



MARYHILL HOUSING

Value for Money Strategy

2021-2024

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1. Introduction

This Value for Money (VFM) Strategy links to our Corporate Plan and sets out the key actions required over the next three years to deliver on our VFM aims of:

- **implementing CPI only rent increases for each of the three rent years April 2022, April 2023 and April 2024, supported by a viable business plan position which assumes CPI only rent increases for the remainder of our 30 year financial plans**
- **ensuring that a VFM approach is embedded across all staff teams by the end of the three year strategy period**

Our VFM Strategy is integral to delivering on our vision, mission, values and long term strategic objectives.

Our vision is: Great homes in strong and thriving communities

Our mission is: Providing great housing and services for our customers; supporting strong, inclusive communities in North West Glasgow.

Our values are to:

- Think customer first
- Deliver on our promises
- Celebrate diversity
- Keep improving

Our long term strategic objectives are to:

- Improve customer experience and increase customer satisfaction
- Address poverty and enable customers to make their lives better
- Provide better homes and developing neighbourhoods to feel proud of

Our activities are funded through the rents paid by our tenants and the factoring fees paid by our factored customers. There is a direct link between the VFM we achieve and the level of rents or factoring fees we charge.

As a registered social landlord (RSL) we have a duty under the Scottish Social Housing Charter to continuously strive for VFM, this is set out in Outcome 13: Value for Money: ***“tenants, owners and other customers receive services that provide continually improving value for the rent and other charges they pay”***

This VFM duty is also reflected in the Scottish Housing Regulator’s Regulatory Framework 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.”***

2. Purpose of this strategy

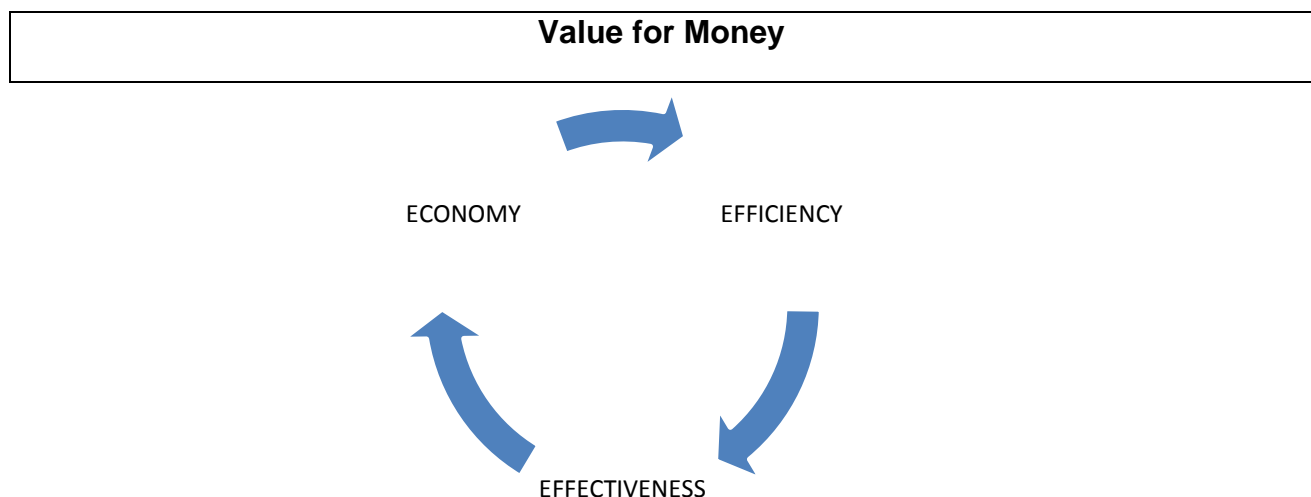
The purpose of the strategy is to:

- Provide a clear definition of what VFM is
- Provide a summary of the progress made towards achieving our VFM aims to date
- Identify key objectives for achieving our VFM aims in the 3 years of this strategy, and
- Set out an action plan for 2021/22 for the first steps in achieving these objectives

3. What is VFM?

VFM is about making **optimal** use of **resources** to **achieve intended outcomes**.

Achieving VFM is often defined as achieving the optimal balance in terms of Economy, Efficiency and Effectiveness. The diagram below illustrates this:



Economy – demonstrates whether services were delivered on budget, on time and within resource constraints. We need to be able to show that resources and services have been procured at the lowest possible costs without loss of quality

Efficiency – demonstrates that we have achieved a good return on our investment. We need to be able to show the value of the output we have obtained against what we have invested

Effectiveness – demonstrates the extent to which we have delivered against what we set out to do. We need to show that we have achieved everything we set out to do in relation to the total cost attributed to these outputs.

The Economy, Efficiency, Effectiveness model can however be interpreted as just about financial control of spending. Controlling spending is part of VFM, but VFM is much wider than just the cost of things.

Resources is much wider than just money, it also includes time, staff costs, use of assets and community benefits. The vast majority of the resources we have are funded by tenants' rents. Therefore, making optimal use of resources is about using tenants' rent money well. This links to the first of our VFM aims:

- **implementing CPI only rent increases for each of the three rent years April 2022, April 2023 and April 2024, supported by a viable business plan position which assumes CPI only rent increases for the remainder of our 30 year financial plans**

Achieving the **optimal use** of resources is also far wider than just spending the right amount of cash on something, it is also fundamentally about the way we do things and the processes we follow in doing these things. When considering if we are achieving VFM in everything we do, we should strive to develop a culture where we continually ask ourselves

“does this activity use the right amount (*optimal*) of tenants rent money (*resources*) to do the right things (*intended outcomes*)”

This links to the second of our VFM aims:

- **ensuring that a VFM approach is embedded across all staff teams by the end of the three year strategy period**

Another crucial element in achieving VFM is understanding our customers needs and aspirations and involving customers in investment decisions. This is critical if we are to ensure that customers see that we are investing in the right things.

Whether someone views an activity as achieving VFM is very much about people's perceptions and therefore is intrinsically linked to customer satisfaction. Listening and responding to customer feedback in all forms of consultation is therefore also part of a VFM approach.

4. VFM Progress To Date

The first VFM strategy covered the period 2017-2020. In 2017 the 30 year financial business plan was still based on projected rent increases of RPI+. Over the period of the first VFM strategy the business plan has moved progressively towards achieving CPI only rent increases.

In order to move towards these lower projected rent increases, a VFM savings targets was identified of £750K savings being achieved over a 7 year period:

- £250k by 2018/19,
- £250k by 2019/20, and
- final £250k by 2024/25

By the end of 2019/20 a total of £850k of VFM savings had been achieved, and the 2020 Corporate Plan set a target of a further £500k of VFM savings by 2024/25:

- £250k by 2021/22, and
- £250k by 2024/25

In the 2021/22 Budget savings of £373k were identified.

Therefore, since the implementation of the first VFM strategy in 2017 the Association has achieved a total of £1.223m of VFM savings.

Achieving the VFM savings has been assisted by the development and implementation of:

- Improved budgeting and budgetary control
- Improved business planning
- Improved asset management and life cycle costing data
- Improved procurement and contract management processes
- Restructuring of customer facing teams
- Identification of areas for savings by the VFM Working Group
- Benchmarking and best practice information via Housemark and linking in with other RSLs

5. VFM objectives

Our VFM aims are:

- **implementing CPI only rent increases for each of the three rent years April 2022, April 2023 and April 2024, supported by a viable business plan position which assumes CPI only rent increases for the remainder of our 30 year financial plans**
- **ensuring that a VFM approach is embedded across all staff teams by the end of the three year strategy period**

To deliver these aims, the following objectives have been identified for the 3 year strategy period:

- Ensure customer needs and views are central to our VFM approach
- Review and improve operational efficiency and internal processes to achieve VFM and obtain efficiencies
- Optimise the use of our assets to achieve VFM for our customers and the Association
- Ensure that we procure goods, services and works in the most sustainable economic way possible
- Develop leadership skills and an empowered, professional staff team
- Deliver social and environmental value

The Action Plan set out at Appendix 1 details the actions which will be taken over the course of 2021/22 under each of these objectives.

The actions have purposefully for the main part been taken directly from the Team Delivery Plans of the various functions within the Association. This linking of VFM to the actions across all staff teams is an essential element in achieving the aim of embedding the VFM approach.

The Association will also continue with quarterly meetings of the VFM Working Group, which will be lead by the Head of Finance and have representatives from across the staff teams and Board. The purpose of the VFM Working Group will be to identify any new areas of VFM focus that can then be taken forward by relevant staff teams in future Team Delivery Plans. The VFM Working Group will also monitor the effectiveness of the VFM efforts being made by assessing financial savings achieved annually.

For the coming three year strategy period, a new VFM savings target will be applied:

- £100,000 to be saved each year for the next three years, with these savings feeding into the annual budgets for 2022/23, 2023/24 & 2024/25.

6. Strategy Review

This strategy will be reviewed annually to ensure it remains relevant to the business and contributes to the overall strategic objectives.

Item	Objectives	Lead	Timescale	Monitored Through
1 Ensure customer needs and views are central to our VFM approach				
1a	Use feedback from satisfaction surveys, RTO meetings and consultations to help priorities funding and partnership opportunities to address any common themes/interest which arise from our customers	Community Regeneration Manager	From April 2021	Team Delivery Plan
1b	Renew our satisfaction figures through a full customer survey to assess the impact that recent improvements have had on our customers' views of the organisation.	Performance & Governance Manager	August 2021	Team Delivery Plan
1c	Make use of customer insight information from local and national sources to gain a better knowledge of the needs, aspirations and challenges of our current and potential customers.	Performance & Governance Manager	March 2022	Team Delivery Plan
1d	Working with TCG/Glasgow City Council (GCC) to carry out the virtual consultation for the masterplan for North Maryhill TRA	Head of Development	May 2021	Team Delivery Plan
1e	In-House survey on finance and utilise feedback for improvements	Head of Finance	April 2021	Team Delivery Plan
1f	ASB satisfaction survey to be carried out with 100% of complainants who are residents. Feedback monitored monthly at team meetings and used to shape the development of our management of anti-social behaviour.	Head of Housing/all of housing team	Monthly from April 2021	Team Delivery Plan
1g	Carry out customer satisfaction survey with the landscaping service and act on feedback received	Head of Housing/ Neighbourhood Team Leaders	September 2021	Team Delivery Plan
1h	Agree appropriate heating solution for Glenavon properties, based on data and feedback from pilot properties	Investment Manager	August 2021	Team Delivery Plan

1i	Investigate the best way forward in terms of using benchmarking information to develop our VFM approach	Director of Resources	April 2021	Team Delivery Plan
1j	Develop a suite of VFM benchmarks	Director of Resources	Sept 2021	Team Delivery Plan
1k	Deliver training on VFM across all staff teams to ensure it is built into annual team delivery planning process.	Director of Resources	Oct 2021	Team Delivery Plan
2 Review and improve operational efficiency and internal processes to achieve VFM and obtain efficiencies				
2a	Purchase Ledger Scanning and Invoice workflow	Head of Finance	October 2021	Team Delivery Plan
2b	SDM Management Accounts work completed for 22-23	Head of Finance	January 2022	Team Delivery Plan
2c	HR and Payroll Interface	Head of Finance/ HR Manager	July – August 2021	Team Delivery Plan
2d	Review Anti-Social Behaviour procedure in the light of feedback received from surveys – demonstrating that customer feedback has led to changes in the way anti-social behaviour is managed.	Head of Housing/ Housing Manager	June 2021	Team Delivery Plan
2e	Deliver new broadband connectivity – potential for VFM monetary savings or better speeds to improve productivity/remote working experience for staff	BT & ICT Manager	May 2021	Team Delivery Plan
2f	Explore Boardpacks renewal/replacement	BT & ICT Manager & P&G Manager	May 2021	Team Delivery Plan
2g	Explore replacement of Zeus (TA) with HR	BT & ICT Manager & HR Manager	September 2021	Team Delivery Plan

2h	Developing process and procedure schedule for Property team and prioritising keys areas for review / implementation.	Head of Property/ Managers	Q4 20/21	Team Delivery Plan
2i	Updating the void process to include void clean and clearances	Director of Operations/ Property Manager	Q4 Jan 20/21	Team Delivery Plan
2j	Deliver reduction in bad debt write off through improved factoring arrears performance	Factoring Manager	March 2022	Team Delivery Plan
2k	Ensure Factored owners are correctly consulted with so that owner's share can be recovered	Factoring Manager/ Asset Manager/ Investment Manager	Ongoing	Team Delivery Plan
2l	Review of contract management framework	Director of Resources	June 2021	Team Delivery Plan
2m	Revise Risk Register to incorporate the 3 lines of defence controls, new format to June Audit & Risk Committee	Director of Resources	June 2021	Team Delivery Plan
3 Optimise the use of our assets to achieve VFM for our customers and the Association				
3a	Develop and implement Acquisition and Stock Rationalisation Policy	Director of Resources/ Head of Finance	September 2021	Team Delivery Plan
3b	Promote My Home and sign up all customers with email addresses at sign up and two yearly – target of 500 additional customers signed up by year end.	Head of Housing/All housing officers	Monthly when visits resume	Team Delivery Plan
3c	My Home improvements (live chat, more offerings on reporting issues and repairs)	BT & ICT Manager	Ongoing through 2021-22	Team Delivery Plan
3d	Restructure of F drive into separate drives by department	BT & ICT Manager & P&G Manager	October 2021	Team Delivery Plan

3e	Expanding use of photos and videos for customers to reduce the need for PO home visits	Customer Services Manager/ Property Manager/ Property Officers	June 2021	Team Delivery Plan
3f	Promotion of MyHome facility and supporting customers to sign up to this. Target of 1000 users	Head of Property/ Managers	Ongoing	Team Delivery Plan
3g	Developing the methodology to be used for stock condition surveys; delivering training on these; planning and implementing a condition survey of 10% of MH stock	Director of Operations/ Head of Property/ Asset Manager	March 2021	Team Delivery Plan
3h	Implement a stock condition survey of the main office	Property Manager/ Property Officers	Q1 21/22	Team Delivery Plan
3i	Agree a standard specification for the Association's back court and develop a plan to visit, assess and agree priority improvements	Director of Operations/ Asset Manager	Q1 21/22	Team Delivery Plan
3j	Review Internet of Things technology and use for future inclusion in MH stock	Head of Property/ Property Manager/ BT & ICT Manager	Q2 21/22	Team Delivery Plan
3k	Develop and deliver programme of water-testing within storage tanks. Ensure the effective ongoing management of water hygiene testing in line with legislative requirements.	Head of Property/ Asset Manager/ Property Manager	Q4 202/21	Team Delivery Plan
3l	Deliver fire risk assessment actions in line with the action identified for multi story properties and set out a plan for delivery of any necessary remedial actions from low rise FRAs (when developed)	Head of Property/ Property Manager	Q4 20/21	Team Delivery Plan
3m	Establish rent working group in order to plan and then deliver the import of rent structure into SDM	Director of Resources	June – October 2021	Team Delivery Plan

3n	Mid Market Rent delivery via subsidiary – set up accounting model and if required inter company loan	Director of Resources/ Head of Finance	September 2021	Team Delivery Plan
3o	Monitor achievement of VFM savings as part of annual budget setting process	Head of Finance	February 2022	VFM Working Group
3p	Identify areas for further VFM improvement	Head of Finance	Ongoing on a quarterly basis	VFM Working Group
4 Ensure that we procure goods, services and works in the most sustainable economic way possible				
4a	Complete the bulk uplift pilot and provide meaningful feedback to enable a decision to be made on the future of the service	Neighbourhood Team Leaders/ Estates Team	April 2021	Team Delivery Plan
4b	Implement pilot of in house void clearance and cleaning service in the multi storey stock	Neighbourhood Team Leaders/ Estates Team	September 2021	Team Delivery Plan
4c	Deliver 2% savings on voids and reactive repairs budgets to 22/23	Head of Property	Ongoing	Team Delivery Plan
4d	Deliver savings in cyclical maintenance costs through reprocurement of contracts	Head of Property	Ongoing	Team Delivery Plan
4e	Organise external procurement training for key staff (JS/CB/RW) in regards to OJEU procurement	Director of Resources	April 2021	Team Delivery Plan
4f	Deliver internal training in procurement toolkit, practical steps of undertaking OJEU procurement, community benefit monitoring and contract management	Director of Resources	June 2021	Team Delivery Plan
4g	Produce further detailed procurement process guidance and templates, such as use of PCS for contract notice, contract award, framework call off, tender evaluation, issuing of standstill notice etc.	Director of Resources	April 2021	Team Delivery Plan

4h	Review of Procurement & Community Benefits Policy and update of Procurement Toolkit, to include consideration of use of frameworks as VFM and consideration of widening of community benefits to include sustainability options	Director of Resources	May 2021	Team Delivery Plan
4i	Financial due diligence for procurement to be built into guidance, include consider finance undertaking credit checks for contractors	Director of Resources	May 2021	Team Delivery Plan
4j	Implement Procurement Plan and Community Benefit monitoring and report quarterly to SMT from July 2021	Director of Resources	By April 2021	Team Delivery Plan
4k	Explore Scotland Excel procurement review	Director of Resources	December 2021	Team Delivery Plan
5 Develop leadership skills and an empowered, professional staff team				
5a	Develop training/development plan and “how to” guide for CCT to provide accurate advice on rent accounts and arrears up to the value of £500.	Housing Manager/All Housing Officers	October 2021	Team Delivery Plan
5b	Implement revised Housing Officer Duty Cover to ensure that customers receive a meaningful service at the first point of contact – by telephone or in person	Head of Housing/Housing Managers	April 2021	Team Delivery Plan
5c	Implement full Performance Management Framework – detailing how performance will be managed in each area of the housing service – including audits, weekly performance management meetings, one to ones and monthly team performance meetings	Head of Housing/Housing Managers	April 2021	Team Delivery Plan
5d	Review allocations and processes and make recommendations for revised procedure – using learning from lockdown and explore opportunities to digitalise parts of the process for the customer	Housing Manager/All Housing Officers	January 2022	Team Delivery Plan
5e	Development and delivery of “90 minute Management Workout” workshops	HR Manager/HR Officer	July 2021	Team Delivery Plan

5f	Implement revised induction process	HR Manager/ HR Officer	April 2021	Team Delivery Plan
5g	Provide training in repairs, including refresher training, new repairs timeframes and SORs by April 2021 (timescales to be confirmed)	Head of Housing/ Neighbourhood Team Leaders	April 2021	Team Delivery Plan
5h	Develop Training matrix to Identify any gaps in training in the Estate Team and ensure that all team member fully trained in all aspects of the role	Neighbourhood Team Leaders	September 2021	Team Delivery Plan
5i	Develop team training plan to incorporate key areas of legislation and compliance	Head of Property	April 2021	Team Delivery Plan
5j	Develop programme for CCT advisors to shadow property/housing officers. CCT to agree mechanism e.g. rota based system and a brief to identify learning to be gained from shadowing. Agree with Housing Management guidelines and structure to work shadowing	CCT Advisors/ Housing Officer/ Property Officer	March 2022	Team Delivery Plan
5k	Full Property team to meet quarterly to ensure effective inclusion in team priorities. Develop a monthly bulletin / blog to keep the full team up to date with key Property information in between full team meetings.	Head of Property/ Managers	Q4 20/21	Team Delivery Plan
6 Deliver social and environmental value				
6a	Establish a Sustainability Working Group	Director of Resources	June 2021	Team Delivery Plan
6b	Develop a Sustainability Strategy & Action Plan	Director of Resources	November 2021	Team Delivery Plan
6c	Complete installation programme of air source heat pumps across mini multis	Heating Project Manager Manager	March 2022	Team Delivery Plan
6d	Identification of a technical solution for replacement of electrical storage heaters in low rise properties and procurement for installation	Investment Manager	Dates as per investment plan	Team Delivery Plan

6e	Set out plan for working towards delivery of EESSH 2	Asset Manager	Q1 21/22	Team Delivery Plan
6f	Explore social value and link in with SFHA work stream – potential link into sustainability strategy and community benefits	Director of Resources	April 2021	Team Delivery Plan