

NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

POLICY DEVELOPMENT GROUP – 1 JULY 2015

Title of report	DRAFT VALUE FOR MONEY STRATEGY FOR THE HOUSING SERVICE
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Purpose of report	To receive the Committee's comments on the Housing Service's draft Value For Money Strategy.
Council Priorities	Value for Money Homes and Communities
Implications:	
Financial/Staff	As included in report.
Link to relevant CAT	Delivering value for money will allow Housing and the Council to achieve the objectives for the service as set out in the Housing Business Plan and Service Team Business Plans.
Risk Management	The Council sets an HRA budget, which is regularly monitored throughout the year to ensure services are delivered within budget. Risks are managed through the corporate risk management process.
Equalities Impact Screening	None.
Human Rights	None.
Transformational Government	None.
Comments of Head of Paid Service	The report is satisfactory
Comments of Section 151 Officer	The report is satisfactory

Comments of Monitoring Officer	The report is satisfactory
Consultees	Corporate Leadership Team (CLT), Housing Senior Management Team, Tenants and Leaseholders Consultation Forum, Performance and Finance Working Group
Background papers	None
Recommendations	THAT THE COMMITTEE PROVIDES ANY COMMENTS IT MAY HAVE FOR CONSIDERATION BY THE CABINET WHEN IT MEETS ON 21 JULY 2015 TO CONSIDER THE STRATEGY

1.0 INTRODUCTION

- 1.1 North West Leicestershire District Council (NWLDC) published its Value for Money Strategy in 2008.
- 1.2 All Housing Associations are required to issue a value for money statement with their accounts on an annual basis, in order to comply with the value for money element of the national Homes and Communities Agency (HCA) regulatory standards. Although the Value for Money standard does not apply to local authorities, the requirement for a VFM strategy does, and this also represents good practice.

2.0 CONTEXT

- 2.1 The Housing VfM Strategy (Appendix 2) has been developed to ensure that the service is in the best position to:
- Respond to a fast changing economic environment
 - Adopt latest housing best practice
 - Identify and embrace emerging housing policies and trends
 - Demonstrate to our tenants and leaseholders that the Housing Service at NWLDC is an efficient organisation making maximum use of it's resources
 - Deliver services in line with the council's values
 - Maintain rents at a fair and affordable level whilst ensuring that our properties remain decent and services are effective and efficient

3.0 STRATEGY OVERVIEW

- 3.1 In order to support delivery of our VfM Strategy we developed a framework involving eight pillars:
- **Effective Procurement** including
 - Considering quality of goods or service as well as cost.
 - Consolidate purchasing across the service or council to reduce cost per unit
 - **Maximising Assets** including

- Programming works to maximise working in local neighbourhoods
- Design led planning with security, health and safety and estate environment at the core of it's thinking
- **Contract Management** including
 - Maximising the performance of our contractors
 - Regular monitoring of Key Performance Indicators against cost, quality and tenant satisfaction
- **Strong financial stewardship** including
 - Continuing to hold monthly Finance Clinics to monitor expenditure
 - Delivering the HRA budget timetable in line with the corporate budget setting programme
- **Benchmarking and Improving Services** including
 - Annual comparison of the costs of our goods and services with other providers in the sector
 - Working collaboratively with providers in the top quartile to understand their processes and how these might be adopted
 - Challenging why or how we provide a service or function
 - Having full and open consultation with users
- **Resident Involvement** including
 - Involving our residents in major procurement decisions
 - Setting and agreeing targets for service delivery
- **Planning for our future** including
 - Scrutinising areas of spend and challenging current practices
 - Publishing value for money outcomes to residents and stakeholders
- **Involving Staff** including
 - Maximising the opportunity of the BEE scheme in supporting what is possible
 - Embedding a value for money culture where staff are empowered to deliver against the Council Values

3.2 Each pillar is equally important therefore until each is being consistently delivered we will not be fully demonstrating value for money as a service

3.3 To oversee delivery against each of these pillars, a VfM Champion Group will be established, to be chaired by the Finance Systems Team Leader. This Group will present a quarterly progress report to the Performance & Finance Working Group and also to Housing Senior Management Team.

3.4 The timetable included in Appendix 1 outlines the strategy approval timetable and key milestones in implementing the VfM framework.

3.5 The strategy will be reviewed and updated every three years.

4.0 CONSULTATION PROCESS

4.1 The strategy will be considered by the Tenants and Leaseholders Consultation Forum (the Council's Resident Involvement decision making body) for review and comment on 29 June 2015, and by the Performance and Finance Working Group on 9 July 2015.

5.0 NEXT STEPS

- 5.1 Any comments made by the Committee will be noted, and presented to Cabinet on 21 July 2015 when the Strategy will be considered for approval.

APPENDIX 1

Housing VfM Strategy approval and implementation timetable

Item	Action	Who	When
1	Seek nominations from Housing Team Managers for VfM Champion Group representatives	Finance Systems Team Leader	June 2015
2	Present strategy to Tenants and Leaseholders Consultation Forum	Finance Systems Team Leader	29 June 2015
3	Present strategy to Performance and Finance Working Group	Finance Systems Team Leader	9 July 2015
4	Present strategy and timetable to Cabinet	Portfolio Holder Housing	21 July 2015
5	Inaugural VfM Champion Group Meeting	Finance Systems Team Leader	August 2015
6	VfM action plan developed and completed for balance of 2015/16	Finance Systems Team Leader	August / Sept 2015
7	Share action plan with Housing Service	Team Managers Briefings	Sept 2015
8	Presentation on VfM delivery to date at half yearly housing briefing	Finance Systems Team Leader	November 2015
9	Monitoring of action plan at quarterly VfM Champion Group meetings	VfM Champion Group	November 2015 onwards

