



VALUE FOR MONEY FRAMEWORK

Approver	Board of Management
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Policy	Value for Money Framework
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Related Documents	All C&C policies
Location of Hard Copy	Executive Director –Finance

Signed:

Chief Executive:

Caroline Tiller
On Behalf of the Board of Management

1. INTRODUCTION

- 1.1. C&C believes that Value for Money (VfM) should be at the centre of all that we do. We will seek efficiencies by making the business more streamlined and driving up satisfaction levels of both residents and staff. To do this we have to understand the costs and the income of the business and by ensuring residents and staff are part of the decision making process.

2. PURPOSE

- 2.1. To deliver value for money is an integral part of our corporate ethos and values and ties in with our business plan. Our aim is to run an efficient and effective organisation, providing value for money services to all our residents. To do this we need to ensure that everybody at C&C has the understanding and opportunity to make this a reality.
- 2.2. Providing value for money enables us to improve our services and release resources to provide better homes for all our residents.

3. SCOPE

- 3.1. The Value for Money Framework is a statement to guide all our staff, board members, volunteers and residents at C&C to obtain the maximum benefit from the products and services we acquire or provide, with the resources available.

4. RESPONSIBILITIES

- 4.1. The board of management have ultimate responsibility for ensuring C&C has a proper value for Money framework that is workable and deliverable, and that value for money is being delivered.
- 4.2. The Executive Director of Finance has ultimate responsibility managing the framework and for ensuring this is being implemented.
- 4.3. All employees, board members and volunteers have a duty to ensure that value for money is delivered as part of the day to day activities.

5. THE FRAMEWORK

5.1. What is Value for Money

- 5.1.1. Value for Money is the way C&C delivers its business plan in the most effective and efficient way.
- 5.1.2. As the wellbeing of our residents is C&C's primary objective, Value for Money is ultimately about ensuring our residents have better homes, have better services and live more fulfilled lives.

5.1.3. Value for Money is about achieving more for less. This includes:

- Achieving better resident satisfaction by investing in services – This would include investing in the Resident Scrutiny Panel.
- Achieving the same outputs by reducing costs and/or resources - This would include using an alternative supplier who can provide the same quality of service for less money.
- Achieving better outputs for the same costs and/or resources – This would include delivering a better service to residents with the same or even fewer staff.
- Achieving proportionately more outputs for higher costs and/or resources – This would include spending on a project that results in greater income being generated.
- Investing in systems to make processes more efficient – This would include a better housing or finance system that means staff can work more efficiently.

What is C&C's approach to Value for Money?

5.1.4. The board of management ensures value for money is achieved by setting and reviewing the KPI reports, management accounts and other reports presented by the Executive Team and ensuring these are appropriate and sufficient. All reports to the board of management include the financial impact of any decision. The board will also seek reports and advice from external consultants and organisations as needed. This ensures a balanced approach. C&C's Strategic Priorities are:

5.1.5. We will benchmark C&C's performance by joining relevant benchmarking clubs where costs and satisfaction levels can be measured against the performance of peers to better understand where improvements can be made. We will ensure that we select the most suitable peer group as this is critical to truly understanding C&C's position.

5.2. How will our residents benefit?

5.2.1. The wellbeing of our residents is C&C's primary objective. Value for Money is ultimately about ensuring our residents have better homes, have better services and live more fulfilled lives.

5.2.2. Cost savings and efficiencies will be passed onto our residents either through reduced service charge or by providing better services.

5.2.3. At C&C we see our residents as fundamental assets to the business. In order to deliver a personalised service we will ensure that residents are our partners in the design and delivery of homes and services.

5.3. How will we maximise the return from our staff?

- 5.3.1. C&C believes its staff are its greatest asset. Only by investing in its staff can it achieve success and provide the best possible service to its residents.
- 5.3.2. There will be significant investment, both financial and in internal resources, in recruitment, learning and development, performance management and staff wellbeing.
- 5.3.3. Staff will understand the meaning of value for money and how this can be implemented in all their activities. There will be regular training sessions for managers, staff involved in procurement and staff in general to ensure everybody is fully aware of how C&C intends to achieve Value for Money.

5.4. How will we maximise the return from our assets?

- 5.4.1. At C&C we are investing heavily in ensuring our properties are fit for the future, contribute to the Association's financial strength and more importantly are places that people really want to live in.
- 5.4.2. C&C owns a number of properties in prime locations within London that can be used to generate wealth to fund other activities with upfront capital, thereby reducing funding risk. This is an important consideration in light of the size of the association compared to the scale of the investment priorities. This does not mean selling off the best assets. It means ensuring the business plan objectives are adhered to by cross-subsidising activities.
- 5.4.3. The developments that C&C is undertaking will be co-designed with residents and staff wherever possible so as to ensure that we build new homes that meet people's needs and are adaptable and efficient to manage into the future.

5.5. How do we achieve VfM?

- 5.5.1. We will achieve Value for Money by ensuring the following are adhered to:
 - a) We will set meaningful and achievable outcomes and targets.
 - b) We will understand our costs and their drivers
 - c) We will understand our asset base to properly measure return on investment and utilising a robust asset management strategy
 - d) We will carry out regular and meaningful benchmarking against our peers
 - e) We will have a robust procurement and contract management strategy
 - f) We will measure and record efficiencies and understand how these arose
 - g) All our staff will understand what value for money means and how they can contribute towards its objectives

5.6. How will we communicate Value for Money

- 5.6.1. It is important that we communicate our value for Money story to all our stakeholders, including staff, residents, regulators and funders. As well as delivering value for money, we also must be seen to be delivering it.
- 5.6.2. We will do this by publishing our annual Value for Money statement on our website and include a summary statement in our statutory accounts.
- 5.6.3. We will publish a summary in our residents' publications and staff publications.
- 5.6.4. Our value for Money statement and all our communications will be honest in reporting not just what has gone well but what areas need improvement.
- 5.6.5. We will also ensure that any changes and improvements that we say we make will be undertaken.