

### **Value for Money (VfM) Statement**

This statement demonstrates our approach to achieving VfM in meeting our objectives including our financial, social and environmental returns. Whilst the Board believes that the Regulatory standard is met it recognises that capturing and recording VfM gains and achievements in a more comprehensive way is an important target as well as continuing the focus on improved performance throughout all aspects of the Association's operations.

Value for Money (VfM) means the delivery of the Association's social objectives in the most cost effective way possible.

As well as providing quality homes, the Association seeks to provide its residents and clients, many of whom are disabled or elderly, appropriate support to live independent lives within the community. Apna Ghar's Business Plan and policies have VfM considerations embedded within them.

The Association delivers VfM by:

- Having a value for money culture, with all employees acknowledging their importance in ensuring that we spend money in a diligent manner
- Recognising that quality is important and not just the price. This is embedded in the Association's procurement system
- Comparing the organisation to similar organisations, and bench marking (Apna Ghar are part of benchmarking club run by Acuity Research & Practice) to ensure that the Association remains competitive

The Apna Ghar Board leads on VfM and holds the Management Team to account for VfM performance. The Management Team cascades this down the organisation through staff team meetings, appraisals and 1:2:1 Meetings.

### **VfM Achievements**

Some of the key VfM initiatives for the 2013/14 year were:

- Sustained improvement in increasing income on cash deposits through active Treasury Management
- Commissioning of PV solar panels at the Association's newest scheme
- Partnering with other housing providers for training services
- 40 residents have signed Direct Debit Mandates for their rent payments – this not only reduces processing costs but reduces risk in the longer term
- Offering work placements to two volunteers and also school students

Apart from purely financial gains, the Association also made huge social value gains by:

- Supporting over 235 clients to remain independent in their homes. This saves over £500 per week for the public purse for each client that is not admitted into hospital or a care home.
- 23 clients (out of 40 applications) were assisted to get Aids & Adaptations to their homes.

- 7 clients (out of 11) were able to receive higher welfare benefits through successful appeals supported by the Association
- 7 tenants gained exemptions from the Under occupancy / spare room tax whilst a further 9 (out of 11) gained Discretionary Housing Payments to cover the shortfall
- Improved security measures at one of its blocks to reduce crime and Anti-Social Behaviour

### Performance for the Year

	2014	2013	Benchmarking Group Average	Direction of Travel
<b>Financial Indicators</b>				
Operating Surplus	£40,277	£70,793	---	↓
Rent Collection	100%	98%	99%	↑
Current Rent Arrears	3.46%	5.8%	3.53%	↑
Former Tenant Arrears	1.22%	0.12%	0.43%	↓
Total Rent Arrears	4.68%	5.90%	3.53%	↑
		(adjusted figure 4.9%)*		
Void Loss	0.72%	0.21%	0.51%	↓
	2014	2013	Benchmarking Group Average	Direction of Travel
Average Re-let times	37 days	35 days	22 days	↓
Debt Per Unit	£57,161	Nil	---	--
Operating Margin	Surplus 2%	3.4%	---	↓
<b>Improvements to Assets</b>				
Decent Homes Compliance	100%	100%	100%	↔
Emergency Repairs – completed within 24 hours	100%	100%	100%	↔
Urgent Repairs – completed within 5 days	93%	90%	97%	↑
Routine Repairs – completed within 5 days	92%	82%	97%	↑
Percentage of homes with a valid gas safety certificate	100%	97%	100%	↑
Maintenance & Major repairs costs per unit	£1,220	£1,114		↓

\*Please note the Current & Total Rent Arrears Figures for 2013 was distorted by Housing Benefit payments being made after the Easter Bank Holidays. The Benchmarking Group Average is the Smaller Providers Benchmarking figures provided by Acuity Research & Practice Ltd

The Apna Ghar Board recognises that continual improvement is required on tackling Former Tenants Arrears and the handling of voids. They will monitor performance with the Management Team at the Quarterly Board Meetings. The Board is aware that the higher number of voids requiring works within the year has impacted on the average Maintenance & Major repairs costs per unit and this area will be kept under review. The appointment of a new repairs contractor within the 2014/15 Financial Year should also have a positive effect on overall performance.

#### **VfM Initiatives & Targets for the 2014/15 Financial Year**

- Gain improved margins & loan covenants on new £3m+ loan facility
- Maximise interest gained from cash deposits through Treasury Management improvements
- New Reactive Repairs Contract with Arhag Housing Association to commence in November 2014 to improve response times & tenant satisfaction levels
- Partnering with Arhag HA to cover cyclical & major works on Apna Ghar stock to bring down the Maintenance & Major repairs costs per unit.
- Improve insulation measures on a minimum of 3 dwellings
- Purchase of 2 new modules to the SDM Housing Database to improve efficiency & effectiveness of the team on allocation & voids handling
- Tendering of Communal electricity supplies to Apna Ghar properties to generate 5% savings per annum
- Re-negotiation of fixed line & telephone mobile costs to save £2,000 p.a.
- Re-negotiation of photocopying & printing costs to save £2,000 p.a.
- To sign up 30 tenants on Direct Debit Mandates for rent payments