

# Value for Money Strategy 2024-2029



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# Section 1

## Executive Summary

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# About OVH

1.1

One Vision Housing (OVH) is an award-winning housing provider with over 13,600 homes across the Liverpool City Region, Cheshire, and Lancashire. Our goal is to create thriving, inclusive communities by offering quality and affordable homes.

We are committed to being one of the best registered providers in the country, providing excellent value for money (VfM) in the services we offer to our customers and optimising the use of our assets and resources to meet our objectives within our Value for Money Strategy. This approach ensures that OVH remains compliant with the VfM standard and promotes a culture of continuous improvement and efficiency.

OVH works to maximize the generation of additional financial capacity for reinvestment in our existing and new homes and communities. Through achieving our corporate objectives, we aim to add value to enhance our social, economic, and environmental impacts and returns. Value for Money is at the core of everything we do and is a key component of our ongoing success.

**Our Vision:** A better future

**Our Mission:** Creating opportunities, changing lives

**Our Values:**

- **Success** – we will be the best
- **Passion** – we love what we do
- **Authenticity** – we do what we say we will do
- **Courage** – we dare to be different
- **Enterprise** – we never stand still

# Value for Money Position Statement

1.2

In May 2024, the One Vision Housing Board agreed that a comprehensive review of the current VfM (Value for Money) Strategy is necessary to align with the association's vision and mission. The focus of service provision is shifting towards improving customer outcomes, modernising services, and being flexible and responsive to individual customer needs. VfM is central to our association to ensure we achieve OVH's strategic aims while providing value for money.

We take the approach of looking at the big picture and asking ourselves why we are where we are now, what's in the pipeline for us, and what our response and action should be. Following the general election legislative changes for housing providers are anticipated, we're also considering the increasing impact of climate change on our properties and the need to meet environmental targets. We are committed to playing our part by improving our properties, including increasing the Standard Assessment Procedure (SAP) calculation through retrofit works and staff training.

As a housing association, we have had to adjust our priorities in response to new legislation, regulations, environmental targets, and significant changes in our operating environment, including world conflicts, macroeconomic impacts, Awaab's Law, and customer expectations. As a result, operating costs have increased. Operating margins in the housing sector have decreased significantly in the last three years, from an average of around 30% to below 20%. It is therefore crucial to optimize Value for Money (VfM) to protect our long-term financial viability and continue to provide homes and services of the quality our customers deserve. Working closely with our customers, we will navigate the challenges ahead.

Similar housing providers are facing the same challenges, so we regularly benchmark our performance to stay competitive and retain our customers. Our management costs are lower, enabling us to spend wisely on new and existing homes. We have a robust risk management framework in place to manage, monitor, and mitigate operational risks.

There have been no regulatory issues raised or identified throughout 2023/24 or beforehand, and OVH's viability was upgraded from V2 to V1 by the Regulator of Social Housing (RSH) in December 2023. The RSH have also introduced a new C rating for Housing Associations, based on how well they comply with the new consumer standard. Despite these improvements, there are still challenges in the operating environment, and we remain vigilant.

# Value for Money Position Statement (continued)

1.2

A VfM Officer was appointed in August 2023 to undertake a proactive approach to VfM across the association to increase assurance and compliance. Several benefits have been realised since appointing the VfM Officer including the introduction of Social Value Champions, internal reporting processes, increased emphasis on social value monitoring, tracking and reporting and VfM activities including collaborative working. They have contributed to the social value outcome this year which has surpassed last year's results. Over the strategy's 5-year lifespan, we expect to realise £100 million in social value outcomes, demonstrating our ongoing commitment to changing lives and creating opportunities.

Actively tracking and monitoring the financial savings, non-financial savings and cost avoidances that are not projected or included in the financial compliance statement enabled us to report to the OVH Board and the Risk and Audit Committee (RAC) that Sovini Group saved in 2023/24 £217k in spend and avoided costs of £200k, which will have a positive impact on OVH.

Our back office and front-facing teams rely on effective and reliable IT systems that can interconnect and support workload management. We continue to invest in delivering an integrated 'business transformation' service, supported by the IT Strategy, to drive our Association forward.

The NEC Housing Management System will go live this year, bringing several benefits, including streamlining, improved productivity, security, and accessibility. Additionally, the Enterprise Resource Planning (ERP) software is scheduled for implementation, covering various business areas such as finance, accounting, supply chain, project management, and IT. This represents the most significant investment in the Finance system since 2006 and will have a positive impact on future operations.

We continue to realise the collaborative benefits of our Group structure and maintain a high level of satisfaction with the repairs service provided to our customers. Our investment and development programs have remained on track, and over the next five years, Sovini Commercial is extremely optimistic about being able to 'Gift Aid' a proportion of their profits back to OVH for further investment and development programs, thereby completing the virtuous circle of the Group model and delivering on our collective purpose of 'creating opportunities and changing lives.'

We are focussed on delivering this strategy and look forward to seeing the outcomes over its course and beyond.

# OVH Performance

1.3

Measurement	2021/2022	2022/2023	2023/24	Comments
<b>Reinvestment</b> Amount of money spent on improvements to existing homes (including development spend & capitalised investment for major repairs spend)	£40.89m	£41.07m	£50.53m (provisional depending audit)	Reinvestment reflects the improvements made to existing homes as part of the investment programme, as well as new homes built as part of the approved development programme.
<b>Operating Cash Savings</b> Savings made through operating activities	£10.3m	£7.5m	£4m (subject to audit finalisation)	£145.2m cumulative since 2006
<b>Maximising Procurement Opportunities Savings</b> Savings made by maximising opportunities through procurement exercises, frameworks etc.	£353k	£699k	£443k	
<b>New Build Homes</b> Number of new build homes	251	157	162	
<b>Rent Provides VfM Satisfaction</b> Customer feels they get value for the rent they pay	95%	95%	91.30%	Satisfaction was lower in 2023/24 than 2022/23 however, the target set for 2023/24 was £87.4% which we have overachieved and still in the top quartile.
<b>Social Value</b> Investment/impacts in communities and to people	£21m	£28m	£76m	Actual Social Value - £20,954,531.59 Indicative Social Value - £55,144,012.77
<b>Occupancy</b> Number of void properties available to let as at the end of the period	24	20	28	
<b>Rent Collected</b> Percentage of rent collected from customers	99.9%	99.37%	98.74%	1.26% below the stretching target of 100%
<b>Customer Satisfaction</b> Percentage of customers satisfied with service provided	95.1%	92.6%	92.8%	Increase of 0.2% for 2023/24 compared to 2022/23

# OVH Performance (continued)

OVH has effectively implemented the new Tenant Satisfaction Measures (TSMs) and Tenant Perception Measures (TPMs). In the 2023/24 period, 1,169 customers completed STAR and TSM surveys.

**STAR and TSM Survey Data: April 2023 – March 2024**

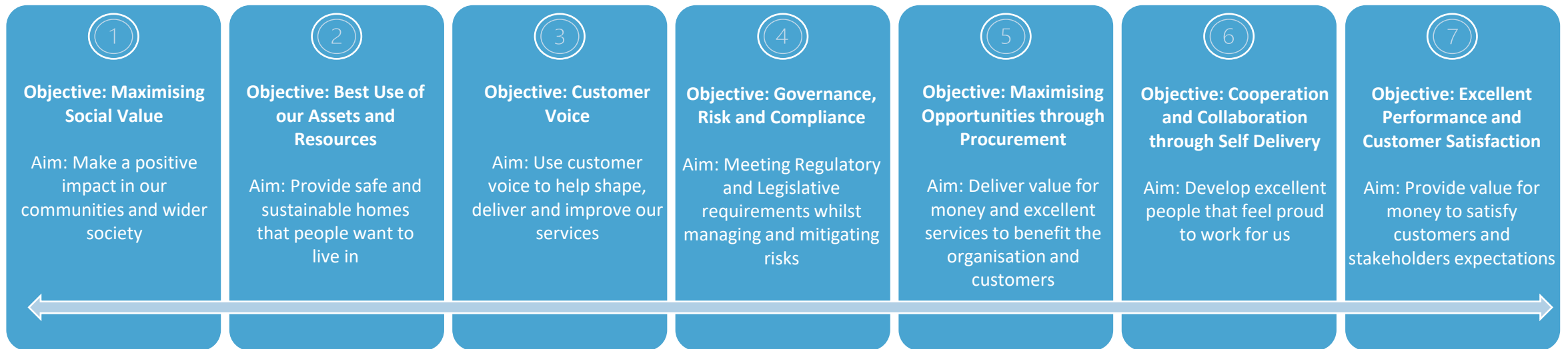
Code	Question	Satisfied	Dissatisfied	Target	Top Quartile
TP01	Taking everything into account how satisfied or dissatisfied are you with the service provided by OVH?	86.6%	13.4%	85.0%	79.2%
TP02	How satisfied or dissatisfied are you with the overall repairs service from OVH over the last 12 months?	79.9%	20.1%	84.9%	80.0%
TP03	How satisfied or dissatisfied are you with the time taken to complete your most recent repair after you reported it?	81.9%	18.1%	80.2%	76.3%
TP04	How satisfied or dissatisfied are you that OVH provides a home that is well maintained?	87.6%	12.4%	76.6%	80.0%
TP05	Thinking about the condition of the property or building you live in how satisfied or dissatisfied are you that OVH provides a home that is safe?	92.2%	7.8%	87.3%	85.6%
TP06	How satisfied or dissatisfied are you that OVH listens to your views and acts upon them?	81.9%	18.1%	72.3%	69.4%
TP07	How satisfied or dissatisfied are you that OVH keeps you informed about things that matter to you?	90.2%	9.8%	81.4%	78.8%
TP08	To what extent do you agree or disagree with the following OVH treats me fairly and with respect?	96.2%	3.8%	85.2%	84.6%
TP09	How satisfied or dissatisfied are you with OVH approach to complaints handling?	44.3%	55.7%	61.3%	42.0%
TP10	How satisfied or dissatisfied are you that OVH keeps these communal areas clean and well maintained?	74.4%	25.6%	75.3%	72.4%
TP11	How satisfied or dissatisfied are you that OVH makes a positive contribution to your neighbourhood?	88.2%	11.8%	75.3%	74.0%
TP12	How satisfied or dissatisfied are you with OVH approach to handling anti-social behaviour?	66.5%	33.5%	64.8%	64.0%



# VfM Objectives / Aims

1.4

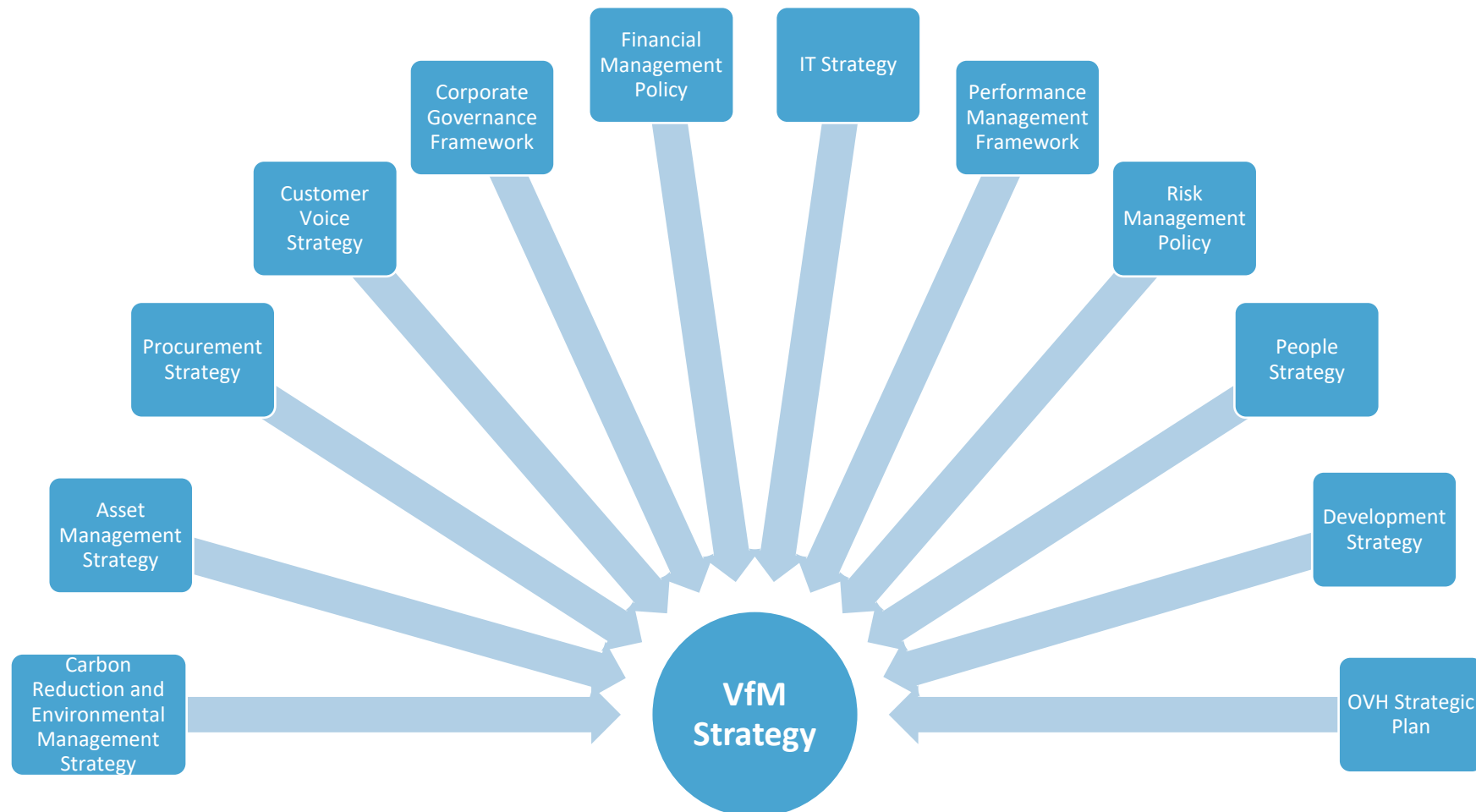
We have reviewed our VfM objectives and implemented new aims. These aims will now be integrated moving forward. Furthermore, each objective will have several key performance measures that will be updated and evaluated monthly. These objectives and aims directly supports the delivery of the OVH's Strategic Plan.



# Our Core and Enabling Frameworks and Strategies

1.5

By delivering this VfM Strategy, we will indirectly contribute to the following Frameworks and Strategies already adopted by OVH:



# Section 2

## Delivering our Strategy

- 2.1 Maximising our Social Value
- 2.2 Best Use of our Assets and Resources
- 2.3 Governance, Risk and Compliance
- 2.4 Customer Voice
- 2.5 Cooperation and Collaboration through Self-Delivery
- 2.6 Maximising Opportunities through Procurement
- 2.7 Excellent Performance and Customer Satisfaction



# Objective One: Maximising Social Value

**Aim: Make a positive impact in our communities and the wider society**

We follow the Public Services (Social Value) Act 2012 definition of social value:

*'It involves looking beyond the price of each individual contract and looking at the collective benefit to a community. Social value asks the question: 'If £1 is spent on the delivery of services, can that same £1 be used, to also produce a wider benefit to the community?'*

We follow this definition in the broadest sense to maximise the impact we have in our communities, wider society and on the environment.

**Strategy/Framework Link:** Procurement Strategy, Customer Voice Strategy, OVH Strategic Plan.

Action No.	Action Detail
1.1	Working with internal Group partners and external stakeholders to secure grants and other funding sources to enable activities.
1.2	Provide learning, training and employment opportunities for people that live in our neighbourhoods including apprenticeships and work experience placements.
1.3	Collect and use our customer voice to influence the delivery of our social value activities.
1.4	Collect and analyse responses from suppliers who have committed to contribute to social value and ensure promises are fulfilled.
1.5	Proactively work with the third sector, ensuring effective signposting and referral services are in place with our key partners and that these optimise the outcomes for our customers and wider communities.
1.6	Encourage employment and enterprise opportunities through our externally awarded contracts including apprenticeships.
1.7	Utilise the Social Value Calendar to promote social value activities and share with internal and external stakeholders to encourage and gain funding, volunteering etc.
1.8	Utilise the Housing Associations Charitable Trust (HACT) Social Value Measuring Tool to measure our social value impacts for OVH and related back-office services that have a beneficial impact.
1.9	Obtain verification and certification from HACT for OVH's social value impacts and report to the Risk and Audit Committee (RAC), OVH and Group Boards, Funders, Customers and other stakeholders to provide assurance.
1.10	Continue to capture and record the social value that is generated from our procurement activities and other activities that are a part of the Sovini Group via the internal reporting resources.
1.11	Achieve £100m in social value over five years that demonstrates the positive impacts on our customers and communities whilst meeting Funders and Investors targets.

# Objective Two: Best Use of Our Assets and Resources

**Aim: Provide safe and sustainable homes that people want to live in**

This VfM objective sits at the heart of the business planning and budgeting process and underpins the work of the whole organisation. It informs decision making based on economy, efficiency and effectiveness.

We consider our assets to be our homes, people, commercial premises and our financial resources and reserves. Understanding how we use and allocate our resources is key to maximising our effectiveness in achieving this objective.

**Strategy/Framework Link:** RP's Asset Management Strategies, Procurement Strategy, People Strategy and Carbon Reduction and Environmental Management Strategy, OVH Strategic Plan.

Action No.	Action Detail
2.1	The OVH Asset Management Strategy being focussed and driven to ensure our customers remain safe in their homes by meeting all the relevant legal, regulatory and compliance standards.
2.2	Suitable allocation of resources linked to the Strategic Plan and the financial planning including the application and use of the zero-based budgeting principles whilst balancing priorities.
2.3	Prepare and deliver against new requirements such as: <ul style="list-style-type: none"> <li>• A revised Decent Homes Standard</li> <li>• Introduction of 'Awaabs Law'</li> <li>• Revised RdSAP methodology – (Home Energy Model), currently in consultation and expected to be rolled out with the new Future Homes Standard in 2025</li> <li>• A new Consumer Standard</li> <li>• Our internal targets for all properties to be at EPC Band C or above by 2030</li> </ul>
2.4	Continue to follow the 'Golden Thread' way of working that enables OVH to have a controlled and methodical approach to managing their homes suitably and safely whilst having a centralised digital record-keeping for compliance data.
2.5	Regularly review the Sustainability Index and where appropriate undertake options appraisals.
2.6	Use the software available to analyse data i.e. PowerBi and identify continuous improvement systems to automate processes, provide greater predictive analysis and continue to ensure all our future asset decisions are guided by robust data and whole lifecycle costings.
2.7	Seek recognition for excellence, with awards and accreditations to demonstrate to customers and stakeholders that we meet certain standards of quality and efficiency across the sector and in some areas excel.
2.8	Continue to review our funding needs and monitor any identified refinancing risks, to ensure that we minimise the cost of carrying excess funds and comply with our approved Treasury Management Policies, including annual independent Treasury Strategy reviews as appropriate.
2.9	Identify funding opportunities and apply including the SHDF and Green Homes Grant.
2.10	IT based solutions available to support with the shift in service provision to an agile environment.
2.11	Actively seek external funding to support delivery of our ongoing pipeline Development Programme, optimising the use and application of these resources by the active pursuit of Homes England grant support and shared ownership and other house sales proceeds, in line with our OVH Risk Appetite.
2.12	Continue to benchmark our services against our peers to understand our strengths and identify areas for improvement. Aligning where necessary our financial resources / business plan headroom.
2.13	Provide training and support to our people to ensure VfM remains embedded and at the core of our decision making as well as retaining our people who are expertise within their service area.

# Objective Three: Customer Voice

**Aim: Use customer voice to help shape, deliver and improve our services**

We are committed to providing our customers with plenty of opportunities to get involved to help shape, influence and improve the services we deliver.

**Strategy/Framework Link:** Corporate Governance Framework, the Customer Voice Strategy, the Performance Management Framework, OVH Strategic Plan.

Action No.	Action Detail	2.3
3.1	Provide a wide range of opportunities for customers to be involved and influence the delivery of services as described in 3.2 – 3.5.	
3.2	<b>Home and Neighbourhood:</b> <ul style="list-style-type: none"> <li>Home &amp; Neighbourhood Steward</li> <li>Service Quality Inspector (mystery shopper)</li> <li>Hot Topic Group</li> </ul>	
3.3	<b>Community and Environment:</b> <ul style="list-style-type: none"> <li>High-Rise Building Safety Group</li> <li>Communal Champion</li> <li>Environmental Champion</li> <li>Community Hero</li> </ul>	
3.4	<b>Collaboration Groups:</b> <ul style="list-style-type: none"> <li>Policy Group</li> <li>Brand Group</li> <li>Community Funding Panel</li> <li>Complaints Panel (Compliant Auditors)</li> </ul>	
3.5	<b>Customer Assurance:</b> <ul style="list-style-type: none"> <li>Service Review Group</li> <li>Scrutiny Panel</li> <li>Board (lived experience)</li> </ul>	
3.6	Gather and analyse all channels of customer voice and ensure feedback is used to improve services and provide assurance as a collaborative.	
3.7	Use the Tenant Satisfaction Measures (TSMs) to assess how well we are performing as a landlord and what improvements we can make.	
3.8	Continue to include in customer survey if 'rent provides VfM' and analyse responses.	
3.9	Have an effective Customer Experience Team to support customers to get their voices heard.	
3.10	Have an effective and robust customer voice action plan to ensure customers feedback is captured and actioned.	
3.11	Provide flexible ways for customers to easily engage and communicate with us and provide support where required, especially for customers who require further support for different needs.	
3.12	Promote the benefits of customer voice and what difference it can make to the overall association and its services.	
3.13	Provide appropriate training to staff and involved customers to help scrutinise performance and keep updated with RSH requirements.	
3.14	Continue to have an effective Customer Voice Strategy and work in collaboration with internal and external stakeholders to ensure effective delivery and where possible exceeding expectations.	
3.15	Update the website content as and when required to ensure consistency.	
3.16	Having suitable software applications in place for ease of access and use for customers of all IT abilities, including the new Customer Voice 365 software.	
3.17	Continue to include a customer and stakeholder section within all board reports to continue to embed and deliver outcomes.	
3.18	Undertake customer voice audits and feedback to leadership and the board on outcomes and recommendations to then deliver.	

# Objective Four: Governance, Risk and Compliance

**Aim: Meeting regulatory and legislative requirements whilst managing and mitigating risks**

OVH must evidence compliance with Regulatory Standards set by the Regulator of Social Housing (RSH). This includes compliance with the VfM Standard.

Have an appropriate, robust and prudent business planning, risk and control framework and carry out stress testing against identified risks and combinations of risks across a range of scenarios, and allocate mitigation strategies in place as a result.

**Strategy/Framework Link:** Corporate Governance Framework, the Customer Voice Strategy, the Performance Management Framework and the Risk Management Policy, OVH Strategic Plan.

Action No.	Action Detail
4.1	Comply fully with the RSH standards, with a strong focus on the VfM Economic Standard (2018).
4.2	Ensure continued compliance with the RSH's Governance and Viability regulatory standards and the Regulator of Social Housing (RSH) Value for Money Standard.
4.3	Complete and publish VfM self-assessments and VfM Strategy and share it with customers and stakeholders on an annual basis.
4.4	Measure, compare and report on performance against the VfM Metrics every six months to the OVH Board and RAC to evidence the delivery of the VfM Strategy Objectives and Aims
4.5	Report performance on the 22 Tenant Satisfaction Measures (TSMs) via measuring through the 10 Management Information Measures (MIMs) as well as the 12 Tenant Perception Measures (TPMs) to the OVH Board, RAC and the RSH.
4.6	Use the RAC to monitor risk and tenant scrutiny recommendations along with VfM outcomes and assurance in meeting the regulatory standards.
4.7	Continue to work with the Board to regularly review our risk appetite and undertake single, multi variant and destruction stress testing on our Business Plan and its underlying assumptions to ensure we understand and quantify the impact our key risks on our business.
4.8	Continue to have a strong effective and committed Board structure, with members who are focused on strategic objectives and risk management.
4.9	Undertake annual Board member appraisals to continue to retain a strong and effective Board.
4.10	VfM internal and external audits undertaken by independent auditors and providing outcomes along with relevant recommendations.
4.11	Use the nationally recognised Sustainability Reporting Standards (SRS) toolkit to provide RAC with an end of year ESG position statement to provide assurance on our position.
4.12	Continue to deliver high compliance assurance (three lines of defence) in the areas of gas, electric, fire risk, asbestos, legionella and all other areas of compliance to ensure we meeting the RSH requirements but most importantly ensuring our customers are safe in their homes.

# Objective Five: Maximising Opportunities Through Procurement

**Aim: Deliver value for money and excellent services to benefit the organisation and customers**

Procurement provides an opportunity for us to influence our supply chain to generate positive outcomes and impacts. We have a Procurement Strategy that provides details on activities we undertake to maximise procurement opportunities.

**Strategy/Framework Link:** Customer Voice Strategy, Performance Management Framework and Procurement Strategy, OVH Strategic Plan.

Action No.	Action Detail
5.1	Measuring, tracking and reporting in line with the Public Services (Social Value) Act 2012 to demonstrate our outcomes through externally tendered contracts.
5.2	Annually review the Financial Regulations to make sure our processes are compliant in terms of procurement limits, requirements and expectations.
5.3	Using robust and transparent procurement processes using the Procurement Act 2023 as guidance.
5.4	Continue to undertake procurement exercises via the dynamic purchasing system and framework mini competitions to seek out the best VfM options.
5.5	Regularly reviewing our suppliers and their pricing strategies and identifying any matters to resolve.
5.6	Monitoring our contracts register to ensure effectiveness, deliverables, risk management and quality improvement requirements are met.
5.7	Implementation of the social value framework for contracts worth £100k or more to ensure our suppliers contribute to social value which will have a positive impact on our communities and society.
5.8	Publicise our ethical and environmental standards and embed them within our procurement processes.
5.9	Identify opportunities for self-delivery of products and services to achieve VfM and positively add to the Groups offer.
5.10	In the event of Section 20 being applied, involve customer and partners in the procurement activity to ensure their feedback is heard and valued.
5.11	Undertaking required service reviews following audit recommendations and customer/stakeholder feedback.
5.12	Where possible support local suppliers and SME's by using their services which will in turn create more local jobs and contribute to the stability of the businesses.
5.13	Using the unique model of the Sovini Group to supply and deliver services to OVH to ensure VfM, quality, assurance and high performance. Supported by the Procurement Team.
5.14	Continue to create a good local economy through our procurement practices.
5.15	The Procurement Team to continue to have performance meetings with contract owners to ensure transparency and gain assurance of delivery.



# Objective Six: Cooperation and Collaboration Through Self- Delivery

**Aim: Develop excellent people that feel proud to work for us**

Sovini wants to maximise the creation of additional financial capacity for reinvestment in developing homes and communities and to optimise our social, economic and environmental return

**Strategy/Framework Link:** Procurement Strategy, Customer Voice Strategy, OVH Strategic Plan

Action No.	Action Detail
6.1	Encouraging and empowering all staff to include value for money as part of their daily job and work collaboratively and where required challenge as appropriate to achieve VfM.
6.2	Working closely with our statutory partners (Local Authorities, the Police and Health providers) to deliver positive outcomes in our neighbourhoods and communities.
6.3	Collaboratively working with our internal and external stakeholders to create employment opportunities including apprenticeships and work experience placements.
6.4	Collaborate with partners across the Sovini Group and ensure projects are achieved whilst delivering VfM to the customer.
6.5	Reviewing our supply chain and procurement plan to highlight opportunities to bring service contracts in-house (delivered either by OVH directly or through Sovini Group entities) to reduce costs and improve performance quarterly spend analysis.
6.6	Identify and deliver improvements associated with the 'Three E's' (efficiency, effectiveness and economy) and aiming to meet some of the sustainable development goals.
6.7	Continue to gather and populate our VfM tracker to evidence our cashable, non-cashable savings and cost avoidances to inform our budgets and resource allocation through our Business Planning process.
6.8	Attracting new registered providers to the Sovini Group to enhance our unique offer as a provider for all stages of housing with the expertise in different area.

# Objective Seven: Excellent Performance and Customer Satisfaction

**Aim: Provide value for money to satisfy customers and stakeholders expectations**

We have a proactive culture of managing performance as detailed in the Performance Management Framework and the Customer Voice Strategy.

**Strategy/Framework Link:** Performance Management Framework, IT Strategy, Customer Voice Strategy, Procurement Strategy, and the Risk Management Policy, People Strategy, OVH Strategic Plan.

Action No.	Action Detail
7.1	Continuing to use our Performance Management software to track actions, performance indicators, VfM Metrics and risks over individual teams, management and board meetings.
7.2	Using a range of independent benchmarking services including Housemark, Vantage and Echelon to monitor how we perform and compare against our peers with a clear focus on understanding of our costs and performance with a view to achieving top quartile performance.
7.3	Maximise Customer Voice Satisfaction of the RSH's 22 Tenant Satisfaction Measures (TSMs) via measuring through the 10 Management Information Measures (MIMs) as well as the 12 Tenant Perception Measures (TPMs).
7.4	Excellent Complaints Management and ensuring compliance with the Housing Ombudsman Complaints Code.
7.5	Implementing Business Transformation through our IT Strategy that will support our staff and improve our digital offer to customers, stakeholders and communities.
7.6	Deploying our specialist staff to transform our processes strategically and operationally (automating and streamlining) to generate additional financial capacity and other efficiency savings.
7.7	Collaboratively working with the Liverpool City Region (LCR) Group that is made up of other Housing Associations to share comparisons and aim to lead future innovation and efficiencies for OVH.
7.8	Undertaking annual staff appraisals to review and manage performance along with identifying any opportunities of developments.
7.9	Continuing to obtain accreditations (examples: HQN, CFA, ISOQAR, BMTRADA, In-Trust Merseyside, Investors in People, CCA and Resolve ASB) to demonstrate to customers and stakeholders that we meet certain standards of quality and efficiency across the sector.
7.10	Promote a supportive culture of continuous improvements, involvement from internal and external stakeholders and risk management.
7.11	Utilise the software applications we have to drill down performance data and identify trends to report on and where required agree improvements going forward.
7.12	Have an effective performance team in place to work across the Sovini Group to capture all levels of performance and analyse to input into the overall OVH Strategic Plan.

# Section 3

## OVH Strategic Aims



# OVH Strategic Aims

The following table links how OVH's approach to VfM will assist in delivering OVH's Strategic Aims

OVH Strategic Aims	To make a positive impact in the communities in which we operate	To provide homes that meet demand, in safe, secure and sustainable neighbourhoods	To provide excellent services that meet or exceed customer and stakeholder expectations				To provide the environment to deliver business success
VfM Objectives	1. Maximising Social Value	2. Best Use of our Assets and Resources	4. Customer Voice	3. Governance, Risk and Compliance	6. Maximising Opportunities through Procurement	5. Cooperation and Collaboration through Self-Delivery	7. Excellent Performance and Customer Satisfaction
What we will do	<ul style="list-style-type: none"> <li>Capture and measure our social value</li> <li>Proactively work with our internal and external stakeholders</li> <li>Create and encourage employment, education and enterprise</li> <li>Utilise the social value calendar to promote activities</li> <li>Achieve £100m in social value over 5 years</li> </ul>	<ul style="list-style-type: none"> <li>Measure and report the net present values (NPV) of our stock</li> <li>Our approach to Zero Carbon and Environmental Management</li> <li>Our preparation and delivery of the new requirements</li> <li>Our Development Programme</li> <li>External assessment/ accreditations</li> <li>Funding review to maximise our borrowing capacity</li> <li>Use zero-based budgeting</li> <li>Invest in staff</li> <li>Review the Sustainability Index</li> <li>Use appropriate software and IT solutions</li> <li>Undertake benchmarking</li> </ul>	<ul style="list-style-type: none"> <li>Provide a wide range of opportunities for customers to be involved</li> <li>Effective Complaints Management</li> <li>Deliver the objectives of the OVH Customer Voice Strategy</li> <li>Gather and analyse feedback</li> <li>Have an effective Customer Experience Team</li> <li>Provide relevant training to staff / involved customers</li> <li>Update the website</li> <li>Undertake audits</li> <li>Use suitable software</li> </ul>	<ul style="list-style-type: none"> <li>Strong governance structure in place</li> <li>Board member appraisal/Skills framework</li> <li>Risk and Audit Committee (RAC) monitor risk</li> <li>Self-assessment of compliance against the VfM Standard (2018)</li> <li>Undertake audits</li> <li>Use the SRS for ESG</li> </ul>	<ul style="list-style-type: none"> <li>Use efficient procurement tools</li> <li>Measuring in line with the Public Services (Social Value) Act 2012 and Procurement Act 2023</li> <li>Annual review of financial regulations</li> <li>Proactively reviewing suppliers and monitoring contracts</li> <li>Embed environmental and ethical standards in procurement processes</li> <li>Support local suppliers and SMEs</li> <li>Use the Sovini Groups unique model to supply and deliver services</li> </ul>	<ul style="list-style-type: none"> <li>Using customer intelligence to continually improve</li> <li>Recognition for excellence in the housing sector</li> <li>Increase self-delivery, and use of group services</li> <li>Strategic collaboration</li> <li>Deliver improvements for the Three E's (efficiency, effectiveness and economy)</li> <li>Work with our statutory partners to deliver positive outcomes in communities and neighbourhoods</li> </ul>	<ul style="list-style-type: none"> <li>Use our performance management system to manage action, risk and performance</li> <li>Benchmark our services to understand strengths and weaknesses</li> <li>End-to-end service reviews</li> <li>Improved IT infrastructure to support business transformation</li> <li>TSM Performance publicised</li> <li>Undertake annual staff appraisals</li> <li>Have an effective Performance Team</li> <li>Excellent complaint management</li> </ul>
Outcomes	<ul style="list-style-type: none"> <li>Certified Social Value Outcomes</li> <li>Social value outcomes from procurement opportunities inc. suppliers involvement</li> <li>Employment, education and experience gained by people in our communities</li> <li>VfM tracker – cashable, non-cashable savings and cost avoidances</li> <li>Support social value activities that impact communities and society</li> </ul>	<ul style="list-style-type: none"> <li>Investment work programme linked to ROI</li> <li>Increased number of homes built</li> <li>Achieve awards and accreditations</li> <li>Annual VfM assessments on all our functional areas</li> <li>Better use of our resources i.e. IT</li> <li>Secure external funding to support delivery</li> </ul>	<ul style="list-style-type: none"> <li>High performance against TSM's</li> <li>Assurance to customers that they are being heard</li> <li>Service delivery improvements</li> <li>Well managed complaints</li> <li>Effective Customer Experience Team and involved Customers</li> <li>Recommendations from audits to improve</li> </ul>	<ul style="list-style-type: none"> <li>Positive Regulatory judgements</li> <li>Publishing robust VfM self-assessments</li> <li>Providing Boards with VfM updates inc. sector scorecard outcomes</li> </ul>	<ul style="list-style-type: none"> <li>Evidencing value for money</li> <li>Evidencing social value</li> <li>Evidencing procurement outcomes (self-delivery etc.)</li> <li>Continuous review of supply chain</li> <li>VfM tracker (cashable, non-cashable savings and cost avoidances)</li> </ul>	<ul style="list-style-type: none"> <li>Improved partnerships</li> <li>Less outsourced contracts (more control and assurance, so less risk)</li> <li>In house growth and activity</li> <li>Meeting the targets and requirements of our statutory partners</li> </ul>	<ul style="list-style-type: none"> <li>Well managed performance indicators, risks and actions</li> <li>High levels of performance and customer satisfaction via TSM's</li> <li>Use of business intelligence in business planning to inform VfM decisions</li> <li>Tenant scrutiny and review groups</li> <li>Staff feel valued and involved</li> <li>Manage complaints effectively</li> </ul>
Monitoring	<ul style="list-style-type: none"> <li>VfM Officer</li> <li>Social Value Champion</li> <li>Team Meetings</li> <li>EMT</li> <li>Board</li> <li>RAC</li> </ul>	<ul style="list-style-type: none"> <li>Asset Management Steering Group</li> <li>Development Steering Group</li> <li>Zero Carbon Steering Group</li> <li>EMT</li> <li>Board</li> <li>RAC</li> </ul>	<ul style="list-style-type: none"> <li>Customer Satisfaction Surveys and TSMs</li> <li>Team Meetings</li> <li>EMT</li> <li>Board</li> <li>RAC</li> </ul>	<ul style="list-style-type: none"> <li>EMT</li> <li>Board</li> <li>RAC</li> </ul>	<ul style="list-style-type: none"> <li>Contract Meetings</li> <li>EMT</li> <li>Board</li> <li>RAC</li> </ul>	<ul style="list-style-type: none"> <li>Managers' meetings</li> <li>EMT</li> <li>Board</li> <li>RAC</li> </ul>	<ul style="list-style-type: none"> <li>Team meetings</li> <li>Appraisals</li> <li>Managers' meetings</li> <li>EMT</li> <li>Board</li> <li>RAC</li> <li>TSM's</li> </ul>
VfM Measurements	<ul style="list-style-type: none"> <li>Social Value Generated per £1 Spent</li> <li>HACT Measuring Tool</li> </ul>	<ul style="list-style-type: none"> <li>New Supply Delivered %</li> <li>Reinvestment %</li> <li>Headline Social Housing Cost per Unit</li> <li>Return on capital employed (ROCE) %</li> <li>Rent collection (optional)</li> </ul>	<ul style="list-style-type: none"> <li>STAR Satisfaction with listening and acting on views</li> <li>STAR Satisfaction with tenant engagement</li> </ul>	<ul style="list-style-type: none"> <li>Regulatory Judgements</li> </ul>	<ul style="list-style-type: none"> <li>Earnings Before Interest, Tax, Depreciation, Amortisation, Major Repairs Included (EBITDA MRI) Interest Cover %</li> <li>Procurement Activity Savings</li> <li>Other savings including cost avoidances tracked by VfM Officer</li> </ul>	<ul style="list-style-type: none"> <li>Gearing %</li> <li>Operating Margin %</li> <li>Annual Efficiency Savings</li> </ul>	<ul style="list-style-type: none"> <li>Customer satisfaction that their rent provides value for money</li> <li>Top Quartile operational performance</li> <li>Quality Accreditations retained</li> <li>Staff engagement / feel valued</li> </ul>

# Section 4

## VfM Risks and Mitigation Measures



# VfM Risks and Mitigation Measures

Ultimate accountability for the control and management of risk rests with each Board, who must ensure that an appropriate, robust, and prudent business planning, risk and control framework is in place and operating effectively. In addition to the Board there is a Risk and Audit Committee who are responsible for assisting the Board in matters relating to risk and audit.

Risks	Mitigation Measures		
	Internal Controls	Management Assurance	External Assurance
<p><b>OVH.A.01.O.01</b> Lack of Strategic Approach to VfM that fails to evidence oversight and understanding of key cost drivers.</p>	<ul style="list-style-type: none"> <li>Options Appraisal and Asset Management Steering Group</li> <li>VfM Annual Self-Assessment - reported to Board as part of Statutory</li> <li>CSR Steering Group Meeting/Customer Intelligence Steering Group/Asset Management Steering Group</li> <li>VfM Strategy (revised annually) progress reviewed 6th Monthly via VfM Report to Board and RAC demonstrating Strategic approach to VfM and outcomes generated</li> <li>Sustainability Index</li> <li>Service and Global Accounts Benchmarking</li> <li>Stakeholder Mapping and Joint Working</li> <li>Embedded VfM Culture and VfM Tracker (including AES summary)</li> <li>FLOW – IT project / IT Strategy / MIS Software / ERP</li> <li>ISO CSR Framework – Adopted</li> <li>Service Improvement Contingency</li> <li>Staff Incentive Scheme</li> <li>Procurement Strategy and annual action plan</li> <li>Annual report</li> <li>CSR Strategy and KPIs</li> <li>ESG Measurements, reported to RAC and Stakeholders</li> <li>Performance Management Framework</li> <li>Service Reviews</li> </ul>	<ul style="list-style-type: none"> <li>Biannual VfM Assurance Report</li> <li>Annual VfM Self-Assessment (Board, EMT and Website)</li> <li>Refreshable ROI - Sustainability Index</li> <li>Quarterly Procurement updates - RP EMT</li> <li>Annual CSR Outcomes Report (EMT, Board and Website)</li> <li>Annual CRSA</li> <li>Certified Social Outcomes Report to Board</li> <li>Six monthly VfM reports to Board and RAC</li> <li>VfM Strategy revised annually</li> <li>ESG Report to Risk and Audit Committee</li> <li>Annual ESG Report published on website</li> </ul>	<ul style="list-style-type: none"> <li>Customer Service Excellence Standard</li> <li>Social Value (HACT) Annual Outcomes Report</li> <li>VfM Statement - Audited by Ext Audit</li> <li>Housemark Benchmarking- with independently assessed VfM Quadrant reporting demonstrating VfM compared to our peers</li> <li>Echelon – VfM report for the TPA</li> <li>Vantage Benchmarking - includes financial forecasting, economic assumptions and TSM's</li> </ul>



# Section 5

## Monitoring and Review

5.1 Embedding the Strategy

5.2 Monitoring the Strategy

5.3 Measuring Outcomes of the Strategy

5.4 Reviewing the Strategy



# Embedding the Strategy

5.1

This Strategy recognises that as a housing provider, customer, stakeholder or individual employee, we all have a positive impact to contribute and achieve VfM. We continue to embed this culture by:



Embed VfM into working practices and encourage staff engagement to ensure progress is maintained



Use team meeting infrastructure to talk about VfM regularly with all staff



Proactively encourage suggestions and observations for service improvement from staff, customers and stakeholders



Promote OVH's VfM achievements and celebrate successes to further motivate and encourage the embedment of VfM



Proactively monitor performance by regularly reviewing action plans, performance indicators and benchmarking information



Scanning the external environment for good practice, accreditations and awards that will improve our service delivery or enhance our reputation



Tracking cash and non-cash savings as well as any cost avoidances



# Monitoring the Strategy

This VfM Strategy will be monitored by the following. Each stakeholder will have their own plan of assessment and feedback at the agreed timescales.

## The Regulator of Social Housing

- Review our Statutory Accounts, VfM Self-Assessment, Annual Report
- Deliver outcomes in adherence to the RSH's regulatory standards

## All Customers and Stakeholders (Customer Voice)

- Be involved and influence the delivery of services across the association including scrutinisation
- Review and feedback on the VfM Strategy

## Risk and Audit Committee (RAC)

- Scrutinise the VfM Update Reports every six months and gain assurance in achieving the VfM objectives and aims as well as the VfM Standards

## Managers

- Use the performance and benchmarking information to influence decisions and improvement plans for service area
- Support and embed a positive VfM culture with their team and the organisation

## Executive Management Team (EMT)

- Directors are the champions of VfM across the organisation and driving forward to achieve the associations strategic aims whilst achieving VfM
- All EMT briefings including a Financial Implications/Options Appraisal section to highlight VfM impact
- Service performance and financial information reviewed monthly
- Review progress against targets

## Board

- Receive a VfM update report every six months to report on performance on meeting the VfM objectives and aims, VfM Standard and VfM Metrics
- All reports that are presented to Board have a VfM section called 'Resource Implications and VfM Impact' which informs the VfM decision making process
- Review the quarterly KPI and Financial Monitoring Reports

## All Staff

- Have access to the VfM page to seek advice and guidance
- Receive a quarterly VfM update as part of the overall Procurement Team update via OurSpace
- Encouraged to identify opportunities to improve and create value for the organisation and customers

# Reviewing the Strategy

The VfM Strategy will be reviewed and refreshed on an annual basis to ensure that it remains fit for purpose. It will be referred to the OVH Board for approval and monitored by RAC in terms of delivery and outcomes.

