

# Housing associations: local economic drivers



# Did you know that housing associations in Devon, Somerset, Plymouth and Torbay add £330m annually to the regional economy?

Housing associations are making a significant contribution to the local economy and actively support economic growth across Devon, Somerset, Plymouth and Torbay.

They **own, manage and maintain 75,797 homes** in these areas and have development **plans to build 3,432 new affordable homes**. House building supports local businesses and boosts the economy.

Housing associations **lever in private investment** - matching every £1 of public investment with nearly £6 of their own resources to build new affordable homes.

## Supporting local economic growth

### Housing associations:

- **Build and manage homes** and do much more to **support and grow the local economy**
- Are **major local employers** and operate in the areas **where new jobs are needed most**
- Have extensive **new build and regeneration programmes**
- Deliver **well-developed apprenticeship schemes** as well as training and skills programmes
- **Support local businesses** and social enterprises through their supply chain
- Work extensively in the **green economy** and around the digital inclusion agenda
- Are **diversifying rapidly** - entering new markets, acquiring new businesses and developing new services

### CASE STUDY: Plymouth Community Homes (PCH)

**PCH** is one of the largest providers of social housing in the south west, owning and managing around 15,000 homes in Plymouth. They monitor spend within their local postcode area. In 2011/12 this was approximately £28m (41%), and on suppliers that are small to medium sized enterprises this was approximately £8.7m (12%).

- £82.1m turnover
- £44.1m annual rental income
- £110m loan portfolio
- £17.6m annual spend on repairs and maintenance
- £7.5m annual spend on housing management
- £1.5m annual spend on care and support activities
- 641 employees, including 13 apprenticeships



£330m

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## Building new homes to tackle the housing crisis

**The shortage of new homes is a significant barrier to achieving sustainable economic growth.**

The average home in the south west costs almost £224,000 - over 11 times the average local wage - making the standard 25% deposit more than £55,000.

Costs of renting privately are also set to spiral. The high cost of accommodation has left more than 195,000 households on social housing waiting lists.

**Less than 60%** of the homes the south west needs each year are being built.

Housing associations are tackling the housing crisis in Devon, Somerset, Plymouth and Torbay by building 3,432 new affordable homes from 2011 - 15.

This will add almost £265.3m to the south west economy, supporting around 6,096 jobs.

Housing associations build a significant proportion of new homes of all types and tenures in your area.

Building new homes supports local economic growth and creates real jobs in the local economy. Every affordable home built creates 2.4 jobs in total for the UK economy.

# £265.3m

**Added to the regional economy by building new affordable homes**

## Making an economic impact

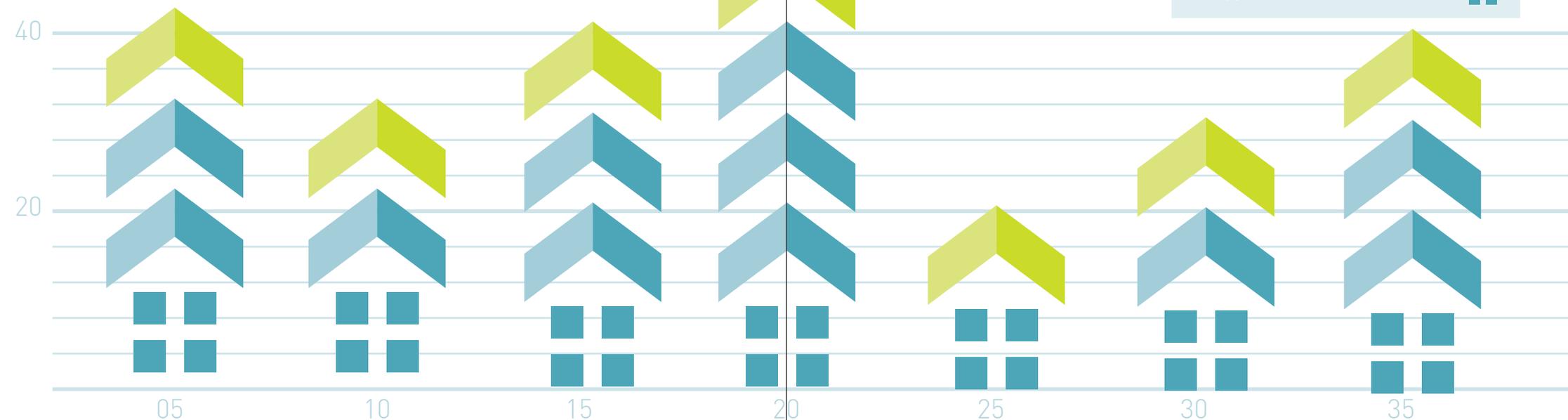
Housing associations make a significant contribution to the economy in the Heart of the South West Local Enterprise Partnership area by:

- Directly **employing 3,757 people** and many more in their wider supply chains
- Recording an **annual turnover of £403m**
- **Managing, repairing and maintaining 75,797 homes** across the area, **adding £330m annually to the south west economy** and supporting 6,282 jobs
- **Developing 3,432 new affordable homes** across Devon, Somerset, Plymouth and Torbay in 2011-15, **adding almost £265.3m** to the south west economy and supporting around 6,096 jobs

### CASE STUDY: Yarlington Housing Association

**Yarlington** - one of the leading housing providers in Somerset and surrounding districts - has over 9,000 homes. Committed to employment, training and educational services it works with all new residents to develop a Household Ambition Plan. This gives the tenant and their family access to local opportunities, reducing dependency on welfare benefit.

- £48.4m turnover
- £35.4m annual rental income
- £269m loan portfolio
- £14.8m annual spend on repairs and maintenance
- £7.1m annual spend on housing management
- 314 employees, including 6 apprentices



## Supporting local employment and skills

Businesses can't grow when their employees can't find affordable homes in the right places.

Housing associations work across a range of communities, including the most deprived neighbourhoods where there are very few job opportunities and high levels of benefit dependency.

Many housing associations offer training and apprenticeships to their residents and use their supply chains to widen their employment offer. Last year housing associations supported over 180 apprenticeships in the south west.

# 3,757

People directly employed by housing associations in Devon, Somerset, Plymouth and Torbay

### CASE STUDY: Westward Housing Group

**Westward** provides around 7,000 properties in Devon and Cornwall through Tarka Housing, Westcountry Housing and Horizon Homes. They also jointly manage South West Homes, the local HomeBuy agency.

- £32m turnover
- £22m annual rental income
- £114m loan portfolio
- £7.5m annual spend on repairs and maintenance
- £4m annual spend on care and support activities
- 73% of social enterprise clients move into education, training or employment
- 400 new homes built between 2011 - 15
- 371 employees, including 5 apprenticeships



## Working together to make a real difference

Housing associations play a significant role in driving local economic growth. They are key partners in supporting local authorities and the Heart of the South West LEP to deliver on shared priorities.

Housing associations have access to private finance and hold significant undrawn loan facilities. They are, therefore, able to effectively lever private investment into the area.

They can help the LEP support business growth by providing a range of housing options, including low cost home ownership, market rented housing and homes for outright sale.

If you want to find out more about working with housing associations, please contact the Federation's local lead manager: Catherine Brabner  
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### CASE STUDY: Devon and Cornwall Housing (DCH)

**DCH** provide 20,000 homes across their operating area, with national recognition as a developer of new housing. Through an expanding programme of building homes for sale, they are bringing in significant new funding - over £1.4m in 2012 - to develop new affordable homes.

- £94m turnover
- £72m annual rental income
- £327m loan portfolio
- £19m annual spend on repairs and maintenance
- £14m annual spend on housing management
- network of foyers offering housing, training and support to young people
- 536 new affordable homes developed between 2011 - 15
- 750 employees, including 12 apprentices



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**The National Housing Federation is the voice of affordable housing in England. We believe that everyone should have the home they need at a price they can afford.**

That's why we represent the work of housing associations and campaign for better housing. Our members provide two and a half million homes for more than five million people. And each year they invest in a diverse range of neighbourhood projects that help create strong, vibrant communities.

## **National Housing Federation**

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