



Craigdale
HOUSING ASSOCIATION

VALUE FOR MONEY POLICY

Date of Review: 10.03.22

Date of Approval: 28.03.22

Date of Next Review: March 2025

Craigdale Housing Association can provide this document on request, in different languages and formats, including Braille and audio formats.

1. Introduction

Value for Money (VFM) is a specific standard within the Scottish Housing Regulator's (SHR) Regulatory Framework; Standard 3: "The RSL (Registered Social Landlord) manages its resources to ensure its financial well-being and economic effectiveness."

This means we (Craigdale Housing Association) should manage our all our resources economically, efficiently and effectively to provide quality services and homes, whilst planning for, and delivering on-going improvements in VFM.

In particular, this means that we must:

- Have a robust approach to making decisions on the use of our resources to deliver our agreed objectives
- Understand the current and future return on our assets, physical and human
- Ensure we have a performance management and scrutiny function that delivers improved VFM
- Understand the costs and outcomes of delivering our services

2. Definition: Value for Money

Value for Money (VFM) has a number of meanings which can vary between housing associations and other organisations. Ultimately our aim is to ensure VFM in all that we do and putting tenants at the heart of everything we do.

For Craigdale Housing Association delivering VFM means that we will deliver on the following four key objectives:

What we will do to achieve VFM
1. Deliver maximum value to our tenants and customers while minimising our costs
2. Provide an effective and high-quality service which meets the needs and expectations of our tenants and customers as efficiently and cost effectively as possible
3. Make the best use of available resources
4. Understand the relationship between our costs and our services

3. Achieving: Value for Money

We will ensure that we achieve VFM by managing our resources; providing quality homes; delivering excellent services through a performance culture of improvement and sustainability. We believe VFM is more than a financial return and costs should always be aligned with our commitment to excellence, our values and vision.

We will achieve VFM through the following activities:

What we will do to achieve VFM
Delivery of our strategic and operational plans
Gain knowledge of our tenants and customers, their requirements and expectations
Attain a high level of tenant satisfaction in all service areas
Consult with our tenants on rents and other services
Provide clear information on our costs and know what drives them
Ensure financial viability and sustainability
Compare our results both financial and performance against our peers
Monitor our income and expenditure through effective budgeting processes
Procure goods and services effectively ensuring that we investigate community benefits
Maximise our income by accessing other sources of funding where possible
Deliver our active asset management programmes
Share services with other associations where appropriate
Take affordability and comparability into account in rent setting
Ensure effective treasury management policies and processes are in place
Effective use of IT to streamline processes
Understand what VFM means to our tenants, customers and other service users
Review best practice in VFM and how we can incorporate into Craigdale
Include VFM in our Board and Staff training plans

In summary we will achieve VFM by:

- Economy: Careful use of resources to save expense, time and effort
- Efficiency: Delivering the same level of service for less cost, time and effort
Outputs may be expressed in terms of:
 - Quantity – e.g. reducing the number of accounts in arrears, void/rent loss performance
 - Quality – e.g. quality of housing service provided as measured by satisfaction results
- Effectiveness: Delivering an improved service or getting a better return for the same amount of expense, time or effort

4. Measuring & Reporting: Value for Money

We will use the following tools to measure and report VFM to the Board and to our tenants and other stakeholders.

What we will use to measure VFM	
ARC data	Compare our ARC (Annual Return on the Charter) results with others
Benchmarking	Use of benchmarking data
Cost monitoring	Budget and accounting measures
Key Performance Indicators	Monitoring against targets and against peers, focussing on drivers, barriers, forecasting & improvement
Satisfaction levels	Across the range of services provided
Affordability	Use of SFHA (Scottish Federation of Housing Associations) model to measure rent proposals
Management Accounts	Quarterly reviews and outturns
Annual Accounts	Annual review and ratio analysis

We will use the following methods to Communicate VFM	
Annual Report	Issue annually to tenants & other stakeholders
Newsletters	Issued quarterly to tenants & other stakeholders
Website	Regularly reviewed with updates
Social Media Pages	Regular VFM posts

5. Responsibility

The responsibility for VFM lies with the Board and all employees and is therefore not limited to those with resource or budget responsibilities.

The Board is expected to develop and deliver a policy to achieve continuous improvement in performance on running costs and use of assets and at the same time be transparent and open to scrutiny. The Board and Chief Executive Officer have responsibility to put in place arrangements that will ensure VFM is being achieved.

All employees have a responsibility to maintain awareness of good practices in their own area of service delivery and to ensure that these are followed appropriately. The Senior Management Team should satisfy themselves that VFM is being secured in the services and functions they manage.

All members of staff should endeavour to achieve VFM in all their activities and to bring to their line manager's attention any opportunities for improvement.

6. Equal Opportunities

Craigdale HA will act in a manner that encourages equal opportunities and complies with all relevant equal opportunities requirements. The Association's Equalities Policy provides further information on these and the Association's approach to equalities issues.

7. Complaints

Reference should be made to the association's Complaints Policy.

8. Review

This policy will be reviewed 3 years from the date of implementation, which will be the date the policy is approved by the Board of Management, or earlier, if there is a change in legislation or as deemed appropriate.