

MEDIA RELEASE

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**World first report puts a dollar value on the social benefits of
community housing**

Released today, *The Social Value of Community Housing in Australia Report* has put a value of \$665 million over five years on the social benefits that stem from Australia's current 42,000 community houses and units.

Commissioned by bank**mecu** along with the Community Housing Federation of Australia and PowerHousing Australia and conducted by Net Balance, the report marks the first time in the world that a Social Return on Investment (SROI) analysis has been applied across a whole sector.

According to Ross Wyatt, Project Director from Net Balance, the analysis measures the benefits that flow from a person moving from a situation of housing stress to a safe, secure and affordable home provided by one of nearly 1000 non-profit organisations, which manage community housing units.

'With waiting lists for community housing continuing to grow, investment is needed. What this report does is clearly demonstrate the social return to individuals and the community on that investment' Mr Wyatt said.

'SROI allows us to take social value into account and therefore into decision making processes. This is particularly vital in sectors like community housing where financial performance is only part of the value story.'

'The benefits are significant and range from direct individual economic benefits to broader education, health and employment benefits – all of which can be measured and quantified.

The Social Value of Community Housing in Australia Report estimates that in the first year of living in community housing, the social benefits were significant:

- The economic benefit for residents due to greater financial flexibility and less 'housing stress' was assessed at \$2,500 per person or \$78.5 million across the sector.
- Improved education opportunities for adults and children were valued at \$75 million.
- Health benefits due to improved health and less demand on public health services came in at \$23 million.

- The total social value of community housing was calculated at \$176 million per year or \$665 million over a five-year period.

This sector-wide report was inspired by an SROI analysis conducted by Victorian Women's Housing Association (VWHA) in 2010.

'The study found that from a \$7.45 million investment in long-term, safe and affordable housing for disadvantaged women, we have created \$30 million in value for tenants, funders, developers and Victorian communities,' said VWHA CEO Jeanette Large.

VWHA currently has 65 properties providing homes for 175 women and children, and with bank**mecu**'s support, plans to expand its housing portfolio significantly.

According to bank**mecu**'s National Community Manager Steven Lynch, funding this report was an extension of the bank's responsible banking approach and its ongoing investment in affordable housing projects, which now amounts to more than \$100 million.

'Our customers have been asking us if we can use their money to respond to the housing affordability issue - and being able to invest our customers funds into affordable housing projects helps us do this'

'We have been able to put a First Home Buyers product onto the market, which has been very popular. Just as importantly though, we have also been able to invest in the affordable housing sector, providing safe, secure and affordable housing.'

'There is a business case around all the investments we make – a vibrant community is more resilient than one that is consistently under pressure, and it is better doing business in stronger communities and a healthier environment.

On 1 September, bank**mecu** became Australia's first customer owned bank after the banking regulator APRA and the Reserve Bank approved an application to use the restricted term 'bank'.

*Representatives from bank**mecu**, Net Balance, Community Housing Federation of Australia, PowerHousing Australia and the Victorian Women's Housing Association are available for interview.*

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