



# Value for Money (VFM) Strategy

Presented to Board for Approval: August 2023  
Next Review: August 2024

1.0 DEFINITION: VALUE FOR MONEY

1.1 Value for Money has a number of meanings which can vary between associations and organisations.

1.2 For Homes for Life (HfL) delivering value for money means that we will deliver on the following four objectives:

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

2.0 ACHIEVING: VALUE FOR MONEY

2.1 VFM is achieved by doing the right things and doing those things right in the pursuit of social objectives that benefit a range of stakeholders.

2.2 For HfL we will achieve vfm through the following activities:

What we will do to achieve VFM
Delivery of our strategic and operational plans within timescales and within budget;
Gain knowledge of our tenants, their requirements and expectations to tailor service provision
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

## What we will do to achieve VFM

Maintain our 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

Maximise our income by accessing other sources of funding

Compile and deliver our active asset management programmes

Share services with other associations/stakeholders

Take affordability into account when rent setting

Implement effective treasury management policies

Use our IT systems to streamline processes

Understand what vfm means to our tenants and other service users

Review best practice in vfm and how we can incorporate into how we work

Include vfm in our Board and Staff training plans

Work smarter

### 3.0 MEASURING AND REPORTING: VALUE FOR MONEY

3.1 We will use the following tools to measure and report value for money to the Board and our tenants.

What we will use to measure VFM	
ARC data	Compare our ARC results with others
Benchmarking	Use of benchmarking data through SHBVN and sector scorecard
Cost monitoring	Budget and accounting measures
Key Performance Indicators	Monitoring against targets and against peers
Satisfaction levels	Across the range of services provided
Affordability	Use of SFHA model to measure rent proposals
Management Accounts	Quarterly reviews and outturns
Annual Accounts	Annual reviews, trends and ratio analysis
Landlord Report & Report Card	Issue annually to tenants
Annual Report	Issue annually to tenants
Newsletters	Issue quarterly to tenants

### 4.0 REVIEW

4.1 This policy will be reviewed every year or where there has been new legislation, or a change in regulatory requirements or policy guidance.