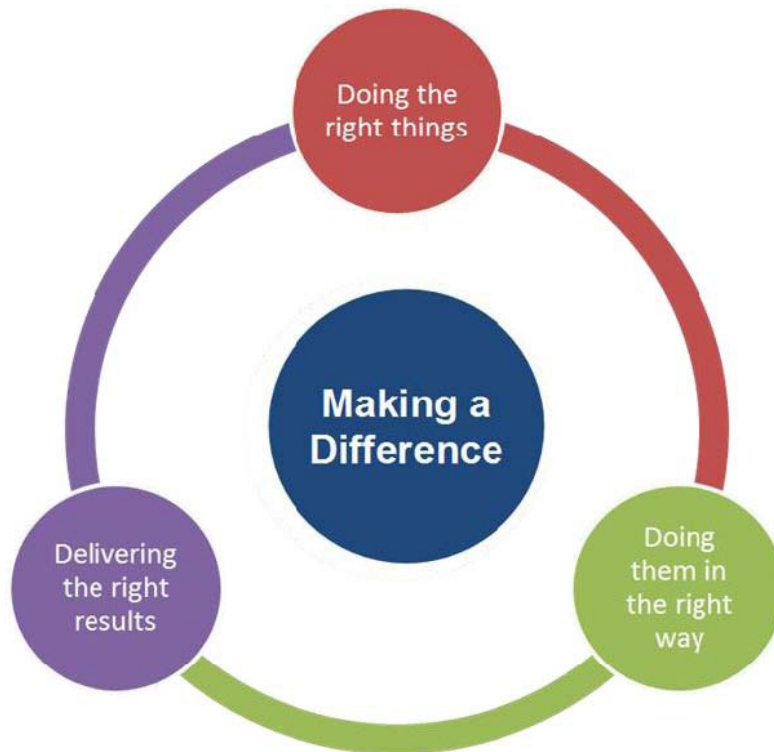




Value For Money Strategy

Policy Ref: CS5

Prepared By	Chief Executive
Date of Review	January 2024
Date of Next Review	January 2027
Reviewed By	PHA Board



1. Our Commitment to Value for Money (VfM)

- 1.1 Partick Housing Association (PHA) aims to deliver the best possible outcomes for tenants and residents from the resources we have available. Our drive to deliver the widest range and highest quality of customer services possible makes value for money a corporate priority.
- 1.2 The expectations and aspirations of our customers are increasing all the time. Improving VfM is therefore much more than good practice. Making the most of the assets and resources we have available is the key to maximising our investment into our homes, neighbourhoods and services. This will help us improve performance and protect our financial viability.

2. What Do We Mean By VfM?

- 2.1 VfM is not just about costs, it is about getting the most for our money. A high cost service can still be VfM if its standards are high and its results are good. A low cost service may not be VfM if its standards are low and its results are poor.
- 2.2 Effective VfM is about competitive costs, high productivity and successful outcomes. The objective is to achieve the right balance between cost, quantity and quality, and then to keep this under regular review.
- 2.3 Delivering VfM is not a separate or discrete function within the organisation. It should be integral to the way that we work and part of the day job for everyone we employ or we work with. Within PHA we define VfM as:

“Making the most efficient use of our assets and resources to deliver high quality and innovative services that successfully meet customer needs and expectations at lowest possible cost”

2.4 At its core it is about PHA being a well-run effective social business. It is having a clear understanding of what we are here to achieve and then engineering our business in such a way to maximise its delivery.

3. Do We Currently Deliver VfM?

3.1 Each year we produce our Annual Performance Report. This shows that we perform consistently well in delivering services when compared to previous years and when we benchmark our performance against peers.

3.2 However we need to do more to demonstrate VfM. Through a self-assessment of VfM, we will develop Annual Efficiency Plans so that we can produce a Value for Money Statement and present it alongside our Annual Performance Report.

3.3 Going forward our Value for Money Strategy will be subject to annual assessment and results published in a Value for Money Statement.

4. VfM Challenges

4.1 We face a number of challenges to deliver VfM in the years to come, including:

- Welfare reforms potentially making rent collection tougher.
- Increased life expectancies meaning that we will need to address the changing housing and support needs of a growing number of older residents to promote tenancy sustainment.
- Limited availability of public subsidy, land and opportunities to support new supply development and strategic acquisitions.
- Longer term rental strategies to limit increases yet ensure financial viability/sustainability.

5. The Scottish Social Housing Charter and Scottish Housing Regulator

5.1 The Scottish Housing Regulator's Regulatory Framework sets out how it will enact its powers to safeguard and promote the interests of current and future tenants, homeless people and other people who use services provided by social landlords. It also sets out how it will ensure Registered Social Landlords (RSLs) meet the requirements of the Scottish Social Housing Charter.

5.2 It is for each RSL to decide how it meets the standards and complies with guidance, based on its local context and individual circumstances. RSLs are responsible for the standards of conduct within their own organisations and are publicly accountable to their tenants, other service users, funders and other stakeholders for the governance decisions they make. The Framework includes Regulatory Standards of Governance and Financial Management which all RSLs must comply with and by doing so demonstrate effective governance and sound financial management as well as deliver good outcomes for tenants. This is fundamental to the achievement of VfM.

5.3 The Scottish Social Housing Charter has a specific indicator (number 13) which relates to VfM. It states that:

“social landlords manage all aspects of their businesses so that tenants, owners and other customers receive services that provide continually improving value for the rent and other charges they pay”.

This standard covers the efficient and effective management of services. It includes minimising the time houses are empty; managing arrears and all resources effectively; controlling costs; getting value out of contracts; giving better value for money by increasing the quality of services with minimum extra cost to tenants,

owners and other customers; involving tenants and other customers in setting rents and service charges; and monitoring and reviewing how landlords give value for money.

5.4 By October of each year, we must publish an Annual Performance Report, which focuses on the previous financial year. It sets out to our tenants, and other service users who use our services, our performance in achieving or progressing towards the Charter outcomes and standards. When reporting performance we are required to include:

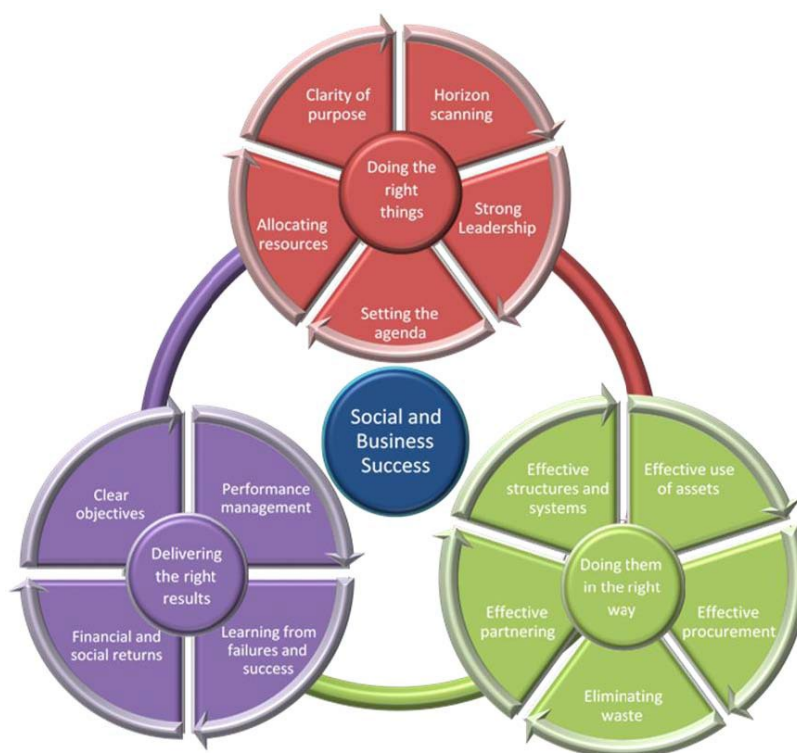
- an assessment of our performance in delivering each of the Charter outcomes and standards;
- relevant comparisons – these should, through time, include comparisons with previous years, with other landlords and with national performance; and
- how and when we intend to address areas for improvement.

5.5 We believe that our strategy and our approach to achieving, improving and demonstrating VfM in the delivery of our objectives, meets regulatory and Charter requirements.

6. Our Approach to Achieving Success

6.1 Across all levels of the organisation from the Board looking at the whole business, to individual teams managing their day to day workload, we continually ask ourselves – are we:

- Doing the right things - clarity of purpose and objectives agreed in the light of stakeholder expectations?
- Doing them in the right way - making best use of the assets and resources available to deliver expected service quality?
- Delivering the right results - achieving the required financial and social outcomes and impacts?



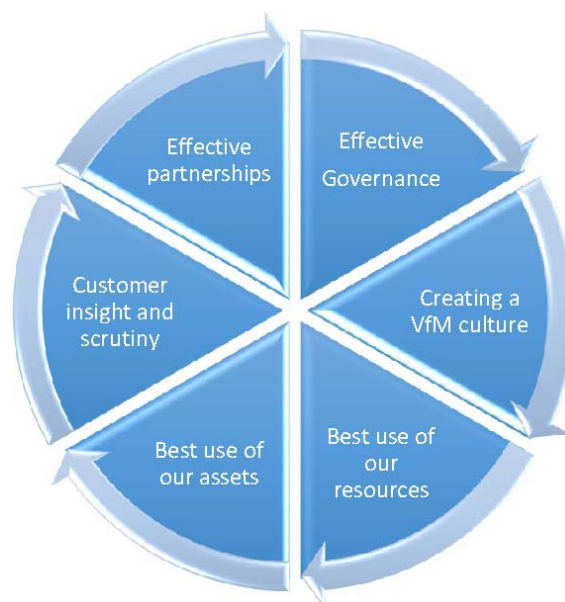
- 6.2 Everyone involved with PHA is clearly aware of their responsibilities and the role that they should play in relation to helping delivering social and business success. Engaging with Board members, staff and partners we will ensure that VfM is embedded into our culture and is an integral part of how we operate.
- 6.3 Our Board's role in VfM is:
- Leadership, ownership, accountability and regulatory compliance.
 - Setting our strategic direction, our corporate objectives and our priorities as a social business.
 - Reflecting upon our operating environment, the challenges we face, the opportunities available and the expectations of our stakeholders.
 - Establishing our values and culture and in promoting them to staff and customers.
 - Setting challenging targets for improving VfM and holding staff to account for its performance against them.
- 6.4 Although the Board is ultimately responsible for our VfM strategy, performance and regulatory compliance, everybody in PHA has an important role to play in making VfM an integral part of everything we do.
- 6.5 Our Leadership Team is responsible for:
- Implementing this VfM strategy and proposing amendments to it.
 - Establishing and proposing efficiency targets and priorities for improving VfM across the business.
 - Monitoring progress on the achievement of VfM targets and initiatives.
 - Embedding a VfM culture in our staff, processes and communications.
- 6.6 Our Management Team is responsible for:
- Involving their staff and stakeholders in VfM service reviews and the identification of potential improvements in efficiency.
 - Taking account of VfM considerations in all decisions and activities.
 - Executing the parts of the strategy delegated to them.
 - Promoting awareness of VfM considerations within their teams.
- 6.7 All our staff are responsible for:
- Assisting with the achievement of our VfM objectives and targets.
 - Proactively looking for ways to improve efficiency within their area.
 - Making improvement suggestions for other parts of the business.
 - Taking part in service reviews and other VfM activities as required.

7. Strategic Aims and Objectives

- 7.1 Our aim is to maximise the social and financial returns achieved from our assets and resources. This does not necessarily mean increasing our 'profitability' or improving our financial results. Protecting our financial viability is of prime importance, but VfM includes releasing resources to allow the organisation to do more.
- 7.2 Although VfM is clearly about much more than costs, the amount we spend on service delivery is an important element of not just VfM, but also of our financial viability and our capacity to support investment into new and existing homes.

- 7.3 Our financial aims are to:
- Deliver top quality services from an affordable and competitive cost base.
 - Look for opportunities to improve our cost base through innovations in service delivery and proactive asset management.
 - Secure the investment resources necessary to deliver the continued improvement and upkeep of our existing homes and neighbourhoods.
 - Fund investment into the development of new homes to maximise the use of our funding facility.

7.4 In pursuit of delivering this social and business success we have identified six key VfM objectives. These are set out below and described in more detail on the following pages.



Objective 1 - Effective Governance

What?	Promote the Board’s role in determining our values, strategic direction and priorities for achieving VfM. Promote ownership and challenge by the Board and management of the VfM agenda and the setting of ambitious targets for improvement.
Why?	The Board is ultimately responsible for ensuring we deliver VfM and their ownership, leadership and drive to improve is critical.
How?	We will achieve this through: <ul style="list-style-type: none"> 1.1 Board approval and review of this VfM Strategy 1.2 Providing a self-assessment of VfM published in a Value for Money Statement 1.3 Establishing clear targets for improved VfM 1.4 Monitoring progress being achieved against agreed targets with officers being accountable 1.5 Ensuring key actions and decisions by the Board take account of VfM, opportunity costs and alternatives

Objective 2 – Creating a Value for Money Culture

What?	To embed VfM into the culture of PHA and make VfM an integral part of what we do.
Why?	We need a co-operative, motivated, skilled and knowledgeable workforce to achieve our VfM aims and objectives. Our skilled and experienced front-line staff can often be well placed to come up with ideas on how we can improve.
How?	We will achieve this through: <ul style="list-style-type: none"> 2.1 Promoting awareness amongst staff and partners of their role in delivering and improving VfM. 2.2 Considering VfM in monitoring, reporting and decision making. 2.3 All teams being involved in submitting ideas for VfM self-assessment and statement. 2.4 VfM being part of our routine 1-1 staff discussions. 2.5 Encouraging staff suggestions through team meetings and other means. 2.6 Benchmarking performance and VfM against others (e.g. through Scotland's Housing Network).

Objective 3 - Best Use of Our Resources

What?	To be the most successful business we can be, using our resources as effectively as possible, providing high quality services and achieving our objectives at the right price.
Why?	Because it is the right thing to do, it is common sense and it is our duty to our stakeholders. We have limited resources and so they must be used wisely and directed towards priority activities if we are to achieve the greatest impact.
How?	We will achieve this through: <ul style="list-style-type: none"> 3.1 Focussing resources on priority areas with savings generated through VfM reinvested to deliver improved outcomes. 3.2 Spending proposals, including existing activities, will be reviewed to demonstrate VfM. This will include a robust business case demonstrating VfM is being achieved and that any practical alternatives have been considered. 3.3 Ensuring our costs and service standards compare favourably with other organisations, reviewing cost effectiveness and targeting improvements where they do not. 3.4 Effective measurement and reporting of VfM. 3.5 Procuring goods and services at the optimum mix of price, quantity and quality, using modern procurement methods and innovative contract packaging where appropriate. 3.6 Robust and comprehensive financial monitoring and reporting with budget holders having clear visibility and accountability.

Objective 4 - Best Use of Our Assets

What?	Have a clear understanding of the financial and social returns from our assets and use this information to make informed decisions on their management, improvement, redevelopment or disposal.
Why?	Substantial resources are tied up in our assets and every year significant sums are invested into their upkeep. By understanding how our assets is performing, we can target problems, identify strengths and improve our overall results.
How?	<p>We will achieve this through:</p> <p>4.1 Analysing our assets, the condition of that stock and its performance socially, economically and environmentally.</p> <p>4.2 Understanding the neighbourhoods and local housing markets where we operate.</p> <p>4.3 Understanding the changing needs and expectations of current and potential future customers.</p> <p>4.4 Using this information to inform our key decisions on asset management including:</p> <ul style="list-style-type: none"> • the level and nature of property and environmental investment. • neighbourhood management. • stock retention, remodelling, alternative use, disposal, rationalisation or acquisition.

Objective 5 - Customer Insight and Scrutiny

What?	Ensure our services are aligned around customers and that they can input to setting and scrutinising service priorities and standards.
Why?	Successful customer engagement is key to delivering VfM. It is difficult to demonstrate VfM if customers do not want it or it fails to meet their needs effectively. Our customers will be given opportunities to input to our priorities, shape our service standards and set targets. They will have the opportunity to play a role in performance monitoring and service reviews.
How?	<p>We will achieve this through:</p> <p>5.1 Setting spending priorities and allocating resources in line with tenant and corporate priorities.</p> <p>5.2 Our Customer Engagement Strategy, which provides PHA's customers with the opportunity to shape and influence the services we provide.</p> <p>5.3 Our Customer Advisory Panel work, which will include consideration of and recommendations on VfM from a customer viewpoint.</p>

Objective 6 – Effective Partnerships

What?	Establish effective relationships with strategic partner organisations and other local service providers to deliver the best possible outcomes for our customers.
Why?	There are limits to the support and services that we as a landlord can provide alone. We need effective partnerships, joint working and coordination with other like-minded organisations in our area who are best placed to deliver what our customers need. In this way can we optimise the impact of both their work and ours.
How?	We will achieve this through: 6.1 Liaising with the statutory authorities to: <ul style="list-style-type: none">• agree service standards; and• establish monitoring, reporting and follow up mechanisms for services or work requested. 6.2 Liaising and working jointly with like-minded bodies for the benefit of our customers. 6.3 Assisting customers to access appropriate services and advice provided by other organisations. 6.4 Maximising the benefits, economies and efficiencies of our subsidiary company Partick Works Limited (PWL) for the good of the Group.

8. Monitoring and Review

- 8.1 We will review our Value for Money Strategy every three years, but we may review or amend it sooner to reflect changes to legislation, regulation or consideration of best practice.