



POLICY TITLE	VALUE FOR MONEY POLICY
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REVIEW BODY	MANAGEMENT COMMITTEE
POLICY ON WEBSITE	NO
SCOTTISH HOUSING REGULATOR STANDARDS	<p>STANDARD 1 : The Governing body leads and directs the RSL to achieve good outcomes for its tenants and other service users</p> <p>STANDARD 2 – The RSL is open and accountable for what it does. It understands and takes account of the need and priorities of its tenants, service users and stakeholders and its primary focus is the sustainable achievement of these priorities</p> <p>STANDARD 3 : The RSL manages its resources to ensure its financial well-being, while maintaining rents at a level that tenants can afford to pay.</p> <p>STANDARD 5 : The RSL conducts its affairs with honesty and integrity</p>

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1. Policy Statement

Cathcart & District Housing Association Ltd (CDHA) following consultation with tenants, defines Value for Money as:-

- Value for money (VFM) is achieved by doing the right things and doing those things right.
- Services planned around Tenant/Customer feedback to know what services are important to them.
- Delivering maximum value while minimising cost.
- Providing high quality services that meet the needs and expectations of our Tenants/Customers as efficiently and cost effectively as possible.
- Making the best use of available or limited resources.
- Ensure transparent and well understood costs, detailing the quality and level of service provided.
- Ensure future viability of the Business Plan. Income generated must support expenditure.

The Scottish Housing Regulator has published its 4th Year Report from its National Panel of Tenants and Service Users; this theme considered views on what value for money means for users of social landlord services. It included a range of factors that contribute to value for money judgements and to what extent service users see these factors as potentially justifying higher rents.

Feedback suggests that value for money judgements are influenced by a broad range of factors. The main driver of views on value for money appear to be:

- Rent Levels and Affordability
- Comparability of Rents
- Quality of Services such as Repairs/Maintenance
- Capital Investment in Homes
- The Size of Annual Rent Increases.

Feedback from respondents did not express a clear preference for a single value for money performance indicator, but saw value in a range of measures around rent comparability, income remaining after tenants have paid housing costs and tenant satisfaction with rents.

The following sections within this Value for Money Strategy aims to clearly set out our approach to VFM and how we demonstrate this.

2. Value for Money Practices

Governance

The ethos of Value for Money is integral to the success of CDHA. To ensure Value for Money is at the core of all our activities the Association will through the following measures aim to demonstrate this:

Committee of Management

The Committee of Management is responsible for agreeing and overseeing the Associations strategic and financial plans to achieve the best possible outcomes. The Committee acts for and in the name of the Association. It must retain ultimate control over all aspects of the Association's work and ensure that its financial and legal responsibilities are properly fulfilled.

Business Plan

The strategic Business Plan vision will feed through all our activities supported by our core values of Integrity, Partnership, Excellence, Innovation, Investing and Listening.

The strategic objectives within the Business Plan will be further supported by this Value for Money Strategy detailing our Policy statement and Practices.

The Committee of Management has full responsibility of this Value for Money Strategy with its direct links to the strategic Business Plan and the future viability of the Association. The business plan annual review will identify potential efficiencies through clear and transparent value for money targets.

Committee /Staff Induction

As part of the induction of new Committee and Staff members the ethos and culture of CDHA will be to demonstrate "value for money" in all our activities.

To successfully deliver and embed value for money, it needs to be an integral part of our day-to-day activities.

It is important all staff understand value for money and assess their role in delivering VfM by asking themselves three key questions:

1. Are we doing the right things?
2. Are we doing them the right way?
3. Are we delivering the right results?

Committee Reports

We aim for the ethos of value for money to be embedded in all activities and essentially in Committee reports, to enable Committee to query/challenge costs, has the

work/service been completed to a high standard, does it demonstrate value for money?

- Committee reports will contain value for money assessments demonstrating options, cash flow/business impact, customer feedback and the reason for recommendation to show there has been full consideration of the relevant issues to assist Committee in coming to a decision.
- Committee reports where appropriate will contain information on key performance indicators (KPIs) and will be benchmarked against comparable organisations.

SHR National Panel of Tenants and Service Users

Feedback from the panel of more than 9/10 said VFM should feature in landlord reporting. In relation to reporting value for money, panel members views of potential measures that would be most useful focused around the following:-

- Rent comparability
- Income remaining after tenants have paid housing costs
- Tenant satisfaction with rents.

Training

Training activities for Committee /staff will ensure value for money is achieved in the overall “benefit” assessment for both the person and the Association.

Committee training will include how to assess and query/challenge performance monitoring reports. Does the information demonstrate optimal performance on efficiency and service delivery?

2.1 Tenant/Customer Engagement

- Tenants, owners and other customers receive services that provide continually improving value for the rent and other charges they pay.
- Tenants get clear information on how rent and other money is spent, including any details of individual items of expenditure above thresholds agreed between landlords and tenants.
- A balance is struck between the level of services provided, the cost of the services and how far current and prospective tenants and other customers can afford them.
- Tenant/customer feedback is very important to us and influences our services.
- Raise awareness of the importance of value for money to our staff, contractors, tenants and other stakeholders.
- To provide opportunities within our organisation for generating new ideas and initiatives to achieve successful value for money outcomes.

Regulatory Compliance

Scottish Housing Regulator Annual Return on the Charter, percentage of tenants who feel their landlord is good at keeping them informed about their services and decisions (Indicator 3) 96.21%.(2019 figure)

Percentage of tenants satisfied with the opportunities given to them to participate in their landlord’s decision making processes (Indicator 6) 85.48%.

Rent & Programme Consultation

CDHA annually consults with tenants through our newsletter in January.

Committee receive and considered feedback from tenants following the consultation

Annual General Meeting

AGM in August where the accounts are published and the cost of services communicated.

Newsletter

Quarterly newsletter issued to all tenants.

Keeping Tenants/Customers Updated

- Website
- Facebook
- Email
- Text Messaging
- Newsletter
- Consultation Event – January.

2.2 Repairs & Maintenance

The Association aims to provide a high quality repairs and maintenance service with the opportunity for tenants to provide feedback on their experience of the service and quality of workmanship. We aim to target and invest our resources efficiently and responsibly for the well-being of our customers, our communities and the environment. We will use our partnership working to support improved value for money in areas such as procurement and asset management.

Regulatory Compliance

Scottish Housing Regulator Annual Return on the Charter Percentage of reactive repairs carried out in the last year completed right first time (Indicator 13) 97.18%.

Procurement Policy

- CDHA tenders all contracts frequently.
- Assessment of how contracts are delivered.
- Partnership working.
- Develop new innovative approaches.

Access to Service

- 24 Hour Repair Service.
- Six Hour Emergency Call Out.
- Dedicated Repairs Freephone Line.

Customer Satisfaction

All tenants following a repair have the opportunity to complete a satisfaction survey of their experience.

2.3 Asset Management

A clear understanding of the Associations assets is fundamental in ensuring long term viability. It is crucial for long term planning to have a good understanding of what individual properties are contributing to the overall business and their future funding requirements, to ensure that resources are used effectively and reduce the risk of longer term inefficiencies occurring.

Stock Condition Surveys

- Independent stock condition survey every five years.
- Surveys continually undertaken to inform major repair component replacement timetable, eg contracts for renewing windows/doors, central heating, kitchens etc.

Improving Performance Management

- Reducing number of empty properties.

Planned Maintenance

- Tenants Choice – eg kitchen programme, tenants have the opportunity to select from a range of units, flooring, worktops, handles and colours.

2.4 Tenancy Sustainment

CDHA provides a dedicated Housing Officer/Financial Inclusion service. Every help and assistance is provided to prospective, new and current tenants to be able to sustain and enjoy their home.

Regulatory Compliance

Scottish Housing Regulator Annual Return on the Charter Percentage of tenants satisfied with the standard of their home when moving in (Indicator 9) 96.55%.

Officer Assistance

- New tenancy settling-in visits.
- Debt Management – Financial Inclusion officer assists tenants to ensure income maximisation.
- Review reasons for tenancy terminations and work with customer and partners to sustain tenancies.

2.5 Services Provided

All services have a cost, paid from rental income, it is therefore important to consider what it actually costs to deliver a service. The Association carries out an annual review of the budget.

Services

- Home visits
- Dedicated staff team
- Dedicated Welfare/Financial Inclusion Officer, free welfare benefits and income maximisation advice service for customers.
- Complaints handling
- Anti-social behaviour resolution.
- Property Factor – upkeep of estates and communal areas.
- Various methods/options of rent payment, eg standing order, direct debit, post office, pay point, telephone via debit/credit card.
- Dedicated voluntary Committee of Management.

External Agencies

As well as landlord services CDHA has close working relations with links to other external agencies and able to support tenants/customers, for example Glasgow City Council, DWP, Universal Credit, Energy Efficiency, CAB, etc Glasgow Community Safety

2.6 Rent Affordability

The Association aims to ensure its customers receive value for money from the rent they pay. That the rent charge is easily understood and transparent, (refer Rent Policy) is comparable with other local landlords for the quality of services provided, whilst minimising future increases.

Percentage of tenants who feel the rent for their property represents good value for money (Indicator 29) 93.80%.

SHR National Panel of Tenants and Service Users

Feedback from the Panel indicates "Future Rent Affordability" as a concern. The SHR advises "landlords should consider tenants' ability to keep paying rent in the longer term when setting rents".

Key Findings from survey

Rents

1 in 3 had problems paying their rent in the past.

2/3rds had concerns about future affordability due to potential future rent increases, benefit changes, or changes to their income.

1 in 10 have had problems paying their rent in the past year.

Value for Money

- Monitor value for money information from new and existing tenants, (surveys).
- Compare rents with other local providers.

Tenant Survey

- Undertake a survey with existing tenants to gauge if tenants feel their rent represents value for money as part of our tri-annual tenant satisfaction survey.

- Use exit surveys which lists high rent as a reason for termination of the tenancy.

Consultation Events

- Discuss with tenants the level of service they want.
- Provide options for different rent levels with clear information on what they mean for services and investment in homes.
- Provide feedback on the consultation process and show tenants how their views were taken into consideration

2.7 Future Viability

The link between Business Planning and Customer Service is crucial. The SHR published recommended practice in Business Planning December 2015; standard 3 “*RSL manages its resources to ensure its financial well-being and economic effectiveness*” is a key element of this strategy.

Organisations must assess that they can deliver their commitments to tenants based on future affordable rents and remain financially viable.

The annual budget is reviewed in line with the strategic business objectives. This is further supported by the following key business considerations:-

Key considerations are:

- Financial Viability - is the organisation sustainable in the medium to long term.
- Rent Affordability - can the level of income generated support expenditure.
- Debt Affordability is the debt sustainable and affordable.
- Investment in Housing Properties – Is there adequate future investment in the stock.
- Service Delivery - can the service be maintained at required levels in the future?
- Performance & Efficiency - what areas of performance are working well, and what can be improved.

Business Plan/Budget Review

- Annually the Committee consider proposed budget assumptions, risk/sensitivity analysis and feedback from tenant consultation.

Business Analysis

Cost and performance analysis/benchmarking.

- Charter Returns to Scottish Housing Regulator.

Understanding cost and service delivery in detail.

- Members of Scotland Housing Network benchmarking group, analysis of performance against cost.
- Committee reports contain key performance indicators and monitored by Committee /Management Team.
- Performance Management strategy will link the Value for Money Strategy to the Business Plan objectives.

Spend analysis (procurement)

- All contracts re-tendered within specific timescales.

Understanding housing properties performance

- Knowing what properties are costing the business more than others, Stock condition surveys carried out.

Automating processes

- Investment in IT, Text messaging.
- E mailing wherever possible

Better partnership working

- Contract documentation clarifies responsibilities.
- Good working relations with external agencies, eg GCC.

Treasury Management

- Making best use of resources.
- External appraisal of loan facility/treasury management policy.

2.8 Wider Role

The Association will maximise income and resources available for both current and future planned activities. In doing so a review will be undertaken to ensure that the wider role activities align with the needs and wishes of tenants/customers and the Business Plan.

Working Party

- Committee and staff working together and with other stakeholders to identify wider role activities/projects that would benefit customers and their communities.

Return on Social Investment

The method of measuring and communicating a cost-benefit analysis that incorporates **social**, environmental and economic impacts. It is a way of accounting for the value created by our activities and the contributions that made that activity possible.

Customer Engagement

- The Association will consult and encourage participation in any wider role

projects.

Scottish Housing Network (SHN)

- The Association will through the SHN benchmarking group aim to demonstrate the link between performance and cost through their VFM model.
- The Association will work to develop ways of measuring the achievement of VFM and return on social investment in delivering our services.