Grace and Generosity

the contribution of Faith Communities to the Yorkshire and Humber economy
The Yorkshire and Humber Faiths Forum (YHFF) was established in 2005 to:

- advance the contribution of faith communities to regional development;
- encourage and educate faith communities to work together for the benefit of communities;
- challenge discrimination and injustice, particularly on the grounds of religious belief.

In 2008 the YHFF decided to undertake this economic impact assessment with the aims of:

- Demonstrating the economic impact of faith communities within Yorkshire and the Humber. This was felt to be unrecognised and consequently undervalued.
- Providing evidence for this impact.
- Enabling the Forum to promote the regional contribution of faith communities to key regional and national partners and develop the self confidence of faith communities themselves.

Grace and Generosity, the contribution of Faith Communities to the Yorkshire and Humber Economy is the Executive Summary from the YHFF research report ‘Economic Impact Assessment of Faith Communities in Yorkshire and the Humber’. This work was undertaken by HE Research led by Anthony Gray.

There is also an accompanying DVD illustrating the stories of some of the faith communities who responded to the research questionnaire.

These stories and the full research report can also be found at:

www.yorkshireandthumberfaiths.org.uk
Quite apart from documenting the faith communities’ contribution to economic improvement, our research has underlined the commitment of all faith communities to the most disadvantaged people in our region. People of faith support the homeless, the vulnerable and the isolated; offer counsel to those struggling with relationships, within families and within communities; provide practical help and guidance; ask questions about why there is still such need in the 21st Century. Through these activities, employment is created, as well as a huge range of volunteering opportunities; these contribute to the economic health of Yorkshire and the Humber.

Just at the point that the national economic downturn began to bite, the Yorkshire and Humber Faiths Forum uncovered solid evidence which shows that people of faith are there, in those communities which are hardest hit, providing support and overcoming injustice.

Baha’is see themselves as “a treasury for the poor … helpers of every victim of oppression” (Abdu’l Baha, Selections from the writings of Abdu’l Baha). Buddhism expresses compassion in the face of poverty. Jesus said that his followers are to see and serve him in the poorest: “In as much as you did it for the least important, you did it for me.” (Matthew 25:46). In Hinduism it is recognised that anyone who is a friend of the oppressed “is the very image of the divine” (Tukaram, a Krishna devotee, writing in Marathi, late medieval). Hebrew prophets constantly seek justice for the poorest. Islam proclaims “he is not a true Muslim who eats his fill while his neighbour sleeps on an empty stomach.” At the last judgement God will ask the faithful about their care for the poorest, and say that in them “you would have found me.” In Sikhism Guru Nanak required those with ill-gotten wealth to give it to the poor. In the thought of Zoroaster “When we pray, the prayer goes in to God’s treasury and from there, it is distributed to everyone.”

Faith inspires compassion; this is the testimony of the major world faiths. Importantly and in addition, God also calls us to speak out for justice, to be agents of change, to overcome injustice. This impacts on our local authorities, regional agencies and national government. Our motivating factor is our belief that the poor should be put first, through service coupled with thoughtful questioning of the redistribution of our national resources. We are interested in grace and generosity, not greed and gain.

We work in humility to serve God and people. Inspired by this new research, we now want to work with our partners to develop creative ways to engage with those who are most disadvantaged, to support and sustain them. We believe that this study offers a strong foundation on which to build the new ways of working necessary to create an equitable and prosperous region. As CEO of the Yorkshire and Humber Faiths Forum, I commend this research to you.

Inderjit Bhogal  
CEO, Yorkshire and Humber Faiths Forum  
June 2009
Executive summary

Introduction

The Yorkshire and Humber Faiths Forum, with funding from CLG (the Department of Communities and Local Government) and Yorkshire Futures (the Regional Intelligence Network for Yorkshire and Humber) commissioned HE Research to identify the contribution made by faith communities to the regional economy in Yorkshire and the Humber. The approach to the survey and economic impact assessment was informed by previous studies of a similar nature, especially research undertaken in the north west of England in 2003 and 20051.

Since the creation of the Office of the Third Sector in 2006, there have been a number of studies of the role and activities of the Third Sector. These have been in response to the growing recognition of the sector by government and other political parties, along with a specific interest in the sector as a provider of goods and services unavailable, or unaffordable, from the private and public sectors2.

This study is the first to be undertaken into community based work by the faith sector in Yorkshire and the Humber. The aim was to identify, then measure the actual or equivalent economic value generated by faith centres within these broad headings:

- The replacement value of volunteer time based on the number of volunteers, the hours volunteered and the type of voluntary activity taking place.
- The economic contribution from the use of faith buildings (for non-worshipping purposes).
- The economic contribution from faith groups’ engagement with social groups such as unemployed people, young people and women through funded/unfunded projects at a local and neighbourhood level.
- The contribution to the economy from faith based tourism.
- The values of hospitality and justice that underpin this work3.

The research evidence shows that the Yorkshire and Humber’s faith communities provide:

- A significant contribution to the Yorkshire and Humber economy totalling around £300million per annum.
- Activities which meet individual and social needs, supporting the cohesion of our more disadvantaged communities.
- Service to others, undertaken as the practical delivery of personal faith.

Methodology

To ensure that as many faith centres as possible were consulted, a mixed methodology was used. A sampling frame was developed, making reference to the nine faith communities represented by the Yorkshire and Humber Faiths Forum. These are Baha’i, Buddhist, Christian, Hindu, Jain, Jewish, Muslim, Sikh and Zoroastrian4. Existing databases covering places of worship were used, as well as a database of faith centres provided by the University of Derby. These were complemented by local knowledge and contacts, provided by YHFF staff and Council members.

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3 YHFF (2008) Economic impact assessment of faith communities in Yorkshire and the Humber: invitation to tender documentation and project brief

A questionnaire was developed, in consultation with representatives of the same nine faith communities. Previous survey methodologies were considered and, for purposes of comparability, core questions were agreed, based on these. Later additional questions were included, relating to employment and the extent of public sector funding and/or private sector donations available to support activities.

The survey was initially distributed by post to just over 3,000 places of worship in November 2008. Around one hundred were returned as undeliverable. A small number of spoiled questionnaires were received. After the initial replies were received, further work was undertaken in January 2009 to ensure the balanced involvement of specific faith communities for which a lower rate of response was anticipated. This included:

- a follow-up mailer sent to around 300, specifically targeted places of worship to encourage responses from less well represented groups/areas;
- a telephone based follow up programme to ensure that organisations across the range of faiths within YHFF were included;
- additionally, information about the support available to assist questionnaire completion was made widely available.

The YHFF and HE Research are very grateful to everyone who assisted with both the distribution and the completion of the questionnaires.

**Number, distribution and characteristics of respondents**

In total, 336 responses from faith centres and 38 from faith-related organisations were received, a response rate of around 11% (based upon the total number of faith centres surveyed). The distribution of responses reflected the mixed methodology adopted within the survey and the subsequent follow up action.

Christian faith centres, though predominant in the sample, are slightly under-represented, when compared to their presence in the region. Some other faith communities are over-represented. Overall, the sample is broadly representative of the distribution of faith communities in Yorkshire and the Humber.

Responses were stratified and weighted, prior to grossing up totals for employment and volunteering in the final report to provide annual values.

**The values of hospitality and justice underpinning community based work**

From the responses to the survey and in the workshops, we found that there were strong similarities between different faith communities, both in what the different communities are doing and in the way that the respondents feel about it and commented on it. It is not surprising that sometimes, as in Huddersfield, they work closely together.

Seven themes emerged from the spiritual and theological reflection in the workshops: service, regeneration, faith, good neighbourliness and hospitality, grass roots action, justice and making space for spiritual values.

1. Service
2. Regeneration
3. Faith
4. Commitment to good neighbourliness and hospitality
5. Grassroots action
6. Justice
7. Making space for spiritual values

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5 The confidence interval set for the research study was 95%; given the number of responses received, with this interval we are 95% confident that reported values contain true population values (as it might be estimated from a much larger study) +/- 5.5%.

6 Weighting is a statistical technique in which a number (weight) is assigned to each group of data that reflects their number and distribution within the population of interest – in this case the number and distribution of regional faith centres / places of worship within each of the nine faith communities.
Employment and volunteering

46% of the 336 faith centres, responding to the survey, reported the incidence of paid employment to support projects and activities undertaken in the wider community; a figure that increases to just over one half of all responding organisations. 80% of the faith centres reported recruiting and using volunteers, as did a similar proportion of the 38 faith-related organisations.

Given this data, and that of comparable studies, it is reasonable to assume that the number of faith centres delivering community based projects and activities is increased by around 10%, when faith related organisations are included. These organisations increase the extent and impact of employment and volunteering by between 25-33% across the sector overall.

Assessing economic impact

The most important measures of a sector’s economic importance would normally be the numbers employed and its output, in addition to linkage effects into the broader regional economy. Given the challenges of identifying output for the faith sector, we focused on employment and volunteering. However, we also considered other impacts of the activities undertaken by faith centres, in particular; their added value or contribution to GVA and the additionality, in economic terms, which the faith sector brings to the region.

Employment

Employment totalling around 540 full time equivalent (fte) employees was reported by the faith centres which responded. Taking into account regional earnings, the data suggests just over £12million of salaried employment on activities undertaken by those faith centres. Based on this, it is reasonable to assume the regional employment of over 4,800 employees (fte) in the delivery of activities run by faith centres, along with some £111 million in wages and salaries.

With the addition of responses from faith-related organisations, reported employment in the 374 respondents increases to over 700 employees (fte), with gross earnings of around £16.4million. Again, extrapolation of the data suggests around 6,400 paid employees and £147million worth of paid employment in the delivery of activities across almost 3,400 regional faith related community centres and organisations.

Volunteering

The value of volunteer time, in terms of numbers of volunteers, hours volunteered and type of voluntary activity taking place, is more difficult to establish. Often it is not recorded. Roughly four in five faith centres and faith related organisations, recruit, organise and utilise volunteers to deliver activities.

Responses suggest just over one million hours of voluntary activity per year (in the 336 faith centres) and around 1.3 million hours in total (i.e. across the 374 faith centres and faith related organisations overall). Using the national minimum wage of £5.73, this suggests a replacement (economic) value of between £6million and £7.5million per year7.

Assuming a similar rate of contribution by volunteers in faith centres and faith related organisations overall, the total value of volunteering in the region’s faith community activities equates to £55million. This rises to around £68million if all faith related organisations are included.

Taking a value of 0.5 fte for the management of volunteer activities, the overall value of voluntary activity (assuming payment at national minimum rates), equates to somewhere between £63million, in faith centres themselves; £78million in all faith related activities regionally.

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The economic impact of employment and volunteering

Using responses from the 336 faith centres, and after including the 38 faith related organisations, we estimate the total economic value of employment and volunteering within the faith sector at between £218 million and £282 million. Comparing this upper estimate with the most recent figure for Gross Value Added (GVA) of £87 billion, this would be a contribution of around 0.3% to regional GVA in Yorkshire and the Humber in 2007. This figure, for example, exceeds the social services budget for the city of Sheffield with a population of around 500,000.

Faith community engagement with social groups

The survey uncovered a wide range of activities, undertaken by faith centres, addressing many different needs, including those of the excluded and disadvantaged.

The range and economic value of projects and activities

48% of all faith centres provided sufficient information to permit analysis of specific projects, developed to address the needs of disadvantaged groups. These 160 projects employ over 184 people, on average around 1.2 full-time equivalent (fte) paid employees. They utilise the support of around 2,200 volunteers, contributing over 430,000 hours of voluntary time.

The estimated overall economic value would be around £6.7 million based upon £4.24 million for salaries and wages, alongside £2.47 million as a replacement value for volunteering activity, based on the minimum wage. Regionally, if these responses are representative, the total economic value of such activity would be over £60 million.

The 336 faith centres report that they are involved in over 1,000 projects: an average of just fewer than 3 each. Between them, faith centres report they run, or are involved in, over 1,870 different activities. These support an average of almost six different groups in each faith centre. These research findings are supported by research into church based social action which suggests that there are, on average, two projects undertaken by each church in the region.

The people or groups supported by these activities include the elderly, people with disabilities and learning difficulties, children and young people – and their parents. They work with those who are often also excluded - the unemployed, the workless, the homeless and those with mental health issues. It is likely that many of these people also look to the state for support. Responses indicated that this support was often unavailable or too expensive.

The main activities delivered by faith centres, in descending order and based upon the reported incidence and value of volunteering, were:

- Drop in centre/social club activities
- Advice and support for the homeless
- Youth work
- Parenting/parent and toddler support
- Lunch clubs
- Education, both lifelong learning and school extension classes
- Interfaith activity, such as information provision and awareness raising
- Community cohesion projects in specific local communities
- Support for the elderly in care homes and in the community

The data provides substantial evidence of community based initiatives, faith centres working within their local community and the wider social, community and voluntary sector. Their work is based on identifiable local need, as well as their commitment to activities supported by their faith and spiritual principles. The economic value of this wide ranging work is considerable, moreover, many of the faith centres reported that they make an in kind contribution to these activities through the provision of premises, lighting and heating; the injection of their own funding; leveraging in public finance and securing private donations as well as support from charitable institutions and foundations.

The faith sector both provides and secures a significant amount of funding for projects and activities. Of the responding faith centres:

- 67 provide funding to support their own projects and activities - in excess of £514,000
- 29 secured public sector funding in support of activities - almost £1.2 million
- 37 report securing private sector donations to the value of almost £500,000

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Value contributed by the use of faith buildings (for activities other than worship or religious education)

16% of the responding 336 faith centres reported the existence of a purpose built community centre; 151 faith centres reported they made rooms and/or facilities available for use by the local community; 127 made these facilities available to other organisations.

The income derived from renting out these facilities to community groups and other organisations is circa £1 million. Taking this figure as a base, the rentable value of faith buildings equates to approximately £10 million per annum.

Additional information supplied suggests that the economic value of these types of facilities within the region is actually more, given they are often offered for a minimal rent or free of charge.

Valuing faith based tourism

This section discusses the value contributed by faith buildings to the regional economy as well as faith based tourism. The estimates provided are based on cautious calculations, using the limited data provided by respondents. They are largely dependent upon a number of assumptions.

42% of respondents provided data about the number of visitors and tourists (visiting their place of worship). Around half of these also provided details for income derived from these visitors. In total 190 (57%) of faith centres reported they welcomed visitors: 100 (30%) received tourists into their place of worship.

From the survey data, we assume around 2.4 million visitors annually to the region’s places of worship, resulting in around £4 million in donations and income received from those visitors. However, this can only be an approximate estimate, based upon this limited data.

Taking into account the number of faith heritage sites in the region which often have a greater number of visitors and thus a higher multiplier for visitor income, it would be reasonable to assume a further one million visitors and an annual income of around £4 million from visits to faith heritage sites. Based upon an estimated £10 and £12 for “day visitor” expenditure\(^9\) and the contribution of specific faith buildings is often higher. For example, information for York Minster reports around 900,000 visitors per year and a total value to the York economy of roughly £26 million for day visitors and over £33 million for staying visitors. Taking into account multipliers, the estimated total value of £59 million in direct spend equates to just over £69 million in total economic impact\(^10\).

This data suggests the total value of faith based tourism in terms of direct income to faith centres would be over £10 million. Based upon the limited data from our survey, and after allowing for the extent of tourism to high profile faith heritage sites, total direct spend could be in the order of £100 million, possibly £150 million, per year.

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\(^9\) In addition, a substantial number report making “in kind” contributions to running costs including rent, heating and lighting.

\(^10\) Welcome to Yorkshire (formerly Yorkshire Tourist Board) estimates £36/individual for a full day’s outing – assuming around a third of this for a faith site visit, the contribution to the regional economy of faith based tourism could be between £35 and £40 million per year.

\(^11\) Data supplied by Visit York: http://www.visityork.org/
Some conclusions about the faith communities and their value to our region

It may be asked - what is the purpose of estimating economic value, given this is not a primary motivation here. One answer is the importance of indicating to others how important the activities of faith communities are, particularly in circumstances of disadvantage.

The research undertaken, the data gathered and the discussions with people on the ground provide substantial evidence of community based initiatives, faith centres working within their local community and also the links to the wider social, community and voluntary sector.

It is clear that these projects and activities are based upon identifiable need within the wider local community. Many address the gaps in existing provision across the public and private sector. Faith communities provide services that are often unavailable, either from the private or public services, neither can they be provided at a realistic price for those who need them.

In addition, the economic value produced by faith communities is significant.

Sometimes there are choices to be made between direct delivery of taxpayer-funded services and their delivery through third parties, whether commercial firms, faith centres or secular voluntary and community organisations. By quantifying the economic value of existing activity, central and local government can be encouraged to see faith communities as an appropriate vehicle for the delivery of help to those at social or economic risk. In this way, resources become available.

Yorkshire and Humber’s faith communities provide:

• A significant contribution to the Yorkshire and Humber economy totalling around £300million per annum.
• Activities which meet individual and social needs, supporting the cohesion of our more disadvantaged communities.
• Service to others, undertaken as the practical delivery of personal faith.

Without this grace and generosity, our region would be a lesser place.
The Yorkshire and Humber Faiths Forum and HE Research would like to thank:

All those who responded to the survey and attended the four workshops.

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