



Value for Money Review 2019

1. Introduction

- 1.1 Value for Money (VfM) remains central to delivering our mission, values and Business Strategy. As a housing association with ambitions to provide high quality homes and services with limited resources we are extremely conscious of the need to manage our activities in the most effective manner and optimise productivity from our finances, staff and contractors.
- 1.2 Driving value has been key to delivering our strategic objectives in the light of the 4-year period of rent reduction. Although this is the last year of reduction, the impact has been to remove over £820,000 from our income and thus operating surplus. However, in delivering the objectives set in our 2015 Business Plan we have absorbed the rent reduction while increasing investment in our housing stock, organisational infrastructure, community investment and new homes.
- 1.3 We recognise that we serve a community with an unexpectedly high level of deprivation, linked to a combination of low incomes, low educational attainment and poor health. We have remained committed to providing services that make a positive contribution to local lives within the challenging constraints of an Island economy.
- 1.4 We have also recognised the strategic importance that VHA can play in providing housing at rents affordable for local households, largely at social rent levels. We have therefore invested in growth, despite the impact of rent reduction.

2. Our Approach to Value for Money

- 2.1 The Regulatory Framework for housing associations, through its Value for Money standard, requires registered landlords to; manage resources **economically, efficiently and effectively** in our provision of housing and services, for Boards to maintain a robust assessment of VfM performance and to articulate how they will deliver VfM.
- 2.2 We are clear that VfM is not just about saving money. While we consistently aim to get the most out of what we spend, we also look for qualitative improvements, for example increasing/improving services with no increase in cost. Our approach to delivering VfM is set out in our Value For Money Policy attached in Appendix 1.
- 2.3 Achieving value for money is therefore about getting the right balance between the cost of delivering our services (economy) together with how efficient and effective we are as an organisation. We are clear that as an association committed to delivering a wider community service and investing in new homes, that our efficiency approach must also be geared towards achieving our medium- and longer-term vision of investment and growth.

2.4 We review our success in delivering our value for money programme through the following methods:

- 2.4.1 Regular review of budgets and commissioning
- 2.4.2 SHAPE Benchmarking Club – a collection of 13 small housing associations across the SE England who share performance data, good practice and expertise for mutual benefit and support. Membership of Acuity enables us to further benchmark our activities against over 140 smaller associations nationally to provide an even more representative framework for comparison and analysis.
- 2.4.3 Vfm log – We have an organisation-wide Value for Money log, to routinely capture and report vfm initiatives and savings
- 2.4.4 Project Analysis – we will routinely review any new expenditure/investment decision to evaluate the impact and return on investment.
- 2.4.5 Regular VfM delivery reviews at Management Team and Operations meetings.
- 2.4.6 Key performance indicators provided to the Regulator for Social Housing.

3. Our VfM Indicators

3.1 We produce a wide range of performance indicators, which enable us to compare ourselves with others in the sector.

3.2 Set out below are four tables, which set out the evolving focus on different aspects of performance. Table 1 below sets out a new set of indicators required by the Regulator for Social Housing, which came into effect from 2018. The Sector Scorecard (table 2) was introduced in 2017/8 in an effort to provide a more consistent, quantifiable and auditable set of indicators. The indicators in tables 3 and 4 were in existence previously and offer a wider perspective on operating performance and satisfaction.

3.3 Regulator For Social Housing Indicators

Regulator for Social Housing Indicator	VHA 2018	VHA 2019	SPBM Median 2018
RSH101 Operating margin (overall)	13.90	11.49	21.98
RSH102 Operating margin (social housing lettings)	21.55	13.56	22.94
RSH103 EBITDA MRI (as % interest)	326.82	178.38	245.5
RSH203 Gearing (RSH and Scorecard measure)	19.95	18.21	15.7
RSH204 New supply delivered (social housing units) [as % of existing stock]	3	0.97	0

RSH205 New supply delivered (Non-social housing units)	0	0	0
RSH304 Reinvestment %	5.16	3.87	2.42
RSH401 Return on Capital Employed (ROCE) %	2.14	2.65	2.8
RSH 501 Headline housing cost per unit	£4216.59	5076.83	4419

Table 1

3.4 Performance against RSH indicators shows an indicates that we generally fall in 2nd or 3rd quartiles when compared to SPBM peers. While this may not appear to be a position we would wish to occupy, the reasons have been outlined and discussed with the Board on a number of occasions. Our investment in communities and new homes is significantly different from many associations of similar size. Equally, the existence of a significant number of leased and temporary units also presents challenges not experienced by other similar associations.

3.5 Operating margin and headline costs are out of line with the best performing SPBM benchmarking peers as a result of three key strategic factors:

- Our investment in the process of developing new homes – this relates to the staff and building costs of new developments, which have not yet come into management. This amounted to approximately £100,000.
- Our investment in supporting and developing communities – this is central to our values and business model. This amounted to a £28,000 investment.
- Higher than average void, repair and arrears costs resulting from a strategic partnership with the IoW Council to provide temporary accommodation for homeless people. While not absolutely quantifiable, this is illustrated by our significantly higher level of void numbers than our peers, 41 as against 25.

3.6 This reflects our continued strategic commitment to invest in growth and will show continued improvements in future years as new homes come into management and the income streams are realised.

		Vectis	Rank	Quartile	Peergroup lower Q	Peergroup median	Peergroup upper Q	HA SPBM quartile	SPBM lower Q	SPBM median	SPBM upper Q
SS 201A	Units completed during April March; Social Housing	4	3	1	0	0	4	2	0	0	5.5
SS 201B	Units completed during April March; Non-Social Housing	0	1	1	0	0	0	1	0	0	0
SS 202	Units developed (as % of units owned)	1.17	1	1	1.17	1.17	1.17	1	0.04	0.38	0.93
SS 302	Â£s invested in new housing supply (for every Â£ genera	0.99	1	1	0.99	0.99	0.99	2	0.5	0.99	13.65
SS 303	Investment in communities	25849	2	1	0	7844	22967.25	1	0	0.02	15381
SS 402	Occupancy - GN	99.01	6	4	99.61	99.82	100	4	99.32	99.7	100
SS 403	Ratio of responsive repairs to planned maintenance	0.37	5	2	0.89	0.42	0.24	1	1.19	0.68	0.38
SS 502	Management cost per unit	738.15	6	3	953.23	693.36	491.06	1	1426.13	1122.22	826
SS 503	Maintenance cost per unit	765.82	5	2	931	768.62	557.1	3	994	764.81	552.38
SS 504	Major repairs cost per unit	718.84	4	2	1038	789.06	410.57	3	1037.51	668	387.85
SS 505	Service charge cost per unit	229.92	3	1	807.18	565	229.92	1	927.55	497.5	230.23
SS 506	Other social housing costs cost per unit	1054.39	7	4	802.88	244.92	31.92	4	1027	175	0

Table 2: Sector Scorecard Indicators

3.7 **Other Measures** – Overall, our benchmarked performance in measures other than those for the RSH is very positive. The output from the Sector Scorecard analysis places us in the top two quartiles for most areas of service delivery. The exceptions are Occupancy, which reflects the higher turnover in HLA stock and Other Social Housing Costs, which reflect the communities investment and new homes.

3.8 Of equal or perhaps greater importance, our levels of tenant satisfaction are exceptional and consistently high (table 3). These levels are based on a 2017 survey that updated our 2015 STAR survey.

3.9 The exception to these updated figures is that of VfM for rent and service charges, neither of which were resurveyed at that time.

SPBM Report for 2018/19 Generated on 16/07/2019 by Martyn Pearl												
		HA Name	Vectis	Rank	Quartile	Peergroup lower Q	Peergroup median	Peergroup upper Q	HA SPBM quartile	SPBM lower Q	SPBM median	SPBM upper Q
STA 001 GN	Satisfaction	Satisfaction - overall services - GN	99	1	1	94.1	97.2	98.37	1	86	92	96.5
STA 002 GN		Satisfaction - quality of home - GN	98	1	1	91	94.65	97.2	1	82	90	94.55
STA 003 GN		Satisfaction - neighbourhood - GN	96	2	1	93.33	93.85	95.4	1	83.82	90	93.7
STA 004 GN		Satisfaction - VFM rent - GN	91	7	4	91.05	94	96.12	2	82	89.65	94
STA 005 GN		Satisfaction - VFM service charges - GN	70	6	4	72	84.75	91.9	3	67	77	87.5
STA 006 GN		Satisfaction - repairs and maintenance - GN	94	3	2	86.45	89.21	94.5	1	78	86	94
STA 007 GN		Satisfaction - listens to views and acts - GN	82	5	3	75.35	85	89.26	2	68	78	86
NPS GN		NPS GN	57	1	1	56	56	56.5	2	44.5	56.5	67.5

Quartile Rank	
1	Top
2	Second
3	Third
4	Bottom

Table 2

4. Asset Management

4.1 In terms of core costs, we continue to provide good value in comparison to our sector peers in relation to responsive repair costs (Table 4). However, increased costs over the past year has seemingly affected VHA more than some other organisations in relation to major repairs and cyclical maintenance. This may be for a range of reasons, including limited competition for maintenance contractors on the Island, added costs for bringing materials on to the Island, other Associations reducing the range of repairs or elongating lifecycles.

4.2 However HAL activity also plays a part in this situation. We have much higher levels of voids that many of our peers, 41 as against an average of 25 for SHAPE and SPBM peers. In addition, as a result of the high rate of turnover, the costs of voids in these properties are often higher than usual.

Measure	SPBM median	SHAPE Benchmarking Group median	Vectis 2017/18	Vectis 2018/9
Reactive Maintenance expenditure per property per week	£8.52	£8.54	£5.23 (£6.30)	£7.47
Cyclical Maintenance expenditure per property per week	£4.05	£4.39	£3.98 (£4.49)	£4.89
Major repair expenditure per property per week	£10.03	£12.32	£12.97 (£15.42)	£14.83

Table 3

4.4 We have continued to realise positive cost outcomes in our property expenditure as a result of a new single contractor agreement for responsive repairs, which has improved efficiency. We have also extended that arrangement to include gas servicing, which has also proved a positive development.

4.5 In accordance with our Asset Management Strategy, which seeks to dispose of properties that are expensive to repair over the longer term we are looking to market 2/3 properties in the current financial year. The benefit of the income generated by the market sale of such properties, combined with the long-term repairs savings would allow us to replace them with new homes at a lower cost.

5. New Homes

5.1 We have delivered 4 new homes for shared ownership and rent over the past year and started 31 more. We have aimed to producing in excess of 25 units per annum and continue to explore the possibility for leasing arrangements on others.

5.2 Our main vehicle for delivering new homes is as a product of s106 agreements with developers on their sites. The process of negotiating, appraising and managing these arrangements has taken up an increasing level of resource. This has absorbed time and resource from senior staff in VHA and required additional consultant input, adding to our operating costs.

5.3 Our status of Investment Partners with Homes England also brings with it an additional level of bureaucracy and monitoring, including a scheme audit. However, this arrangement has already enabled us to procure two dwellings under the HOLD scheme, with a further one in the pipeline and over £350,000 grant for new homes.

6. Community Investment

6.1 We have continued to promote sustainable tenancies, which has significant cost-benefit outcomes for the households and for VHA. We maintain our focus on social rents as our core business, which we believe is the right tenure for the Isle of Wight.

6.2 However, affordability is only one of the key components of sustainability. We have also recognised that investment in supporting and developing communities pays dividends in the medium and long-terms through greater coherence, lower stock turnover, greater financial strength and higher social capital.

6.3 We have adopted our Community Plan, which sets out our continued commitment to this activity and have looked to support this approach through the establishment of a Communities Panel. This provides a forum for key partners and service users to develop potential ideas and schemes and make proposals to the Board.

6.4 We are currently in the last year of the Wild About Wight programme, which has directly brought £250,000 grant onto the Island and provided a range of significant spin-off benefits to VHA in

having an experienced team in the Association. In addition, we have attracted a further £40,000 through other grants to support our work with communities.

6.5 All of these outcomes, together with additional support from the Communities Team into our core management and maintenance functions comes at a cost of only £25,000 per annum, which we believe to be excellent value for money.

7. VfM Savings

7.1 Over the course of 2017/8 we have continued to look for greater efficiencies and savings. Opportunities become less obvious as we have driven operational and procurement savings of £300-400,000 over the last 4-5 years.

7.2 However, in addition to the on-going annual savings in relation to lower insurance premiums, etc. we have also achieved a further £40,000 in Repairs and Maintenance costs in relation to a mixture of staff savings and procurement benefits. These will not necessarily be enjoyed in future years.

8. Our Future Plans

8.1 We remain acutely aware of the need to continue to drive value in our activities in order to sustain a new homes programme.

8.2 We anticipate an increase in both materials and labour costs over the coming year(s), which we either need to mitigate or absorb in order to keep rents down to acceptable levels. We are examining opportunities to attract the maximum grant to deliver rent levels that are genuinely affordable to our tenants. We are also considering the possibility of modular construction methods in instances where traditional methods of construction may prove not viable.

8.3 We will keep under review the cost-benefits of additional in-house operatives to deliver our repairs and maintenance and where possible drive income generation. It is likely for the foreseeable future that the contracts in place with Mountjoy will represent the most cost-effective means of delivering maintenance services.

8.4 We will continue to promote the disposal of unsatisfactory and expensive properties, provided we can replace the numbers more cost-effectively.

8.5 We introduce technology where it offers improvements in responsiveness, efficiency with no loss of service quality. Further consideration of approaches to energy efficiency may require investment of this nature.

8.6 We will work to increase resident involvement in driving and scrutinising value for money outcomes.

9. Summary

9.1 We have an ethos of delivering value to tenants and an organisational culture of consistently reducing costs where possible. We will continue to drive savings or limit the impact of cost increases in our unit costs for maintenance while retaining quality and performance. We continue to post responsive repairs and maintenance costs in line with, or lower than our peers and have a positive balance between responsive and planned maintenance.

9.2 While we continue to examine everything we do with a view to improving efficiency, we ultimately view our costs in running the Association within the strategic context of the Business Plan. As a result, some of the benefits flowing from our investment may not be initially obvious but will bear fruit in future years.

Appendix 1 – Value for Money Policy

Vectis Housing Association Limited - Value for Money Policy

1. Introduction

- 1.1 This Policy document updates and restates our commitment to and delivery of value for money as a central tenet of our strategic and operational activities. It sets out the central role of a value-driven approach to achieving the best outcomes for Vectis and our tenants.
- 1.3 Value for Money (VfM) is central to delivering the Vectis mission statement, Business Strategy, strategic and operational objectives, and values for our residents and service users. One of our key strategic objectives is to: *work towards improving our overall service to tenants by continuing to engage with them as part of an ongoing structured implementation of value for money principles.*
- 1.4 In the main, we have viewed our VfM targets as the basis for funding the range of service, property and infrastructure investments that we believe sets us in a position to sustainably deliver the growth and quality to which we aspire. We have also adjusted our programme of Planned Maintenance to reflect the position reflected by our Stock Condition Survey. We have therefore not primarily looked to initially reduce overall spend, so much as maximise productivity. In essence, we are focused on delivering more outcome within existing budgets.
- 1.5 Satisfaction surveys indicate that our tenants overwhelmingly believe that we offer excellent value for their rent. However, we recognise that we need to improve satisfaction with value derived from service charges. We have worked hard over the last couple of years to provide better information on service charge calculation and improve eligible services.
- 1.6 We remain committed to fully delivering the Value for Money standard contained within the Regulatory Framework for housing associations requiring registered landlords to; manage resources **economically, efficiently and effectively** in our provision of housing and services, for Boards to maintain a robust assessment of VfM performance and to articulate how they will deliver VfM.

2. Vectis and Value for Money

- 2.1 As a small housing association with limited resources we are extremely conscious of the need to manage our activities in the most cost effective manner. We remain ambitious to provide residents with excellent quality services and understand that to achieve this we must ensure that we optimise the productivity from our finances, staff and contractors.
- 2.2 This continues to be a critical business requirement as the result of the Government requirement for housing associations to reduce rents by 1% per annum over the four years from 2016/7. We are now in the third year of that regime. We would much prefer to reduce costs where possible than cut staff or services.
- 2.3 In our view, achieving value for money is about getting the right balance between the costs of delivering our services (economy) together with how efficient and effective we are as an organisation.

2.4 However, it is not just about saving money. We consistently aim to get the most out of the money we have to spend. When we talk about our VfM achievements we refer not just to the cost savings that have been secured. We are also looking at the qualitative improvements, for example increasing/improving services with no increase in the cost. This may mean providing service in a different way, either by working in partnerships with other organisations or by taking some or all of a service in-house.

3. VHA Value for Money objectives:

3.1 To provide services that our customers want, at an appropriate cost, to a high standard, with high customer satisfaction. This includes:

1. A housing management service which aims to put the right people in the right places;
2. A tenancy management service which meets the varying needs of the individual households served by the Association;
3. A responsive maintenance service which aims to effect repairs promptly, effectively, and efficiently;
4. An asset management service which procures quality new homes at an affordable price and sustains them for the long term in the most effective and efficient manner;
5. A tenant engagement strategy which offers and delivers opportunities for tenants to influence the direction of the Association's work and to become involved in the scrutiny of that work;

3.2 Embedding a value for money culture and process that is inclusive and involves Board Members, Customers, the Executive, Senior Management, Staff and other relevant stakeholders/partners

3.3 Maintaining a rent policy which keeps rents below those in the private sector, whilst properly resourcing our activities

3.4 Maintaining high levels of performance in the following key areas:

- High levels of customer satisfaction;
- Low levels of formal customer complaints;
- Actual cost savings year on year;
- Challenging but achievable strategic and annual budgets, which are monitored regularly;
- Performance benchmarking against other associations of similar size, nature, and ethos, where such comparison is practicable and meaningful.

3.5 Avoiding where possible the costs of failure, by learning from our mistakes, fully engaging with customers and partners and looking to the future.

4 Our approach to Vfm Assessment

We review our success in delivering our value for money programme through the following methods:

- 4.2 Regular review of budgets and commissioning
- 4.3 SHAPE Benchmarking Club – this is a collection of 14 small housing associations across the SE England who share performance data, good practice and expertise for the purpose of mutual benefit and support. The benchmark data we receive is collected by the company Skills and Projects, which also collates additional, broader, benchmarking data, including that of larger housing associations. In addition, our membership of Acuity enables us to further benchmark our activities against over 100 smaller associations nationally to provide an even more representative framework for comparison and analysis.
- 4.4 Broader benchmarking analysis against SPBM and Housemark data.
- 4.5 Vfm log – We have an organisation-wide Value for Money log, to routinely capture and report vfm initiatives and savings
- 4.6 Project Analysis – we will routinely review any new expenditure/investment decision to evaluate the impact and return on investment.
- 4.7 Regular VfM delivery reviews at Management Team and Operations meetings.

5 Achievements over the past twelve months

- 5.2 Our VfM achievements are a mixture of cash savings and quality enhancements at nil additional cost. In total, they mark a significant progress in identifying opportunities for driving value and capturing the outcomes and benefits to prove their worth.
- 5.3 Driving efficiency savings, through improved maintenance procurement and delivery methods plus other housing and corporate activities.
- 5.4 Continued year-on-year savings in boilers, kitchens and bathroom installations.
- 5.5 Continued increase in organisation capacity through our apprentices.
- 5.6 Investment in systems and technology to improve staff effectiveness and flexibility and ensure robust and sustainable systems.
- 5.7 Delivery of Tenancy Health Checks to proactively engage with tenants and identify property or personal issues at an early stage rather than dealing with expensive failures.
- 5.8 Our performance in relation to rent collection and void periods has delivered improvements although repair expenditure has been over extended. Arrears prevention remains challenging within the climate of welfare reductions and the context of a low-wage Island economy. A

significant number of our tenants are in work, but still depend on benefits to supplement their income.

5.9 Although repairs expenditure has been higher than programmed, this does not reflect spiralling costs. In practice, we are addressing work that needs to be done through our pro-active tenancy health checks and estate inspections. We have also unfortunately had to respond to a relatively few, high cost property costs.

6 Financial return on assets

We aim to invest in the right properties, to the right standard, in the right places, for the right costs, for the right return.

6.1 Measuring Financial Return

In reviewing the financial return, we would expect our return on assets to be at least equal to the cost that Vectis pays for money we borrow, i.e. our cost of capital.

The four-year rent reduction, global and domestic uncertainty and the need for a re-assessment of trends in interest rates may all influence change in both the projected return on assets and the cost of capital in the medium and longer term. In the short term however, the maturing of fixed term loans matched with competitive rates for the Triodos facility will generate some benefit.

Currently, surplus generated is re-invested partly to maintain existing stock and partly to generate new returns through social housing and new income streams.

7 Improving the quality of our homes

We will continue to build new homes to a high design and construction standard. We will also consistently invest in our older stock to upgrade the components and enhance environmental credentials. This has the dual effect of improving the living environment for our tenants, reducing their fuel costs and reducing maintenance costs for future years.

We are also absolutely committed to ensuring that our properties and local environments are absolutely safe and secure places to live. We place great store on regular safety reviews and ensuring that current standards and guidance is adhered to. We will not look to reduce costs where safety is unduly compromised as a result.

On average, we spend per annum just over £700k on maintaining and improving our stock, an average of around £1750 per property. Approximately £340k is spent on Planned Maintenance. These works will ensure that we remain compliant with the Decent Homes requirement and maintains the value of our key assets.

Our balance between planned (including cyclical) and responsive maintenance is 70:30 (including the cost of components), demonstrating a robust approach to value and reflecting the commitments in our Asset Management Strategy.

We continue to robustly review our older leased (HAL) properties and take the opportunity to offload the less satisfactory either from a management or a maintenance perspective as leases come up for renewal. We believe that all of our stock should comply with the 'Vectis Standard'.

As a result of this approach the returns on the investment in our property portfolio have increased from both a financial point of view but also from service provision and environmental perspectives.

8. Social Return on Investment

We provide homes to over 400 households across the Isle of Wight, which generated an economic return to enable us to provide our services. However, the value generated by our activities is much wider than pure financial return. We play a major role, in supporting the social fabric of the Isle of Wight and underpinning the economy. As the main Island-based developing association, we have taken on an increasingly significant strategic role as key partners to the Isle of Wight Council.

Through the provision of high quality homes and extended levels of support to often vulnerable households, we not only create stable communities, we also directly contribute to:

- Improved health
- Enhanced well-being
- Greater sense of community
- Reduced impact on the statutory services
- Increased employability

We have a policy that promotes sustainable tenancies, which through each of the above has significant cost-benefit outcomes for the households, the Island community and the public purse. We have further extended this approach through the developing role of our Communities Team. Since 2015, we have attracted in excess of £280,000 in grant funding to deliver a range of activities aimed at better engaging and supporting our tenants. This has resulted in improved employability options, with a number of tenants subsequently finding employment and a more robust relationship with tenants based on a more holistic approach to tenancy management and support.

We also believe that we make a major contribution to the Island economy. We are currently the main provider of new social rented housing on the Island. Developing homes generates employment, both directly and indirectly. Good quality new homes often revitalise an area, local businesses benefit from the trade from residents and local schools can benefit from additional pupils.

We also work predominantly with Island-based businesses, resulting in a greater level of direct investment in the local economy.

9. Costs of delivering services

We benchmark the cost of providing our services with other housing associations in the SHAPE benchmark club. Although the members of SHAPE are diverse in terms of business complexity and size, they are all 'small' housing associations and experience the various advantages and disadvantages that this brings. While not all of the performance data are based on directly comparable services, they offer a useful framework for analysis.

10. Performance

We will continue to collect performance data which is reported regularly to the Board and to our tenants via our newsletters and website.

11. Treasury management

We endeavour to obtain best rates for the investment of those funds set aside for development and long-term maintenance projects, so not called upon for immediate access.

With current deposit rates so low, there is negligible benefit in investing sums with financial institutions on short notice. The current arrangement to maximise our income is a daily sweep between our NatWest current and reserve accounts.

The addition Triodos loan facility will only be drawn down as required for the development pipeline.

12. Improvement plans for the future

12.1 Increasing returns through new business

Our business strategy includes a strong focus on growth. Growth is planned both in increasing housing stock numbers and in relation to the potential for expansion in our core areas of operation.

12.2 Increase performance and VfM awareness in our staff

We look constantly to reinforce and enhance staff skills and appreciation necessary to achieve a functioning value for money culture. We have approached this through introducing appropriate systems and processes, training, guidance and promoting an understanding of the commercial imperatives of running a business.

The Value for Money log requires staff to record all aspects of activity that result in either financial savings or increases in quality within existing costs. We recognise that there is more that we can do to fully integrate this into daily operations.

12.3 Engaging with residents to deliver VfM

We are aware that our tenants, as the principal users of our services, see first-hand the qualities and shortcomings of our delivery methods. We will promote a greater role for tenants in quality reviewing services, making suggestions for future improvements and further extend our opportunities for mystery shopping.

12.4 Sustaining Communities

Our Communities Team support our work in creating sustainable tenancies and stable communities. We believe that strong social networks will ultimately reduce stock turnaround, lower levels of anti-social behaviour and enable tenants to manage their homes and resources better.

We will also consider other needs that have emerged as a result of the communities programme that may result in further grant bids moving forward.

12.5 Repairs and Maintenance – We will continue to benefit from significant procurement savings and improved purchasing processes. The use of our in-house DLO resource to fit new kitchens

continues to deliver improvement in value. We also propose to employ an in-house plumber to carry out bathroom replacements and responsive repairs with a view to reducing costs further.

12.6 Improved rent collection – Having focused on the experiences of the Universal Credit pilot organisations, we have now introduced direct debits as our preferred form of payment. Although involving additional expense, we believe it will be the most effective means of controlling arrears in the future. We recognise that this is the major performance area that we need to make significant improvement.

12.7 Financial Inclusion – We continue to support our residents where they struggle to afford their homes. We remain committed to focusing on rent collection rather than arrears collection and we will concentrate on initiatives to support residents to manage their money, to improve their financial circumstances and to increase their skills and employability where possible.

We have continued our SLA with the Law Centre for debt advice, which provides a significant return on our investment and provides considerable support for tenants often with multiple debt.

7. Summary

VHA remain committed to achieving high levels of efficiency and delivering best value for our resources. We have made significant strides over the last three years in improving our processes and delivery, particularly in relation to procurement and repairs.

