

The Impact of Social Housing: Economic, Social, Health and Wellbeing

UK Collaborative Centre for Housing Evidence (CaCHE) and Housing Associations' Charitable Trust (HACT)
August 2020

Report Authors:

Kenneth Gibb – CaCHE
Louise Lawson – CaCHE
James Williams – HACT
Michael McLaughlin – HACT

Authors:



Research funders:



We are housing Scotland





We are grateful to the members of our partners board steering group – Lorna Wilson (chair), Sally Thomas, Cassandra Dove, Katrina Reid, Bryan Leask, Deborah Hay and Henry Coyle. We are also very grateful to everyone in our four case study housing associations (Bield Housing and Care, Clyde Valley Housing Association, Scottish Borders Housing Association and Southside Housing Association) who helped us so much in the teeth of the pandemic. All errors and opinions remain the responsibility of the authors.

The research team for this project involved: at CaCHE: Ken Gibb, Bilge Serin, Madhu Satsangi, Linda Christie, Gareth James and Louise Lawson; at HACT, James Williams, Michael McLaughlin and Mary-Kathryn Rallings Adams.



Authors:



Research funders:



Contents

5	1. In Sum
6	2. Introduction
10	3. Different Forms of Impact
21	4. Existing Evidence
32	5. Baseline Impact Indicators
40	6. Case Studies
58	7. Synthesis, Conclusions and Recommendations
62	References

1. In Sum

Social housing generates important economic and social impacts for its residents, communities and for Scotland. These impacts are multi-dimensional, measurable and can contribute to Scotland's national ambitions.

Social housing impacts are multi-dimensional:

- Investment in affordable housing, which includes social housing, has significant **economic impacts** which include promoting **inclusive growth** by creating jobs, increasing GVA and providing large multiplier effects
 - Increasing the supply of affordable housing helps to **tackle inequalities** by reducing child poverty and homelessness and by providing inclusive, sustainable housing options
 - Social housing providers support the delivery of affordable and good quality homes which can improve **health and wellbeing**, contribute to **successful placemaking** and strengthen **community resilience**, (including rural community resilience)
 - Social housing providers are important **community anchors** which are well placed to support **anti-poverty strategies** and lead economic and social cohesion at a community level
 - Housing interventions can be **preventative** if they offer savings in non-housing budgets (e.g. health care, justice, social security) however evidencing this **preventative spending** and translating to cashable savings is generally challenging
-

Impact measurement demonstrates the value of social housing:

- Measuring the **economic, social and health** impacts of social housing can deepen our understanding of the value and importance of the social housing sector
 - Social housing providers can benefit from systematically monitoring and **understanding communities** by developing profiles of the areas in which they operate and using this to evidence need effectively
 - Various tools, including the UK Social Value Bank, can be used to **measure impact locally** and demonstrate the **social value impacts** of social housing providers
 - Social housing providers can **embrace the principles and practice of impact measurement** in order to demonstrate impact and value for money as well as to develop their services and monitor the success of specific interventions
-

Social housing contributes to Scotland's broader ambitions:

- Social housing impacts can be directly connected to the Scottish Government's **National Performance Framework** and other performance indicators
 - Social housing and local strategies for sustainable communities can also contribute to high level policy outcomes including national plans for economic recovery and social renewal in the wake of **COVID-19**.
-

Key recommendations:

1. The Scottish Government should consider the importance of **the design and quality of our homes** in light of the COVID-19 experience and make this a central part of the recovery programme. In **building back better**, housing policy and strategy (e.g. housing quality, space standards, green space/gardens, affordability and energy efficiency) will need to reflect new demand including changes to occupancy patterns, working practices, schooling and care requirements.
2. Alongside increased investment in new affordable and social housing, as already outlined in a separate piece of research (Dunning et al, 2020), the Scottish Government should consider increased **investment in existing housing stock**.
3. The Scottish Government, and other stakeholders, should recognise the myriad of positive social and economic benefits provided by housing associations and co-operatives in Scotland. In light of their pivotal role in building **community resilience**, social housing providers should be an integral part of the national recovery from **COVID-19** and strategies for economic and social renewal.
4. Social housing providers and their partners should develop their evaluation activities to align their evidence of impact to the **National Performance Framework** and other performance indicators. This will help to demonstrate value for money to service users, funders and other stakeholders as well as reinforcing the important economic, social and health impacts offered by the social housing sector as a whole.
5. To further develop our understanding of **social value** as an approach to **measuring impact locally**, social housing providers should continue to work with SFHA, HACT and other relevant stakeholders in order to develop good practice and disseminate shared learning outcomes (i.e. as part of the parallel SFHA/HACT toolkit project and the SFHA Impact Manifesto).

2. Introduction

Context

The idea for a research project bringing together different forms of evidence about the varied impacts and value housing associations contribute was developed in the second half of 2019. Then, the context was about strengthening our evidence base to demonstrate the range and depth of beneficial effects that follow from investment in social housing and the operational activities of social housing providers. With uncertainty about future funding of capital investment programmes (despite the success of two affordable supply programmes over the last two Parliament terms), and an evolving consultation on long term housing policy development, it was important to position the housing association sector and to draw on robust evidence about role and impact. Now, in the ongoing COVID-19 public health pandemic crisis, there is urgent debate about how best to promote rapid but sustainable economic and social recovery (building back better). This 'impact' research is even more relevant now in that it contributes to evidence that supports investment in social and affordable housing as a major way of supporting the nation's recovery from this unprecedented system-wide shock.

Whilst we may understand the evidence around social justice, about housing as a human right, placemaking, tackling child poverty specifically and about redistribution more generally, in order to secure support for, and investment in, social and affordable housing, we must demonstrate impacts robustly. It is not enough to align with government over shared views of a good society. Achieving and then maintaining housing as a priority requires that the net benefits of improved outcomes achieved maps closely onto the National Performance Framework and aligns with overarching goals associated with wellbeing and inclusive growth. As value for public money, it must be shown that social housing performs well and offers specific advantages, particularly at a time of economic recession and recovery from the COVID-19 pandemic. Not only does this report make such a case across several dimensions of outcomes and impacts, it also suggests what is required (e.g. by measurement and data collection) for individual housing associations to demonstrate the impacts they make for their stakeholders.

Research brief

The research brief for this study stated: *the project seeks to demonstrate the social and economic impact of housing associations and co-operatives in Scotland in order to raise the profile of the difference the sector is making to people's lives; to thereby strengthen the sector's position when making representations to government (and other key stakeholders), about the urgent need to invest in more social housing; and to complement ongoing research on the demand for affordable housing post-2021.* The research was partly field-based (case studies) and partly desk-based, drawing on national, regional, and local published sources of evidence, including the the HACT and Simetrica-Jacobs social value databank. The project therefore required a combination of qualitative and quantitative methods from primary and secondary sources.

In measuring economic impact, the research examines the economic contribution of social housing providers in Scotland in terms of spend, value added (growth) and jobs created. This was done by examining all aspects of the work of social housing providers, including new build and development, investment in existing homes, and in communities and tenant support, as well as their core landlord services. In order to measure impact, the research closely refers to the outcomes within Scotland's National Performance Framework (NPF) (Scottish Government, 2020) to determine the contribution of social housing to the wellbeing of tenants housing and their communities (Audit Scotland, 2019). The 2018 iteration refocuses attention on delivery of outcomes and long-term goals, such as the UN sustainable development objectives.

Figure 1: Aligning social and economic indicators of housing impact to national performance indicators

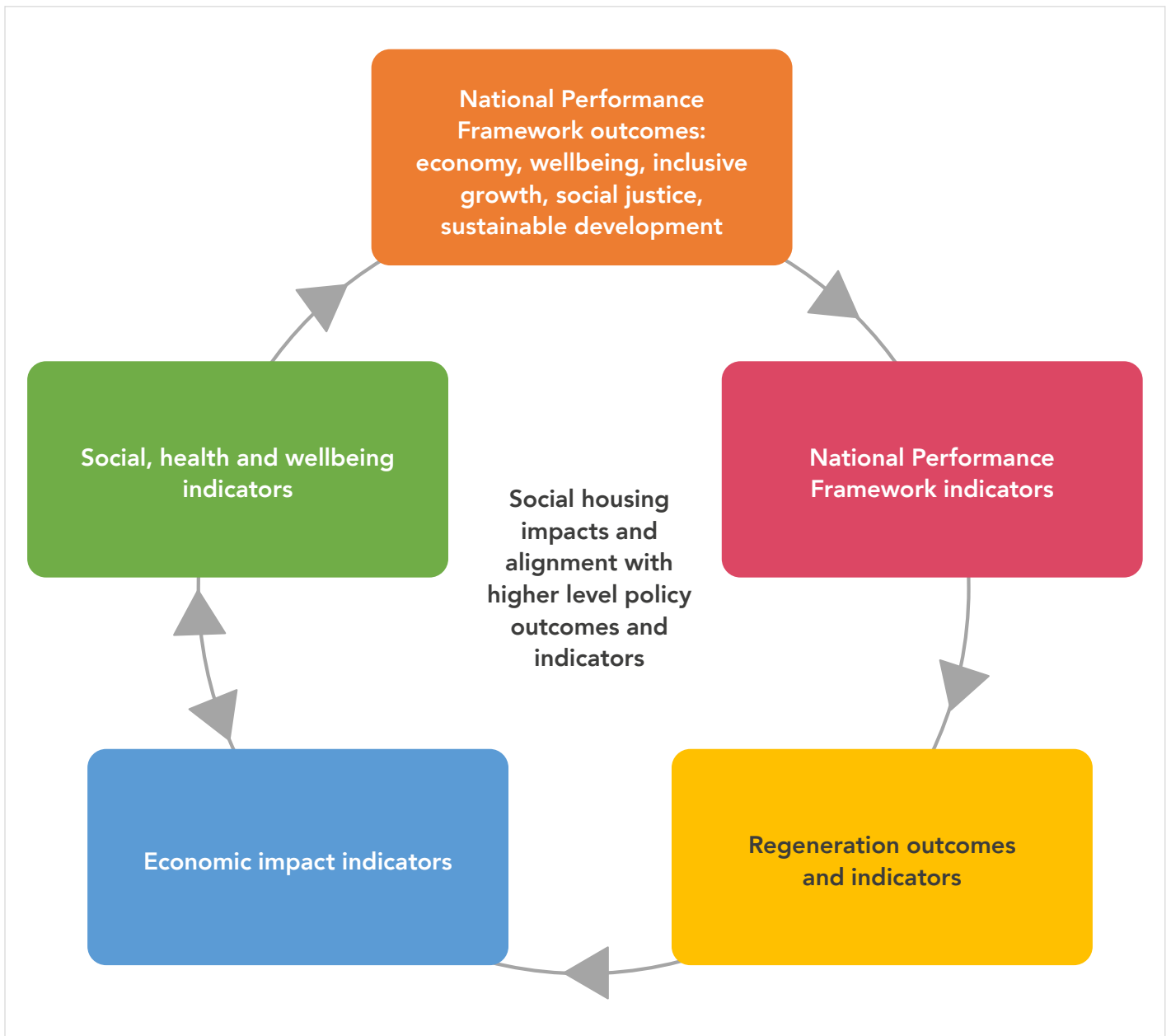


Figure 1 is a schematic circular representation of how measures of housing impact (in blue and green) relate to and correlate with higher level Scottish National Performance Framework Outcomes, consequent NPF indicators and their representation in the housing and regeneration policy space (yellow), in terms of outcomes and associated indicators. The following report explores this set of relationships. The diagram starts at the top with the NPF outcomes (refreshed in 2018), informed by sustainable development goals, inclusive growth and wellbeing. These are then measured by indicators for outcome performance. In turn, specific policy sectors, in this case housing and regeneration, also have a series of outcomes (e.g. a well-functioning housing system) and associated indicators that seek to proxy performance against these outcomes. In this report we propose the use of further, complementary housing economic and social impact indicators from the literature and from the the HACT and Simetrica-Jacobs social value bank. These additional indicators provide an opportunity to demonstrate the breadth of impact specifically associated with social housing. These are also related to separate ongoing work between Scottish Federation of Housing Association (SFHA) members and HACT to build a dashboard of impact indicators for housing associations. The central idea is that the indicators we discuss in later chapters of this report align with the indicators and outcomes both for housing and regeneration and for the NPF. Our four case studies are a housing association level application of these ideas. The research encourages social housing providers to profile their communities, collect data and measure useful outcome indicators which tell us about impacts they make and to use this evidence systematically to demonstrate the value they contribute to Scottish society.

This project can also be viewed as one of a set of three complementary studies reporting at the same time. SFHA, Shelter Scotland and the Chartered Institute of Housing funded a team (including colleagues who are also part of CaCHE) to estimate the level of affordable housing need for the next Parliamentary term (Dunning et al., 2020). The study concludes, prior to COVID-19's appearance and impact, that 53,000 units are required to meet need between 2021-26 (up from the 50,000 Government target in 2015 but down from the authors' earlier estimate of 60,000). At the same time, Shelter Scotland have asked the economist Stephen Boyle to review the evidence for the wider economic case for more social housing investment including a specially-commissioned Fraser of Allander Institute modelled analysis of a theoretical housing investment programme (Boyle and Husbands, 2020). Along with the present report's focus on the economic, social, and health impacts of housing associations, the three projects combine to build a significant body of evidence at such an important juncture.

Funding and research partnership

The research was funded by a partnership between SFHA and the Joseph Rowntree Foundation (JRF), Public Health Scotland and the Rural and Islands Housing Association Forum (RIHAF). While the funders strongly supported the thrust and direction of the project, their individual interests have necessarily broadened the scope of the work into areas including how more affordable housing and wider actions can reduce poverty (particularly, child poverty), housing's role in improving population health and tackling health inequalities and the scope for housing interventions to improve rural resilience and sustainability. At the same time, the research was undertaken as a partnership between the UK Collaborative Centre of Housing Evidence (CaCHE) and HACT, the latter of whom were already working with SFHA on developing practical ways to help housing associations demonstrate their impacts.

Structure of report

The rest of the report is organised as follows. The second section organises our thinking about potential impacts from housing association activities (economic, social and broader) and links these to the National Performance Framework but also to key ideas such as the wellbeing economy, inclusive growth and preventative spending. The third section reviews existing evidence (economic, social, poverty, health and wellbeing and rural dimensions) noting key findings, the strength of the evidence and gaps. Next, the fourth section reviews and then reports a plausible summary set of baseline indicators of impact, again mapping these against the National Performance Framework and its overarching priorities. The fifth section considers four different case studies which seek to demonstrate the impact of housing associations and how their mission and context shapes the kinds of impact they have. The case studies were unfortunately affected by the COVID-19 lockdown, preventing access to residents and the full set of interviews we hoped to undertake. This unavoidably limited the depth that we wished to achieve. Nonetheless, the case studies do tell us about impact and they propose ways in which data can be used to evidence further impacts. The final section synthesises, summarises and concludes the research, finishing with a number of recommendations for different stakeholders.

3. Different Forms of Impact

We start by seeking to define what we mean by housing associations having ‘impacts’ (in singular and multiple terms). We also link these impacts to broader concepts of what might be considered to be good for society in terms of wellbeing, inclusive growth, fairness and social justice, as captured in the Scottish Government National Performance Framework.

We normally think of impact as changing outcomes as the result of fulfilling an activity or role or through an intervention. In housing terms, housing association impacts could therefore include the operational activities of landlords including community investment and development functions, as well as acting as investors in housing stock and communities, and in building new homes to meet different forms of need. Interventions may take the form of publicly funded programmes but also through regulations that alter outcomes, such as operationalising an adequate standard of housing as a statutory human right. Impact also has an important relationship with processes as well as outcomes, in particular due to the role housing associations can play in partnerships, regenerating places, working with health and care bodies and with local government. Further to this, the evidence base highlights the significant impact housing associations can make through engagement with tenants, both in terms of involving them in decision making processes and by supporting vulnerable tenants through day to day service delivery (Preece, 2019).

The Equalities, Human Rights and Third Sector division has now identified housing associations as well-qualified community anchor organisations, fitted to support, lead and encourage economic and social cohesion at a community level. However, more pragmatically, at procurement, project appraisal and annual reporting stages, funders, regulators and other stakeholders increasingly expect housing associations to evidence these impacts for example through environmental, social and governance metrics (Good Economy, 2020). This is a useful way of showing wider impact but also value for money to the taxpayer and the use of scarce public resources. It also implies that housing associations can benefit from systematically understanding their environment (what HACT calls their community profile) and monitoring change through the use of evidence-based indicators, in order to demonstrate their impact.

In 2018 the SFHA Poverty and Impact team surveyed members and found that only 37% of associations directly measured impact. From the feedback SFHA has received, several associations have been using ad hoc external consultancy to assess and demonstrate the impact of their work. Given that the current five-year Affordable Housing Supply Programme finishes in 2021, and welfare reforms in that period have placed more emphasis on the requirement for community investment (e.g. to sustain tenancies), there is much interest within the sector to provide a collaborative approach to proving the worth of money spent on social housing. SFHA have therefore begun work on finding a common framework for the Scottish housing sector, aiming to provide a flexible, proportionate, realistic and achievable approach to support and advise social housing organisations how to use this to create better decision making and outcomes. This is the essence of the parallel project that HACT is undertaking with SFHA to create community profiles and dashboards of relevant impact indicators with participating member associations.

Social housing impacts are multi-dimensional

- Increasing the supply of affordable and social housing through investment and turnover helps meet need and expands the availability of inexpensive, secure housing, which we know from recent Joseph Rowntree Foundation research (Congreve, 2019) is a direct way of **reducing child poverty** in Scotland (Improvement Service, 2020).
- **Affordability** is a longstanding and continuing theme of housing policy (Meen and Whitehead, 2020). In recent years, Scotland has halted the long-term trend of a declining social housing stock, which is now in net terms expanding. While debates continue about defining and measuring affordability, there is no doubt that reducing the burden of housing costs remains critical for those on uncertain, lower or modest incomes. This is reinforced by the high incidence of **fuel poverty** and poorly heated and insulated homes. Investment in **energy efficiency** tied directly to affordable warmth is also connected to boosting affordability and wellbeing and is a key problem (and economic opportunity) for the management and sustainability of the existing housing stock (Turner, et al, 2018; EEIG, 2020).
- A particular concern is **tackling homelessness**. Pleace (2015) examines the additional costs associated with four vignette illustrations of single homeless people, indicating that 30 rough sleepers can cost as much as £600,000 in a 12-month period but funding homelessness prevention would cost considerably less. Housing associations increasingly let a large share of their vacant homes to the statutorily homeless, often as part of nomination agreements with local authorities. For instance, one of our case study housing associations let 35% of its annual new tenancies to homeless people. The COVID-19 lockdown and public health response has taken people off the streets across the country. With a significant number of households already in temporary accommodation prior to the pandemic, and further increases expected as we move out of lockdown, this reinforces the need for increased supply of affordable housing and the anticipated 2020 launch of a national Housing First framework for Scotland.
- There are economic benefits associated with social and affordable housing investment by associations – relatively large multiplier effects boost employment, income and output growth, also benefiting local supply chains. Evidence discussed below suggests that such investment is largely economically additional to what the private sector can provide (Savills, 2019). It can be productivity-enhancing (MacLennan, et al, 2019) and able to promote **inclusive economic growth** (through the aforementioned impacts societally in addition to economic injections), as well as **combatting market failures in funding and land provision**, for example.

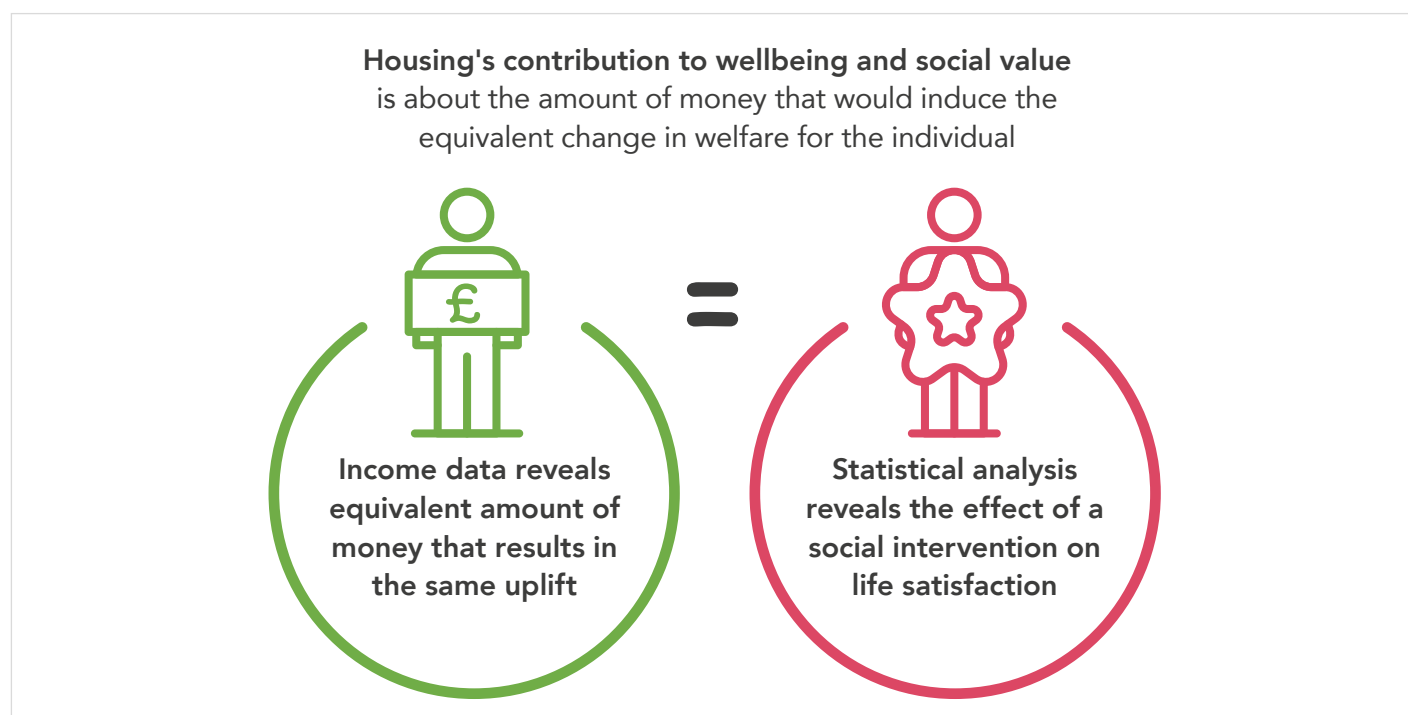
- We also anticipate wider social impacts including anti-poverty and reducing inequality as discussed above, but also through supporting **better outcomes for communities** and **successful placemaking**. In particular, the Scottish Government and COSLA have launched the Place Principle (Scottish Government, 2019) which is aligned to the National Performance Framework. Many of these wider outcomes support the Place Principle and can be captured using the HACT and Simetrica-Jacobs social value bank, estimating the well-being associated with, for example, a good neighbourhood, green space nearby and other notions of place, liveability and well-being.
- Housing associations by their actions can also support resilient communities, be they urban neighbourhoods experiencing concentrations of multiple disadvantage, or **rural communities trying to maintain viable services and a sustainable future**.
- A particular area of interest is health and wellbeing. As a social determinant of health, better housing and greater security and affordability is key to addressing **some of the structural drivers of health inequality** (Tweed, 2017). Raising housing standards will also impact directly on **health (including mental health) outcomes**. At the same time, housing quality has become a critical public health issue through factors such as the impact of space, accessibility, energy efficiency and climate resilience. This focus has now been brought into sharper focus as a result of the COVID-19 lockdown, forcing recognition of the limitations of space standards and amenity levels. This creates a recognition that **the design and quality of our homes needs to be a central part of any housing strategy in the recovery programme**.
- Housing associations are an important component of investment finance in the UK and Scotland. Private flows of capital, debt and increasingly equity, make it possible to meet affordable and social housing need, and these stakeholders **wish to ensure investment outcomes are delivering social and environmental impacts**. Financial institutions consider environmental, social and governance criteria that can potentially permit consistent metrics and accounting for these impacts. Key stakeholders in the affordable housing sectors are assessing which criteria should be included in housing association reporting to assist funders in their investment decisions (Good Economy, 2020) and this is closely linked to work led by HACT to measure the wellbeing impacts of affordable housing, discussed further below.

Evolution of social value or impact

Social value methodologies include **Cost Benefit Analysis** (CBA), which aims to show whether a net benefit has been created for society, weighing up cost against benefit. **Social Return on Investment** (SROI) borrows from CBA, also measuring outcomes in financial terms, but reports the ratio as return on investment for every pound spent. Another methodology which applies financial values is **Stated Preference Modelling**, which compares people's willingness to pay (WTP) for positive outcomes, against willingness to accept compensation (WTA) for negative outcomes. In addition, there are social value methodologies that seek to assess the costs and benefits of interventions on a regional and national scale. The New Economics Foundation (NEF) developed **Local Multiplier 3** (LM3), a methodology to measure local economic impact (NEF Consulting, 2020). LM3 compares the benefit to the local economy of money spent with local suppliers against external suppliers and has been used to evaluate over £13 billions of public and private sector spending (Impact Measurement, 2020).

Social value impact information is only one part of the jigsaw to help organisations demonstrate impact. None are perfect for every project or organisation and a thorough understanding of the methodologies used is always recommended. Care must be taken with information collected to demonstrate social impact; it should always be used to help drive better outcomes and inform service delivery rather than to exclusively inform models of delivery or drive comparison or competition between organisations.

HACT and Simetrica-Jacobs launched the **UK Social Value Bank in 2014**. Together, they developed the UK Social Value Bank with support from Clarion Housing Group (then Affinity Sutton) and Circle, in direct response to the sector recognising the need for a consistent and robust social value methodology. Since 2014, social value measurement has become more widespread within the sector. The UK Social Value Bank (and the associated Value Calculator) has been downloaded over 13,000 times and HACT has created three additional calculators to help organisations measure their social value impact around mental health, community asset transfers and community-led housing. As concluded in The English Social Value Act Review (Cabinet Office, 2015), Wellbeing Valuation and HACT's associated tools are one of the few examples of a robust approach including financial proxies to measure wellbeing. It remains the largest bank of methodologically consistent values that exists and has become widely regarded as a 'standard' methodology within the sector. Figure 2 below demonstrates the principles used in the UK Social Value Bank, where drivers of wellbeing have been identified through national datasets and then statistically modelled with income data to reveal the amount of money which would result in the same wellbeing uplift.

Figure 2: Wellbeing valuation

The values are calculated through statistical analyses of three large national UK datasets¹ such as the British Household Panel Survey (BHPS) and Understanding Society which include representation from Scotland and contain data on wellbeing and life circumstances.

These datasets include people's responses to wellbeing questions, and questions on a large number of aspects and circumstances of their lives such as employment status, marital status, health status, whether they volunteer, whether they play sports, whether they live in a safe area, and so on, resulting in a wide range of values. The majority of values come from the BHPS and Understanding Society which has been completed each year by more than 10,000 of the same individuals since 1991 and so incorporates over 20 years of panel data. The values are extremely robust due to the sheer vastness of these datasets and the methods in which they are derived. These values have been derived by Daniel Fujiwara using the Wellbeing Valuation approach, which follows HM Treasury Green Book guidelines.

More generally, social value measurement is now being deployed in different ways. It is not only being embraced by community facing teams in community development programmes, employment and training services, financial inclusion and community safety, but also by performance, finance and development colleagues in housing associations to help influence policy, make decisions, direct investments, improve services and demonstrate value for money. There is growing interest in Scotland in how social value practice can be embedded in day to day operations to drive forward social purpose. Governments across England, Scotland and Wales have embraced social value and embedded it into public procurement and social policies².

¹ Other datasets such as the Crime Survey of England and Wales and Taking Part survey are also used.

² In Scotland Community Benefit requirements are defined in the Procurement Reform (Scotland) Act 2014 as a contractual requirement imposed by a contracting authority relating to training and recruitment and availability of sub-contracting opportunities or which is otherwise intended to improve the economic, social or environmental wellbeing of the Authority's area in a way additional to the main purpose of the contract. See: <https://www.gov.scot/policies/public-sector-procurement/community-benefits-in-procurement/>

Preventative spending

A key theme in much of the wider impact literature concerns preventative spending i.e. that investment for instance in social housing leads to the avoidance of bad outcomes and can be viewed therefore as a positive form of intervention as opposed to spending on failure demand (as it was dubbed in the 2011 Christie Commission). Preventative spend, sometimes thought of as early or upstream intervention, is popular conceptually but remarkably difficult to deliver at scale or across public services generally though there are a few notable successes across Britain and elsewhere (Health Scotland, 2016b). The Scottish Government pledged to make a decisive shift to prevention or early intervention in the wake of Christie, but it has proven stubbornly difficult to make the kind of progress many envisaged (What Works Scotland, 2016).

While it is of course important to stress other benefits and impacts from intervention, such as genuine additionality, it is also useful to consider intervention benefits as the consequential *cost avoided* by other spending departments (e.g. health care, justice, social security, temporary accommodation, etc.). For many working in preventative spending analysis, robust evidence of wider wellbeing and social value in these other areas, that can be used to support more prevention activity, is eagerly sought. However, there are significant barriers to evidencing cross-sectoral preventative spend:

- Silos across government and agencies make genuine integration difficult. These can, from the narrower perspective of organisations and their departments' logic, be perfectly rational and internally defensible. Sometimes, shifting to genuinely preventative approaches requires reshaping internal organisational structures and thereby collapsing silos, or taking more radical action such as procurement focusing on outcomes by shifting to payment by results through social impact bonds.
- A compounding problem is that of annual budgets, short (and different) time horizons and different legitimate objectives across the potential partners to the prevention project. Benefit or payback in another policy area may take a long time, even a generation, to be realised, leading to a discounting of the value of prevention now in a political commitment sense. It may also be the case that innovative projects that show preventative success initially may be mainstreamed and lose their cutting edge. Puttick (2012) suggests creating financial incentives that reward public bodies for embracing prevention, as well as thinking more creatively about budget-making.
- Across organisational boundaries, different partners may in reality operate to differing values, objectives and operational complexities that render it difficult to construct wider preventative solutions.
- There is often too little reward or incentive to recruit, promote or encourage prevention (Mitchell and Gibb, 2015a; 2015b).
- Cashable savings are difficult to generate, and they may not flow to the source of the savings within a partnership – which is a strong disincentive. At the same time when there are no cashable savings and the intervention reduces demand for a public service (i.e. a preventative success), that may simply generate pressure to cut the spending of a department, with its own problematic internal political dynamic.

For the purposes of this study, we should recognise the complexity of scoring and attributing preventative benefits for housing activities in terms of reduced costs or future savings for stakeholders and also recognise that there are frictions and constraints that prevent these impacts being fully achieved and understood.

Understanding impact through the National Performance Framework

The Scottish Government is committed to a wellbeing approach to social impact through their NPF (Scottish Government, 2020), initially launched in 2007. While recognising the importance of economic progress, the NPF proposes the success of a country can be measured on more than GDP. The aim of the NPF is to set out a framework which focuses on the measurement and provision of improved opportunities for all alongside sustainable and inclusive economic growth.

The overarching summary of the NPF (see Figure 3) distinguishes between purpose, values and national outcomes, before drilling into ways to measure progress across different domains of the NPF. To achieve its purpose, the NPF is based around outcomes. These national outcomes are, among other things, aligned with the UN's Sustainable Development goals. The national outcomes listed below, have a corresponding set of national indicators which measure progress towards the outcomes. An examination of the national and domain-specific outcome indicators identifies a number of indicators which are directly or indirectly relevant to housing and communities which may be causally linked though impacts from social housing activities and investments. There are also specific housing goals relevant to housing and regeneration. We discuss the national and the sector-specific indicators in detail in the later section on baselining impact indicators.

Figure 3: The NPF Framework (flower diagram)



Source: https://nationalperformance.gov.scot/sites/default/files/documents/NPF_A2_Poster.pdf

Wellbeing is an area in which Scotland has seen some encouraging recent progress. The Office of National Statistics publishes an annual report on personal wellbeing across the UK with recent findings that improvements in worthwhile and happiness ratings were led by Scotland. With the Procurement Reform Scotland Act 2014 making a requirement for social housing organisations to apply relevant community benefit clauses in larger contracts, the need to evidence what social impact such benefits make has seen a re-emergence in interest in the measurement of such statistics. Considering international examples, the New Zealand government (Fell, 2019; Barker, 2019; New Zealand Government, 2020) has established a wellbeing budget as part of the fiscal regime, and the Welsh Government has legislated for future generations. By comparison, the evolving Scottish NPF framework, while holistic, is still at a relatively early stage of impact on policy and programmes and measurement of impact. The evolution of the National Performance Framework will be supported and informed by the Place Principle which provides a shared context for place-based work in Scotland. The Place Principle has been designed to overcome boundaries for all organisations so as to improve impact of resources and investment in a locality (Scottish Government, 2019).

As part of the NPF, the Housing and Social Justice Directorate in Scottish Government produces a series of its own national performance indicators for the Housing and Regeneration Outcomes Framework. These indicators are grouped into four categories which include; a well-functioning housing system, high quality sustainable homes, housing that meets people's needs and sustainable communities. Below in Table 1 we list the indicators for the four elements. Later in this report we will explicitly link baseline measures of impact from housing associations to the NPF and to the Housing and Regeneration Outcomes Framework. First, we summarise evidence on the impact of social and affordable housing across the multiple dimensions identified above.

Table 1: Housing and Regeneration Outcome Indicators: Summary of updated indicators – 16 June 2020

A Well-Functioning Housing System
Number of occupied dwellings in Scotland
Gap in those Satisfied with house between lowest 3 deprivation deciles and the Average (%)
House purchase lending, number of loans advanced
Ratio of housing costs to Income
Increase the number of new homes
Strength of Construction (GVA)
Effective Housing Land Supply - Number of Housing Units
High Quality Sustainable Homes
Homes meeting the Healthy, Safe and Secure criteria of the Scottish Housing Quality Standard (SHQS) (%)
Fuel Poverty rate
Energy Efficiency – Median SAP 2012 rating
Disrepair to Critical Elements (% of homes)
Satisfaction with condition of the home (% of households)
Percentage of people with access to green or blue space (5-minute walk or less)
Homes that Meet People's Needs
Housing Lists – Local authority and Common Housing Register (counts every list that each applicant is on)
Over-Crowded Homes
Repossession (UK)
Evictions and Abandonments in the Social Sector
Percentage of households in need, requiring one or more adaptations (based on self-assessed need)
Improve access to suitable housing options for those in housing need (Homelessness 2012 Target and NPF National Indicator)
How convenient services are
Sustainable Communities
Percentage of workless households
Employment rate (gap between deprived areas and other areas)
Percentage of people with post school qualifications (gap between deprived areas and other areas)
Healthy Life Expectancy (gap between deprived areas and other areas)
Percentage of people rating their neighbourhood as a very good place to live
Amount of vacant and derelict land
Percentage of people who agree their council provides a high-quality service
Percentage of people satisfied with community centres and facilities
Percentage of people who feel they can influence decisions affecting their local area
Percentage of people who feel safe walking alone in their neighbourhood at night

Source: <https://www.gov.scot/publications/housing-and-regeneration-outcomes-framework-indicator-updates/>

4. Existing Evidence

Economic impacts

Monk, et al., (2010) provided a detailed review on the social and economic impacts of housing to the Scottish Government. At a broad level:

- Construction (measured by input-output tables) makes a relatively large contribution to the Scottish economy compared to other industries.
- Counter recessionary supply programmes, as well as maintenance and refurbishment work associated with the Social Housing Quality Standard, expanded housing investment while supporting employment and construction skills retention.
- Investment across housing tenure has varying impacts but it is clear that social housing investment can improve the lives of tenants.
- New housebuilding (and affordable house building – MacLennan, et al., 2019) supports urban competitiveness by in part helping to attract and retain its productive workforce. However, social housing has relatively low labour mobility.

In 2012, for Great Britain, Ernst and Young conducted a study into the economic impact of Berkeley Homes (reported by Hyde Housing Group, 2018). This study suggested that in 2008, housebuilding accounted for 1.5% of GDP and generated 335,000 jobs. In 2011, it generated £22 billions of economic activity. Because every construction sector job generated a further 1.653 jobs in the rest of the economy, pre-financial crisis, it was estimated that the sector was responsible for a total of 850,000 FTE jobs. Each home built generates about 4.5 FTE jobs. Stamp Duty and council tax combined raised £29 billion in tax revenues per annum.

The COVID-19 pandemic and lockdown has led to consequent government focus on economic recovery and the idea of 'building back better', to which housing investment in new build and the existing stock can play a major part, given the positive narrative that emerges from the evidence indicated in this section. In June 2020, the Scottish Government published its independent report from the Economic Recovery Advisory Group (Scottish Government, 2020). Their recommendations for a recovery based on a robust wellbeing economy included specific recommendation (5.17) focused on people, place and community with reference to place making, delivering new mechanisms to secure affordable housing investment and tackling homelessness. They argue (p.52) that

'[h]ousing is central to the Scottish economy and to our wellbeing. The construction sector is a major source of employment and makes an important contribution to Scotland's GDP. In normal times, investment in social housing alone by the public and private sector runs at over £3bn a year. But more important than its direct impact on jobs and finances, everyone in Scotland should have a home that is warm, affordable and accessible. And support for housing is vital to help our most disadvantaged communities and create sustainable, attractive places'.

Research in recent years has also quantified in different ways the economic impacts of housing in **Wales**, Northern Ireland, Scotland and the UK. A series of annual studies in Wales for Community Housing Cymru, in a context of the sector developing 1,876 new homes in 2018, found that Welsh housing associations spent £1.2 billion on all of their activities in 2017-18. This led to direct, indirect and induced economic impacts worth £2.26 billion in additional output, gross added value of £886 million and 23,151 FTE jobs across the Welsh economy. In this case the direct impacts relate to the actual immediate expenditure on new housing investment while indirect spend follows the supply chain. Induced spend relates to the spending by employees and others associated with the direct and indirect work which will feed back into the local economy. This may include spending in local shops and further consumption which boosts the incomes of those who make sales in the wider economy from this extra income.

Box 1: Individual provider impacts

Fraser of Allander (2019) captured the economic impact of Glasgow Housing Association (GHA). For 2016-17, and across its capital programme and day to day operations, GHA was calculated to contribute £153 million to the Scottish economy and support 2,575 full time equivalent (FTE) jobs. Over the 15 years since establishment, the capital programme has added around £2 billion to the Scottish economy and 36,500 FTE jobs.

Hyde Housing Group (2018) attempted to estimate the social and economic impact of their proposed 2015-20 development programme. Between 2015-20 Hyde planned to build 6,100 new homes which were estimated to generate economic output of £2.2 billion to the British economy (£450 million per annum). There would be 1,300 FTE jobs with 30% targeted at local labour markets, 700 apprenticeships and 158 trainees around 100 of whom would be retained beyond six months.

In 2016 the Scottish rural housing association, Eildon Group, commissioned Optimal Economics to assess their economic impact. Their capital investment programme for the nine years to 2015, spent £69 million on 449 new homes and modernising over 1,774 units of stock. This investment supported 92 FTE jobs per year in Scotland and generated income of £6.3m per year. The estimated annual impact specific to the Borders has been 44 FTE jobs and £3.8m of income. Day to day group operations also have wider economic impacts, generating £1 million of income and 30 FTE jobs annually. Further rounds of associated economic activity, increasing jobs and incomes initiated by Eildon's activities, were estimated to double the number of Borders jobs and added a further £12.4 million in incomes.

Foden, et al (2015) assessed the economic impact of **Northern Ireland's** social housing organisations. Drawing on data from 2012-13, with nearly 136,000 households in social housing and in a year when the sector started 1,120 social new builds, the activity generated (direct, indirect and induced) economic activity worth £1.15 billion to the economy as a whole and £460 million of gross added value (1.4% of all GVA), and 15,436 FTE jobs.

HBF/Nathanial Lichfield and Partners (2015) report that in 2014 the **UK** built 140,000 homes. This was found to be worth £18 billion in land, homes and supplies, contributing £19.2 billion in output to the UK economy, and more than 600,000 FTE opportunities i.e. 4.3 jobs per home. Nearly 40% of all new homes were affordable and the overall new supply contributed £2 billion in tax revenue and infrastructure contributions. The new build activity also directly created 3,700 apprenticeships, 400 graduates and 500 other trainees. Constructing an additional 100,000 homes across the UK would generate £1.1 billion capital spend, £13.6 billion more in economic output, 430,000 FTEs, £432 million in extra local infrastructure investment and £3.2 billion more spending by residents on goods and services.

For **Scotland**, Nathaniel Lichfield and Partners for Homes for Scotland (2016) (based on 15,562 new homes built in 2014) estimated the new build impact to lead to £3.2 billion (GVA) to the Scottish economy and nearly £1.35 billion investment in land, homes and supplies. The work created directly, 31,630 FTE jobs as well as 22,140 indirect and 9,490 induced FTE jobs. This equates to 4.1 jobs per home. They also note that the new build programme generated 380 apprentices and 200 graduates. This led to more than £150 million of additional tax and nearly £84 million worth of S75 agreements. They also simulated building a further 10,000 homes per annum (the same output as was planned for the Affordable Housing Supply Programme each year between 2016 and 2021), with the following additional benefits: £443 million capital spending, £1.9 billion in additional economic output, 38,400 extra FTE jobs across the Scottish economy, nearly £94 million in extra tax revenue, and £51 million in extra infrastructure.

As part of written evidence to the MHCLG select committee, Savills (2019) summarised their research on the extent to which social or affordable housing is 'additional'. They note the MHCLG's own economic analysis which concludes that affordable housing supply is 50-100% additional i.e. it is not deadweight that displaces market housing or would have happened anyway. Indeed, when the market is weak this will be nearer the 100% additionality level. Savills argue that where there is willingness to work in partnership with the private sector, where there is adequate land, construction capacity, development management and well-functioning planning, then grant-funded affordable housing investment should be near to 100% additionality. This is important when thinking about the case for housing as a driver of post-COVID-19 economic recovery.

There is an emerging combination of factors indicating the importance of investing in more energy efficient affordably warm homes (Webb, et al, 2020). Achieving higher standards in social housing through EESSH1 and EESSH2 cannot only improve the efficiency of energy use but with complementary measures can tackle fuel poverty. At the same time, the long-term greenhouse gas emissions reduction targets will complement these objectives. Current work by CaCHE (Martin, 2020) on a high-quality tenement retrofit demonstration project, indicates the huge potential for industry and economy to benefit from the business generated to retrofit the existing housing stock to bring it up to the standards required. There is an opportunity to make homes more thermally efficient, provide more affordable warmth and build a reconstruction expertise in low carbon, energy efficient retrofit (see also Turner et al, 2018; EEIG, 2020 and Green Finance Institute, 2020).

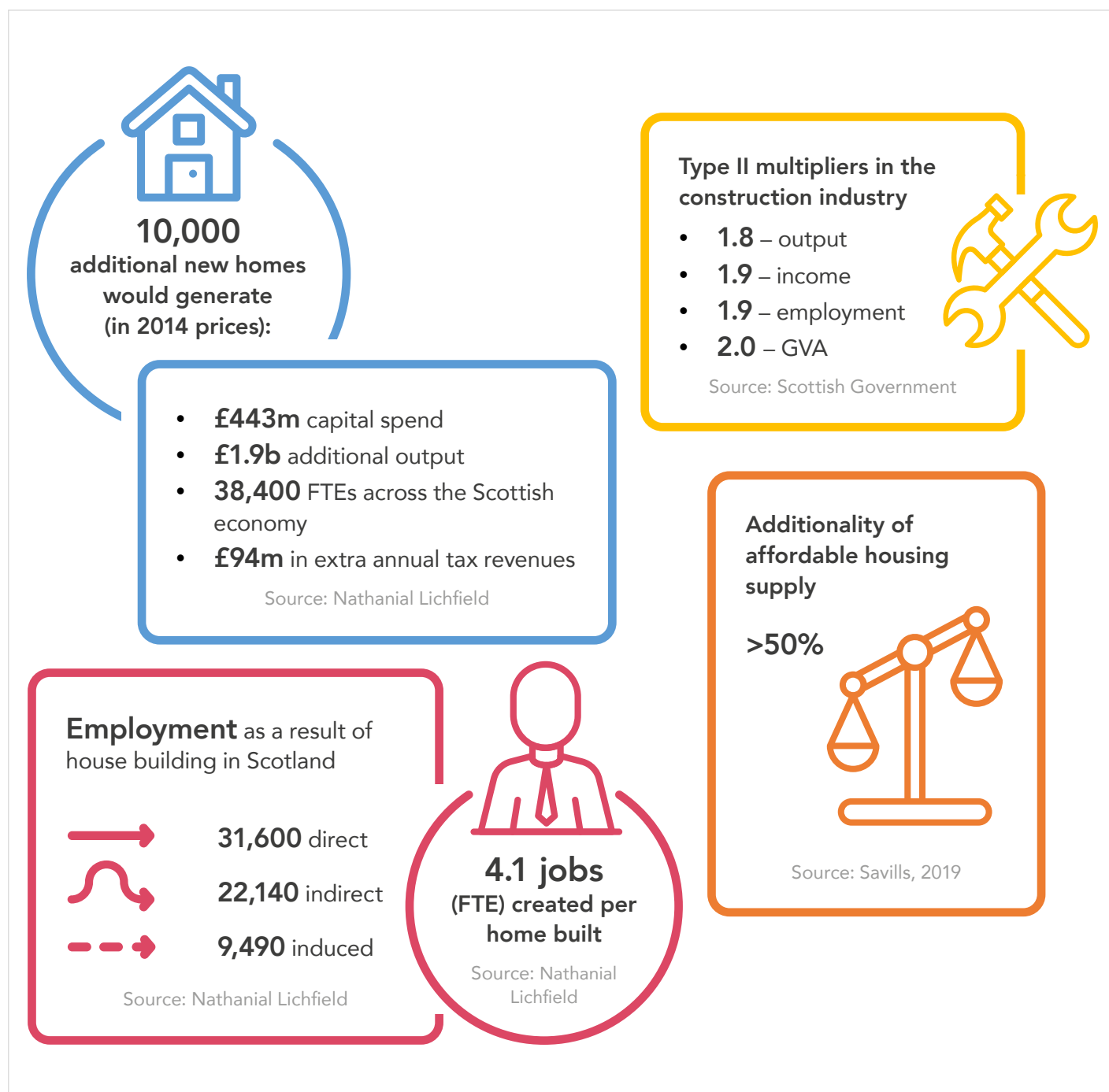
A critical issue with the economic impact of housing concerns the rules within which it is appraised by government departments (HM Treasury, 2018; MHCLG, 2016). While Green Book methods and decision making are now more willing to embrace concepts of wellbeing valuations, inclusive growth and social rates of return, it is clearly important to understand how housing is appraised and evaluated alongside other competing public sector investments. For instance, these appraisals need to account for the opportunity cost of market failures like the social costs of externalities, which require to be tackled by intervention. Other benefits of housing investment such as the increase in residential land values associated, otherwise known as land value uplift, also need to be considered. This is all the more relevant now that the UK Government is proposing to revise the Green Book assumptions to help support non-metropolitan northern English economic infrastructure and investment, as reflected in the March 2020 UK Budget which also plans to create Northern and devolved Treasury departments around the UK (also, see Coyle (2018) on the 'Imperial Treasury').

Table 2 and the infographic below (Figure 4) summarises these economic-housing impact connections. The diagram reflects the orthodox position taken by MHCLG (see Savills, 2019) in their investment appraisal that they expect affordable housing investment to be 50-100% additional. In other words, half to all of the investment would not have been delivered by the market in the absence of the programme.

Table 2: Key economic indicators and typical values

Indicator	Typical value	Comments
Type II construction multiplier (output)	1.8	2016 Scottish input-output tables
Type II construction multiplier (income)	1.9	2016 Scottish input-output tables
Type II construction multiplier (employment)	1.9	2016 Scottish input-output tables
Type II multiplier (gross added value)	2.0	2016 Scottish input-output tables
Jobs (FTE) per new home	4.1-4.5	Various sources – see text, Scottish figure at lower end of range
FTE Jobs per 10,000 homes	38,400	Source Nathaniel Lichfield (2015) – note that this is slightly below the 4.1 jobs per home they estimate for Scotland.
Additional economic output from 10,000 homes	£1.9 billion (2014 prices)	Source Nathaniel Lichfield (2015)
Additional tax revenue from 10,000 homes	£93 million (2014 prices)	Source Nathaniel Lichfield (2015; note that tax revenue is a transfer payment and not additional money from the perspective of the economy as a whole
Additional infrastructure spend from 10,000 homes	£51 million (2014 prices)	Source Nathaniel Lichfield (2015)
Additionality of affordable housing supply	50-100%	Source: MHCLG appraisal guidance (2017) – higher values of range where more spare capacity and higher stakeholder responsiveness, flexibility and efficiency (Savills, 2019)

Figure 4: Housing's contribution to the Scottish economy



There are however important caveats with these economic analyses of multipliers and additionality. Economic analysis focuses on opportunity cost – the value of the best alternative forgone because a decision to expend resources in a certain way is taken. There is an opportunity cost associated with a housing programme – i.e. what *does not happen* because of an injection of public funding into housing? Is it a capital programme elsewhere that loses out? If it is funded by borrowing – who ultimately pays for it and what else could that resource now used for financing previous spending have achieved?

Linked to the opportunity cost point is the fact that there are also multiplier effects foregone because of the housing injection e.g. if the reduction was for instance in government running costs then the multiplier foregone on the resource sum committed is actually larger than that of the construction multiplier. In other words, while we have argued that housing construction has a relatively high multiplier and hence larger economic impact – it does not have the largest multiplier. Finally, there is the assumption that there is unused capacity that can be taken up – this is clearly sensible in a period of recession or under-utilised capacity but if the economy was working closer to full capacity, the injection could be inflationary and again crowd out more productive activities. Economists distinguish between partial and general equilibrium analyses. The former focuses only on the sector in question but the latter take more account of the wider dimensions of a new economic stimulus, including recognising that there is often something foregone in making a decision with finite resources. New money has to be either a windfall or the proceedings of growth – otherwise there is a wider cost and hard choices to consider. This is also why we should look at robustly evidenced social impacts as well as economic impacts.

Wider social and preventative impacts

The infographic below (Figure 5) provides a schematic summary of possible housing-social impact pathways widely discussed in the literature and with a direct reference to the HACT and Simetrica-Jacobs social value bank. Good housing impacts on residents by improving their physical and mental health. There are positive benefits associated with well-designed neighbourhoods, as there are from enjoying good neighbour relations and community resilience. Green space is important to people and demands are also growing to live in less dense suburbs and to make homes more liveable (Gurney, 2020; McCarthy and Smith, 2020). Good quality housing in terms of space standards and energy efficiency and affordable warmth are also seen to be important outcomes that social housing can provide. These impacts are of course not independent of each other and offer preventative benefits reducing demand for services associated with poor housing (or worse situations). Many of these social impacts have been highlighted by the pandemic and especially the lock down, which has shone a light on the importance of suitable housing of appropriate size and density as well as emphasising the value of greenspace and of community resilience, good neighbour relations and the potential contribution made to achieving these sorts of positive impacts by the wider social landlord function (e.g. Gurney, 2020). These impacts have also been discussed in a recent blog series on housing and COVID-19 produced by CaCHE (2020). We discuss aspects of this wider impact literature below.



Figure 5 – Housing's contribution to social value and wellbeing

The Hyde Group (2018) estimated the annual value of a social tenancy at £11,175 (not counting construction and maintenance investment)³. Hyde argue that across their stock this is worth £401 million in budgetary savings or prevention. Essentially, this is therefore a comparison between not having the same number of people in social housing and working out the reduced costs that flow from the tenants now being in social housing. The beneficiaries of this value include local authorities; police and justice; education; the NHS; the Department for Work and Pensions; the economy; the fire service and banks and creditors.

The most comprehensive study in this area is the Australian work by Nygaard (2019) which seeks to use the literature and the Australian social value bank to calculate the social and economic benefits of building 100 affordable homes by community housing organisations. The paper concludes that the potential social and economic benefit to individuals and society can be large (and enough to offset public costs of the capital funding of the 100 units). The analysis combines cash, estimated fiscal savings and monetised wellbeing effects across a range of sectors: homelessness; mental health; domestic violence; reduced substance and alcohol harm; human capital and educational development; financial stress; overcrowding; the integrating benefits of social housing and a platform to enable other non-shelter services; and, employment and enhanced productivity.

Nygaard argues that we must attempt to sort out the causal relationships between housing circumstances and their costs against the social and economic indicators examined. At the same time, we have to carefully consider the equivalence of different forms of cost savings – some of which are monetised subjective wellbeing and others are realised actual costs and also those which are computed estimates of savings which will be subject to specific assumptions. They also have to assess the counterfactual (i.e. what would have happened in the absence of intervention). Nygaard concludes that we need to be explicit about how the distribution of need operates across the households who will occupy the new homes or a social tenancy; they are, for instance, unlikely to mirror households already in the housing stock. In other words, how new units of social or affordable housing are allocated is clearly important to scoring the social value attached to it.

The private housebuilder Redrow commissioned social value research (Redrow, 2018) that, first, provided a measure of the impact of an average household buying a Redrow home in present value terms discounted over 25 years, and, second, estimated the social value of an illustrative development of 250 units. These are for individual homeowners and for a notional development with 50% home ownership (the rest undefined) so we cannot assume the same outcomes if the assessment was for a social housing household and development, respectively. Nonetheless, they are useful market benchmarks of social value. The analysis was carried out by Simetrica-Jacobs (who worked with HACT to develop the UK social value bank). The measures can be thought of as a capital sum measured in today's prices. Some of the larger effects are set out below:

- **The representative household (25 year Net Present Value [NPV]):** moving the home (for EPC rating) from D to C (c.£36,000); the size of home is 16% larger than average (c.£34,000); close to green space (c.£39,000); easy to navigate and well-connected (c.£17,000); being able to borrow from neighbours (c.£46,000); and, talking regularly to neighbours (c.£35,000).
- **The overall impact of a 250 unit development (25 year NPV):** 50% of homes are in home ownership (c.£13.3m); all homes are at EPC band B (c.£9.1m); average size of all homes is 104m² (c.£8.4m); one hectare of green space (c.£9.7m); 65% of residents feel welcome in the neighbourhood (c.£11.5m); 77% of residents talk regularly to neighbours (c.£8.8m); and, 80% of residents feel safe walking alone at night (c.£1.8m).

³ Hyde (2018) identify 8 different routes by which their services create social value for their tenants (e.g. the provision of affordable housing to those in need, providing responsive services and adding to tenant wellbeing). These are then valued by comparing them to non-social tenancy and crisis outcomes and assessing the monetised value to the tenant in terms of wellbeing and to society in terms of preventative savings.

Health impacts

Thomson and Thomas (2015) suggest the pathways by which housing interventions impact on health outcomes and socio-economic impacts. They conclude (p212):

'best available evidence indicates that housing which is an appropriate size for the householders and is affordable to heat is linked to improved health and may promote improved social relationships within and beyond the household. In addition, there is some suggestion that provision of adequate, affordable warmth may reduce absences from school or work. The key housing outcomes reported to be affected by housing improvement are living space and design; thermal comfort; housing costs; and attitudes to the home.'

There have been a small number of structured reviews of evidence seeking to unpick the impact of housing or urban regeneration investments on health outcomes (e.g. Thomson et al, 2006; McCartney, et al, 2017). For instance, McCartney et al (2017) found mixed evidence of small positive impacts but also adverse impacts associated with mixed developments damaging existing social networks and higher rents, as well as destabilisation of existing communities through gentrification. The authors conclude, alongside complementary labour market and housing policy reform, carefully designed and implemented housing regeneration led improvements would still have the potential to improve population health outcomes and reduce inequalities.

Thomson, et al., (2009) considered the impact on health outcomes of housing improvements. Based on 45 relevant studies, they found that respiratory and mental health effects following warmth improvements were identified to varying degree. Housing-led neighbourhood regeneration had a number of positive health outcomes, including on the socio-economic determinants of health. They stressed the need for targeted interventions and that better understanding of socio-economic impacts of housing improvement is required in order to assess long term health impacts.

A recent study by Centre for Ageing Better (2020), started from the estimated cost of non-decent homes in England to the NHS of £1.4 billion per annum for all ages (Nicol et al, 2015). The Ageing Better report indicates that the NHS spends £513 million alone on first year treatment costs for over 55s living in the poorest quality housing. An investment of £4.3 billion could repair all these homes – a cost that would be paid back in just over eight years and would immeasurably improve quality of life. The authors argue that the cost of addressing England's poor housing condition is relatively affordable: one third of all non-decent homes could be repaired for £1,000 per unit.

The GoWell Research and Learning Programme investigated the multiple impacts of neighbourhood-level housing investment, regeneration and renewal across Glasgow neighbourhoods over a 12-year period starting in 2005. GoWell has produced a vast array of research and learning outputs associated with its work. The longitudinal study design allowed the team to study housing, community and health/wellbeing outcomes before, during and after the investments took place. GCC (2020) summed up the impacts of the housing investment noting that investment was highest in the most deprived communities, that there was evidence of positive inclusive growth (e.g. targeted housing investment) and that higher investment helped physical health trajectories over time (a 'protective' effect) and led to mental health improvements. The completed work is extensive and based on multiple sources of evidence which are set out on the GoWell website and documented in academic publications and reports: <https://www.gowellonline.com/>.

Higgins, et al. (2017) produced a health impact assessment of the 50,000 affordable homes programme. Since good quality housing has important health benefits and can impact positively on health inequalities, it is not surprising that there are perceived to be significant benefits from energy efficiency, thermal insulation, appropriate space and safe shelter. They do note that there can be displacing effects because new social housing devalues existing older social housing stock.

In 2016, Buck, et al. for the Kings' Fund reviewed a wide range of evidence concluding that decent housing is critical to health outcomes. The authors identified five economic arguments, based on case studies, as to why housing investment should be supported to further health objectives:

- Housing associations develop safe, decent homes that enhance wellbeing
- Housing associations can help reduce the burden and cost of ill health and treatment
- They can also reduce the health and care delivered to older households and those in need of care support
- They can provide cost-effectiveness in meeting health and care objectives
- They can demonstrate positive cost-benefit outcomes in terms of the value of health produced and savings to the NHS.

Waugh, et al., (2018) demonstrate several different dimensions of the mortality, morbidity and health opportunity costs generated by homelessness relative to non-homeless control groups. The authors demonstrate the consequent preventative benefits attached to reducing homelessness through interventions, most obviously additional affordable housing.

Rural

Shucksmith and Atterton's (2017) review of the Scottish rural economy reported on the successes of stemmed population decline, the growth in service sector jobs and the continuing disproportionate importance of land-based work. Rural poverty is less about unemployment as such but more to do with broader inequalities and social exclusion. Rural economies have higher proportions of small businesses, self-employment and home working. Policies for the rural part of Scotland continue to be criticised for being too sectoral rather than integrated, place-based, territorial or strategic. Shucksmith and Atterton argue that the evidence supports networked rural development stressing a focus on place, community empowerment and capacity building, all enabled by government, central and local.

In 2017 Indigo House and Ipsos Mori provided an update of a Highlands and Islands Enterprise (HIE) report on stimulating housing development in the Highlands and Islands. This report starts from the concerns that housing matters greatly to population decline and the retention of young people in rural areas served by HIE. It recognises that housing is part of a complex problem relating to local skills, transportation, access to land and labour supply. Infrastructure is a major barrier to housing development, as is access to affordable developable land. This has knock-on effects on the sustainability and resilience of local communities with even small numbers of new affordable homes making significant differences to the capacity for local services to be protected or even extended.

Where does the rural housing system and affordable housing supply fit onto this narrative? Investment in affordable housing contributes to the sustainability of rural settlements as a result of the local economic impacts of housing investment. More than investment, the stock and the housing system offer needs to be wide enough to sustain life course transitions into different sizes and types of housing, different settlements and also housing options for older people – if rural living is to be sustainable.

Support over the life of a tenancy through maintained security of tenure and stock quality (e.g. affordable warmth) is critical to a functioning rural housing system. The evidence (e.g. Scottish Government, 2018; Chartered Institute of Housing, 2020) suggests that energy efficiency standards are significantly worse in more remote rural areas and hence social housing-led initiatives such as EESSH and EESSH2 are important, though they themselves present challenges because of the varied penetration of social housing in rural parts of Scotland and the extent to which low income tenants pay for improvement through higher rents. Qualitative evidence and policy documents are relatively consistent on the importance of housing to rural community viability and sustainability (Scottish Government, 2011; Taylor, 2008), but there is a lack of rigorous quantitative evidence to back up or complement the qualitative evidence case in support of the claims. Two small scale studies (EDAW CR and University of Aberdeen, 1995; and Glass, et al, 2006) conducted for government agencies have drawn attention to limited housing availability and affordability constraining recruitment in some rural areas of Scotland – but these are now quite dated.

5. Baseline Impact Indicators

Introduction

In this section, we link the existing evidence discussed above to key national outcomes, in particular, the National Performance Framework (NPF) developed by the Scottish Government, and the associated Housing and Regeneration Outcome indicators used in the recent Housing to 2040 consultation. We do this first by setting out the principles of social value that underpin the social value bank developed by HACT and Simetrica-Jacobs. We also make use of the toolkit developed by HACT with the SFHA and a working group of SFHA member associations.

Social value principles

Social impact reporting is an often-under-utilised tool but has considerable potential to help raise and strengthen the profile of the housing sector. It is therefore crucial that when presenting social impact information to an external audience that it is robust, credible and makes a clear connection to the local, sector and national contexts. To effectively strengthen the housing sector's profile in this context, recognised standards and good practice must be applied consistent with the rigour required to undergo external scrutiny. Credible information will additionally ensure suitability for practical use in service improvement by the participating case study organisations. The case studies and our impact analysis are consistent with three different but complementary sets of key guiding foundations.

The seven principles of social value

The case studies apply the UK nationally recognised seven principles of social value reporting. This taxonomy is highlighted in the diagram below (Social Value International, 2020).

Figure 6: The seven principles of social value



In presenting our impact information we have been mindful of the need to ensure these principles have been adopted.

Principle 1: Involving stakeholders

Case studies have all been designed with the input, active involvement and consent of the host organisations. Funding partners have an active role in the shaping of the research⁴.

Principle 2: Understand what changes

The methodology we have adopted has been designed to gain insight into what social changes are a result of housing association activity. The case study evidence captures changes in the wellbeing of an individual, the economic and preventative spending impacts all placed in a local context through community profiles.

Principle 3: Value the things that matter

The case studies only capture the things which matter in the context of local community profiles, individual experiences, stakeholder interests and the National Performance Framework. We have cross referenced community profiles to activities which has then in turn informed the types of measurement indices utilised. The results of this valuation and analysis are presented to be as useful as possible to case study organisations.

Principles 4 and 5: Only include what is material and do not overclaim

A thorough evidence base has been compiled and checked by HACT to ensure that overclaiming is avoided and is consistent with activities which the case study organisations have been directly involved with. Deadweight adjustments have been made in social impact valuations reflecting nationally recognised good practice.

Principle 6: Be transparent

All calculations are available in the case studies and are backed up by widely recognised methods.

Principle 7: Verify the result

The results are consistent with standards expected by HACT who are nationally recognised as experienced auditors, advisers and certifiers of social impact reports.

⁴ Though we note as we say elsewhere, because of the pandemic, it was not possible to fully engage with tenants during the primary phase of this research project. However, host organisations were asked to reflect as best they could the knowledge they have of their tenants in their case studies.

HACT social impact reporting guidelines

HACT is an experienced organisation in producing social impact assessments and reports across the housing sector. HACT's work is additionally guided and underpinned by three key core beliefs.

HACT believes that:

- *Researching and understanding social impact is not important unless the information is used to shape future policy and influence change.* This report will help to inform conversations and dialogue with a wide variety of stakeholders by clearly articulating where the housing sector is impacting on National Performance Indicators.
- *Adopting social impact measures are not valuable unless they have a practical end use.* The social impact analysis provided through the case studies has an end use for the case study host organisations. The analysis will help build on and improve their practice as well as providing project and other interested partners with additional material and evidence to enhance their contribution to improved health or reducing poverty.
- *Social impact work is not intrinsically socially good unless it benefits those most in need.* The case studies reference the socio-economic contexts in which they are operating and demonstrate how positive change is experienced by the individual. The case studies operate in areas where poverty is widespread and of high socio-economic need, they demonstrate how some of Scotland's most pressing social issues are being tackled.

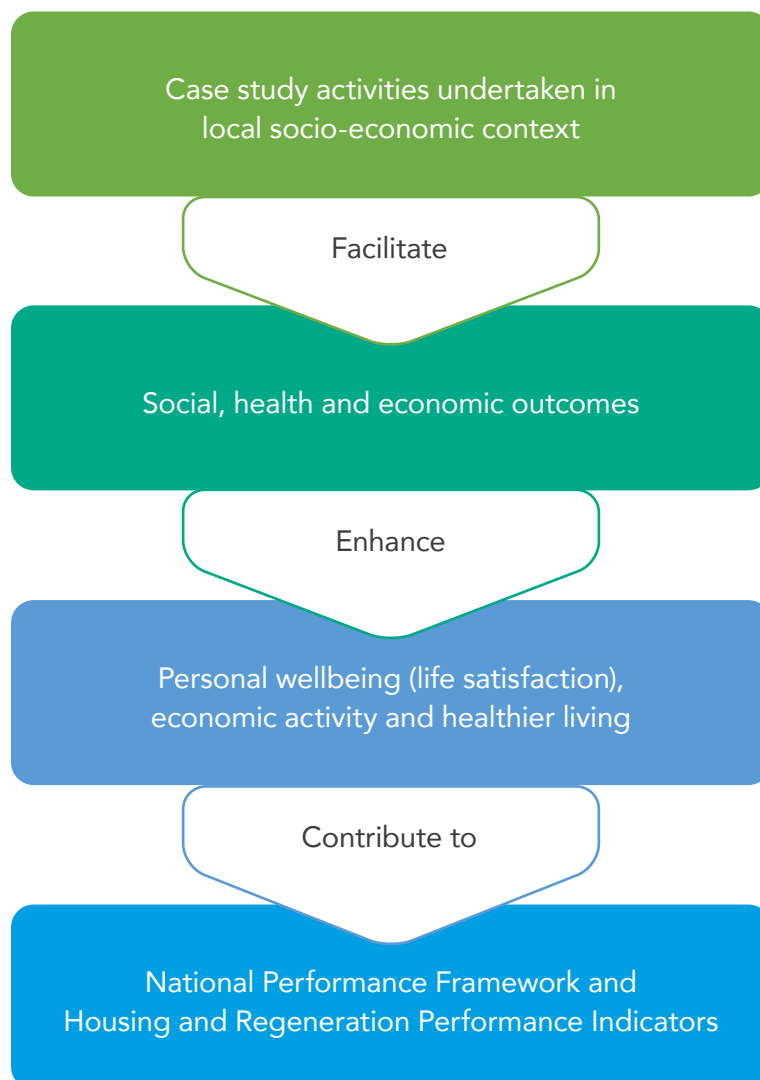
The Scottish Housing Impact Manifesto

Launched in 2019 by SFHA, the manifesto is a commitment to ensuring the housing sector measures, understands, develops and informs others about the impact being made (SFHA, 2019). The case studies and associated analysis in this report are consistent with the aims of the manifesto by encouraging openness, curiosity, honesty, decision making and better outcomes.

Mapping the pathway to the National Performance Framework (NPF)

It is important to make clear the pathway between local interventions and the NPF. Each case study activity should be relevant to and enhance the aims of the NPF indicators. This pathway is illustrated in the overview model below. Using the overview model, it is possible to trace the pathway of projects and activities through to improved outcomes to specific indicators and themes in both the Scottish Government's NPF indicators and the Housing and Regeneration performance indicators. The tables at the end of the case study section below indicate how the pathway operates in practice.

Figure 7: Pathway model



Applying the HACT/SFHA toolkit

The parallel toolkit project is a working group partnership between HACT and the SFHA Poverty and Impact team, additional to the case study participants in this research. It is separate from but complementary to the current project. The working group has currently identified more than 25 indicators that are applicable to the social value bank scores drawn from the UK Social Value Bank (these must be evidenced in a survey or other measurable data on outcomes and scale of activities over well-defined periods of time). The 25 indicators were identified to populate a social value dashboard. The dashboard indicators selected aim to ensure that the majority of the Scottish housing sector is able to demonstrate key social value outcomes for their activities. These are grouped around: health and wellbeing (five indicators), affordability (five indicators), the physical environment (14 indicators combining classic neighbourhood-level externalities and more physical house conditions), and advice for someone who has been in arrears (two indicators). The toolkit is still under development and social landlords and other stakeholders can and should use other relevant indicators from the Social Value Bank to help them measure impact. Not all housing association activities will be covered in the toolkit and other social value bank values can be suggested and indeed are utilised in the case studies below: employability, community participation, and, other social activities. For brevity, we list the first four groups of indicators in Table 3 and utilise them (and others) further in the case studies section below.

Table 3: Draft toolkit dashboard indicators

Category	Indicator/SVB	Per person SVB £
Health and Wellbeing	Feel belonging to neighbourhood	3,753
	Talk to neighbours regularly	4,511
	High confidence (adult)	13,080
	Relief from depression/anxiety (adult)	36,766
	Good overall health (adult)	20,141
Affordability	Afford to keep house well-decorated	5,236
	Able to save regularly	2,155
	Financial comfort	8,917
	Access to internet	2,413
	Able to insure home contents	3,652
Physical Environment	Energy efficiency improved by one EPC band	217
	Resolution of problems with litter, rubbish or dumping	449
	Resolution of problems with graffiti	439
	Resolution of problems with vandalism	299
	Resolution of problems with scruffy gardens/ landscaping	379
	Resolution of problems with scruffy/ neglected buildings	449
	Resolution of problems with dog/other excrement	401
	Resolution of problems with condition of dwellings	336
	Resolution of problems with condition of road, pavements and street furniture	196
	Rectification serious condensation/mould growth	770
	Rectification of penetrating (higher level) damp	674
	Rectification of ceiling fault	266
	Rectification of floor fault	754
	Rectification of wall fault	390
	Rectification of door faults (interior doors)	578
Advice (if previously having payment problems)	Able to pay for housing	7,347
	Able to obtain advice locally	2,457

Implications

What we have suggested in this section is that it makes sense to connect the NPF indicators and the Housing and Regeneration Outcomes Framework directly to the impact outcomes produced by housing and wider actions carried out by Scottish housing associations. We also think there is merit in using the SFHA/HACT working group dashboard indicators. All of these indicators can be linked to the social value bank measures. However this is dependent on housing associations capturing appropriate data on outcomes, timing and scale for measurement purposes. We have done this by illustrating the connections between these different national-level or government outcomes. In the next section we examine our four case studies in more detail and make extensive application of these ideas.

6. Case Studies

Introduction

Case studies offer an important insight into the activities of housing providers and the resultant impact on their residents and communities. Exploring different kinds of housing associations and specific contexts can also help to demonstrate the variety and intensity of these impacts and reveal the difference this can make to individual lives. In this part of the report we look at four providers from different parts of the housing association sector in Scotland. First, we set out how we selected and chose the four case studies and explore what we wanted to achieve. We, secondly, profile the case studies drawing on their own evidence and that of HACT community profiling. Third, we look at and analyse examples of wider impacts across the case studies, drawing on the case study evidence and the HACT analysis based on, among other things, the social value bank. Finally, we draw conclusions for this study and for the case study associations, for instance, in how they might collect and otherwise measure impact in order to further their objectives and support their communities.

We are very grateful for the time and information provided by our case studies during an unprecedented period of national and local challenge during the COVID-19 pandemic lockdown. This is nonetheless an important caveat to note about our ability to undertake the case studies. The case studies were planned and selected in January 2020 and field work was severely impacted and delayed by the onset of lockdown in late March. For all case studies we did manage to interview key staff and obtain access to primary materials. All of the associations involved had to shift rapidly into emergency provision mode, furloughing staff and curtailing many normal activities. In particular, we had of course planned to discuss impact with residents and tenants – and this proved impossible. Time with key staff was also restricted though we are extremely grateful for the time and effort made by staff in all four case studies including the material they made available at short notice while working in these circumstances. This means that the evidence for the case studies is not as broadly-based as we would have hoped but nonetheless is based on key informant interviews, secondary materials from the associations (annual reports and other internal papers) and the HACT analysis linked to the baseline material discussed in the previous section of this report and the parallel work with SFHA on impact indicator dashboards. We look forward to discussing the implications of this research with our case study partners.

Case study selection

We had resources to undertake four case studies and primarily wished to both maximise the difference in the types of case study represented and also to identify SFHA member housing associations through a typology that would reflect the interests of our funding group. At the same time, we wanted to maximise potential learning by avoiding atypical outliers (though recognising that all associations have unique features). After debate with our project steering group, we identified the four following types of housing association:

- A larger national or regional housing association
- A larger specialist housing association concerned with housing and care, particularly for older households
- A rural housing provider
- A community-based housing organisation.

After a shortlisting exercise we were able to identify and then agree with the following four housing associations to participate in the study:

- Larger national/regional association: **Clyde Valley Housing Association Ltd.**
- Larger specialist: **Bield Housing and Care**
- Rural: **Scottish Borders Housing Association Ltd.**
- Community-based: **Southside Housing Association Ltd.**

Below we provide a thumbnail outline of each case study before a more detailed profile drawing on analysis by HACT.

Clyde Valley Housing Association Ltd. (CVHA)

With properties in North Lanarkshire, South Lanarkshire and East Dunbartonshire, Clyde Valley had just under 4,000 properties at March 31 2019 and is midway through a development programme that will take total stock to 5,000. CVHA is part of a group structure, Clyde Valley Group, with a commercial property services subsidiary (including factoring, mid-market rent, and a private lettings business). CVHA was established in the mid 1990s as a Scottish homes stock transfer. It is regulated by the Scottish Housing Regulator and by OSCR as a registered charity. CVHA has around 70 members of staff and has an annual turnover of £21 million.

Bield Housing and Care

Bield is a specialist housing and care provider focused on older people, managing over 5,400 properties, just over 4,700 of which they own. They are regulated by the Scottish Housing Regulator (SHR) and by OSCR as a charity. Bield was established in 1971 and now operates across 23 Scottish local authorities and employs 720 permanent staff, 225 casual staff and also works with a network of over 170 volunteers. In 2017 in response to the changing policy environment, Bield began the process of withdrawing from residential care provision, reviewing its day care provision and decommissioned housing support to very sheltered housing. This is all aimed at moving towards a strategy of seeking to keep residents in their home and is associated with a range of new financial and delivery models (e.g. general needs housing, amenity housing, retirement housing/with meals/plus) to further this goal. Bield has an annual turnover of £42.4 million.

Scottish Borders Housing Association Ltd. (SBHA)

SBHA is local authority stock transfer housing association for the Scottish Borders area. It is regulated by the SHR and by OSCR as a charity. Established in 2003, the association now has 5,641 homes. The stock is spread across 49 different settlements. SBHA also has a non-charitable subsidiary. SBHA has been a social housing developer since 2013. It operates in one of the lowest income local authority areas in Scotland and 40% of its stock is located in the areas that are found within the 10% most deprived according to SIMD data. The association has an annual turnover of £24 million.

Southside Housing Association Ltd. (Southside)

Based in two distinct parts of the south side of Glasgow, Southside is the second oldest community-controlled housing association (established in 1971) and was the later beneficiary (2011) of a Glasgow second stage transfer. Southside is registered with the Scottish Housing Regulator and also with OSCR as a charity. It has a subsidiary for factoring and related services (to 880 properties locally) and it has 2,200 social housing homes under management. Southside is also closely involved in neighbourhood management issues and is now providing midmarket rented properties. It is also a social housing developer. Southside employs 74 office-based members of staff, and a further 37 staff members work in its communities in concierge, housing support and direct labour roles. It has an annual turnover of £11.5 million.

Table 4 is a profile of the locales where the four housing associations operate compared with a Scottish average, drawn from the HACT Community Insights profile i.e. where the associations operate. This profile is generated from over 1,000 existing datasets including the Scottish Government, ONS and official health statistics from ISD. The data gives us an impression of the relative position of the communities where the case studies take place (where stock was transferred from or development sites have been available). The case studies all operate in different geographical and socio-economic contexts. Activities undertaken in different places will impact differently on different groups of individuals. It is important that organisations tailor their activities and services to reflect the needs of the populations they serve.

We have selected a small proportion of the 1,000 or so available indicators to emphasize specific points:

- The areas where Bield and Southside operate have much higher levels of non-car-ownership compared to CVHA and especially SBHA. Bield has a much lower economically active rate compared to the other providers' areas.
- Southside in Glasgow has the lowest proportion leaving school with no qualifications (also note the SIMD education domain attainment scores which suggest all four areas fall below the Scottish average score with the lowest score in CVHA).
- Digital connectivity is much worse in the SBHA area than the three urban case studies.
- The age structure is much more tilted to working age in the Southside area, with the lowest share found in SBHA (Southside has considerably fewer older people). The SBHA catchment area is the only one that is below the average for working age people and older people with long term limiting illness. The Bield locations, spread across more than twenty council areas, is the outlier with scores above the average.

- Looking at SIMD scores, the individual domains (e.g. health and housing) provide a relative ranking for each datazone, from 1 (most deprived) to 6,505 (least deprived). The overall SIMD rank incorporates several different aspects of deprivation, combining them into a single index with the same cases and rank order. The health domain scores suggest relatively deprived areas in all four locations (only SBHA approaches the Scottish overall figure); for housing, the picture is different with SBHA locations above average but low scores elsewhere, particularly so for Southside locations in Glasgow. The overall SIMD ranking suggests relatively similar positions for all apart from SBHA which is close to the Scottish figure. Equally, the educational attainment measures are all just below the Scottish average figure.

Table 4: Case study community profiles (from HACT community profiles)

	Bield Housing Association	Clyde Valley Housing Association	Scottish Borders Housing Association	Southside Housing Association	Scotland National Comparator
% Households with no car	59.85	35	27.88	54.89	30.5
% Economically active	55.65	67.84	68.87	66.05	69
% People with no qualifications	48.56	36.59	33.98	28.27	26.8
(SIMD) 2020: Premises without access to superfast broadband (at least 30Mb/s)	1.57	1.02	7.76	3.81	7.3
% Population of working age	60.78	63.61	59.61	70.55	64.2
% Population aged 65+	22.8	17.82	23.49	11.76	18.9
% People with a limiting long-term illness (aged 16-64)	22.83	19.23	14.81	17.97	15
% People with a limiting long-term illness (aged 65+)	73.14	59.79	46.88	65.49	51.5
Scottish Index of Multiple Deprivation (SIMD) 2020: Overall rank	2231.59	2020.49	3245.43	2339.05	3499
Scottish Index of Multiple Deprivation (SIMD) 2020: Health domain rank	1960.95	1747.32	3354.7	2425.46	3490
Scottish Index of Multiple Deprivation (SIMD) 2020: Housing domain rank	2662.95	2506.85	4202.1	756.87	3457
Net weekly household income before housing costs	367.56	357.12	363.1	395.88	389
Net weekly household income after housing costs	328.54	320.34	328.74	343.24	349
(SIMD) 2020: Education domain – Attainment of school leavers	5.37	5.29	5.44	5.46	5.5
Council Tax band A -C dwellings	74.89	79.51	73.4	71.64	20.9
Greenspace coverage, total	8.23	3.51	0.6	9.87	0.6
AHAH Index (score)	15.07	16.4	16.69	18.36	17.3
Satisfaction with local area as a place to live: average score	0	0.04	0.004	0.05	0

- Table 4 has before (BHC) and after housing costs (AHC) measures of net income. On a BHC measure, Southside is slightly above the Scottish average, with Bield and CVHA below the Scottish average. On an AHC basis, all four areas are below average, again with the southside locations faring best and CVHA worst. The council tax data can be organised to show what proportion of the local stock is below band D and the table indicates that, on this measure, all four areas have approximately no fewer than 3.5 times the levels of cheaper properties than the Scottish average.
- The AHAH is an index of local health assets and hazards⁵ with a higher value interpreted as a poorer health outcome. Only Southside is above the Scottish average with the Bield locations the most below the Scottish average score.
- Southside has the largest proportion of greenspace and SBHA the lowest, well below the national average, although note that the definition of greenspace here does not include national parks or for instance wooded areas that are inaccessible to the public.
- Finally, the satisfaction with the local area indicator is set at zero for Scotland and figures above 0 are positive small area outcomes (and vice versa for negative scores), indicating positive scores for CVHA and Southside locations, less so for SBHA and not surprisingly, given its wide coverage, Bield locations equate to the Scottish average.

5 A multidimensional index produced by the CDRC that measures how 'healthy' neighbourhoods are by looking at accessibility and geographical determinants of health. It combines indicators under four different domains of accessibility: retail environment, health services, physical environment and air quality.

Case study impacts

Now the discussion moves on to look in more detail at wider impacts associated with the case study associations. First, we note the examples of activity identified in the case studies (Table 5). Second, we pick out specific illustrative examples of impact from the case studies that highlight a number of themes, including the scope for using net social value to underscore their potential value (Boxes 3 to 6). Then, we discuss a few instances where multiple case studies are working in the same area to provide wider benefits and better outcomes for their tenants, clients or community.

Table 5: Examples of impact activities from the case studies

Scottish Borders Housing Association	Clyde Valley Housing Association	Bield Housing and Care	Southside Housing Association
Welfare benefits advice and support through financial inclusion team	Income maximisation and tenancy sustainment	Bield Response 24 (24/7 emergency calls and telecare, repairs, medical advice, etc)	Financial Advice service: Money Advice, Income Maximisation, Welfare Reform, Tenancy sustainment
Changeworks and fuel poverty advice	Homelessness rapid rehousing partnership	Loneliness and social isolation	Southside Connections
Homelessness rapid rehousing partnership (including commitment to Housing Options)	Care Experienced Young People 1: Forever Homes	Tenancy sustainment	Community Bases
SBHA's Head Office contains a Post Office, implemented by SBHA Plus (subsidiary)	Routes to Work programme	Tenancy and customer engagement	Urban Roots: gardening and environmental projects
Transitions including 16+transitions	Redevelopment of business model: mid-market rent; social lettings; development; customer engagement	Redevelopment of business model	Community spaces – jobs and training
Vulnerabilities Framework and data-led approach	Care experienced young people 2: project with Barnardo's 'positive destinations'	Redevelopment of business model: helping residents stay at home	Holiday food programme
Redevelopment of business model e.g. Mid-Market Rent (MMR) and launch of app – MySHBA	Redevelopment of business model e.g. MMR and social lettings agency	Redevelopment of business model towards models that support tenants at home	Redevelopment of business model: private renting

Source: case study reports

Table 5 demonstrates that all of the case studies are involved in a range of wider activities on behalf of their communities, tenants and clients. Several provide extensive welfare and financial advice services including income maximisation and debt consolidation. This is often aligned to tenancy sustainment post welfare reforms. Two are directly involved in partnerships concerned with rapid rehousing of the homeless. Three are closely involved with employment, jobs and training initiatives, often for young people. There are also interesting examples of working with new technologies, supporting targeting by data (e.g. Scottish Borders' Vulnerability Framework) and addressing poverty through various means such as summer food programmes. All of the case studies are also impacting on their residents and housing systems by changing their wider business model in response to policy and context change, but also simply in order to improve performance.

There now follows four boxed examples of impact concerning the four case studies. The first is the 16+ Transitions project, a programme run by SBHA for young people and care leavers transitioning to independent living for which HACT have been able to assess the value of this project based on its original funding submission. Second, we look at Southside's holiday food programmes which is part of their anti-poverty programme carried out in partnership with several local bodies. Again, the HACT analysis is able to estimate the wellbeing contribution of this programme. The third box is concerned with CVHA's homelessness partnership role; the fourth with work by Bield develop volunteering work to combat loneliness and isolation.

Box 2: 16+Transitions (Scottish Borders Housing Association)

SBHA seek to support young people with the skills they need to live independently through its 16+ transitions project, delivered in partnership with Scottish Borders Council. This began 10 years ago with the reuse of a derelict building in Galashiels, turning a former homeless refuge into training flats, involving supporting future housing options, further education and a tenancy. The association believe hundreds of young people have been through this programme. The programme involves a housing options worker and worker for young people in tenancies. It is also available for young care leavers, a work stream funded by the Scottish Government and the Big Lottery. This specific project runs for four years and involves four self-contained flats plus a training flat which will be used to develop the independent living skills of the care leaver in the supported accommodation and other young care leavers who live in the community. Three transition workers are employed to work with all the care leavers and have specialisms in housing options, community integration and employability and worklessness. Each care leaver will have an individual development plan and will be involved in activities that provide them with independent living skills and employability skills.

HACT looked at the social value of the young care leavers project based on the original bid to the Big Lottery. This has clear annual outcome goals (e.g. 15 care leavers access either employment, training or education; 15 care leavers attain employability skills; and, 23 care leavers report enhanced self-confidence). These outcomes are then mapped against social value bank scores for their equivalent social impacts multiplied up by the number of beneficiaries. The actual monetised social wellbeing is reduced by any deadweight⁶ (i.e. some would have achieved these outcomes without the policy) and by summing up all of the outcomes it is impossible to contrast the budget for the programme with the social impact benefits. In this case, using a standard set of social value bank scores, a positive benefit to cost ratio of 1:1.182 was calculated.

⁶ HACT uses deadweight and additionality assumptions and calculations based on that of the Homes and Communities Agency (now Homes England) which is aligned with the appraisal assumptions used by MHCLG and HM Treasury.

All four case studies are concerned with tenancy sustainment, partly as a response to welfare reform but also as a preventative measure at tenancy signing and induction. As an example, Southside has a tenancy sustainment officer and in 2019 they issued 37 starter packs to new tenants who had been homeless. It also provided 357 paint packs and 78 carpet vouchers. In addition, it provided support to 8 tenancies to replace essential items including white goods and beds, where the tenants were particularly vulnerable due to ill health or poverty. Southside also supported 164 applications to the Scottish Welfare Fund to provide furniture, carpets and white goods, and to provide emergency grant payments to clients in destitution. Whilst still awaiting all the outcomes, 109 have been successful so far. In 2019, 92% of new tenancies were sustained for 12 months, down from 97% the year before.

Box 3: Holiday Food Programme (Southside Housing Association)

A fundamental element of the work of Southside is its programme of social impact and community activities that are viewed as part of its wider “anti-poverty strategy”. The **Holiday Food Programme** is a programme of food and family support during school holidays that has been delivered for three years, and over the past two years has been supported by funding from Glasgow City Council.

Many families involved are already from low/insecure income families. All food served within this programme is vegetarian to be inclusive to everybody of all backgrounds/faiths/dietary requirements. Within its households, there are in the region of 755 children. Southside works with Cash for Kids to distribute money to families with children, so far engaging with parents of 403 children this year for payments. The “Holiday Hunger” programme runs as an additional, entirely separate, programme. To date it has had attendance of between 60-150 children at each session. Additional funding, such as the grant from GCC, allows Southside to offer this service to the wider community and on a larger scale. A significant percentage of its tenants are on welfare benefits and Southside has made regular referrals for families facing destitution, to foodbanks. The demographic information for the areas where Southside Housing Association is delivering these programmes – Cardonald and Pollokshields East – points to levels of child poverty in general which are higher than the Glasgow average. Specifically, the eligibility for free school meals is also over the Glasgow average (over 30% – SIMD). Therefore, it is reasonable to assume that it is delivering the programme in areas where there is a high risk of hunger during the holiday periods. The provision of Advice Services including Money Advice is part of a wider anti-poverty programme that includes the Holiday Food programme as part of its approach. This is supplemented by additional community support projects such as the weekly Smiley Saturday programme where Southside engages with 10-20 young children in healthy food activities. These free, family-friendly sessions are open to families with children aged between 4-10 years and they continue throughout the school holidays. Sessions focus on healthy-eating and soft learning activities with themes often linked to Southside’s recently redeveloped “Halfway Community Park”.

Key partners in the initiative are, first, Bookbug, who will be part of the programme at every session at both venues, and second, East Pollokshields Mobile Crèche (EPMC) will also offer activities at every session in Pollokshields where the programme will also include activities such as football and cricket. Both partners bring key experienced staff/childcare workers that Southside are unable to provide. Southside will therefore contribute towards the cost of these two core activities. Southside staff (including sessional staff) and community volunteers will deliver sessions boosted, in Cardonald, by the inclusion of their free “Back to School Uniform Bank”. This initiative collects and launders school uniforms for redistribution back to the public for free.

HACT analysis of the Holiday Hunger programme, based on the figures provided in the funding application, can also help to establish performance benchmarks, inform future targets and estimate the longer term impacts. For example, although the programme is delivered over a total of 44 days to an average of 92.5 children per day, to date with between 60-150 attending each session, in order to create robust data, they will look at providing this activity for 60 children, whose regular attendance could provide £119,765 in social value. With 15 volunteers benefitting from their involvement in the programme (eight Southside tenants and seven volunteers from Hillington Park Parish Church) the direct social value this would provide if they continued to volunteer throughout the year would be £38,862. Overall, the potential social value in this project therefore would be seen as £158,627, though this is a conservative estimate since there are clearly more social value outcomes to examine that would create additional value to this.

Critical to both sustainment and avoiding homelessness is the general area of welfare advice, income maximisation and financial inclusion/education. All of the case studies are heavily invested in a range of programmes to support this aspect tackling material forms of poverty in a direct way. SBHA's financial support worker provides advice, seeks to maximise income from benefits and acts as a conduit for CAB advice, as well as offering guidance on household budget management and debt consolidation. CVHA has reorganised its customer service team to support rent arrears prevention and management, income maximisation and tenancy sustainment. They also engage directly and support tenants with housing benefit and Universal Credit claims. Southside in addition to a significant effort to tackle poverty through income maximisation (generating £2.7m in a year) and debt management (currently more than £1.8 million) also aim to be preventative by identifying tenants likely to be affected by future benefit changes and help them prepare for the change.

Box 4: Clyde Valley Housing Association (Homelessness partnership)

Partnership working is a key way that housing associations add social value. CVHA works with North Lanarkshire Council, South Lanarkshire Council and East Dunbartonshire Council to provide housing for homeless applicants. These applicants come to the organisation through the homeless waiting list on the Common Housing Registers. CVHA let over 130 properties to homeless applicants during 2019/20, representing almost 35% of its total lets. CVHA are a key partner in the local delivery of national programmes for Rapid Rehousing Transition Plans (RRTP) and Housing First. Rapid rehousing is about taking a housing led approach for rehousing people that have experienced homelessness by ensuring settled housing as an option as soon as possible rather than lengthy stays in temporary accommodation. The partnership also recognises the need for assistance and support for existing tenants who may be at risk of homelessness. There is significant prevention and sustainability work carried out across North Lanarkshire at present. However, a renewed focus on early interventions is thought to be key to successful delivery of this approach. 'Housing First' provides ordinary, settled housing as a first response for people with complex needs. This approach recognises a safe and secure home with open ended flexible support is the best base for recovery, including ending homelessness by offering choice and control.

The partnership seeks 'To provide a safe and secure home as a base to enable people to build and live their lives. We want to reduce the time people spend in homeless and temporary accommodation to reduce damage to people's health and wellbeing that homelessness causes.' Prevention is prioritised but where homelessness cannot be prevented, the intention is to ensure settled, mainstream housing outcomes as quickly as possible, to minimise transitions and time in temporary accommodation and to maximise the use of mainstream furnished temporary accommodation within the community. Where applicants have complex and multiple needs that go beyond housing, the intention by the partnership is to follow a Housing First approach alongside, where appropriate, the provision of specialist forms of housing within small, shared, supported and trauma informed environments of mainstream housing.

(continued next page)

CVHA are a key partner for both North and South Lanarkshire Councils, with representation on both RRTP Steering Groups. Its role within the Steering Group is to consider how CVHA, and the RSLs operating across Lanarkshire, can contribute to delivery of the Housing First model. At present it has agreed percentage let targets for homeless households in the North at 20% and in the South 40% with regards to RRTP. CVHA is working with the authorities and sits on a number of strategic groups that are looking at the delivery of Housing First. The main role will be to provide suitable accommodation along with advice and support in relation to tenancy sustainment and income maximisation. It will work with the authorities and NHS Lanarkshire to assist the tenant to sustain their tenancy. Wrap around support for Housing First tenants will be provided by NHS Lanarkshire and housing support funded by Scottish Government RRTP monies. Those who receive a home with CVHA via this model will also have access to the range of supports being agreed within each partnership.

By working in partnership with the RRTP and Housing First programmes, there are definite social value wellbeing benefits that are created and could be usefully measured (although we recognise it was not possible to take this further during lockdown). If CVHA can enumerate the number of homeless applicants they have been able to house for a 12-month period, for each of these there is a social value of at least £8,000. If CVHA can also provide data on the number of homeless advice and support services provided to each homeless applicant, which also all have associated wellbeing values from the social value bank. It may also be possible, looking at previous figures for homeless referrals and services, prior to the partnership working with Housing First programme, to estimate the added value of the intervention. Mental health (from surveying), tenancy sustainment and debt indicators would also provide measurable outcomes of the benefit of the programme.

Several of the case studies are involved in directly changing the housing and community outcomes of their residents by changing housing provision. Southside are engaging with private landlords through factoring and supporting enforcement but also as a landlord via midmarket rent provision and by working with Glasgow City Council to acquire former private rented stock to be improved and rented socially. CVHA are widening their offer to include midmarket rent and are exploring a social letting agency function. As we have seen, Bield is on a journey to reshape its business model shifting out of specific modes of provision relating to residential care and sheltered housing and into more focus on keeping their clients living at home via care support and telecare response services.

Box 5: Loneliness and social isolation: volunteering projects (Bield)

Addressing loneliness and social isolation is an important area which is highly relevant to older people's lives, but where Bield's services could be further extended. There are some dedicated staff on the core side, but not at capacity. There are Development Managers in housing schemes on site with other staff⁷ who are available to talk to tenants who are feeling lonely or isolated. The Bield bespoke telecare service (Bield Response 24) takes over out-of-hours. However, there are a number of innovative partnerships that Bield are developing that could have important wider impact.

Volunteer development programme – befriending, running social activities, gardening, and IT support to tenants (silver surfer tutors). There are over 170 volunteers in total. For instance, in a recent newsletter Bield called for volunteers in North Lanarkshire to partner up with local charity *Befriend Motherwell* to help tenants take part in a variety of social activities. In a bid to help prevent loneliness and isolation, and improve mental health and wellbeing, the project aims to encourage tenants to take part in a range of fun, social activities. *Befriend Motherwell* was set up out of concern for the many older people who were isolated and lonely in the community. The initiative works by matching up volunteer befrienders with people who would welcome some contact with a friendly face.

The Bield volunteer team can also assist older people with technology. In a recent project it teamed up with an Edinburgh-based charity, *Tap into IT*, to run computer classes at Manderston Court, helping tenants build confidence using the internet, social media and other forms of technology such as tablets and smartphones. As well as learning new skills, the club also encouraged social engagement, helping to reduce the risk of isolation and loneliness which can have a detrimental impact on health and wellbeing. It runs similar clubs in many of its developments. Tenants often find that it opens up a whole new chapter in their lives and volunteers get a lot of satisfaction from it too.

Undertaking surveys and capturing existing operational data could form the basis of analysis about the value of these sorts of interactions captured in the social value bank both in terms of the direct improvement in mental health outcomes and the wellbeing impact created by volunteering.

Given the current COVID-19 pandemic and resultant lockdown and shielding restrictions, many, often vulnerable people are now living in isolation. The importance of volunteering and befriending programmes has therefore become even more significant. The Centre of Excellence in Community Investment's (2020, forthcoming) initial findings of immediate COVID-19 response by the housing sector shows that much of staff redeployment at this time has focused on highlighting vulnerable tenants and carrying out welfare calls with follow up referrals both within the organisation and externally. In the UK wide research that includes Scottish housing associations, an average of 6,000 welfare calls per association have been made, with almost half of those identifying vulnerable tenants.

This highlights the need for ongoing contact, and where housing associations do not have resources, or the required outcomes are more to combat social isolation, examples of volunteer programmes have already begun in some places to fill that void. For each referral and intervention by housing associations, the resultant social value outcomes measured within the Social Value Bank can be used to highlight the increase in health and wellbeing of the tenants supported.

⁷ The plan was to speak to both staff and relevant volunteers however this was not possible due to the COVID-19 outbreak.

Applying the social value – performance framework to the case studies

The tables below (Tables 6 and 7) illustrate the pathway (see Figure 6) from the case studies impact activities (see Table 5) to key community profile information (see Table 4) and impact indicators, and relate these to the relevant National Performance Framework (see Figure 3) and Housing and Regeneration Outcomes Framework (Table 1).

All cases studies and projects have undergone an assessment to ascertain if there is a logical connection and alignment between the social impact outcomes used and the relevant indicators within the Housing and Regeneration Outcomes Framework and National Performance Framework. The assessment involved a review of the indicators and asks whether the social impact outcome contributes and adds more evidence and insight into how social housing contributes to the national indicators.

To our knowledge this is the first time this type of analysis has been undertaken and can be used as a simple template to help the sector provide the information required to demonstrate its impact at a local and national level.

Table 6: Connecting case study activities to Housing and Regeneration Outcomes Framework and the NPF

Clyde Valley Housing Association				
Case study projects (see Table 5 and Box 4)	Key community profile baseline indicators (see Table 4)	Relevant UK Social Value Bank Outcome	Relevant Housing and Regeneration Performance Indicator (Table 1)	Connection to NPF theme (Figure 2)
Homelessness rapid rehousing partnership project (Housing First)	Scottish Index of Deprivation Housing domain rank is 2509 higher than national average of 3457. The index demonstrates the case study area experiences higher levels than average overcrowding.	Moving from temporary accommodation to secure tenancy. Moving from rough sleeping to secure tenancy.	Contribution to the Homes that meet people's needs indicator-(Housing lists-Local Authority and Common Housing register counts)	We tackle poverty by sharing opportunities, wealth and power more equally. (Improved satisfaction with housing)
Routes to work programme	Lower level than national average of economically active residents Higher level of people with no qualifications than national average.	Moving from unemployment into employment	Project helping to reduce the percentage of workless households Reduction in employment gap between deprived and other areas. Reduction in the percentage of people with no post school qualifications.	We have thriving and innovative businesses with quality jobs and fair work for everyone. (Project supporting the improvement in Scotland's labour market participation) We have a globally competitive, entrepreneurial and sustainable economy. (Improving skills profile of the population, improving numbers of young people in learning, training or work).

Southside Housing Association				
Case study projects (see Table 5 and Box 3)	Key community profile baseline indicators (see Table 4)	Relevant UK Social Value Bank Outcome	Relevant Housing and Regeneration Performance Indicator (Table 1)	Connection to NPF theme (Figure 2)
Money advice, tenancy sustainment, welfare reform.	<p>Scottish Index of Multiple Deprivation overall rank=2339 national average of 3499. The index demonstrates that the case study area is relatively more deprived across seven different aspects of deprivation (employment, health, education, skills and training, access to services, crime and housing)</p> <p>Scottish Index of Multiple Deprivation income domain=2194 against national average of 3499. This demonstrates a higher number of people claiming benefits than the Scottish average.</p>	<p>More people reporting they live in a good neighbourhood.</p> <p>More people reporting improved financial comfort.</p> <p>More people reporting relief from burden of debt</p>	<p>Homes that meet people's needs: How convenient services are</p> <p>Reduced evictions and abandonment</p>	We live in communities that are empowered, resilient and safe. (Improved perceptions of local area)
Community spaces-jobs and training	<p>Scottish Index of Multiple Deprivation overall rank more deprived than national average (see above)</p> <p>Lower level than national average of economically active residents.</p> <p>Higher level of people with no qualifications than national average.</p>	Moving from unemployment into employment	<p>Reducing the percentage of workless households</p> <p>Reduction in employment gap between deprived and other areas.</p> <p>Reduction in the percentage of people with no post school qualifications.</p>	We have a globally competitive, entrepreneurial and sustainable economy. (Improving skills profile of the population, improving numbers of young people in learning, training or work).

Bield Housing Association				
Case study projects (see Table 5 and Box 5)	Key community profile baseline indicators (see Table 4)	Relevant UK Social Value Bank Outcome	Relevant Housing and Regeneration Performance Indicator (Table 1)	Connection to NPF theme (Figure 2)
Loneliness and isolation volunteering project	<p>Scottish Index of Multiple Deprivation Overall Rank 2231 indicating higher levels of deprivation than the national average of 3499.</p> <p>22.8% of population aged 65+ higher than national average.</p>	<p>More people reporting good neighbourhood.</p> <p>More people talking to neighbours regularly.</p> <p>More people involved in volunteering.</p> <p>More involvement in social group</p>	Sustainable Communities: Improving percentage of people rating their neighbourhood as a very good place to live.	We live in communities that are empowered, resilient and safe. (Project improves perceptions of local area, reductions in loneliness and improvement in Social Capital Index)

Scottish Borders Housing Association				
Case study projects (see Table 5 and Box 2)	Key community profile baseline indicators (see Table 4)	Relevant UK Social Value Bank Outcome	Relevant Housing and Regeneration Performance Indicator (Table 1)	Connection to NPF theme (Figure 2)
16+ transitions employability project	<p>Scottish Index of Deprivation overall rank is 3245 which is more deprived than national average 3499.</p> <p>Higher than average proportion of people with no qualifications (34%)</p>	<p>Unemployment into employment.</p> <p>Attendance on training courses.</p> <p>Improvement to self confidence.</p>	<p>Sustainable Communities: Reduction in percentage of workless households.</p> <p>Reduction in employment rate (gap between deprived areas and other areas).</p> <p>Reduction in the percentage of people with post school qualifications.</p>	<p>We have thriving and innovative businesses with quality jobs and fair work for everyone. (16+ transitions project supporting the improvement in Scotland's labour market participation)</p> <p>We have a globally competitive, entrepreneurial and sustainable economy.(Improving skills profile of the population, improving numbers of young people in learning, training or work).</p>

We can see above in Table 6 that we can link dashboards of data sets that can be compared across all our housing association case studies which speak to the National Performance Framework themes, and Housing and Regeneration Performance Indicators. The examples in Table 6 are by no means exhaustive and other housing association activities can be assessed in a similar way and in more detail.

Referring back to the principles outlined earlier in Figure 7 (the Pathway Model) where activities produce outcomes which contribute to national performance indicators, in Table 7 we demonstrate in more detail how housing associations contribute to two key Housing and Regeneration categories that feature in the Housing 2040 consultation. All case study organisations have access to baseline data on how their locality is performing. The data can be aligned to the social value bank dashboard indicators which provides evidence and insights of how organisations are performing against this particular issue. This social value data can then in turn be used as evidence to enhance and demonstrate impact in relation to the national Housing and Regeneration Outcome Indicators.

Table 7 shows it is possible to expand and deepen the analysis to include more housing association activities around physical improvements to properties and community life. The examples illustrated in Table 7 have taken two of the Housing and Regeneration Outcome Indicators and linked these in more detail to community profiles and social value outcomes from this analysis, the following observations are offered:

- In order to build successful Sustainable Communities, the satisfaction the residents derive from living in that area has to be known. The social value bank outcome 'good neighbourhood' directly links to the 'Percentage of people rating their neighbourhood as a very good place to live' indicator of the Housing and Regeneration Outcomes Framework (Table 1).
- Using similar cross referencing of the dashboard the social value measured when a housing association helps to reduce gas and electricity consumption per household, improves energy efficiency and EPC band of a property there is a direct link to the creation of High Quality Sustainable Homes.

Table 7: Linking case study baseline data to selected Social Value Bank measures and housing and regeneration outcome indicators

Baseline Data	Satisfaction with local area as place to live – index	Total domestic gas and electricity consumption per household (MWh)
Bield	-0.002	14.88
CVHA	0.04	16.27
SBHA	0.004	15.94
Southside	0.05	13.86
Scotland Average	0	17.2
Associated Social Value Bank Average Outcome (for reference)	Good neighbourhood – £1,747	Energy efficiency improved by one EPC band – £217
Associated Housing and Regeneration Outcome (for reference)	Sustainable Communities	High Quality Sustainable Homes

COVID-19 pandemic and community profiles

Those facing the greatest deprivation are experiencing a higher risk of exposure to COVID-19 and their existing poor health risks more severe outcomes when they do contract the virus (Douglas et al., 2020). With almost one in four children in Scotland said to be living in poverty, the consequent effects on education, mental health, and community support provisions required in these families will certainly play a part in the humanitarian response that housing associations as community anchors are already playing. Young people from disadvantaged backgrounds are less likely to have access to resources and a suitable learning environment at home, and by the age of 16, disadvantaged pupils are already shown to be over 18 months behind their more affluent peers in attainment (Education Policy Institute, 2020). The impact this could have on future life opportunities, without the relevant support, is stark. Those living in social housing are more likely to be part of a family unit suffering from furloughing, uncertainty and job losses, and alongside mental health issues, these factors have contributed an increased risk of rent arrears for social housing tenants during the pandemic.

With the Scottish Government Wellbeing and Supporting Communities Fund focusing on the immediate provisions required to support those in most need, the next steps of the recovery process must too focus on social value in its truest sense by understanding and demonstrating reduction of loneliness, improved mental health support, and adequate welfare rights services all required to rebuild community resilience, particularly health and wellbeing. In order to set measurable targets for their communities, housing associations may look to use the Social Value Bank wellbeing outcomes to plan, apply for, and distribute funds in order to create maximum social impact for their tenants.

Implications

What are the main messages from the primary evidence of these four case studies? First, despite considerable variation across the four providers selected, the housing associations have much in common, both in terms of their profile but also in how they are responding to the challenges they face, for instance, re-focusing their business models and seeking to explore a range of wider social impacts that they can generate. We see also that in many different settings it is the same kind of challenge that different associations seek to overcome – e.g. poverty, homelessness, social isolation, supporting young people.

A second point that comes through is that working well in terms of achieving impact is promoted by understanding the context or community profile that identifies needs that can potentially be addressed. It is then possible to align one's corporate delivery plan or strategy to seek to deliver positive outcomes against what has been prioritised. The best examples seem to evidence needs effectively, connect to provider strategy and mission and focus on measuring outcomes and change as a result of interventions.

We also see, third, that while some of the initiatives discussed here take housing associations out of the housing space into community investment; others, such as changing provision of business models, or providing welfare advice, money advice and debt management services, complement core housing management and community activities.

Fourth, seeking to demonstrate impact has instrumental value for funding applications to government and other stakeholders but it also allows housing associations to strengthen key partnerships and deepen their community role and make very specific interventions that change and improve lives. We saw that collecting survey responses, enumerating the scale of programmes and, critically, measuring outcomes allows associations to tap directly into the dashboard indicators being constructed in the adjunct SFHA/HACT project. This also helps to connect national performance and national housing outcomes to the work of individual associations and arrive at credible value estimates of impact.

7. Synthesis, Conclusions and Recommendations

This study started out as an investigation of the wider impacts generated by housing associations' main activities – encompassing investment, operations and community investment activities – with a view to influence debates about levels of public funding for new affordable housing in the next Parliament and the developing Housing to 2040 consultation. It also sought to seek out what we know about impacts and wider benefits from housing association activity addressing such issues as poverty, wider action, health inequalities and community resilience. Then, just as we embarked on our primary research involving four case studies, the COVID-19 pandemic forced a lockdown across society. Apart from impacting our ability to undertake our research, the lockdown has shocked the economy and led to a confirmed recession in Scotland alongside further predictions of increased unemployment and fragile business and consumer confidence (Spowage, et al., 2020). The question now is how does our work on impact reinforce the case that social and affordable housing ought to be a major plank in the recovery, of building back better, and to do so for economic, social, wellbeing and wider reasons?

The earlier discussion evidenced that impact is multi-dimensional. Affordable housing reduces poverty, helps people work and reduces anxieties over ability to pay. Housing activities can be preventative, but we show that this admirable goal can often be difficult to achieve in practice e.g. securing budgetary savings and making them cashable. There are important benefits to the economy through GVA, employment and induced multiplier effects e.g. through spending in the wider economy. Emerging evidence suggests that it may also increase productivity in the economy, too. The social impacts of housing can improve life outcomes, support communities and help achieve the Scottish Government's National Performance Framework (NPF) outcomes alongside broader wellbeing and sustainable development objectives. The HACT and Simetrica-Jacobs social value model and its complementary tools are useful precisely because they offer the opportunity to measure and estimate these benefits with a level of rigour which HM Treasury and finance ministers require. It is for this reason that in addition to the more conventional economic arguments we try to connect social impact indicators and social value bank measures directly to the NPF and to Housing and Regeneration Outcomes Framework as identified by the Scottish Government. We also look at bottom up measures of impact suggested by an SFHA working group of members collaborating with HACT.

The evidence reported above indicates that successive studies across the UK and elsewhere support the position that social and affordable housing investment has large multiplier effects, is a strong counter-cyclical force, producing additional output (and less deadweight) particularly when there is surplus capacity in the economy and private development is weaker. Studies from Australia and England tell us, moreover, that carefully incorporating social value bank monetised wellbeing scores for hypothetical new developments also generate important positive social benefits in the form of mental health, greenspace, positive neighbourhood outcomes, etc. We do note however that these exercises have to be carefully done and assumptions made explicit (for instance: what were the precise causal chains, where did beneficiaries come from and were recipients in most acute need, and how many would have received as good housing outcomes without the intervention?). We also noted the opportunity cost associated with additional housing programmes – what else might have been done and what sort of economic and social impact, including multiplier effects, would the next best alternative have had?

The health evidence suggests on the one hand that impact is mixed but the idea that well targeted housing interventions can have major positive effects on population health outcomes is supported. One study, for the King's Fund, found strong evidence that investment in new homes by English housing associations has a number of positive impacts on health outcomes, including preventative benefits and savings for the NHS. Rural research suggests that housing supply can be critical to fragile communities fighting population loss but that affordable supply is constrained by key factors such infrastructure and affordable land. However, even small increments of lower cost housing can make a huge difference in specific places.

We carried out four cases studies selected to show the wide variety of the sector (a specialist care provider, a large rural association, a community-controlled association and a regional provider). We planned to interview key informants, profile their spatial settings or place of operations, interview tenants and service users and dig into the wider impacts of what the organisations were doing. This became much more difficult as a result of the COVID-19 pandemic and the imperative for the associations to focus on continuity of business in extraordinary times. Consequently, we have a less in-depth analysis than we had intended, and we apologise for any errors or omissions in so doing, but we are incredibly grateful for the time and input put in by all four organisations during this period to help us.

We examined the case studies using the HACT community profile and the background documents received from the organisations. We also considered the examples they cited of wider impact work, and while any such classification is a little arbitrary, we identified 24 such examples. We also found that despite their very different settings, in several contexts, the associations were doing similar things such as providing money/welfare/financial advice services and tenancy sustainment support. We then looked at a smaller number of examples of impact work and drew on the HACT and Simetrica-Jacobs social value bank tools in order to, in one or two cases where outcomes data existed, calculate the net social benefit and benefit: cost ratios of specific interventions. The analysis also linked performance by the case studies to both the SFHA dashboard project indicators and indicators associated with the NPF.

All of this suggests that even with our truncated case study analysis we can see that Scottish housing associations are doing both significant and valuable social impact work in their communities. They would also be able to measure and report this work to their stakeholders, funders and communities if they pursued more analysis and initial collection of outcome-based data collection, be it from service user surveys or by how they code and record operational data. Moreover, we think there are strong connections here between the outcomes of such association activity across the case studies and the specific wellbeing, inclusive growth and NPF objectives set by government.

What are the key recommendations to take away from this report?

First of all, there are **impact implications for government** that can be drawn from the COVID-19 experience. Lockdown has highlighted the importance of housing quality, space standards, green space/gardens and the problems associated with controversial policies like the spare room subsidy. Demands are growing to live in less dense suburbs and to make homes more liveable, if we are to continue spending more time there. Arguably, our housing needs to change in order to reflect these new realities.

The sector is also dominated by the existing stock. It will be activities in the second hand market (for instance, buying back council RTB stock in the PRS, facilitating house size generated moves and exchanges, community garden investments and key housing improvements to support energy efficiency, climate change and digital connectivity) that will, among other things, matter if communities are to be more resilient. While housing associations were already well placed to lead and perform as community anchors, this position has been strengthened during the COVID-19 lockdown. It needs to be recognised that this needs to recognise that this goes beyond the pivotal role which housing providers play in supporting tenancy sustainment through welfare, money and debt advice services. It is also about place-shaping and helping make our housing fit for the 'new normal'. We know that there is a strong needs-based case for an affordable housing supply programme in the next Parliament but the experience of quarter two of 2020 suggests that there is also a societal need for such investment in the existing stock for a range of interlocking reasons. Furthermore, this report indicates that there is a strong social and economic basis for both making the case for, and investing in, identifying and measuring impact at the association and sector level.

Recommendation 1:

The Scottish Government must consider the importance of **the design and quality of our homes** in light of the COVID-19 experience and make this a central part of the recovery programme. In **building back better**, housing policy and strategy (e.g. housing quality, space standards, green space/gardens, affordability and energy efficiency) will need to reflect new demand including changes to occupancy patterns, working practices, schooling and care requirements.

Recommendation 2:

Alongside increased investment in new affordable and social housing, as already outlined in a separate piece of research (Dunning et al, 2020), the Scottish Government should continue consider increased **investment in existing housing stock** in order to improve quality standards and improve community resilience. This may also involve facilitating activities in the private sector which will increase the availability of social housing and provide homes which meet people's need.

It is also clear we have seen that **housing association activities provide evidenced and substantial positive social and economic benefits** to clients, stakeholders, communities and the wider societal good. We know what many of these are and what their broad scale indicates, particularly for the key economic propositions. This is now, in making plans for post-COVID recovery, as articulated by the Economic Recovery Advisory Group, an opportunity for counter-cyclical economic activity through social housing investment. The wider social benefits of this type of investment also reinforces the importance of the housing system in plans for social renewal and the work of the Social Renewal Advisory Group.

Recommendation 3:

The Scottish Government, and other stakeholders, should recognise the myriad of positive social and economic benefits provided by housing associations and co-operatives in Scotland. In light of their pivotal role in building community resilience, social housing providers should be an integral part of the national recovery from COVID-19 and strategies for economic and social renewal.

We also know that there are a wide range of beneficial social impacts associated with affordable and social housing, but these are not ephemeral do-gooding but actually embrace powerful messages about **positive outcomes that change lives and places**. They can be estimated and analysed in ways completely consistent with the welfare economics of the Green Book and government investment appraisal. The social value bank methodology embraces standard concepts of additionality and deadweight and is actually quite conventional in its approach (as far as fitting in with approved current Green Book thinking). In order to make the most of this mode of thinking, housing associations and co-operatives should embrace the principles behind the national outcomes framework used by the Scottish Government and the focus on wellbeing and inclusive growth. They should collect outcomes data and quantify their many impacts because there is much to gain both for social landlords but more importantly for their service users and communities.

Recommendation 4:

Social housing providers and their partners should develop their evaluation activities to align their evidence of impact to the **National Performance Framework** and other performance indicators. This will help to demonstrate value for money to service users, funders and other stakeholders as well as reinforcing the important economic, social and health impacts offered by the social housing sector as a whole.

Finally, building on the collection of data to demonstrate impact is the **opportunity to learn from the outcomes** produced. Critical to improved outcomes is understanding the inputs such as target group, type of communication used, skill levels of staff, accessibility for the client group, location and timing of intervention. Housing associations have a key role in identifying and collecting good practice and linking with trends in the outcome data. These insights can then be shared with others and used to improve services further, develop appropriate staff training programmes, ensure recruitment processes incorporate the skills required and generally enhance the quality of impacts with the resources available.

Recommendation 5:

To further develop our understanding of **social value** as an approach to **measuring impact locally**, social housing providers should continue to work with SFHA, HACT and other relevant stakeholders in order to develop good practice and disseminate shared learning outcomes (i.e. as part of the parallel SFHA/HACT toolkit project and the SFHA Impact Manifesto).

References

Audit Scotland (2019) Briefing: Planning for Outcomes. Audit Scotland: Edinburgh

Barker, A. (2019). Improving Well-being Through Better Housing Policy in New Zealand (Economics Department Working Papers No. 1565). Retrieved from [http://www.oecd.org/officialdocuments/publicdisplaydocumentpdf/?cote=ECO/WKP\(2019\)34&docLanguage=En](http://www.oecd.org/officialdocuments/publicdisplaydocumentpdf/?cote=ECO/WKP(2019)34&docLanguage=En)

Boyle, S and Husbands, J (2020) A New Case for Social Housing, Shelter Scotland et.al.: Edinburgh. Publication forthcoming. See https://scotland.shelter.org.uk/professional_resources/policy_library

Buck, D, Simpson M and Ross, S (2016) The Economics of Housing and Health: The Role of Housing Associations. King's Fund.

Cabinet Office. (2015). Social Value Act Review. Retrieved from https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/403748/Social_Value_Act_review_report_150212.pdf.

Centre for Ageing Better (2020) Home and Dry: The Need for Decent Homes in Later Life. Centre for Ageing Better: London.

Centre for Excellence in Community Investment (2020, forthcoming) The Impact we've made March-April 2020. <https://www.ceci.org.uk/what-is-community-investment/measuring-your-impact-during-covid-19/>

Chartered Institute of Housing Scotland (2020) Housing to 2040 Response, February, accessed at: <http://www.cih.org/resources/PDF/Scotland%20Policy%20Pdfs/Housing%20Supply/Housing%202040%20FINAL.pdf>

Congreve, E (2019) Poverty in Scotland 2019. Joseph Rowntree Foundation: York.

Coyle, D and Sensier, M (2019): The imperial treasury: appraisal methodology and regional economic performance in the UK, Regional Studies, DOI: 10.1080/00343404.2019.1606419

DCLG (2016) The DCLG Appraisal Guide. DCLG: London.

Douglas, M., Katikireddi, S., Taulbut, M., McKee, M., & McCartney, G. (2020). Mitigating against the wider health impacts of the COVID-19 pandemic response. BMJ 369 April.

Dunning, R, Ferrari, E, Hoolachan, J, Keskin, B, Moore, T, O'Brien, P and Powell, R (2020) Affordable Housing Need in Scotland post-2021. Chartered Institute of Housing Scotland/Shelter Scotland/ Scottish Federation of Housing Associations

EDAW CR Planning and Department of Land Economy, University of Aberdeen (1995) Housing and economic development in remote rural areas of the Highlands and Islands, Edinburgh: Scottish Homes/ Highlands and Islands Enterprise;

Education Policy Institute (2020). Preventing the disadvantage gap from increasing during and after the Covid-19 pandemic. Retrieved from <https://epi.org.uk/publications-and-research/disadvantage-gap-covid-19/>

EEIG (2020) Rebuilding for Resilience. Energy Efficiency Infrastructure Group. https://www.theeeig.co.uk/media/1096/eeig_report_rebuilding_for_resilience_pages_01.pdf

Fell, G. (2019). Building well being into budgets. The New Zealand approach. Retrieved from <https://gregfellpublichealth.wordpress.com/2019/05/11/building-well-being-into-budgets-the-new-zealand-approach/>

Foden, M, et al., (2015) The Economic Impact of Social Housing Organisations in Northern Ireland. CRESR: Sheffield Hallam University.

Glasgow City Council (2020) Housing: Socio-Economic Analysis. Report produced by the Glasgow City Region Intelligence Hub.

- Glass, A., McGregor, A., McTier, A., O'Sullivan, T. and Young, G. (2006) Affordable Housing and the Labour Market in Scotland, Edinburgh: Communities Scotland
- Good Economy (2020) UK Social Housing Building a Sector Standard Approach for ESG Reporting White Paper. <https://thegoodeconomy.co.uk/resources/reports/UK-Social-Housing-Building-a-Sector-Standard-Approach-to-ESG-Reporting-May-2020.pdf>
- Green Finance Institute (2020) Financing Energy Efficient Buildings: The Path to Retrofit at Scale. GFI: London.
- Gurney, C (2020) Out of Harm's Way? Working Paper, CaCHE: Glasgow. <https://housingevidence.ac.uk/publications/out-of-harms-way/>
- Health Scotland (2016a) Place and Communities Health Inequalities Briefing 4. Health Scotland: Edinburgh.
- Health Scotland (2016b) Economics of Prevention Health Inequalities Briefing 3. Health Scotland: Edinburgh.
- HM Treasury (2018) The Green Book. HM Treasury: London.
- Higgins, M., Cain, T., Lowther, M., Mackie, P., Scarlett, E., Douglas M.J. (2017) 50,000 Affordable Homes: A Health Impact Assessment. Edinburgh: Scottish Health and Inequalities Impact Assessment Network and Scottish Public Health Network (ScotPHN).
- HBF/Nathanial Lichfield and Partners (2015) The Economic Footprint of UK Housebuilding. HBF: London
- Hyde Housing Group (2018) The Value of a Social Tenancy: A socio-economic evaluation based on Hyde's housing portfolio. Hyde Housing Group.
- Impact Measurment. (2020, August 12). About LM3. Retrieved from <https://www.lm3online.com/about>
- Improvement Service (2020) Roundtable Discussion Paper: Child Poverty, planning and Housing. Discussion Paper. IHub: Livingston, February 13 2020.
- Indigo House and Ipsos Mori (2017) Stimulating housing development in the Highlands and Islands. Highlands and Islands Enterprise. www.hie.ci.uk
- MacLennan, D et al (2019) Shaping Futures: Changing the Housing Story. Policy Scotland: University of Glasgow.
- McCarthy, K and Smith, D (2020) Suburban Boom: How Covid-19 may accelerate the trend already in the making. July 2020. Retrieved from www.cushmanwakefield.com
- McCartney, G, Hearty, W, Taulbut, M Mitchell, R, Dryden, R and Collins, C (2017) 'Regeneration and Health: A Structured Rapid Literature Review', Public Health, Vol. 148, pp.69-87.
- Martin, C. (2020, March 6). UK Collaborative Centre for Housing Evidence. Retrieved from Climate Emergency Funding for Major New Project in Glasgow: <https://housingevidence.ac.uk/news/climate-emergency-funding-for-major-new-project-in-glasgow/>
- Meen, G and Whitehead, C (2020) Understanding Affordability: The Economics of Housing Markets. Bristol University Press: Bristol.
- Mitchell, J and Gibb, K (2015a) Note for Prevention Evidence, Finance committee, Scottish Parliament, March 2015
- Mitchell, J and Gibb, K (2015b) Shifting public services to focus on prevention: impediments and implications. What Works Scotland Think piece. WWS: Glasgow

- Monk, S, et al., (2010) What does the literature tell us about the social and economic impact of Housing? Scottish Government Community Analytical Services Social Research Report.
- Nathanial Lichfield and Partners (2016) The Economic and Social Benefits of Home Building in Scotland. Homes for Scotland: Edinburgh.
- NEF Consulting. (2020, August 12). Local Multiplier 3 (LM3). Retrieved from <https://www.nefconsulting.com/our-services/evaluation-impact-assessment/local-multiplier-3/>
- New Zealand Government. (2020, August 12). Budget 2020. Retrieved from Budget 2020 and the Wellbeing Approach: <https://budget.govt.nz/budget/2020/wellbeing/approach/index.htm>
- Nicol S, Roys M and Garrett, H (2015) The Cost of Poor Housing to the NHS. Building Research Establishment. BRE Trust: Watford.
- Pleace, N (2015) At What Cost? An Estimation of the Cost of Single Homelessness in the UK. Crisis: London.
- Preece, J. (2019). Understanding approaches to tenant participation in social housing. CaCHE. Retrieved from <https://housingevidence.ac.uk/wp-content/uploads/2019/07/190725-understanding-approaches-to-tenant-participation-in-SH.pdf>
- Puttick, R (2012) Innovations in Prevention. NESTA: London
- Nygaard, C (2019) Social and affordable housing as social infrastructure: a literature review for the community housing industry association: Melbourne: Swinburne University of Technology
- Optimal Economics (2016) Independent Economic Impact Study of the Eildon Housing Group.
- Redrow. (2018). Valuing Communities: Communities Report 2018. Retrieved from <https://www.redrowplc.co.uk/media/2445/communities-report.pdf>
- Savills (2019) Additionality of Affordable Housing – Report to G15. Savills: London
- Scottish Government. (2020, August 12). National Performance Framework. Retrieved from <https://nationalperformance.gov.scot/>
- Scottish Government. (2020). Towards a robust, resilient wellbeing economy for Scotland: Report of the Advisory Group on Economic Recovery. Edinburgh: Scottish Government.
- Scottish Government. (2019). Place Principle: introduction. Retrieved from <https://www.gov.scot/publications/place-principle-introduction/>
- Scottish Government (2018) Rural Scotland Key Facts 2018. National Statistics Publication for Scotland. Scottish Government: Edinburgh
- SFHA. (2019, July 25). Housing Impact Manifesto – Pledge your support. Retrieved from SFHA: <https://www.sfha.co.uk/our-work/policy-category/innovation--future-thinking/sub-category/tackling-poverty/policy-article/housing-impact-manifesto---pledge-your-support>
- Shucksmith, M and Atterton, J (2017) Scotland's Rural Economies in Gibb, K, et al., (editors) The Scottish Economy: A Living Book. Routledge: London
- Social Value International. (2020, August 12). Principles of Social Value and Accountability . Retrieved from <http://www.socialvalueuk.org/app/uploads/2017/03/Social-Value-Principles-and-Accountability.pdf>

Spowage, M., McGeoch, A. & Black, J., 2020. Scotland is in recession... in other news, we've heard that water is wet... [Online] Available at: <https://fraserofallander.org/scottish-economy/scotland-is-in-recession-in-other-news-weve-heard-that-water-is-wet/>

Thomson, H, Atkinson, R, Petticrew, M and Kearns, A (2006) 'Do urban regeneration programmes improve public health and reduce health inequalities? A synthesis of the evidence from UK policy and practice', *Journal of Epidemiol Community Health*, 60: 108-115.

Thomson, H, et al., (2009) The health impacts of housing improvement: a systematic review of evidence studies from 1887 to 2007, *American Journal of Public Health*, Vol99, S3, supplement, S681-92

Thomson, H and Thomas, S (2015) 'Developing empirically supported theories of change for housing investment and health', *Social Science and Medicine*, 124, 205-14.

Turner, K et al (2018) Potential Wider Economic Impacts of the Energy Efficient Scotland Programme Policy Brief May. University of Strathclyde IPPI Centre for Energy Policy

Tweed, E. (2018). Foundations for well-being: reconnecting public health and housing. A Practical Guide to Improving Health and Reducing Inequalities. Glasgow: Scottish Public Health Network. Retrieved from https://www.scotphn.net/wp-content/uploads/2017/03/2017_03_08-HH-Main-Report-Final-1.pdf

Waugh, A et al., (2018) Health and Homelessness in Scotland. Scottish Government Social Research.

Webb, J, Emden, J and Murphy, L (2020) All Hands to the Pump: A Home Improvement Plan for England. IPPR: London.

What Works Scotland. (2016). Exploring evidence, tools and strategies to expand the scope of prevention in public services. Retrieved from <http://whatworksscotland.ac.uk/events/exploring-evidence-tools-and-strategies-to-expand-the-scope-of-prevention-in-public-services/>

The Impact of Social Housing: Economic, Social, Health and Wellbeing

The Impact of Social Housing: Economic, Social, Health and Wellbeing, was written by UK Collaborative Centre of Housing Evidence (CaCHE) and HACT and funded by the Scottish Federation of Housing Associations (SFHA), Joseph Rowntree Foundation (JRF), Public Health Scotland, and the Rural and Islands Housing Associations Forum (RIHAF).

The report was commissioned in order to highlight the impact and value of social landlords' housing and wider services as well as the many economic and social benefits that it generates. It also demonstrates how housing associations and co-operatives can measure the social and economic value of their work and evidence how it aligns with the Scottish Government's National Performance Framework.

This report was commissioned by:

Scottish Federation of Housing Associations – www.sfha.co.uk

Public Health Scotland – publichealthscotland.scot

Rural and Islands Housing Association Forum

Joseph Rowntree Foundation – www.jrf.org.uk