

Policy and Delivery Framework

Value for Money

Date authorised	30 July 2019
Review date	2020

Introduction

The Regulator of Social Housing introduced a new VFM standard on 1st April 2018.

Registered Providers of Social Housing are required to:

- clearly articulate their strategic objectives
- have an approach agreed by their board to achieving value for money in meeting those objectives and demonstrate their deliver of value for money to stakeholders
- through their strategic objective, articulate their strategy for delivering homes that meet a range of needs
- ensure that optimal benefit is derived from resources and assets and optimise economy, efficiency and effectiveness in the delivery of their strategic objectives.

The Regulator has also introduced a suite of VFM metrics to be published by all Registered Providers within their statutory accounts from 17/18 onwards which will be used to benchmark performance against other Registered Providers.

This policy also reflects the requirements of the Public Services (Social Value) Act 2012 which requires Registered Providers (RP's) to consider not only the economic but also the social & environmental value generated by the services they procure.

What is VFM?

Value for money means managing our resources economically, efficiently and effectively to provide quality services and homes. This will be done taking account of our objectives both social & financial and the interests of our stakeholders (Residents, Regulator, Funders, Staff and Local authorities)

Rosebery's Objectives

The association is formed for the benefit of the community. Its objects shall be the business of providing housing, accommodation, and the assistance to help house people and associated facilities and amenities. This will be achieved by implementing the Vision, Mission & Values set out below which have VFM at their heart.

Our Vision and Mission

Rosebery's vision is to make a positive difference to people's lives by providing good quality, affordable homes and services in places where people choose to live. To deliver this we will focus on:

- Choice - to provide a range of affordable, quality homes and services
- Cost - to provide excellent customer service at a suitable price, recognizing value for money principles
- Creativity - to bring added value to the communities where we work
- Communication – to develop clear and precise communications
- People – to develop our people to achieve their potential

Our Values

We care about our customers - defined as anyone who touches the business in any way and at any time. Our values include a performance culture focussing on:

- Excellence in Customer Service - we will listen and positively include customers in the design of some features of their homes, having a direct say in shaping services and ensuring choice where achievable at a price that is compared and good value
- Communication - we will communicate effectively and positively, creating credibility and trust
- Achievement - we will set ourselves challenging targets, compare ourselves with others and continually improve our individual skills and collective performance
- Respect and Diversity - we believe in equality of opportunity, ensuring individuals, groups and communities are valued and that differences are embraced

Our Commitment

By adopting a formal VFM Policy, Rosebery is making a commitment to:

- Ensure VFM is a high priority at Board level
- Promote VFM throughout the organisation
- Make sure that tools to support, embed and deliver VFM are in place and regularly reviewed
- Involve residents, staff and contractors in the delivery of the VFM Strategy
- Report to stakeholders on the performance of delivering VFM (annual self assessment)
- Assess our performance against peers through comparison of the Regulator's VFM metrics and other performance indicators and challenge ourselves to seek ways to improve where we can

Governance and Embedding the Culture

The Board

The Rosebery Board has overall responsibility for direction and governance. To ensure strong governance, the Board sets the VFM Policy & Delivery Framework and challenges and agrees the Annual Strategy and VFM targets, making sure that the organisation

maintains a healthy environment for the delivery and sustainability of the VFM culture. The responsibility for delivery is managed through the Executive Management Team.

Delivering VFM

In order to deliver VFM Rosebery will

- Optimise the utilisation of its assets & resources to deliver its objectives.
- Implement an effective performance management & scrutiny function to help drive & deliver improved performance
- In assessing the success of delivering VFM consideration will be given to each of the following components of VFM
 - Financial/efficiency
 - Service Quality
 - Social
 - Environmental

VFM Delivery Framework

Rosebery will:

- **'Make the most of what we have'** by:
 - Having the best possible mix of products e.g. social rented homes, affordable rent homes, shared ownership, sheltered housing and other tenures as appropriate, taking into account where we are as an organization
 - Making sound investment and disposal decisions to enhance this mix
 - Active asset management & benchmarking will play a major role
 - Having the right allocation of resources between these activities – understanding cross subsidy, trade-offs and opportunity costs
 - Having the right operational delivery system to provide the desired financial, social, environmental and service quality outcomes
 - Having a robust approach to decision making, including evaluating & understanding the cost drivers & outcomes of specific services, ensuring that we only engage in business activities that achieve our objectives. This will be achieved by:
 - Full consideration of costs and benefits of alternative commercial, organisation and delivery structures
 - Commercial decisions based on business case and clear understanding of risk
 - In particular, where investing in non-social housing activity, very careful consideration given to whether this generates returns commensurate to the risk involved
- **'Do things right'** through efficient and effective operational practices and a rigorous appraisal of potential options for improving performance. This will be achieved by :
 - Smart business processes, appropriate staffing levels, training and sickness management

- Performance management and governance
- Effective use of Information technology
- Risk management
- Financial management and cost control
- Income management
- Professional approach to procurement

VFM Savings

VFM savings will be reinvested to meet the property development, service development and community investment targets agreed in the Corporate Plan.

Consultation and Resident Scrutiny

Resident views are central to our business and we will ensure that they are kept involved in determining our VFM Strategy, in carrying out any service reviews and in scrutinising our performance. Our involved resident group will help identify residents' priorities for the future, and will be consulted on efficiency targets. The annual VFM assessment will be presented for comment to the Resident Scrutiny Panel and a VFM section will be included in the Annual report.

Monitoring and Reporting

The Executive Management Team will monitor the implementation of the Annual VFM Strategy and action plan and progress on delivering VFM will be reported annually at Audit and Risk committee and Residents scrutiny panel meetings. The board will publish annually an assessment of the performance in delivering VFM in line with its objectives, which will include a review of performance against the VFM metrics as defined by the Regulator of Social Housing. This report will be available to all stakeholders (Residents, Lenders, Regulator, Staff & Local Authority partners).

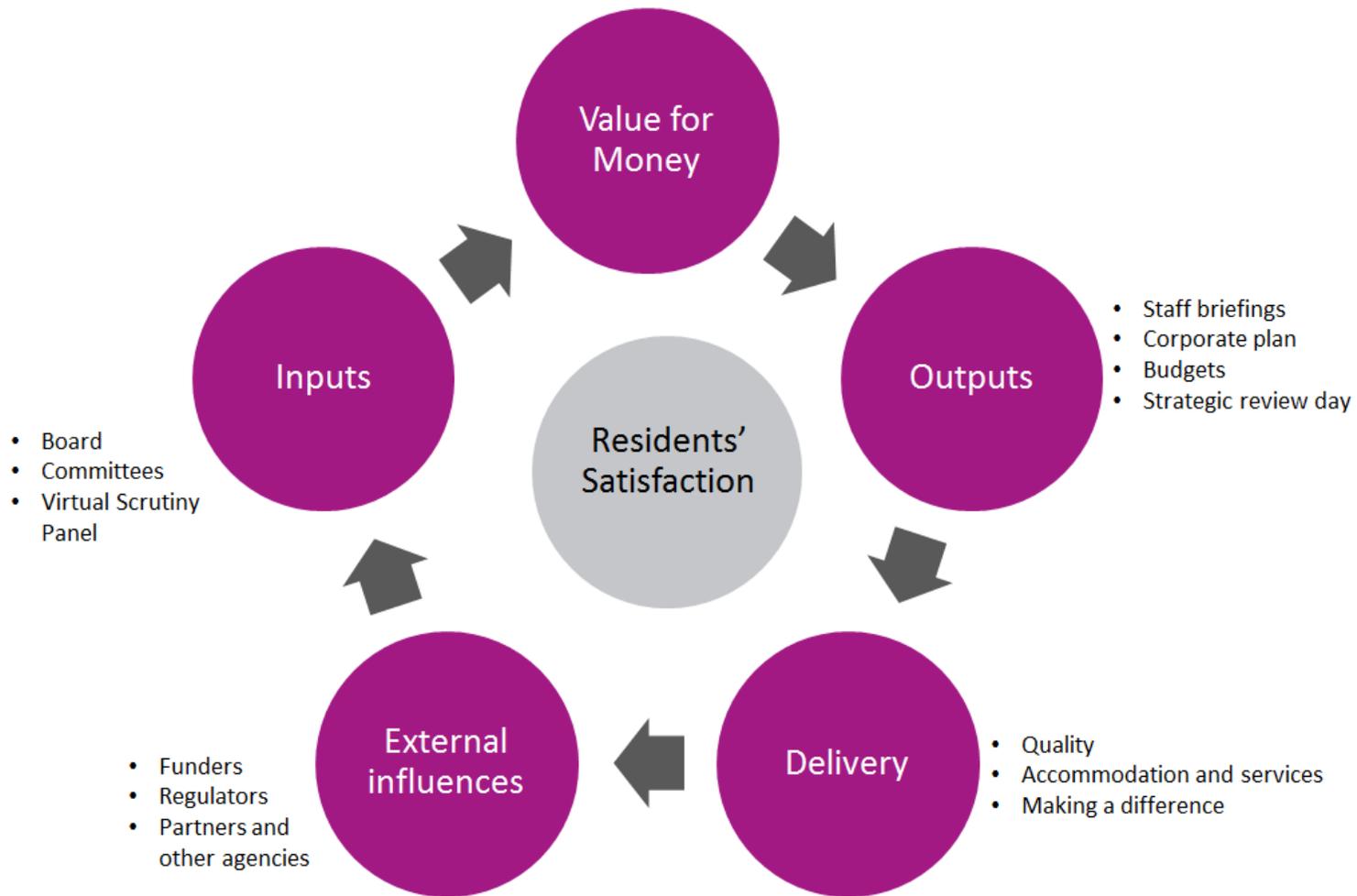
Related Strategies / Policies / Plans

- Corporate & Business Plan / Budget
- IT Strategy
- Procurement Policy
- Asset Management, Development and Sustainability Strategy
- Tenancy sustainment strategy

Review of VFM Policy & Strategy

This Policy and Strategy will be reviewed annually.

Appendix 1 – Value for Money Cycle



Appendix 2 –

