

# NORTH VIEW Housing Association

*North View is a registered Scottish charity – charity registration number SC032963*

## VALUE FOR MONEY STATEMENT

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| Passed:- | 27/3/25 | Review Date:- | Feb 2028 |
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**All North View policies and publications can be made available on CD/data-to-voice, in Braille, large print and community languages.**

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### 1.0 AIM

- 1.1 The aim of this Statement is to set out what the Association means by Value for Money (VFM) and how we will work to achieve this for our community.

### 2.0 DEFINING VFM

- 2.1 VFM is a term that means making the best use of the Association's resources to maximise value to tenants at a price that is affordable to tenants and the organisation.
- 2.2 Achieving VFM is often described in terms of the 'three Es' – economy, efficiency and effectiveness:
- **Economy** – careful use of resources to save expense, time or effort;
  - **Efficiency** – delivering the same level of service for less cost, time or effort;
  - **Effectiveness** – delivering a better service or getting a better return for the same amount of expense, time or effort.
- 2.3 Our VFM priorities, as set out in our Business Plan, are:
- To maintain the Association's current trend of good and improving performance in our core services areas, while seeking improvements in our weaker areas notably lost rental income from void properties and rent arrears;
  - To maintain high levels of tenant satisfaction;
  - To keep our rents at affordable levels, while raising sufficient income to invest in tenants' homes and maintain North View's financial viability;
  - To manage the current squeeze on our income and expenditure, to mitigate increases in our costs.

### 3.0 REGULATORY CONTEXT

- 3.1 The Scottish Housing Regulator has set out its expectations in relation to VFM within its Standards of Governance and Financial Management:

### **Regulatory Standard 3**

The Registered Social Landlord manages its resources to ensure its financial well-being while maintaining rents at a level that tenants can afford to pay.

#### **Guidance 3.1**

The RSL has effective financial and treasury management controls and procedures, to achieve the right balance between costs and outcomes, and control costs effectively. The RSL ensures security of assets, the proper use of public and private funds and access to sufficient liquidity at all times.

- 3.2 The Scottish Social Housing Charter also sets out the VFM related standards and outcomes that Registered Social Landlords must achieve:

#### **Outcome 13: Value for Money**

Social landlords manage all aspects of their businesses so that:

- Tenants, owners and other customers received services that provide continually improving value for the rent and other charges that they pay.

#### **Outcome 14 & 15: Rents and Service Charges**

Social landlords set rents and service charges in consultation with their tenants and other customers so that:

- A balance is struck between the level of services provided, the cost of the services and how far current and prospective tenants can afford them;
- Tenants get clear information on how rent and other money is spent, including details of any individual items of expenditure above thresholds agreed between landlords and tenants.

## **4.0 HOW WE ACHIEVE VFM**

### **4.1 Affordable Rents**

We aim to offer rents which are affordable and provide the Association with sufficient resources to invest in its stock.

This is supported by our most recent Customer Satisfaction Survey (September 2024). The results are set out below:

***Question 24: Taking into the accommodation and services your landlord provides, do you think your rent for this property represents good or poor value for money?***

A total of 91% of respondents were of the opinion that the rent for their property is very good or fairly good value, compared with 5% who said it was neither good nor poor value and 4% who said it was very or fairly poor value for money.

The proportion of respondents who said their rent was good value has increased considerably since 2022 (84%) and 2020 (68%).

We are continuing to implement a rent assimilation exercise to ensure that similar rents were being charged for properties of the same size, property type, and amenities.

As part of our Business Planning process and annual rent increase considerations, we use the Scottish Federation of Housing Associations' Rent Affordability Tool to assess the affordability of our rent levels.

We also compare our rent levels with other local housing associations and a wider Peer Group, which comprises of eight other housing associations of a similar type and size to us operating in the wider Glasgow area.

#### 4.2 **Maximising Income**

There is a direct link between the income that we generate and the level of services that we deliver. We, therefore, recognise the need to minimise lost income.

We work to try to minimise rent arrears, using our knowledge of our tenants to provide effective support. We also work to minimise void losses. Our performance in these areas is improving and this is supported by new rent arrears, tenancy sustainment and void management policies and procedures. We will compare and benchmark our performance against our Peer Group.

Further information on our performance is available on the Scottish Housing Regulator's website and in our Annual Performance Report.

We provide a full-time Welfare Rights Service to support our residents, working to secure any benefits that they are entitled to.

#### 4.3 **Reducing costs**

The annual budget setting process involves us looking carefully at all our costs and making efficiencies where possible, whilst ensuring a high level of investment in our stock. Quarterly Management Accounts ensures that the Association tightly manages its expenditure during the course of the year.

Through our work with FMD Financial Services, we look to compare our costs against those of other local housing associations.

With technological progress and functionality of the HomeMaster IT system, we are working to improve communicate on digital platforms with our tenants, where appropriate to reduce both printing and postage costs to the organisation.

#### 4.4 **Procurement**

Our Procurement Policy aims to ensure good decision-making, transparency and best practice by setting out the broad principles that we will use to procure works, services and supplies.

We utilise a range of methods, including partnerships, framework agreements and traditional tendering processes, to achieve VFM.

We are open to exploring options for joint working with other Castlemilk housing associations on joint procurement opportunities.

#### 4.5 **Investment**

The Association sets out its stock investment plans in its 5 year and 30 year financial projections. These are informed by stock condition surveys carried out by the Maintenance Manager and an external consultant.

Our Asset Management Strategy sets out the framework within which the Association will continue to operate and demonstrate how the stock will be maintained to the highest standard possible, ensuring that the necessary resources and finances are in place to do so.

#### 4.6 **Tenant Satisfaction**

We carry out a comprehensive Residents Satisfaction Survey every two years. This is supplemented by monthly repairs related surveys.

We achieve high levels of satisfaction, as demonstrated by our 2024 survey results.

In our Business Plan, we benchmark our satisfaction survey results with our Peer Group and Scottish average figures. Current analysis of data available for 2023/24 shows that we are performing better than the Scottish average and Peer Group in the following areas:

- Tenants who feel rent is good value for money;
- Tenants satisfied with repairs service;
- Tenants satisfied with quality of home;
- Tenants satisfied with landlord contribution to neighbourhood.

We are below the Scottish average for tenants satisfied with the landlord's overall service but the results from our 2024 survey shows significant improvement (92.4% in 2024, compared with 79% in 2022).

#### 4.7 **Wider Role**

We work to deliver a small scale Wider Role programme for our residents. This sometimes involves working in partnership with a local, specialist agency to deliver this. We include provision for this work in our annual budget.

Our 2024 survey shows that 93% of tenants are happy for rent money to be spent on these projects/opportunities.

Our current Wider Role activities include working with the Jeely Piece Club to deliver play services locally, supporting the Castlemilk Pantry and providing trips for our tenants.

### 5.0 **CONCLUSION**

5.1 The Association strives to achieve VFM in all areas of its work. We have a duty to our tenants and stakeholders to provide cost effective services that maintain high levels of customer satisfaction and help us to achieve our strategic objectives.

5.2 This Statement demonstrates our commitment to VFM principles.

### 6.0 **REVIEW**

6.1 This Statement will be reviewed at least every three years.

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**Statement introduced: 27/3/25**