



Value for Money Policy

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1. Policy Statement

Ekaya's mission statement, strategic objectives, values and service delivery are underpinned by Value for Money (VfM).

The Regulator for Social Housing published the Value for Money Standard in April 2018 and this policy outlines how Ekaya will deliver the standard.

This policy links what we spend and how we deploy our staff and resources directly with the strategic objectives and the service standards we deliver, our performance achievements and customer satisfaction. The strategic objectives include:

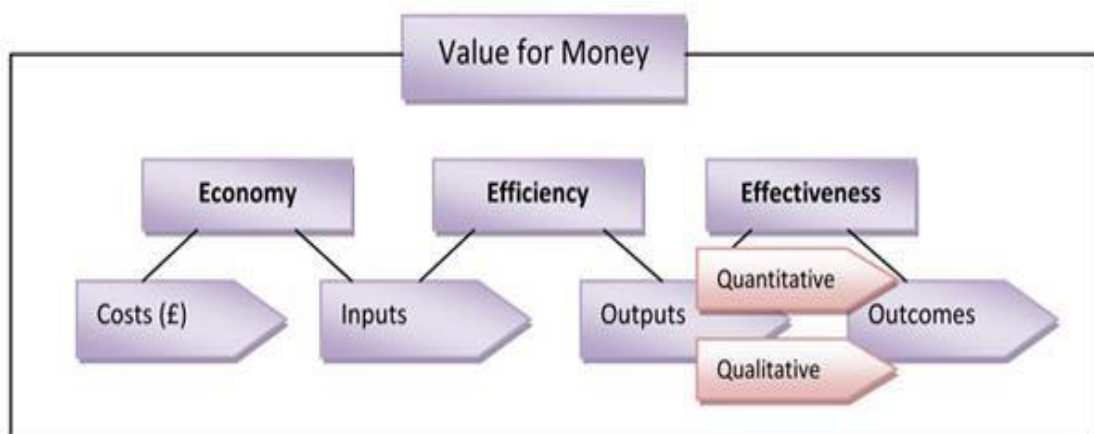
1. **Being providers of good quality value for money services through continuous improvement and listening to our customers.**
2. **Meeting our stakeholders needs through joint working (unity) and good governance within our business operations.**
3. **Eager to grow through new initiatives and positive partnerships.**

2. What is Value for Money?

VfM is about achieving the right balance between the three 'E's' - Economy, Efficiency and Effectiveness. Essentially this requires Ekaya to assess the impact of all its costs, to best meet it's stakeholders needs. This means spending efficiently.

- **Economy** is the price paid for what goes into providing a service.
- **Efficiency** is a measure of productivity or how much is gained from what is put in.
- **Effectiveness** is a measure of the impact achieved and can be both qualitative and quantitative.

VfM is high when there is an optimum balance between all three 'E's'; relatively low costs, high productivity and successful outcomes. This can be seen in the VfM flow chart overleaf:



3. The Value for Money Standard

The Value for Money Standard is one of three economic standards that the Regulator of Social Housing expects registered providers to comply with. It looks at whether a provider is making the best use of the resources that it has to meet its objectives. The VfM standard was published in April 2018.

This standard requires that:

1.1 Registered providers must:

- a. clearly articulate their strategic objectives
- b. have an approach agreed by their board to achieving value for money in meeting these objectives and demonstrate their delivery of value for money to stakeholders
- c. through their strategic objectives, articulate their strategy for delivering homes that meet a range of needs
- d. ensure that optimal benefit is derived from resources and assets and optimise economy, efficiency and effectiveness in the delivery of their strategic objectives.

2.1 Registered providers must also demonstrate these specific expectations:

- a. a robust approach to achieving value for money – this must include a robust approach to decision making and a rigorous appraisal of potential options for improving performance
- b. regular and appropriate consideration by the board of potential value for money gains – this must include full consideration of costs and benefits of alternative commercial, organisational and delivery structures
- c. consideration of value for money across their whole business and where they invest in non-social housing activity, they should consider whether this generates returns commensurate to the risk involved and justification where this is not the case
- d. that they have appropriate targets in place for measuring performance in achieving value for money in delivering their strategic objectives, and that they regularly monitor and report their performance against these targets

2.2 Registered providers must annually publish evidence in the statutory accounts to enable stakeholders to understand the provider's:

- a. performance against its own value for money targets and any metrics set out by the regulator, and how that performance compares to peers
- b. measurable plans to address any areas of underperformance, including clearly stating any areas where improvements would not be appropriate and the rationale for this.

As part of that process Ekaya will, on an annual basis, publish through the statutory accounts, its performance against any VfM targets it sets, as well as against the sector VfM metrics.

4. Value for Money Strategy

Ekaya will establish a VfM strategy/approach on a three-year basis and review this annually to ensure that this continues to meet the organisation's objectives, the business plan, annual plan, and other key strategies. It will also meet our customers' needs and expectations w h i l s t taking into account the operating environment, risk management and regulatory requirements.

5. Key Strategic Objectives

A programme will be in place to monitor and review expenditure and enable scrutiny of initiatives and deliver a measurable level of savings each year. The objectives include:

- **Promotion** – Embedding of VfM principles within the culture of the organisation.
- **People** - Encouraging economic awareness amongst staff and VfM principles within all business operations.
- **Procurement** – Creation, maintenance and promotion of economic, efficient and effective purchasing principles and continuous review of contracts and services
- **Minimising waste** from our business operations and review VfM in each department.
- **Partnerships** – Communicate and encourage principles with all our partners.
- **Improvements** in the stock conditions through seeking improvement opportunities.
- **Green** - Provision of energy saving, water conservation and waste minimisation advice to our employees and customers.

6. Goals and Objectives

Culture of the Organisation

Value for Money will be embedded in the culture of our organisation.

Benchmarking

Ekaya will benchmark performance with other organisations to analyse areas of the business and learn from higher performing/ lower cost organisations.

Partnerships

We will evidence VfM and engage in partnership / Cost Sharing Group working where this would result in cost savings.

Budgets

Budgets will be set based on past performance and predicted resources required in the new financial year, as well as growth plans. They will also have regard to inflation and interest rates, especially in a fast-changing and dynamic economic environment.

Management Accounts

Management accounts will be provided to enable the management team to effectively manage their budgets and achieve value for money.

Financial Statements

Financial statements will demonstrate control and assist in enabling efficiencies to be maximised and VfM achieved.

Procurement

We will establish an effective methodology for procuring goods and services that enables Ekaya to achieve VfM aims and objectives.

Customer engagement

We will involve residents in our tenders, as appropriate, and will ask our key business partners to evidence how they have helped us deliver VfM as part of our contract with them.

Reporting

We will record VfM savings within our KPI and/or other reports, maintaining a VfM Register (Appendix 1).

Performance results will be reported to Senior Management and Management Teams, via our website (once updated) and customer newsletters during the year.

We will report to the Board on VfM through quarterly management accounts and other reports to members.

The Board will have sight of Value for Money reported, through the Statutory accounts, which it signs off.

7. Policy Approval

Approval date: November 2023

Approved by: Audit & Risk Committee

Policy owner: Allison Sofekun, Director of Finance & Resources / Deputy CEO

Review gateway: Audit and Risk Committee

Staff consultation completed: Not applicable

Next review date: November 2026

Appendix 1

Reports, Responsibilities & Timeframes

Report	Reporting Media	To	Responsibility	Dates
Value for Money Statement	Annual reporting in Statutory accounts (Regulatory requirement)	Board/ Management Customers Regulator Lenders Stakeholders	DoFR/DepCEO	Annual September
Value for Money – Metrics incl KPIs	Quarterly Management accounts & Statutory accounts	Board & Management	DoFR/DepCEO	Quarterly / Annually
Budgets	Financial Reports	Managers Boards & eCommittee	DoFR/DepCEO	Annually (Feb/Mar)
Management Accounts	Financial Reports	Managers Boards & Committee	DoFR/DepCEO & Financial controller	Monthly
Financial Accounts	Financial Reports	Managers Boards & Committees	DoFR/DepCEO	Annually July
Procurement	Tender Reports	Managers	Management Team	Ad hoc
Contractor Meetings	Ad hoc reports	Managers	Management Team/Surveyor	Ad hoc
Staff Awayday Staff Meetings	Reports & Presentations	All employees	Management Team	Annual Quarterly
Staff Training	Presentations	All employees	Corporate Services/ Management	Ad hoc
Managers' Meetings/ Team Meetings	Reports & Presentations Regular item on agendas	All employees	Managers	Quarterly
Benchmarking	Acuity Reports	All employees / Customers	IDoOp	Quarterly

Appendix 2

Value for Money Register

Ekaya Housing Association							
Value for Money Register							
Ref No	Date Recorded	Description of Improvement /Efficiency	Effective From Date	Quality Impact	Monetary Savings	Updated By	Source of Update

Date reviewed: Nov 2023

Next review Nov 2026