welsh housing associations of £1,051m are elements of spending on goods and services that ‘leak’ outside the Welsh economy (i.e. imports from outside the region). Information supplied from the questionnaires on spending in Wales was used to adjust this total to account for these leakages.

The adjusted breakdown by category is shown in Table 1.3 illustrating the direct gross spending of Welsh housing associations in the Welsh economy. Different proportions of expenditure remain in Wales between the categories of spend, with 91% of construction spend and 86% of maintenance and repair spend remaining in Wales. Further elements of spending that do not generate positive economic impacts on the Welsh economy were also removed - these leakages include expenditures on such items as rent losses/ bad debts and depreciation of stock in the “Other” category.

Table 1.3 Estimated Gross Spending of Welsh HAs in Wales by category 2016/17

	Net expenditure taking place in Wales £m	% of gross expenditure taking place in Wales	Category expenditure as a % of all Welsh HA expenditure
Direct labour costs (inc. temp staff etc)	268.12	99%	30.2%
Construction	253.47	91%	28.6%
Maintenance & repair	229.25	86%	25.8%

¹ Part of this process includes grouping some of the ‘other’ expenditure back into specific categories where it is appropriate to do so. This follows the broad approach in previous editions of this work.

	Net expenditure taking place in Wales £m	% of gross expenditure taking place in Wales	Category expenditure as a % of all Welsh HA expenditure
Other	53.25	91%	6.0%
Finance & business services (inc. insurance)	37.07	46%	4.2%
Land acquisition	29.42	98%	3.3%
Transport etc.	5.40	42%	0.6%
Rent & rates	3.86	46%	0.4%
Training	3.35	77%	0.4%
Energy / water etc.	2.02	38%	0.2%
Consumables	1.87	61%	0.2%
Hotels etc.	0.40	24%	0.0%
Total	887.47	84%	100%

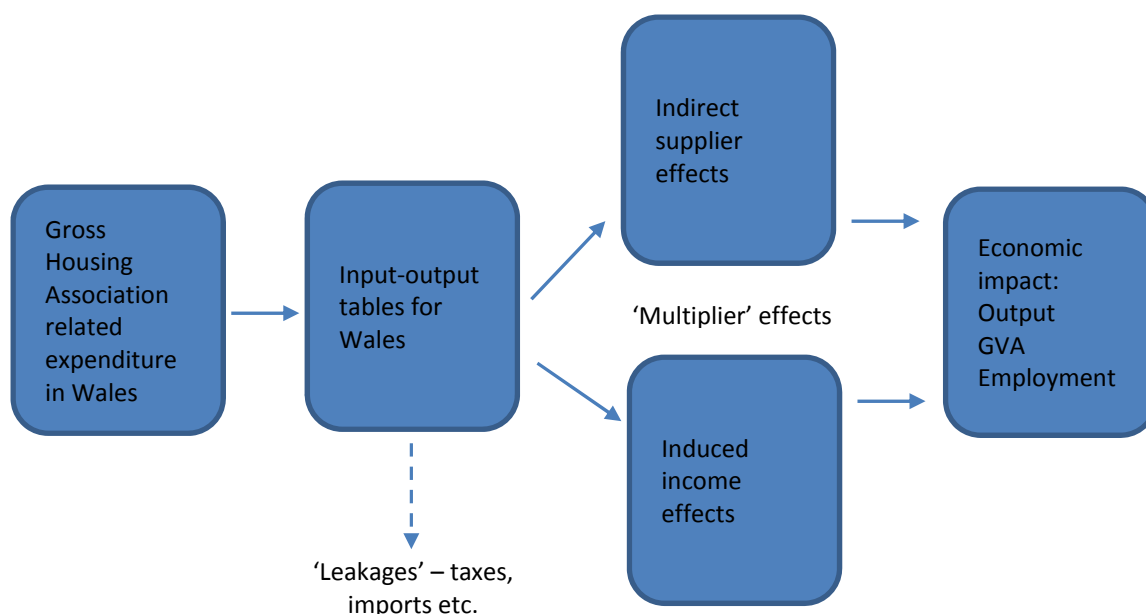
Prior to the economic modelling to estimate the indirect impacts of housing association spending in Wales, a number of other adjustments were carried out. Wage expenditure (direct labour costs) has been discounted to remove employer costs, employee tax and National Insurance contributions. This results in an estimate for net expenditure in Wales.

1.5 Estimation of the Indirect Supplier and Induced-Income Effects

In order to estimate the multiplier effects of housing association expenditure at the national level an economic modelling framework of the Welsh economy is needed. Previous editions of this study have used the Wales Input-Output Framework to estimate these flow-on effects, known as the indirect and induced-income effects. This is based on a financial account of trading between different parts of the economy over the period of one year. The tables illustrate trade between industries within the economy, external trade through imports and exports, and consumer and government spending. The Input-Output framework then enables the effect of any spending or activity to be traced through the various supply chains, ultimately estimating indirect and induced-income effects.

As noted earlier, this study has not had access to the Input Output model and after discussion with WERU, this study utilises the 2015 relationships between direct and indirect impacts to provide the estimates of direct and indirect impacts arising from the activities of the Housing Associations in Wales. Figure 1.1 provides a summary of the approach used to estimate the economic impacts of housing association spending in Wales.

Figure 1.1 Estimation of Net Economic Impact in Wales



1.6 Indirect Economic Impacts of Housing Association activity in 2016/17

The indirect impact of Welsh housing association spending (supplier effects plus induced-income effects) was estimated to provide £911m of additional output in Wales. The amount of real additional worth (local additions to wages and profits) or Gross Value Added accruing to the Welsh economy as a result of housing association spending was estimated at £433m.

In order to service this extra demand, the additional employment required was estimated to be 13,389 Full-Time Equivalents (FTEs). This implies that for every one full time person employed by a HA, one and a half other jobs are supported elsewhere in the economy by housing association activity.

1.7 Total Economic Impacts of HA Sector Activity 2016/17

Combining the direct and indirect economic impacts of housing association sector activity gives the total impacts, as shown in Table 1.4. Housing associations in Wales supported an estimated total output of £1,962m in 2016/17, gross value added of around £728m, and an estimated 22,120 FTE jobs in Wales.

Table 1.4 Estimated Economic Impacts of the Housing Associations of Wales on the Welsh Economy 2016/17

	Direct Impact: HA Sector Output & Employment	Indirect (supplier effect and induced income effect)	Total Impact
Output £m	1,051	911	1,962
Gross Value Added (GVA) £m	295	433	728
Employment Full Time Equivalents (FTEs)	8,731	13,389	22,120

**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 employees and agency staff.*

2. A 10 Year Time Series

This chapter takes the opportunity to highlight general trends from the year 2008 to 2017. To ensure a fair comparison in the analysis it is necessary to adjust for changes in the price level over the time period covered. HM Treasury *Gross Domestic Product deflators*² were used to make these adjustments.

Over a time series “constant” rather than “current” prices are appropriate to enable a more accurate reflection of monetary values. This means that year 2008 to 2016 figures have been inflated upwards so that they are expressed in 2017 pounds, effectively removing any differences which are merely the result of inflation.

The estimated ‘Direct’ total spend of the housing association sector in Wales is shown, in Table 2.1, to have increased from £481m in 2008 to £1,051m in 2017. The 2017 figure is a relatively small decrease from 2016, which followed a peak in 2015. It is this total spend (or output) figure that is used as the initial building block for the modelling in this study. The housing association sector in Wales is here defined as the organisations covered in the annual Financial Statements.

Table 2.1 Estimated Direct Economic Impact of the Housing Associations of Wales on the Welsh Economy 2008-2017 (constant prices 2017 pounds)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Output £m	481	560	782	884	1,024	1,096	1,071	1,138	1,074	1,051
Gross Value Added (GVA) £m	111	132	160	191	224	268	279	286	310	295
Employment: Full Time Equivalents (FTEs)	3,300	4,100	4,900	5,500	7,500	8,000	8,400	8,800	9,109	8,731

A quantity of the spending noted above ‘leaks’ out of the Welsh economy. Therefore, it is important to identify the amount of expenditure on goods and services procured *in Wales* (providing a stimulus to the regional economy, and then generating supplier and income spending effects). Table 2.2 highlights spending by headline category from 2008 to 2017 on Welsh goods and services.

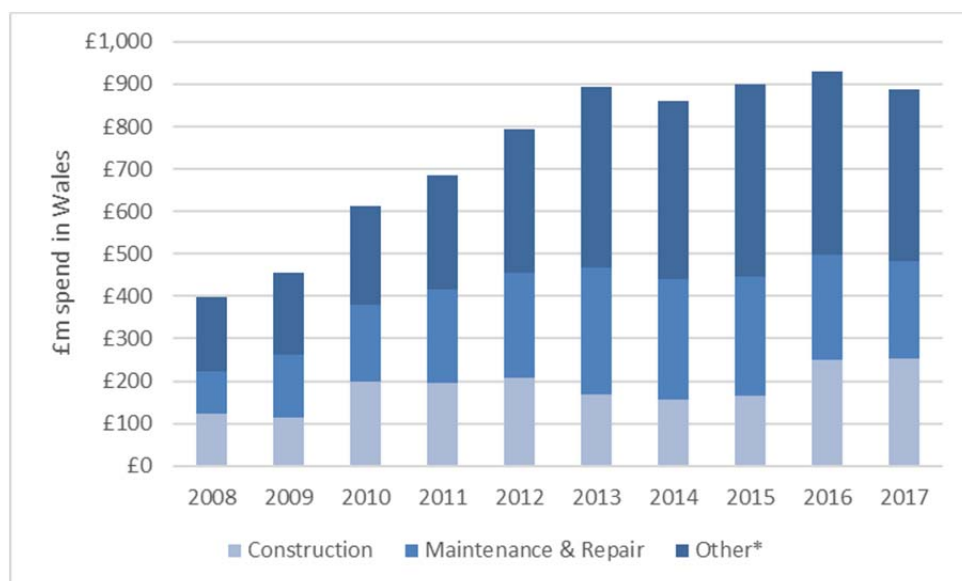
Table 2.2 Estimated Gross Spending (£m) of Welsh HAs in Wales 2008-2017 (constant prices 2017 pounds)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Construction	125	114	199	195	207	169	156	167	249	253
Maintenance & Repair	100	147	180	220	249	297	284	279	249	229
Other*	174	196	235	272	337	426	420	453	432	405
Total	398	458	613	686	791	891	859	898	930	887

* Other selling sectors in Wales and wages / salaries

² <https://www.gov.uk/government/statistics/gdp-deflators-at-market-prices-and-money-gdp-september-2017-quarterly-national-accounts-september-2017>

Figure 2.1 CHC Members' spending in Wales 2008 – 2017 (constant prices year 2017 pounds)



*Other selling sectors in Wales and wages/salaries

The expenditures shown in Table 2.2 create indirect supplier and induced income effects, initially mainly in the in the construction sector, but then flowing throughout the economy.

The indirect impacts of housing association expenditures in Wales are shown in Table 2.3. Indirect output in 2017 has fallen from 2016 levels.

Table 2.3 Estimated Indirect Economic Impact of the Housing Associations of Wales on the Welsh Economy 2008-2016 (constant prices year 2016 pounds)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Output £m	504	586	748	812	912	995	961	988	931	911
Gross Value Added (GVA) £m	216	250	317	340	388	420	408	421	456	433
Employment: Full Time Equivalent (FTEs)	8,747	10,440	10,800	11,600	12,700	13,360	12,950	13,495	13,968	13,389

Combining the headline direct expenditure from Table 2.1 (all spent on communities in Wales but not necessarily provided by Welsh suppliers) with the indirect economic impact from Table 2.3, gives the total economic impacts shown in Table 2.4.

Table 2.4 Estimated TOTAL (Direct + Indirect) Economic Impact of the Housing Associations of Wales on the Welsh Economy 2008-2017 (constant prices year 2017 pounds)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Output £m	984	1,144	1,527	1,693	1,933	2,093	2,033	2,127	2,005	1,962
Gross Value Added (GVA) £m	326	381	475	532	611	689	686	707	766	728
Employment: Full Time Equivalents (FTEs)	12,047	14,540	15,700	17,100	20,200	21,360	21,350	22,295	23,077	22,120

Estimates of regeneration spending by housing associations in Wales are shown in Table 2.5.

Table 2.5 Estimated Regeneration Spend (excluding staff costs) 2008-2017, £m (constant prices year 2017 pounds)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	Total
Brownfield construction	119	112	196	181	202	184	185	200	195	206	1,781
Greenfield construction associated with regeneration	21	17	23	21	17	9	8	9	13	11	150
Repair & maintenance	107	164	217	263	306	318	306	310	284	229	2,503
Training budgets	2	2	3	4	6	8	7	7	4	3	48
Community Regeneration projects and other expenditure	3	3	4	6	6	30	30	22	32	20	156
Total	252	298	443	475	537	550	536	548	528	471	4,638

Table 2.6 below shows how spending on community regeneration projects was distributed between different activities in 2016/17.

Table 2.6 Estimated Spending on Community Regeneration Projects by Type 2017, £m

	2017 £m
Care and health	1.6
Employment support and apprenticeships	2.1
Digital inclusion	0.5
Social enterprise development	0.3
Financial inclusion	1.1
Energy projects	7.4
Empty homes	4.5
Assisting victims	2.0
Other	0.7
Total	20.3

In 2017 additional questions were asked about the number of people assisted in community regeneration projects. Almost 6,500 people received skills development through housing associations and 1,500 training and employment opportunities were created.

Table 2.7 People supported in community regeneration projects

	Total people	% tenants
Total number of people who have received employability, training and skills development in 2016/17	6,497	44%
Total number of training and employment opportunities created, including jobs and apprenticeships in 2016/17	1,507	40%

Changes from 2016 to 2017

There are some changes between 2016 and 2017 that should be noted:

- The overall increase in the change in housing properties (one of the two components used as a ‘control’ for the overall spend by Housing Associations) as recorded in the 2016 Financial Statements of Welsh Housing Associations was less than in the 2015 edition, which in itself was less than in 2014. This has had a knock-on effect through the estimates of economic impact in this study.
- The impact of the lower increase in housing properties is mitigated by the increase in operating costs (the other of the two components used as a ‘control’ for the overall spend by Housing Associations), also as recorded in the 2016 Financial Statements of Welsh Housing Associations. The net effect, however, is that the overall level of expenditure (and therefore economic impact) is lower than in 2016.
- Compared to 2016 and 2015 the rate of leakage out of the economy is more than in 2016 but still less than in 2015 (84% retained in Wales in 2017, 89% in 2016 and 79% in 2015).
- The three biggest categories of expenditure are labour costs, construction and maintenance. Compared to 2016, expenditure on labour and maintenance was lower but expenditure on construction was higher. Taken together, the overall expenditure across these three categories was lower than in 2016. The lower expenditure on labour feeds through to a lower GVA estimate.

3. Additional Homes Survey

Information is gathered by CHC each year from its membership for additional homes using 3 returns:

- *Table 3.1:* Number of additional homes by tenure (rented and low cost home ownership LCHO) and local authority area
- *Table 3.2:* Number of additional homes by SHG-HFG/non SHG-HFG and local authority
- *Table 3.3:* Number of additional homes which were built, renovated or acquired

In 2016/17 2,533 additional homes were provided. This is an increase on previous years and puts housing associations on target to achieve the sector's 12,500 additional homes targeted over a five year period as part of the housing pact signed between Welsh Government, WLGA and CHC.

The results from 2007/8 to 2016/17 are summarised below.

Table 3.1 Number of additional homes by tenure

	Rented	LCHO	Total
2007/8	1049	484	1533
2008/9	1769	373	2142
2009/10	2123	163	2286
2010/11	1743	290	2033
2011/12	1788	185	1973
2012/13	1714	148	1862
2013/14	1657	193	1850
2014/15	1778	145	1923
2015/16	2149	173	2322
2016/17	2337	196	2533
Total	18107	2350	20457

Table 3.2 Number of additional homes by SHG-HFG/non SHG-HFG

	SHG	Non-SHG	Total
2007/8	842	691	1533
2008/9	1198	944	2142
2009/10	1740	546	2286
2010/11	1820	213	2033
2011/12	1432	541	1973
2012/13	1103	759	1862
2013/14	1383	467	1850
2014/15	1406	517	1923
2015/16	1771	551	2322
2016/17	1788	745	2533
Total	14483	5974	20457

Table 3.3 Number of additional homes which were built, renovated or acquired

	Built	Renovated	Acquired	Total
2007/8	932	41	560	1533
2008/9	1415	42	685	2142
2009/10	1769	176	341	2286
2010/11	1553	74	406	2033
2011/12	1532	56	385	1973
2012/13	1267	218	377	1862
2013/14	1318	81	451	1850
2014/15	1328	103	492	1923
2015/16	1893	138	291	2322
2016/17	2207	130	196	2533
Total	15214	1059	4184	20457

The information for 2016/17 for each of the above categories broken down by local authority area is found in Appendices 2 to 4 of this report.

In addition (and new for the 2016/17 survey), housing associations were also asked about the number of additional homes that had been 'started', defined as when work begins on the laying the foundations including 'slabbing' for houses that require it. A further 1,806 homes had been 'started' according to this definition across all housing associations that reported figures.

CHC members were also asked to provide estimates of additional homes projected for 2017/18. A total of 2,186 additional homes are expected to be made available next year. This is tabled by local authority area in Appendix 5.

Appendix 1

Questionnaire

Socio Economic Impact Questionnaire
Housing Association/Consortium Spending Survey



For further information on this survey or if you have any questions regarding it please contact Chris Timmins
chris@beaufortresearch.co.uk

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.

Number of Staff:	Full Time:	Part Time:	Total:
Actual 2016/17	<input style="width: 95%; height: 20px;" type="text"/>	<input style="width: 95%; height: 20px;" type="text"/>	<input style="width: 95%; height: 20px;" type="text"/>
Estimate 2017/18	<input style="width: 95%; height: 20px;" type="text"/>	<input style="width: 95%; height: 20px;" type="text"/>	<input style="width: 95%; 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)

2016/17 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)

£

Actual 2016/17	<input style="width: 95%; height: 20px;" type="text"/>
Estimate 2017/18	<input style="width: 95%; height: 20px;" type="text"/>

SECTION 3: INCOME

3a. What was the total income of your Housing Association/Consortium, net of VAT, for 2016/17?
In the challenging economic conditions we are particularly interested to know what sources of finance have been utilised, and especially any innovative sources...

	Income (£)
TOTAL INCOME	<input style="width: 95%; height: 20px;" type="text"/>
which came from:	
Social Housing Grant & Housing Finance Grant	<input style="width: 95%; height: 20px;" type="text"/>
Other social housing / capital grants	<input style="width: 95%; height: 20px;" type="text"/>
Rents (incl. commercial & residential)	<input style="width: 95%; height: 20px;" type="text"/>
Sales (Property and Services)	<input style="width: 95%; height: 20px;" type="text"/>
Borrowings	<input style="width: 95%; height: 20px;" type="text"/>
Other (.....)	<input style="width: 95%; height: 20px;" type="text"/>
Other (.....)	<input style="width: 95%; height: 20px;" type="text"/>

3b. For income which is 'Other social housing / capital grants' in Question 3a, please give an estimate of the breakdown of this income into the following categories:

	Income (£)
Welsh Government - new builds	<input style="width: 95%; height: 20px;" type="text"/>
Welsh Government - existing properties	<input style="width: 95%; height: 20px;" type="text"/>
Non Welsh Government (HA / LA) - new builds	<input style="width: 95%; height: 20px;" type="text"/>
Non Welsh Government (HA / LA) - existing properties	<input style="width: 95%; height: 20px;" type="text"/>

NOTE: The total of these figures should equal the 'other social housing / capital grants' figure in Q3a.

[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 2016/17 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.

We understand that it will not always be possible to provide exact figures and percentage breakdowns, so estimates are fine.

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

OPERATIONAL EXPENDITURE 2016/17	[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 (incl. IT and similar)			
Transport/post/telecoms etc			
Consumables paper/office stationery etc			
Construction			
Land Acquisition			
Maintenance & Repair (existing & acquired dwellings)			
Insurance costs			
Community regeneration projects			
Tenant participation/engagement			
Recruitment and temporary /agency staff			
Other (please specify):			
Other (please specify):			
Other (please specify):			
Other (please specify):			
Other (please specify):			
Other (please specify):			
TOTAL			

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 breakdown of 'construction' spend in Question 4, by providing a percentage split between that spent on greenfield and brownfield development.

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

NOTE: This should add up to 100%

5b Please can you provide a rough ESTIMATE of the breakdown of 'community regeneration projects' spend in Question 4, by providing a breakdown of spend by the following categories. For this question we would like the breakdown in (£)

Estimated amount spent on COMMUNITY REGENERATION PROJECTS (£)	
Care and health services	
Employment and skills support and apprenticeships	
Digital inclusion	
Social enterprise development	
Financial inclusion including mitigating the impact of welfare reforms	
Energy efficiency projects and fuel poverty projects	
Bring empty homes back into use	
Assisting victims of anti-social behaviour and domestic abuse	
Other (Please specify) :	
Total (£)	

NOTE: This total should add up to the 'community regeneration project' figure in Question 4

5c Please can you provide a rough ESTIMATE of the number of people supported via the aforementioned community regeneration projects for 2016/17

	Total number of people supported	..of which are tenants / residents
i. Total number of people who have received Employability, training and skills development in 2016/17		

	Total number of training and employment opportunities created	...of which benefited tenants/residents
ii. Total number of training and employment opportunities you have created, including jobs and apprenticeships in 2016/17		

[PLEASE COMPLETE "Pages 4 to 7" which is on a separate sheet]

SECTION 4: DEVELOPMENT

NOTE: The total figures in Q6a and Q6b and Q6c should be the same

6a The number of additional Homes provided in the financial year 2016-2017 by tenure

Local Authority Area	Rented	LCHO	Total
Isle of Anglesey			
Gwynedd			
Conwy			
Denbighshire			
Flintshire			
Wrexham			
Powys			
Ceredigion			
Pembrokeshire			
Carmarthenshire			
Swansea			
Neath Port Talbot			
Bridgend			
The Vale of Glamorgan			
Cardiff			
Rhondda Cynon Taf			
Merthyr Tydfil			
Caerphilly			
Blaenau Gwent			
Torfaen			
Monmouthshire			
Newport			
WALES			

6b Additional Homes provided in the financial year 2016-2017 with and without grant

Local Authority Area	Government Grant (SHG and HFG)	Without Government Grant	Total
Isle of Anglesey			
Gwynedd			
Conwy			
Denbighshire			
Flintshire			
Wrexham			
Powys			
Ceredigion			
Pembrokeshire			
Carmarthenshire			
Swansea			
Neath Port Talbot			
Bridgend			
The Vale of Glamorgan			
Cardiff			
Rhondda Cynon Taf			
Merthyr Tydfil			
Caerphilly			
Blaenau Gwent			
Torfaen			
Monmouthshire			
Newport			
WALES			

6c. Additional Homes provided in the financial year 2016-2017

Definitions

Starts – A house or flat is counted as started on the date work begins on the laying of the foundation, including ‘slabbing’ for houses that require it, but not including site preparation. Thus when foundation work commences on a pair of semi-detached houses two houses are counted as started and when work begins on a block of flats all the dwellings in that block are counted as started. The starts of houses in building schemes are usually phased over a period of weeks or even , in very large schemes, months.

Completions - A dwelling is defined as completed when a completion notice has been served and when it has become ready for occupation.

Local Authority Area	Built		Renovated	Acquired	Total
	Starts	Completions			
Isle of Anglesey					
Gwynedd					
Conwy					
Denbighshire					
Flintshire					
Wrexham					
Powys					
Ceredigion					
Pembrokeshire					
Carmarthenshire					
Swansea					
Neath Port Talbot					
Bridgend					
The Vale of Glamorgan					
Cardiff					
Rhondda Cynon Taf					
Merthyr Tydfil					
Caerphilly					
Blaenau Gwent					
Torfaen					
Monmouthshire					
Newport					
WALES					

Q6d Additional Homes projected to be made available in the financial year 2017-2018

Local Authority Area	Total
Isle of Anglesey	
Gwynedd	
Conwy	
Denbighshire	
Flintshire	
Wrexham	
Powys	
Ceredigion	
Pembrokeshire	
Carmarthenshire	
Swansea	
Neath Port Talbot	
Bridgend	
The Vale of Glamorgan	
Cardiff	
Rhondda Cynon Taf	
Merthyr Tydfil	
Caerphilly	
Blaenau Gwent	
Torfaen	
Monmouthshire	
Newport	
WALES	

[PLEASE COMPLETE "Page 8" which is on a separate sheet]

SECTION 7: PLANNING

- 7a Number planning applications submitted in 2016/17
- 7b Number planning applications accepted in 2016/17
- 7c Number planning applications accepted on appeal in 2016/17

SECTION 8: TENANT PROFILE

NOTE: In Q8a-d we want to understand your tenant profile. This should include all tenants as of the end of 2016/2017, NOT just those who have become tenants during 2016/17. By tenants we mean all occupiers within households (adults & children) not just those who hold the tenancy agreement.

- 8a Total number of tenants housed as of end of 2016/17
of which.....
- 8b Number of tenants with a disability as of end of 2016/17
- 8c Breakdown of tenants by age group as of end of 2016/17:

0-15	<input type="text"/>
16-29	<input type="text"/>
30-49	<input type="text"/>
50-64	<input type="text"/>
65+	<input type="text"/>
- 8d Number of workless tenants aged 16+ housed as of end of 2016/17

*By **workless** we mean aged 16+ and unemployed or unavailable to work because of because of family commitments or retirement or unable to work through sickness or disability.*

To help build an evidence base of the outcomes the sector is achieving please can you briefly supply information on the following:

- 8e. Tenancy sustainment
Of the lettings made in 2015/16 what percentage of tenants remain in their tenancy to date?.

%

Does this tenancy sustainment percentage represent an increase on previous years?
i.e. compared to the percentage of new tenancies made in 2014/15 sustained for more than a year.
Please indicate "yes", "no," or "don't know"

If you are not able to supply data for the above but have similar data (e.g. for a different timescale) please indicate below

Thank you for completing this survey. Please return your completed form to Chris Timmins, chris@beaufortresearch.co.uk by **FRIDAY 18th August**

Appendix 2

Additional Homes provided in the financial year 2016-2017 by tenure

LOCAL AUTHORITY AREA	Rented	LCHO	Total
Isle of Anglesey	48	7	55
Gwynedd	42	4	46
Conwy	78	7	85
Denbighshire	35	8	43
Flintshire	37	3	40
Wrexham	118	5	123
Powys	109	0	109
Ceredigion	25	0	25
Pembrokeshire	137	0	137
Carmarthenshire	35	0	35
Swansea	167	8	175
Neath Port Talbot	118	0	118
Bridgend	148	0	148
The Vale of Glamorgan	226	59	285
Cardiff	290	0	290
Rhondda Cynon Taf	236	8	244
Merthyr Tydfil	30	0	30
Caerphilly	115	18	133
Blaenau Gwent	59	0	59
Torfaen	60	37	97
Monmouthshire	77	9	86
Newport	147	23	170
WALES	2337	196	2533

Appendix 3

Additional Homes provided in the financial year 2016-2017 with and without grant

	SHG / HFG	Non- SHG/HFG	Total
Isle of Anglesey	48	7	55
Gwynedd	33	13	46
Conwy	74	11	85
Denbighshire	42	1	43
Flintshire	40	0	40
Wrexham	54	69	123
Powys	105	4	109
Ceredigion	21	4	25
Pembrokeshire	124	13	137
Carmarthenshire	34	1	35
Swansea	150	25	175
Neath Port Talbot	105	13	118
Bridgend	119	29	148
The Vale of Glamorgan	50	235	285
Cardiff	166	157	323
Rhondda Cynon Taf	221	23	244
Merthyr Tydfil	22	8	30
Caerphilly	109	24	133
Blaenau Gwent	59	0	59
Torfaen	71	26	97
Monmouthshire	42	44	86
Newport	99	38	137
WALES	1788	745	2533

Appendix 4

Additional Homes provided in the financial year 2016-2017 which were built, renovated or acquired

LOCAL AUTHORITY AREA	Built	Renovated	Acquired	Total
Isle of Anglesey	49	0	6	55
Gwynedd	39	0	7	46
Conwy	66	10	9	85
Denbighshire	33	5	5	43
Flintshire	37	2	1	40
Wrexham	120	0	3	123
Powys	94	9	6	109
Ceredigion	21	0	4	25
Pembrokeshire	137	0	0	137
Carmarthenshire	28	0	7	35
Swansea	147	2	26	175
Neath Port Talbot	102	3	13	118
Bridgend	117	2	29	148
The Vale of Glamorgan	239	0	46	285
Cardiff	277	6	7	290
Rhondda Cynon Taf	196	44	4	244
Merthyr Tydfil	22	8	0	30
Caerphilly	116	6	11	133
Blaenau Gwent	59	0	0	59
Torfaen	90	7	0	97
Monmouthshire	86	0	0	86
Newport	132	26	12	170
WALES	2207	130	196	2533

Appendix 5

Additional Homes projected to be made available in the financial year 2017-2018

LOCAL AUTHORITY AREA	Total
Isle of Anglesey	9
Gwynedd	41
Conwy	73
Denbighshire	27
Flintshire	103
Wrexham	18
Powys	46
Ceredigion	26
Pembrokeshire	74
Carmarthenshire	37
Swansea	182
Neath Port Talbot	131
Bridgend	57
The Vale of Glamorgan	273
Cardiff	258
Rhondda Cynon Taf	252
Merthyr Tydfil	46
Caerphilly	66
Blaenau Gwent	14
Torfaen	136
Monmouthshire	92
Newport	225
WALES	2186

Appendix 6

Estimate of Welsh Government income versus other

Those responding to the survey indicate that of the total sector income of approximately £1.1bn, housing associations receive approximately £122m from Welsh Government as social housing grant. In addition, housing associations receive approximately £51m in other grants, of which 81% comes from Welsh Government and 19% from other sources. The balance of Housing Associations' income is from sources such as rents, sales, borrowing as well as other activities such as service charges etc. The relationship between the money received from Welsh Government compared to other sources can be expressed as for every £1 received from Welsh Government, the housing associations bring £6.01.