

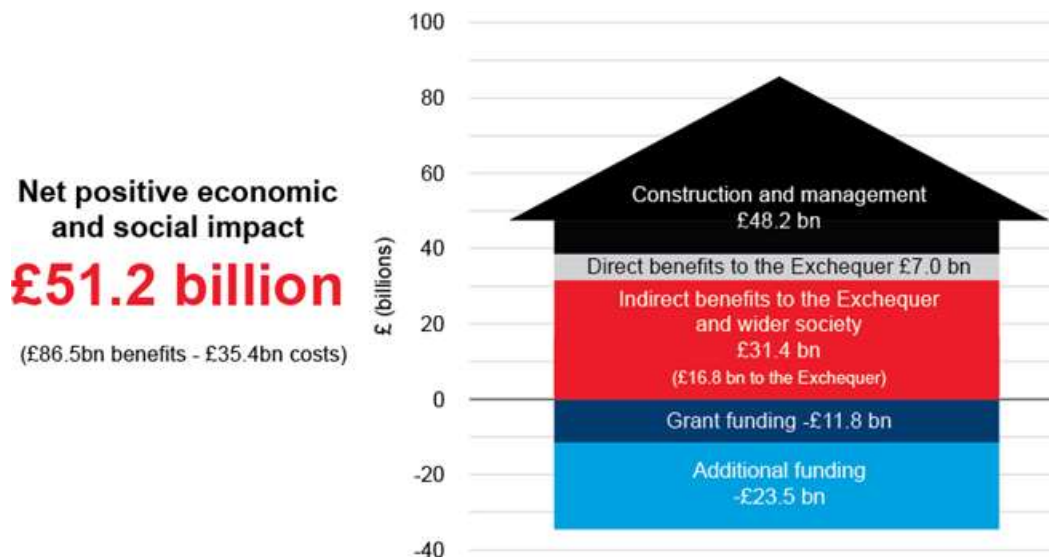
The economic impact of building social housing

Research from Shelter and the National Housing Federation, carried out by CEBR, shows that building 90,000 social rented homes¹ **would add £51.2bn to the economy.**

Most of this impact would happen quickly – £32.6bn would be generated within a year of building the homes, **supporting almost 140,000 jobs.** Within three years, the programme would break even, with the wider economic benefits surpassing the upfront cost of building, largely by boosting the construction industry.

The economic benefits continue over the longer term, through the management of more social homes, savings on housing benefit, and wider benefits including reduced homelessness, increased employment, and improved healthcare.

Within 11 years the initial government funding to build the homes would be fully paid back. Over a 30 year period, building 90,000 social homes results in a £12bn profit for the taxpayer.



¹ This is widely accepted as the level required annually for at least 10 years to meet housing need, based on research by the NHF and Crisis. This research is based on 90,000 total, not 90,000 a year.

The wider benefits of social housing

Social rented homes are the most affordable housing option – rents are about 50% of the market average – and they have more secure tenancies than other homes. The social benefits of people gaining more secure, affordable homes is clear, but the economic impact of these benefits aren't always clear.

Our research shows that building 90,000 social homes and **providing people with a stable, affordable place to live would generate £31.4bn in societal benefits** through:

Higher employment – £8.9bn

A stable home helps people to get and keep work, and reduces the long-term scarring effect that being homeless or in insecure housing can have on employment prospects, generating £8.9bn for the economy and a further £3.8bn in tax revenue.

Lower benefit costs – £3.3bn

Due to higher employment, yearly benefit claims would be cut by £1,218 per household, generating £3.3bn in savings over the long term.

Improved healthcare – £5.2bn

On average social homes have fewer health hazards and stable homes are linked to better wellbeing, generating £5.2bn through NHS savings.

Reducing homelessness – £4.5bn

More social homes would mean fewer people living in temporary accommodation and requiring homelessness assistance, saving local authorities £4.5bn.

Reduced crime – £3.1bn

People in inadequate housing are more likely to experience crime. Social homes lead to fewer police callouts and reduced cost of crime, generating savings of £3.1bn.

Better life chances for children – £2.7bn

Unstable homes can harm children by disrupting their education, which leads to lower economic contributions, increased crime, and greater use of public services. Reducing these disruptions would generate £2.7bn in savings.