



PICKERING &
FERENS HOMES

Value for Money Annual Self- Assessment 2014/15

1 Introduction

Pickering and Ferens Homes (PFH) is a Registered Social Housing Provider (A4020), a registered charity (No 1014862) and member of the National Almshouse Association (No 981).

As at 31st March 2015, PFH owns 1,230 properties and manages 31 more on behalf of another almshouse charity. Around 1,000 of PFH's properties have been built since 1988. Around 65% of the association's properties are two bedroomed bungalows and 14% are in five Service Plus schemes. In line with PFH's charitable objectives it provides accommodation and accompanying services predominantly for people aged over 60 years old.

Value for Money (VFM) underpins everything the association does. Achieving VFM is central to enabling the delivery of our organisational goals and mission. PFH seeks to demonstrate and maximise VFM for the customers and communities we serve and the stakeholders we partner with. This enables us to provide excellent quality homes and services to as many existing and new customers and to achieve high levels of satisfaction.

PFH's mission is to; ***Provide excellent quality homes and services that enhance later life***

PFH's goals are:

- Offer first class homes
- Offer first class services
- Deliver better neighbourhoods and communities
- Promote independent living and choice
- Be effective and grow
- Deliver through people and partnerships

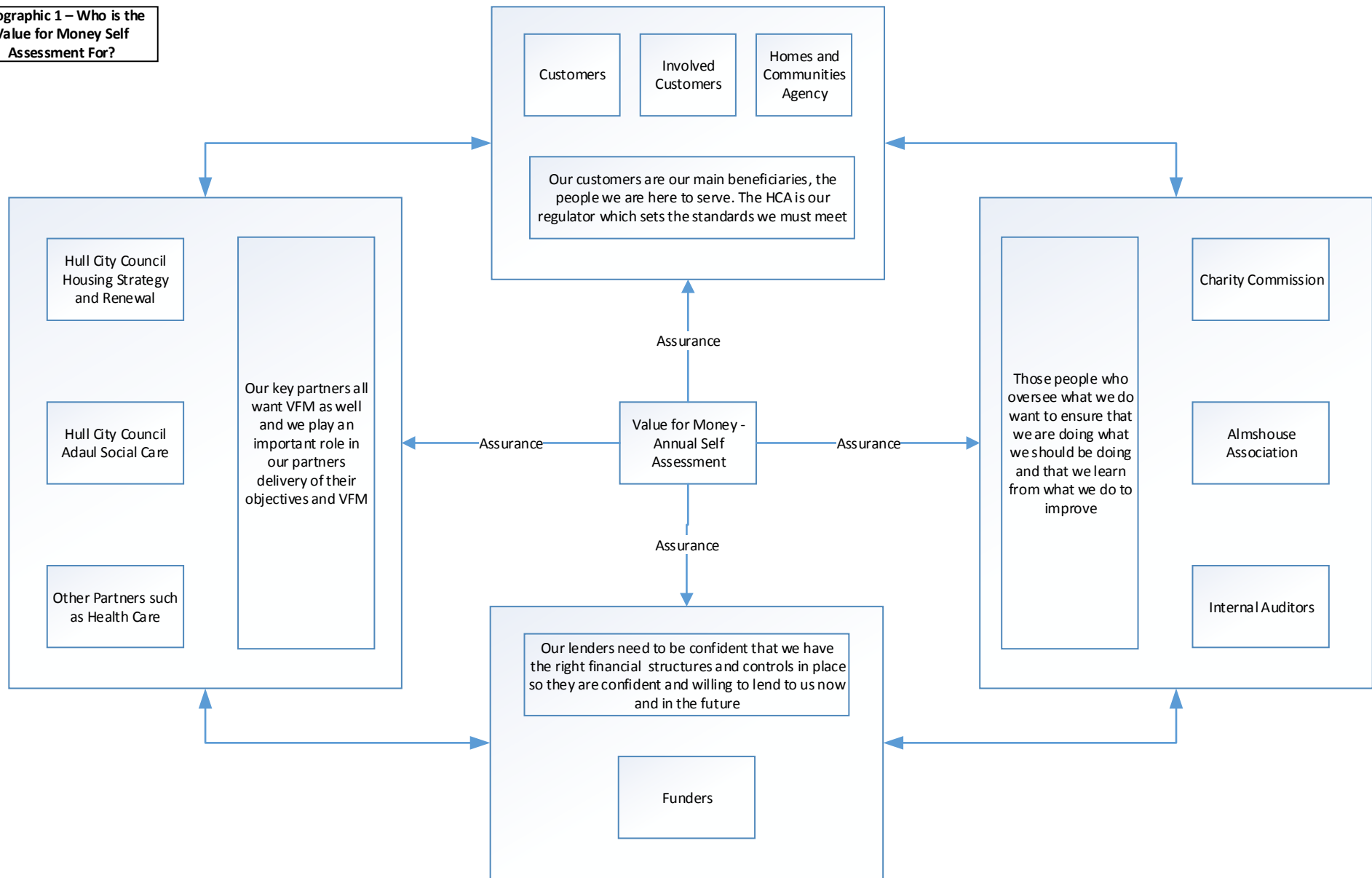
This VFM Annual Self-Assessment is the means by which we communicate to our customers and stakeholders what it is we have achieved and plan to achieve in relation to VFM.

For the association VFM is defined as:

Doing the right things, investing in the right physical and human assets at the right price, doing things right through economic, efficient and effective service delivery and checking the right outcomes have been achieved as a result.

The infographic below shows who the VFM Self-Assessment is for.

Infographic 1 – Who is the Value for Money Self Assessment For?



2 The Business Plan, VFM Strategy and Governance Arrangements for Achieving VFM

Our Board of Trustees recognises that all its resources are a precious commodity and that delivering ongoing and improved VFM is essential to support the organisation's aspiration to be a low cost: high performing organisation. The Board is aware that it is responsible for ensuring the delivery of the Homes and Community Agency's (HCA's) regulatory standard on VFM 2015 and understands that it is required to have a comprehensive and strategic approach which takes into account the performance of all its assets and resources. This VFM Annual Self-Assessment provides an opportunity for the Board to demonstrate this.

Business Plan

The Business Plan 2013–16 is the association's key strategic document and is developed and used by the Board, the Senior Management Team (SMT) and staff teams. It describes our mission and goals, operating environment and delivery plans over a three year period.

VFM Strategy

PFH reviewed the VFM Strategy in 2013 at the same time as it developed its first VFM Annual Self-Assessment.

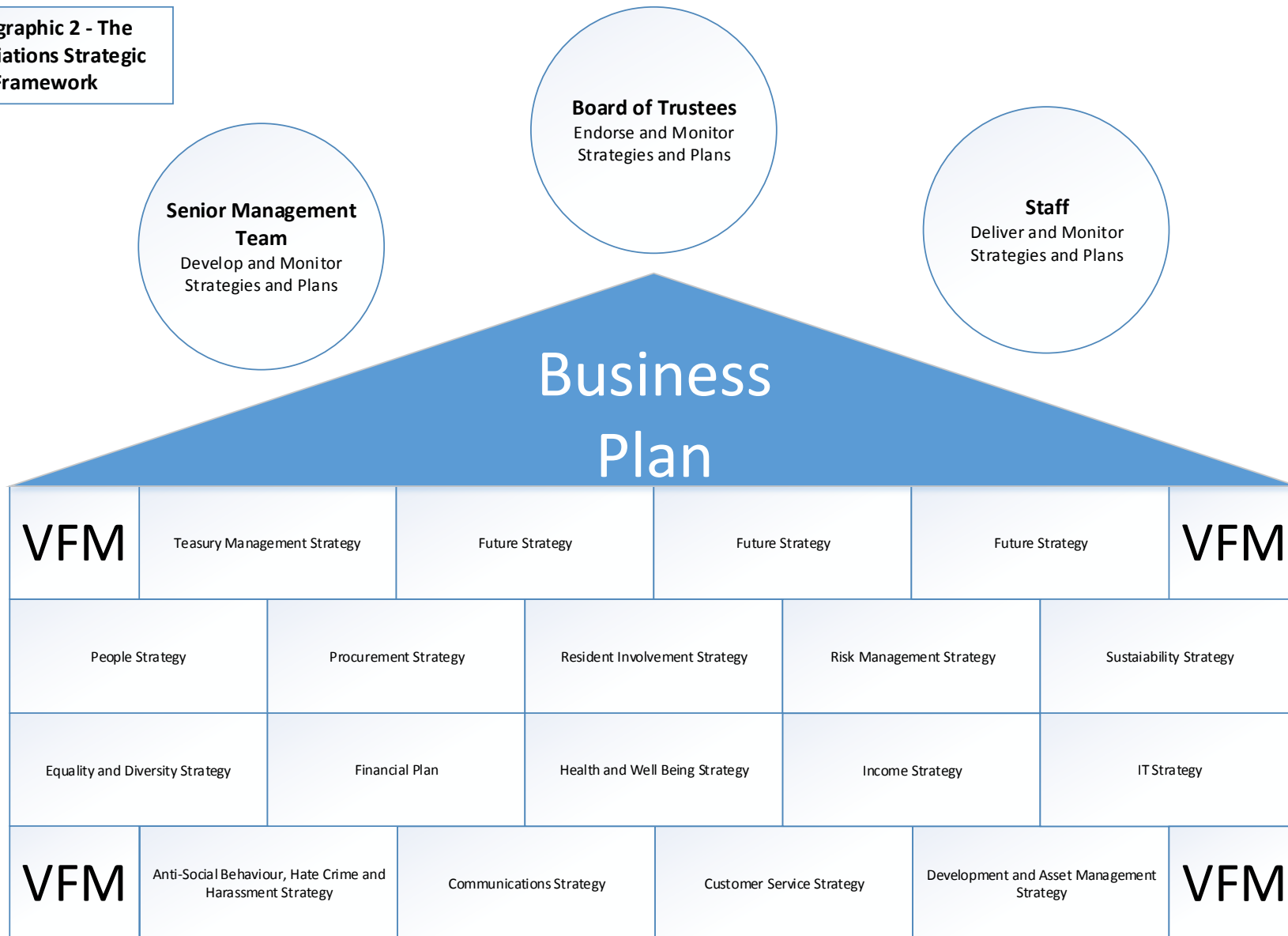
Key objectives of the VFM Strategy 2013 are:

- To define VFM for the association
- To describe how and demonstrate that the association is doing the right things in the right way to achieve VFM
- To highlight the importance of the association's strategic and performance management frameworks in achieving VFM
- To describe how the association self-regulates and has effective resident scrutiny arrangements
- To provide a VFM Action Plan to ensure that the association implements, meets and continues to meet its strategic objectives

The VFM Strategy is delivered and embedded by the Senior Management Team (SMT) and will be reviewed again in 2015/16.

There are strong links between the Business Plan and VFM Strategy. Having an economic, efficient and effective business means that the association's viability is maximised. The infographic below shows how VFM fits within the association's strategic framework.

Infographic 2 - The Associations Strategic Framework



Governance Arrangements

PFH has a Board that consists of 12 members - 8 co-opted members, 2 members nominated by Hull City Council and 2 nominated resident members. The Board follows the National Housing Federations Code of Governance and plays the key strategic role in ensuring the association delivers VFM as it sets and oversees the VFM Strategy and drives the whole VFM agenda.

The Board meets six times each year and holds the Senior Management Team (SMT) to account seeking assurance on progress in delivering VFM through regular reports in relation to the return on the association's assets, operational costs, performance, satisfaction and VFM gains many of which are included in a VFM Action Plan which the Board reviews at each Board meeting. The Board also ensures that other key strategies and policies fit strategically and help deliver VFM. Financial management is a standing item on the Board's agenda where ongoing financial management, treasury management and development finance are regularly discussed.

The Board receives, considers and approves both the association's budget for the next financial year and a VFM Annual Self-Assessment each year.

All reports taken to the Board or its Committees must, if relevant, contain comments in relation to the following:

- Value for Money (implications)
- Business Risks
- Environmental Impact
- Equality and Diversity (implications)
- Customer Insight and Intelligence (implications)
- Financial and Legal Implications
- Service Delivery Impact
- Resident Consultation (arrangements and feedback)

The Board holds twice yearly away days with the SMT to reflect on the current position and forward plan the future direction of the association; they consider the financial plan and benchmarked costs, to ensure that the association meets its mission and goals.

During 2014/15 PFH reviewed the effectiveness of its governance arrangements to ensure it represented value for money and was accountable. Revised governance arrangements have been put in place and a Governance Action Plan has been developed and adopted to drive further improvement. This is overseen by the Governance and Remuneration Committee.

As a result of the governance review the Terms of Reference for the Resident Committee was revised and a Development and New Business Committee has been set up, which will scrutinise PFH's plans to develop new properties over the three years from April 2015. The association already has a well-established Audit and Risk and Committee (see below). All three committees report to the Board.

Treasury Management

PFH's Treasury Management Strategy and Action Plan has been updated in conjunction with Capita and is updated annually and we have reviewed our investments to demonstrate best use of investment funds.

Financial Plan

PFH's Financial Plan is a comprehensive evaluation of the association's current and future financial state that is created by using currently known variables to predict future cash flows, asset values and spend plans. The Plan is updated annually and contains sensitivity analysis and 30 year spend projections. The Plan also covers how the association manages its' loans and how it will look for finance to cover its future development plans.

Stress Testing

The association is evolving its approach to stress testing. The HCA's requirements were discussed at the Board's away day in April 2015. This builds on the sensitivity testing the association completed during the last and previous business planning rounds and extends to appraise non-financial risks and multi-variant scenarios which will be agreed by the Board on 21 September 2015 ahead of the next Business Plan update.

Budget Setting

One of the key tools used by the association to deliver VFM is the annual budget setting process; PFH has changed the way that it sets budgets as part of the development of its performance management framework. We undertake a zero based budgeting approach and identify essential and non-essential controllable expenditure. Managers are

accountable for their own budget areas and better ways of delivering services at a reduced cost are consistently looked for. This year we have reviewed our budgets to ensure that we can generate efficiency savings, controllable expenditure has been categorised and savings focused on areas of low customer and business impact.

Risk Management

PFH has a comprehensive approach to risk that aligns with its Business Plan and other key strategies. This ensures we evaluate all our strategic and operational risks, the likelihood and potential impact of these risks and the controls that the association has in place to effectively manage these risks. Risks are detailed in strategic and operational risk registers as is established risk appetite.

Managing Performance

PFH has adopted a balanced scorecard approach to managing performance; the Board monitors performance via a scorecard of around 20 business critical performance indicators. The SMT and operational managers monitor over 70 performance indicators on a monthly basis which is a combination of each of the three business units (Resident Services, Property Services and Business Support) individual balanced scorecards.

Targets for the financial year are set to improve on the previous year's performance or to exceed top quartile outputs. We also participate in HouseMark benchmarking to ensure we consider the performance of other organisations within our comparator groups. Under performance is addressed via Performance Improvement Plans (PIP's) developed and owned by operational managers and agreed and monitored by the SMT and also monitored by the Board. At the end of March 2015 four PIP's were in place with regard to:

- Complaints
- Current and former resident arrears and write offs
- Repair completions in target time, and
- Staff sickness rates

Performance and VFM are discussed at bi-monthly staff meetings as well as at team meetings and during individual one to one meetings and appraisals. Staff are encouraged to think about VFM and to share their VFM examples with other staff, particularly for inclusion in the VFM Annual Self-Assessment.

Resident and VFM

Residents hold PFH to account and are assured with regard to the delivery of VFM primarily at the Resident Led Scrutiny Panel (RLSP), the Residents Committee and Area Forums where the association's cost, performance and satisfaction are discussed. In addition, quarterly performance is provided in the residents' magazine People First. The Annual Report to Residents contains extensive cost, performance, satisfaction and VFM information. The existence and highlights of the VFM Annual Self-Assessment is widely publicised in the association's resident's magazine, People First, Facebook and Twitter and the full document is made available on PFH's website and in other formats and languages.

The Resident Led Scrutiny Panel (RLSP) was established in 2013 as a key part of our governance framework and has completed 2 service reviews with regard to improving performance on letting properties on first offer and improving urgent repairs performance. The Board accepted all the recommendations of the Panel and staff have since implemented all the recommendations. The Panel has checked that these recommendations have been implemented and is currently reviewing the Grounds Maintenance contract and specification with their report to be submitted to the Board in the autumn of 2015, this will be vital as part of the re-procurement of the ground maintenance service in 2016. The Panel uses, cost, quality, satisfaction and customer feedback (particularly complaints) information as triggers for its reviews. Recommendations implemented so far by the association include:

Lettings

- Scheme Manager to be present at the viewings for all sheltered properties
- The procedure for viewings is to be followed consistently
- Applicants are fully aware of the property type, size, location, facilities, heating type, bathing facilities, rent and service charges prior to viewing
- Review the standard of cleanliness for void properties and inspect prior to viewing
- Review the standard of decoration of void properties and make the decorating and policy and allowance clear to applicants Ensure that walls with small cosmetic holes are made good, ready for decoration to take place prior to letting
- Provide written information relating to heating systems along with other information relating to the property and the local area

Urgent Repairs

- Change the wording on the contractor Return Slip to speed up the return of the repair details
- The date and time of a first visit to a reported fault should be recorded
- No more than two return visits to a recently completed repair should be allowed by the same contractor without requesting full information on the reason for the visits
- Ensure that a 10% check on completed repair jobs is carried out
- Consideration should be given to the re-classification of some Urgent and Routine repairs

Other Feedback

PFH has reviewed arrangements through which residents give feedback on key areas of the service they receive. During 2014/15, we gathered feedback on responsive repairs (based on a RLSP recommendation), aids and adaptations and major works. Other surveys are being reviewed to ensure the questions remain relevant, the method for undertaking the surveys gives VFM and the results are accessible and can form part of the association's performance management arrangements. We also undertook a PFH wide Residents Satisfaction Survey in summer 2015.

Internal Audit

In 2014/15, our internal auditors, BDO, reviewed the following areas as well as following up on previous audits to ensure recommendations have been considered and implemented:

- Customer Insight and Data Profiling
- Performance Management and KPI's
- Property Development Strategy and Activity
- Gas Servicing
- Core Financial Controls
- Income Management and Rent Arrears
- Complaints Management and Learning from Complaints

In 2015/16 BDO will review the following areas as well as following up on previous audits:

- Asset Management Strategy
- Cyclical Maintenance Services
- Corporate Governance
- Core Financial Controls

The results of internal audits are agreed between BDO and the SMT and overseen by the Audit and Risk Committee. Audit actions are tracked and reviewed by the Committee and the implementation of the recommendations are checked by BDO through Follow Ups.

Plans for 2015/16

Over the next year the following activities will take place in relation to **VFM and Governance**, these activities are detailed in the VFM Action Plan attached at Appendix 1 and in VFM Performance Indicators attached at Appendix 3:

- Review the VFM Strategy to ensure it is up to date on the latest VFM thinking
- Carry out further Stress Testing to understand and mitigate the effect of major stresses to the association
- Complete a review of Resident Involvement to ensure the options available remain fit for purpose and meet resident's needs, wants and desires
- Review the association's loan portfolio to ensure it still represents VFM
- Continue to support the work of the RLSP to ensure residents views and recommendations are considered and implemented to improve service delivery
- Develop the approach to surveys to ensure that the association has greater feedback on its key business processes
- Develop, agree and implement a Communications Strategy and Equalities and Diversity Strategy and associated action plans to ensure that the association fills gaps within its strategic framework
- Have the association's Internal Auditor's complete four reviews to ensure the association is doing what it says it will do in its strategies, policies and procedures
- Review the Risk Register following Board training in July 2015
- Review the remaining risk areas (six out of eight completed) to ensure PFH's risk appetite is established.
- Develop a new suite of VFM Performance Indicators for monitoring to ensure that cashable and efficiency savings through different ways of working are captured
- Train involved residents in finance and risk management so they can effectively support their resident groups

- Undertake cost savings efficiencies to ensure long term viability can be achieved
- Assess the implications of the RTB2 policy.

Case Study - Good Practice in Budgeting Through Resident Budget Roadshows

In order to enhance residents' understanding of budgeting and to consider their views in the budget setting process, the association's developed an interactive workshop using poker chips; spend cards and scenario chance cards.

The purpose of the workshops was to offer the association's residents an opportunity to understand the sources of income that PFH receives each year, and then put the residents in charge of spending that money.

A pile of 134 poker chips was placed in the middle of a table; these represented all the money the association receives each year, only four of which were from investments made. A number of coloured cards were spread around the edge of a table; these represented the main areas where the association spends money with a further card for "savings" (surplus).

Spend control of the £6.7m budget (134 chips) was handed over to residents who were told that it is their chance to run the business and they were asked to spend a little time discussing and agreeing how they would like to spend the budget. Finance staff were able to explain to residents the key cost drivers for each areas of spend. When agreed, the final spend allocation and any amounts to retain via a surplus were recorded on each laminated card. The next stage involved random scenario selection. It was explained that "life isn't always that simple, and in most businesses (and similarly in our own daily lives) we are faced with challenges and unexpected events that throw us off course. And we have to respond to those events." From a number of scenario chance cards, residents were asked to pick one, then to discuss how they would deal with this scenario by reallocating their spend allocation, a further scenario chance card was selected, read out and the above repeated.

Residents were then offered a further option, to increase rents; this option offered 3 additional coins which would be generated by a 2.75% increase in rents, this gave residents an understanding of how much a 2.75% increase in rents would raise. Finance staff would then summarise the event by explaining that what the participants had just engaged in was the basic principles of budgeting. "You've started off with an amount of money; you've carefully decided how you want to spend that money; you've sensibly set some aside for a rainy day and you've demonstrated that you can manage unexpected situations" On the reverse of each laminated card was how much the association actually spends in each of these areas for comparison. Over 30 residents took part in the workshops and the workshops were shortlisted for Housing Association National Accounting Awards.

3 Operating Surplus and the Use of Assets and Resources

Our five main areas of expenditure are staffing, grounds maintenance, major repair works, day to day repairs and maintenance and its Housing Plus schemes. By controlling and reducing its operating costs PFH will be able to maximise its surplus for further reinvestment.

The association's turnover and operating surplus over the last four years is given in the table below.

Year	2011/12	2012/13	2013/14	2014/15
Turnover	£5,797,413	£6,512,188	£6,664,078	£6,741,276
Surplus	£229,406	£1,733,920	£2,073,659	£1,284,492

Having an operating surplus each year is important as surpluses are used to fund activities that meet the association's Business Plan mission and goals. In 2015/16, as in the previous year, 2014/15, surpluses will be used in particular to support:

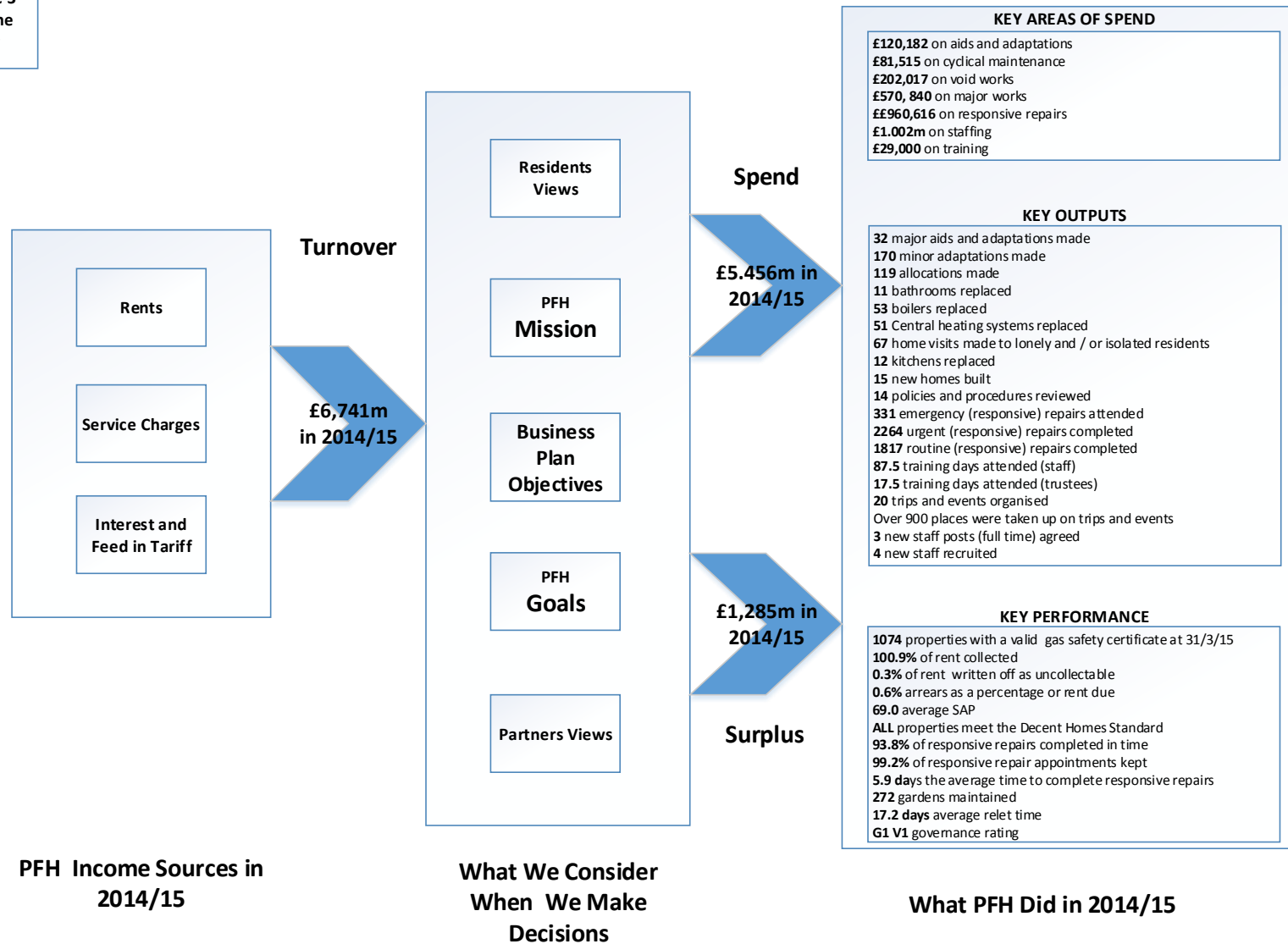
- Maintaining and improving existing properties based on the outputs from stock condition surveys and in line with the Asset Management Strategy
- Supporting new developments to meet the demand for the associations properties and provide extra income
- The reduction of debt
- Developing the associations goals around delivering better neighbourhoods and communities and promoting independent living and choice

Rents and Welfare Reform

75% of our customers rely on housing benefit for part or all of their housing costs. Rents are designed to maintain affordability in line with the association's charitable ethos and origins. Welfare reform has, so far, had limited impact upon the association as only around 10 customers were affected by the spare room subsidy (bedroom tax) as most customers are of pensionable age. The introduction of Universal Credit has stalled, but will be rolled out and effect some of the association's customers in the next few years. The association will assess the impact and make plans to mitigate them where possible. One area that will need to be carefully considered is the government's aspiration around digital service provision. Customer insight information show low levels of IT use and skills amongst the association's current customers.

The diagram below shows how the association makes a surplus and how it decides what to spend it on.

**Infographic 3 –
Follow the
Money**



Stock Condition and Investment Needs

Understanding the needs of the association's main assets, that is its properties, is vital to being able to get VFM from them. The quality and condition of properties is of significant importance to customers, funders, the regulator and future customers. Being able to make informed decisions on the retention of and / or investment in the association's properties and other assets, or to consider remodelling or the disposal of properties and other assets that are not performing as well, is of critical importance. We have spent considerable time improving our understanding on the return of our assets and are using this information to help plan for the future.

Conclusions from stock condition and stock valuation surveys in 2013 include;

- Properties have benefited from sustained investment with no properties being non decent
- Resources have been applied effectively and in the right areas and properties have been maintained in good order having regard to their age, use and construction
- Purposes built properties are of an age where major component replacements are starting to prove necessary and there is a continuing commitment in this respect in coming years
- Providing adequate routine maintenance continues to be undertaken, the properties have a remaining economic life in excess of 30 years
- Properties reflect specialist accommodation for which there will be a limited (if growing) demand in the city. However, the overall quality of properties means there should always be strong demand for it

The association had the existing use social housing value of its property portfolio appraised in 2013 at £54m compared to £30m in 1997. This provides the basis for future borrowing against an asset base that is growing and with the right investment will continue to grow in value.

In 2014/15 we completed a long term and more detailed analysis of the return on investment (ROI) of our homes to further refine current performance data to support future asset management plans. The association has assessed the performance of its assets on a scheme by scheme basis by looking at the net rental return that each home makes (after management costs and responsive and long-term repairs and maintenance costs) against the value of properties in the scheme. By ranking the results highest to lowest (measured by yield) the association is able to gain an understanding of performance by schemes. The 10 best and 10 poorest performers are listed below:

1	Patrington	37	Summergroves Phase 1
2	Junella	38	Studley Court
3	Steynburg / Rustenburg Street	39	Elizabeth Stephenson Trust
4	Ada Holmes Circle Phase 2	40	Summergroves Phase 3
5	Broadway Village Phase 5	41	Ferens Haven of Rest
6	Charles & Esther Jacobs Homes	42	Victoria Dock
7	Endike Middle	43	Babington Row
8	Rokeby	44	Eleanor Scott Trust
9	Priory Road West	45	Sir James Reckitt Village Haven
10	Ada Holmes Circle Phase 1	46	Joseph Hornby Stockdale Almshouses

On average our homes produce a net annual return of 6.2% against the original cost of each home, or 3.4% measured against a property's EU-SHV (Social Housing) value.

The association is looking to factor in SAP ratings, demand and property type, to ensure its property portfolio remains financially viable and meets the wants, needs and desires of current and future customers. Particular focus will be paid to the association's Housing Plus (sheltered housing) provision and one bedroomed properties.

Our asset database is continuously updated as the association completes day to day and major works programmes. This allows decisions on the use of assets to be made from a strong, current evidence base. We have staff trained to undertake Energy Performance Certificate (EPC) assessments, which will enable consistency in our approach to EPC and SAP calculations. This will also save the costs of the external provision of EPC's which need to be completed on every empty property.

The association uses the reduced SAP 2012 methodology and has an average SAP rating of 69.0. Properties with lower SAP ratings tend to be our older grade 2 listed almshouse properties.

The associations spend on its assets by area (not including pay costs or overheads) for the last four years is detailed in the table below.

Expenditure Area	2011/12	2012/13	2013/14	2014/15
Number of properties	1,213	1,216	1,215	1,230
Spend on Response Repairs	£784,592	£773,060	£778,666	£960,616
Spend on Void Repairs	£116,615	£109,833	£124,632	£202,017
Spend on Cyclical Servicing	£292,261	£308,610	£342,337	£201,697
Spend on Planned Maintenance (revenue)	£390,660	£419,778	£249,680	£570,840
Spend on Planned Maintenance (capitalised)	£666,690	£507,234	£852,204	£582,291
Total spend on Planned Maintenance	£1,057,350	£927,012	£1,101,884	£1,153,131

Demand and Needs

Our extensive customer intelligence has been used extensively across the business. As a specialist provider for the over 60's, the association is committed to finding holistic solutions to its customer's needs and aspirations. This is delivered through a range of partnerships and has been reinforced, through our workforce review which has changed and created new roles which support choice and wellbeing.

In 2014/15 we re-let 119 properties, which is a 10% turnover of total properties. The predominant reasons for licence termination are:

- 50% - Death of the resident
- 27% - Residential care
- 16% - Moved away

Demand remains strong with a waiting list of over 500 people at the end of 2014/15. Although demand is evenly spread we do not have hard to let properties without any demand, however we are considering how best to secure future demand for our service plus schemes through a comprehensive review which was reported to Board in May 2015. We plan to undertake a systematic review of our allocations and lettings process during 2015/16, taking in to consideration intelligence that we gathered on customers who have moved out of our properties to seek alternative accommodation (including extra care). We also plan to review our waiting list as we recognise that the current system is inefficient and can lead to unrealistic expectations for applicants.

Development

Our Development Strategy is geared to meeting the objectives set out in the Business Plan, with particular emphasis both on maintaining the quality of accommodation and achieving rents which are affordable for those customers whom it sets out to house.

The association has 2 pipeline developments totalling an anticipated 94 new homes. We aim to "future proof" new homes in line with emerging best practice regarding later life living design. The association has commissioned an architectural design champion to help with dementia friendly aspects of design.

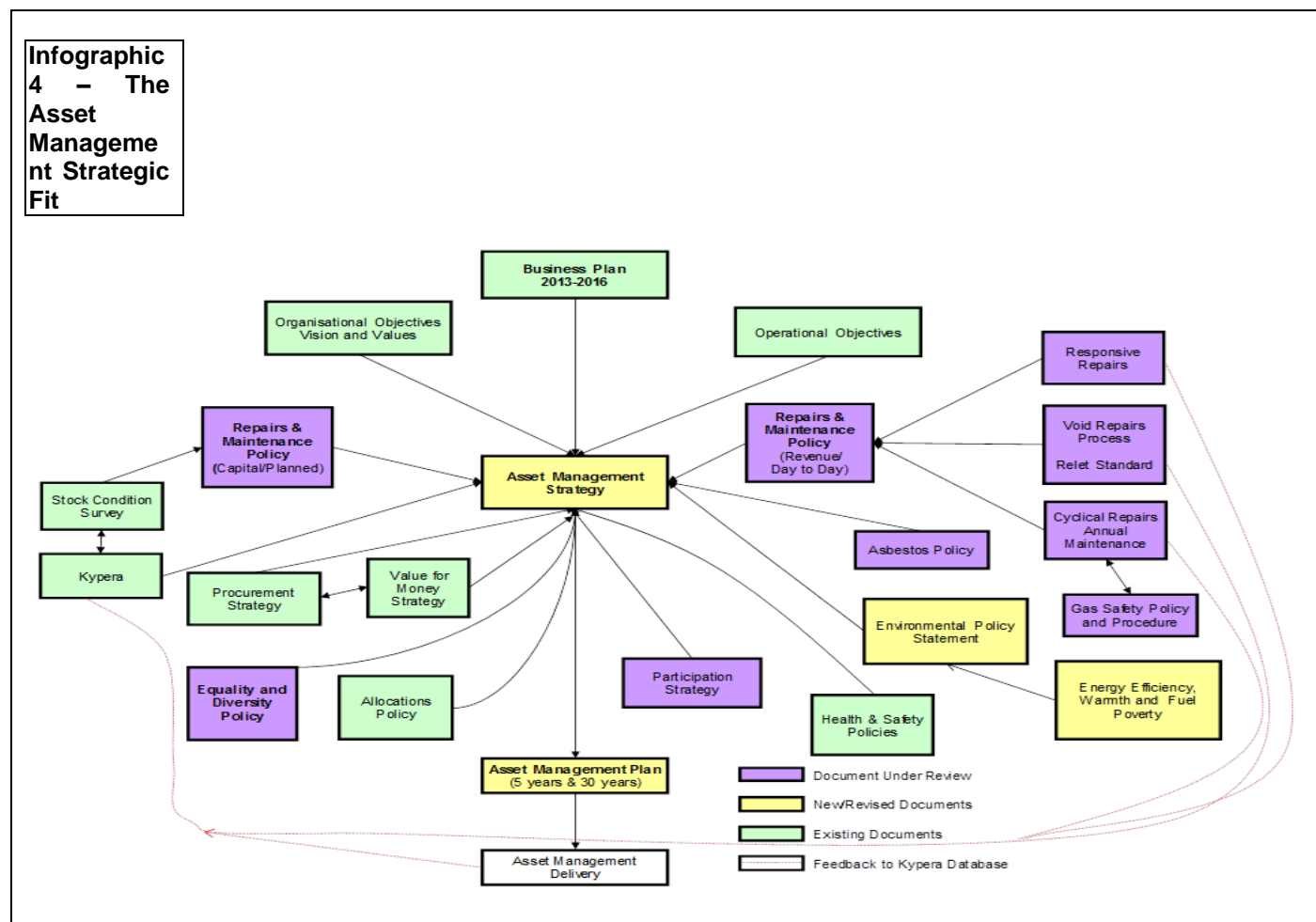
Asset Management Strategy

This enables decisions to be made to improve returns, through either holding properties, investing in properties or disposing of properties and ensure those decisions are made from an informed point of view and where the benefit of investment on future rental stream/social outcomes is done on the basis of detailed, wide ranging and current information.

The robust nature of stock condition data, demand and needs and development information has allowed the association to develop an Asset Management Strategy that was agreed by the Board in November 2014. The Strategy describes the framework within which decisions are made about investment in properties. The strategy aims to:

- Keep properties in the best condition, in the most cost effective way
- Bring properties up-to-date and in line with current and projected customer expectations and demand
- Reflect neighbourhood issues
- Maintain a balance between response, cyclical and capital investment

The infographic below shows how the association's Asset Management Strategy fits into the association's strategic framework



The strategy also includes a detailed action plan that guides its implementation progress. Proposed spend on assets over the ten years from 2014/15 is shown below. Information from the stock condition survey and customer's needs, wants and desires have enabled the association to revisit its major works programme and bring forward window replacement programmes for the majority of its stock.

Year	Capital	Revenue	Total
2014/15	£582,600	£567,400	£1,150,000
2015/16	£618,600	£618,600	£1,237,200
2016/17	£693,605	£693,605	£1,387,210
2017/18	£773,103	£773,103	£1,546,206
2018/19	£857,316	£857,316	£1,714,632
2019/20	£902,850	£902,111	£1,804,961
2020/21	£942,869	£933,685	£1,876,554
2021/22	£979,354	£966,364	£1,945,718
2022/23	£1,066,428	£1,000,186	£2,066,614
2023/24	£1,117,330	£1,035,193	£2,152,523

Procurement Procedures

The association refreshed its Procurement Procedures in 2014, to ensure that we purchase all goods and services in the most cost effective way, involving customers and other key stakeholders where appropriate.

With an annual maintenance budget of between £1.1m and £2.1m, over the next ten years, the opportunity for delivering VFM through effective, well managed and executed procurement is especially important to ensure best

value. Membership of procurement clubs have already led to benefits both in terms of cost and quality and have been efficient to undertake. We also use procurement clubs to tender for annual and cyclical works using template specifications and forms of contract. For 2014/15, the association has calculated that it has saved around £34,000 through its membership of procurement clubs, see Appendix 5 for details.

Our procurement programme is as follows:

Area of Work	Procurement Date
Annual Gas Servicing and Gas Repairs	2014
Major Annual Maintenance Agreements e.g. Cyclical painting and decorating	Annually
Other Maintenance Agreements e.g. Fire alarms, Emergency Lighting & Fire Extinguishers	Annually to tri annually
Empty Properties	2015/16
Day to day repairs and maintenance	2015/16

Environmental Return on Assets

As a specialist provider for the over 60's, the need to work with customers to achieve affordable warmth, is of critical importance. Many of our customers have illnesses that mean they spend a lot of time in their homes. Feedback from customers suggests that over 60% see this as an important concern for them. When undertaking major works PFH will always replace existing boilers with A rated boilers. New properties were built to a minimum level 3 of the Code for Sustainable Homes, and future homes will be built to the same or improved standards.

We have installed photo voltaic panels on five Service Plus schemes, four pop in centres and a further 50 properties built between 2011 and 2013. The higher rate Feed in Tariff offered at the time meant that the small 50 home programme will benefit current and future customers and also generate an income for the association. It is expected that the cost to install the photo voltaic panels will be paid off in just over a decade of the installation date.

The table below provides a summary of the electricity that is being generated for which the feed in tariff has been claimed at the end of 2014/15.

Properties	Average KWh Generated	Total KWh Generated	Total money generated	Total CO2 Saved in Kg	Boilers Fitted	Total CO2 Saved in Kg
39	1,800	70,200	£39,000	43,200	53	45,000

We are taking a holistic view of environmental management and are working with customers to ensure that their heating systems are easy to use as well as being cost effective to run, and that customers are aware of the costs associated with individual examples of energy use (for example boiling a full kettle compared to boiling just enough water that is needed). Working with a local company EMS, the association has had 150 smart meters installed in customers' properties. We have recruited a fixed term Development and Sustainability Manager to oversee a wide range of developments in this area.

Information Technology

During 2013 the association re-procured its IT solution and moved to a new provider that supplied a fit for purpose fully integrated housing and property management system that was fully functional covering all areas of the business.

As a flagship user, the association benefits from reduced costs in return for allowing site visits and is also helping to develop further functionality, particularly around interactive portals for residents and contractors to use, which will reduce the amount of telephone calls to the office (e.g., from residents querying their balance) and reduce the amount of invoice processing (from contractors who can update information on repairs into the association IT solution). If the association, for example, processed 500 fewer invoices in 2015/16 as it did in 2014/15 (from 7800 to 7300) it should save around £7,500 in officer time, see Appendix 4 VFM PI's 2014/15 and 2015/16.

People are our greatest resource

The association employed 44 individual members of staff at 31st March 2015 which equates to around 34 FTE. We hold the Investors In People Bronze award with ambitions to apply for the Gold award in 2016.

During 2014/15 the association embarked on a workforce review, the overall purpose of which was to ensure that the association is confident and capable of achieving the ambitions it set out in the Business Plan, this resulted in a revised staffing structure.

In March/April 2015, the new staffing structure was developed and agreed by the Board. The new staffing structure recognises the strategic need for specialist skills within the organisation. A new Property Services Director has been recruited. We are also considering the business case for a handyperson type service. Having assessed the nature and frequency of day to day responsive repairs and the cost associated with small jobs, we recognised that it may benefit from employing its own handyperson who would be able to complete low level jobs that we would currently ask a contractor to complete at greater expense. We could also expand this to offer a trusted, chargeable, handyperson service to customers where jobs fall outside of our repairing obligations.

The structure also reflects our aspirations to enhance our key areas of work within our Business Plan. Two posts have been created (Development and Sustainability Manager and Health and Well-being Manager) with both posts being fixed for three years to enable an evaluation.

To ensure that all staff have the skills, knowledge and competencies to perform their roles within the new staffing structure a detailed and extensive training plan has been developed with an increased training budget allied to it. (See case study "Undertaking a Workforce Review to Create an Association Fit for the Future" below).

Levels of staff sickness have been historically high and in a small organisation one person's sustained absence can have a major impact on colleague and customers. We have focused on revising procedures, manager training and case management to improve performance in this area and sickness has reduced from 15.5 working days per person per year to 10.5 working days per person per year in 2014/15. Our target for the current year is 8 days. It will save over £70,000 through having staff in work and not on sick; this will ease the strain of other staff members and negate the need for agency / temporary staff to cover. See Appendix 3 VFM PI's 2014/15 and 2015/16.

Plans for 2015/16

Over the next year the following activities will take place in relation to the association's **Surplus and Management of all Assets**, these activities are detailed in the VFM Action Plan attached at Appendix 1 and in VFM PI's attached at Appendix 3

- Procure day to day repairs and maintenance services via procurement club arrangements to ensure that capacity is added to the organisation and savings of 10% can be made during the life of the contract
- Procure grounds maintenance service via procurement club arrangements to ensure that capacity is added to the organisation
- Build the requirements of the Social Value Act 2012 into all contracts to ensure that the association gets and report on added value initiatives resulting from the contracts
- Revisit the associations approach to Annual Maintenance Agreements to ensure it offers VFM and maximised the benefits of contracting over the longer term with contractors with predicted yearly volumes to reduce the need to contract on an annual basis, this could lead to savings of 10% each year during the lifetime of longer maintenance agreements
- Undertake major repair projects as follows:
 - £1.864m on windows and doors
 - £202,000 on cyclical decoration
 - £186,000 on kitchens
 - £178,000 on boilers
 - £100,000 on fencing
- To ensure that properties are maintained in line with the Asset Management Strategy
- Recruit a permanent Property Services Director to ensure responsibility for the management of the associations physical assets
- Recruit to the Health and Wellbeing Manager role
- Review Fuel Poverty / Affordable Warmth Strategies to ensure they account for residents needs gained through customer insight information
- Develop a Health and Well-Being Strategy to ensure that the association takes a holistic view of the needs of its residents and that this approach is not confined to property needs
- Undertake the remaining 120+ Home Visits to ensure that customers who stated they felt lonely and / or isolated are visited and an assessment made on how the association can help reduce these feelings through work to customers' homes or engaging residents in social activities
- Option appraise a handyperson service to ensure that costly small repair and maintenance jobs can be

completed in house potentially saving the association in excess of the cost of employment per year

- Evaluate the new staffing structure to ensure it is working efficiently and effectively and to change the arrangements if necessary
- Apply for the Investors In People Gold Standard to ensure that staff feel fully part of the association and share its mission and goals
- Undertake IT penetration testing to ensure that the association IT systems are protected from attack and illegal hacking
- Implement the Asset Management and Development Strategies to ensure that information the association has on the need of and demand for its properties is leading to the right actions taking place
- Source the most appropriate financing for new build to ensure the association is sweating its financial assets but does not risk its financial stability
- Appoint a Development Agent to manage the associations new build programme to ensure the association adds expert help to allow it to develop new homes by 2018 partly using Homes and Community agency funding
- Appoint a development partner to construct new homes by 2018 to ensure that the association can build properties to the specifications that meet future customer's requirements
- Appoint an architect to produce plans and drawings of the new build properties to ensure that previous best practice built up by the association when building new homes marries up to best practice
- Review the associations Service Plus housing offer to ensure it remains relevant for current and attracts future customers
- Undertake a full review of the allocations and lettings policy and process, ensuring that it gives potential customers a better understanding on when and if their housing needs can be met
- Review the associations approach to current, former customer arrears and write offs to ensure they are fair, transparent and inclusive processes and help the association to maximise income by minimising debt
- Review the effectiveness of the Housing Proactive service to ensure it meets the associations and residents' needs and provides VFM
- Improve on the progress made on managing sickness absence to ensure maximum attendance through supporting staff so that they can deliver all the services the association delivers without the need to employ temporary (agency) staff
- Let out the remaining vacant office space of Silvester House for up to £13,000 per annum to ensure that the association looks to maximise all its current revenue streams
- Explore in partnership with Procurement for Housing and other smaller housing association's pathways for joint procurement via a project manager which will save up to an estimated 15% on average procurement costs in areas covered

Case Study – Procurement of a Gas Servicing and Repairs Contractor Through Membership of Efficiency North Procurement

As a relatively small association we lack the capacity and the in depth specialist skills to enable it to effectively tender its major repairs and maintenance contracts to market test its services. In 2014 the association re procured all its gas repair and maintenance services for the first time in over ten years via the Efficiency North Procurement Club using their Heating System Servicing and Maintenance Framework. Current best practice in the sector suggests that repairs and servicing should be combined into one 3 service, and that this improves consistency and service delivery.*

The association produced a detailed set of client requirements which supplemented the existing Framework arrangements and set out how PFH want the service to run. As a result the association will from the 1st June 2015 has a three star service that will save the association approximately £60,000 per year for a more holistic service. In addition the new contractor has agreed to provide 1 full time training opportunity over the length of the contract for a local person. The winning contractor has 5 engineers who live in Hull and 19 engineers and supervisors who live and work in the surrounding area.

4 The Associations Operating Costs, Performance, Satisfaction and Social Value

The table below shows the costs, performance of and satisfaction with the association over the last four years and in 2014/15 against its HouseMark benchmarking comparators of all providers with less than 2500 properties. Columns for PFH 2014/15 in red means the association will be looking into this area and how costs balance with performance and satisfaction. Columns for PFH 2014/15 in orange mean the association will be watching for changes in cost, performance and satisfaction in these areas and columns in green means the association feels it is getting the mix of cost, performance and satisfaction right in these areas. Cost and performance figures relate to the 2014/15 financial year and satisfaction relates to the Resident Satisfaction Survey completed in June 2015 following on from the last survey completed in March 2012. The association recognises that it needs to look at other benchmarking groups and methods to ensure benchmarking stays relevant and will be revisiting benchmarking in 2015/16

Indicator	PFH 2011/12	PFH 2012/13	PFH 2013/14	PFH 2014/15	HouseMark Median 2014/15	Why VFM?
Cost of Responsive Repairs and Void Works per property per year	£820	£741	£716	£830	£817	Having cost effective repairs and maintenance services is resident's number one priority. The amount of money the association spends on all aspects of repairs and maintenance in 2014/15 was 1,935m which is 35.5% of the total money it spends each year. The larger the budget the greater the opportunity for efficiency savings and the greater the efficiency savings can be.
Cost of Responsive Repairs and Void Works (Management) per property per year	£269	£232	£208	£267	£221	
Percentage of responsive repairs completed in target time	95.6%	93.9%	92.6%	93.8%		
Average number of calendar days taken to complete responsive repairs			6.9 days	5.9 days	7.2 days	
Percentage of residents satisfied or very satisfied with how the association deals with repairs and maintenance	97.3%	97.3%	97.3%	93.7%	83.4%	
Cost of Major Works and Cyclical Maintenance per property per year	£1,302	£1,313	£1,438	£1,478	£1,241	
Cost of Major Works and Cyclical Maintenance (Management) per property per year	£164	£141	£169	£130	£132	
Percentage of Properties that were non decent at the year end	0%	0%	0%	0%	0.0%	
Percentage of residents satisfied or very satisfied with the overall quality of their home	95.8%	95.8%	95.8%	92.8%	85.7%	

Total Maintenance Costs Per Property Per Year	£2,122	£2,054	£2,152	£2,308	£2,058	
Total Maintenance Costs (Management) Per Property Per Year	£433	£373	£377	£397	£353	

Commentary – Maintenance costs are driven primarily by the repair and maintenance needs of PFH properties which are seen in the fluctuation of cost per property per year figures. This means that the association's costs appear higher in comparison to those social housing providers it benchmarks against and costs are a reflection of each provider's repairs and maintenance and major works programmes. Comparison of management costs is a more useful indicator here and this shows fluctuating costs. Whilst satisfaction is higher than the median, both customer satisfaction with repairs and maintenance and their home has fallen slightly since 2012, this confirms feedback from meetings and complaints the association has received. The association is looking to re-procure its day to day repairs and void services in 2015/16 and expects to make significant savings on its total budget and has brought forward spending plans to renew ageing windows and doors that are no longer fit for purpose. This will also improve the thermal efficiency of properties and help reduce the amount of gas used by customers.

Indicator	PFH 2011/12	PFH 2012/13	PFH 2013/14	PFH 2014/15	HouseMark Median 2014/15	Why VFM?
Cost of Rent Arrears and Collection per property per year	£99	£87	£88	£103	£163	Collecting rent, service charges and arrears is a key performance
Percentage of rent collected as a	94.4%	95.5%	108.7%	100.9%	99.7%	

percentage of rent due						indicator. The association is reliant on rents and service charges for the bulk of its income. Collecting rent and arrears and minimising write offs helps to generate the associations surplus.
Rent arrears of Current residents as a percentage of rent due	5.4%	8.9%	0.7%	0.6%	2.8%	
Rent arrears of Former residents as a percentage of rent due	0.3%	0.7%	0.4%	0.4%	0.8%	
Percentage of residents satisfied or very satisfied that their rent represents value for money	93.4%	93.4%	93.4%	90.8%	82.4%	

Commentary – Whilst rent and arrears collection is above the median compared to those social housing providers the association benchmarks with and has generally shown year on year improvement in terms of performance, the association's costs have increased in 2014/15. The percentage of customers satisfied that their rent represents VFM has fallen slightly since 2012. Customer's top three priorities remain, repairs and maintenance, the overall quality of their home and their neighbourhood as a place to live and this runs parallel with customer satisfaction with repairs and maintenance and their home. If the association gets repairs and maintenance right customers are likely to feel their rent represents VFM.

Indicator	PFH 2011/12	PFH 2012/13	PFH 2013/14	PFH 2014/15	HouseMark Median 2014/15	Why VFM?
Cost of Anti-Social Behaviour per property per year	£22	£20	£19	£17	£65	Anti-social behaviour can have a debilitating effect on the victim and the neighbourhood so dealing with it efficiently and effectively is an important issue for customers
Percentage of residents satisfied or very satisfied with how the association deals with Anti-Social Behaviour				86.4%		
Percentage of ASB cases responded to in time				70.0%		

Commentary – PFH has historically had little anti-social behaviour (ASB) to manage due to its customer group and neighbourhood model. However, the association recognises that it has not been reporting ASB as effectively as it could and is revisiting its policies and procedures in this area, this is likely to impact upon costs in the future in particular.

Indicator	PFH 2011/12	PFH 2012/13	PFH 2013/14	PFH 2014/15	HouseMark Median 2014/15	Why VFM?
Cost of Lettings per property per year	£87	£77	£96	£98	£93	The association has an extensive waiting list and turning around empty properties in an efficient and timely manner is good business for the association and new residents
Average re-let time in calendar days	10.3 days	11.6 days	18.5 days	17.2 days	18.7 days	
Percentage of rent lost due to empty properties	0.6%	0.6%	0.7%	0.6%	0.4%	
Percentage of properties that are vacant and available to let	0.8%	0.5%	0.6%	0.4%	0.6%	
Percentage of residents satisfied or very satisfied with the allocations and letting process		98.0%	97%	94%		
Percentage of residents satisfied or very satisfied with the standard and condition of the new property		96.0%	95%	92%		

Commentary – The cost per property per year for lettings has risen over the last few years and the association is below average in terms of cost per property per year and average re-let time. The association recognises that there are fluctuations in the patterns of lettings with Service Plus services and one bedroomed flats and bungalows being less popular than in previous years. A major review of the association's allocations and letting policy and procedures is to take place and report by September 2015. There are also links to the repairs and voids service re-procurement as PFH needs to increase the number of properties it lets at the first offer and reduce the total number of offers it makes.

Indicator	PFH 2011/12	PFH 2012/13	PFH 2013/14	PFH 2014/15	HouseMark Median 2014/15	Why VFM?
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Cost of Resident Involvement per property per year	£217	£193	£195	£213	£102	Satisfaction with resident involvement is a perceived measure of good service as residents are perceived to be satisfied with the services provided as they do not need to get involved to improve services
Percentage of residents who are satisfied or very satisfied that their views are listened to and acted upon	91.2%	91.2%	91.2%	85.0%	72.9%	
Percentage of residents who are satisfied or very satisfied with how good the association keeps them informed about things that might affect them as a resident	97.3%	97.3%	97.3%	95.3%		

Commentary – PFH has historically had high costs per property per year, this is understood by the Board and related to the needs of our vulnerable client group. However, efficiencies should be sought. We are reviewing resident involvement opportunities. Satisfaction levels appear to have dropped and the association will investigate this across all service areas affected.

Indicator	PFH 2011/12	PFH 2012/13	PFH 2013/14	PFH 2014/15	HouseMark Median 2014/15	Why VFM
Cost of Tenancy Management per property per year	£177	£155	£152	£165	£145	Successfully managing tenancies will help to reduce tenancy turnover, reduce re-let costs and increase resident satisfaction
Percentage of complaints dealt with in target time				61.8%		
Percentage of complainants satisfied with the outcome of their complaint				92.0%	75.6%	
Percentage of residents who are satisfied or very satisfied with how the association deals with complaints				88.9%		

Commentary – There has been a decrease in tenancy management costs per property per year, which has been offset by a rise in cost per property per year for rent arrears and lettings. Taken together as a housing management figure shown directly below, the association's housing management costs per property per year has fallen between 2011/12 and 2014/15.

Indicator	PFH 2011/12	PFH 2012/13	PFH 2013/14	PFH 2014/15	HouseMark Median 2014/15	Why VFM
Cost of Housing Management per property per year (Overall)	£602	£531	£548	£596	£596	Reducing service costs whilst not effecting resident satisfaction or performance gives more for less money

Cost of Estate Services per property per year	£281	£279	£263	£261	£183	Providing attractive neighbourhoods were people want to live sustains tenancies and fosters community cohesion
Percentage of residents satisfied or very satisfied with their neighbourhood as a place to live	97.0%	97.0%	97.0%	93.7%	81.2%	
Percentage of residents satisfied or very satisfied with how the association deals with grounds maintenance	88.2%	88.2%	88.2%	79.4%		

Commentary – PFH's main cost drivers in this area is the provision of grounds maintenance and chargeable personal garden maintenance service. Whilst costs are above average, this is a paid for service based on a specification previously agreed with residents. We are procuring our ground maintenance services and will work with residents to develop a specification.

The table below shows where the association's services sit in terms of HouseMark's cost, quality and satisfaction dashboard for 2014/15 in comparison to a benchmarking group of social housing providers with less than 2,500 properties.



Performance

In addition to the performance given above, PFH's outturn Performance Scorecard for 2014/15 is attached at Appendix 2. At the end of March 2015 four Performance Improvement Plans were in place with regard to:

- Complaints
- Current and former resident arrears and write offs
- Repair completions in target time
- Staff sickness rates

Satisfaction

PFH conducted a major satisfaction survey using HouseMark's STAR methodology in June 2015. Key findings from this survey show that:

- 96.7% of residents were very satisfied or satisfied with the overall services provided
- 90.7% of residents were very satisfied or satisfied their rent (maintenance charge) represented VFM
- 87.4% of residents were very satisfied or satisfied that the association looks to get VFM in everything it does
- Repairs and maintenance, the overall quality of homes and their neighbourhood as a place to live were considered to be the three most important things for residents
- 94.9% of residents were very satisfied or satisfied with how the association deals with repairs and maintenance
- 94.0% of residents were very satisfied or satisfied with how the overall condition of their home
- 94.1% of residents were very satisfied or satisfied with how the overall quality of their home
- 93.7% of residents were very satisfied or satisfied with their neighbourhood as a place to live
- 86.4% of residents were very satisfied or satisfied with the way the association deals with ASB
- 88.9% of residents were very satisfied or satisfied with the way the association deals with complaints

Complaints and Other Feedback

In 2015 PFH revised its customer complaints procedure to ensure that they were responded to in a timely, comprehensive solution based manner. PFH carry out a number of feedback based transactional surveys on key areas of the business. In 2014/15, the association reviewed its survey frameworks in relation to responsive repairs, aids and adaptations and major works.

The review of surveys against current best practice has led to the development of telephone surveys that will be launched in 2015/16 and which will be carried out by the Customer Support Team. The surveys have been designed so they can be directly input into our database and used to quickly remedy any outstanding issues.

Social Value

PFH is a social purpose organisation which strives to achieve wider social benefits for its customers. As part of the workforce review staff developed a series of success criteria for the association including:

People want and choose to live in our homes because;

- *The standards are excellent and the rent is affordable and value for money*

- *Their home is modern, warm, economical and easy to run*
- *Their home is well maintained and they know that repairs will be done properly and quickly*
- *They feel safe and secure in their home and the neighbourhood*
- *It's easy to get involved in social activities and ...*
- *... the places they can go to socialise are up to date, welcoming and fun*
- *From where they live it's easy to get out and about to the doctors, shops and see family and friends*
- *They are confident that we will provide them with the support and services that will allow them to stay independent in their own homes as their needs change*
- *They will always feel valued and properly listened to and know that we will act on their feedback*
- *They know that we place their health and wellbeing at the heart of what we do*
- *They know that they will be treated well, fairly and kept informed whilst on the waiting list ...*
- *... and that we can accommodate their different needs*

The association's mission and goals mean that the provision of services that have a social value and that help prolong independent living for customers as they move through later life is of critical importance. Demographic changes and an ageing population living longer, healthier lives is one of the biggest social challenges.

For PFH social value starts with the provision of good quality homes and services in neighbourhoods and communities that are safe and welcoming. This has been the hallmark both when the association developed properties in the past and will be in the future. Infographic 3 above details the outputs from the money it spends in terms of new properties and improvements to existing properties that has a social value.

In addition, the Social Value Act 2012 and the VFM standard of the Regulatory Framework for social housing in England 2015 require the association to enable stakeholders to understand the return on assets measured against the organisation's objectives.

Social value the association provides is demonstrated in its five service plus (sheltered housing) schemes, its network of seven Pop in centres (ran by and for customers and the local community) and its extensive range of social activities that include a variety of social outings.

To quantify the social value of activities to those customers who take part and to the association, in 2013/14 the association employed a consultant to produce a social value report for the association but has since started to use the Housing Association Charitable Trust (HACT) Value Calculator applying the values in their Social Value Bank to quantify the association's investment. The table below highlights the calculated value for the association's Pop In centres, activities at Service Plus Schemes (SPS) and its regular activity schedule:

Area	Officer and Other Time Costs Per Year	HACT Social Value Calculation Per Year	Social Value per £1 invested
Christopher Pickering Lodge (SPS)	£1,980	£12,903	£6.52
Humber View (SPS)	£5,445	£25,272	£4.65
Malin Lodge (SPS)	£2,115	£25,282	£11.96
Broadway Manor (SPS)	£5,845	£32,464	£5.56
Ada Holmes Circle (SPS)	£2,520	£7,359	£2.92
Pop In Centres	£3,780	£26,218	£6.94
Generic Activities	£3,000	£40,793	£13.60
Trips and Events	£7,200	£14,982	£2.08
Totals	£31,925	£175,272	£5.49

The premise of the value calculations of the HACT social impact value calculator is to give a financial value to the success of a social intervention by how much it increases people's wellbeing. A list of financial values has been developed and is contained in HM Treasuries Green Book used by government for policy evaluation for things that do not have a market value to them through being bought and sold. For example, the potential worth ascribed to relief from depression and anxiety is worth £39,300 per person, per year. Feelings of belonging to a good neighbourhood are worth £6,000 per person per year.

In addition, in 2014/15, the 67 home visits undertaken to assess and attempt to mitigate the reasons for loneliness and isolation, resulted in the actions in the table below:

Help / Signposting to	Numbers	Help / Signposting to	Numbers
Claim additional benefits	16	Use their central heating effectively	9
Access care services	20	Get involved in the association	19
Access meals on wheels services	7	Get involved in social activities	16
Support to take medication	3	Use the Pop In centres	13
Support to understand documents	5	Arrange contents insurance	7
Support to do shopping	10	Arrange a will	7
Support to access aids and adaptations	30	Understand the ground maintenance specification	36
Switch energy suppliers	5	Report repairs	19

Housing Proactive

In 2014/15 PFH partnered with Housing Proactive, subsidised service also eligible for housing benefit. It helps us manage residencies by improving the quality and frequency of housing related contacts. Each day residents press a button on a telephone, that is provided for free, at a regular time slot convenient to them and this is logged by Housing Proactive. Over time this builds into a history of access to the system and behaviour can be tracked and irregular pressing of the button, to say I am okay today, investigated as this may be a sign an intervention is needed.

The service also offers the opportunity to get messages out to all or groups of customers quickly and consistently, for example, advising customers a bogus caller may be in the area or of the next residents meeting in the area or of the loss of power or gas unconnected with their individual property. This saves customers calling the association or the association having to do costly mailshots, the cost of a mailshot to all customers is around £1,000 per mail shot. We aim to grow the services available and offer a great level of social value as it develops over time. For example we can offer a service where residents are reminded of appointments or events, or even just to take their medication assisting those with memory loss.

We have many case study examples of PFH social value in action. Here are a couple:

Mrs X was widowed just after moving into a bungalow with her husband and with a dispersed and busy family became despondent in her new environment. Mrs X was encouraged by the associations Community Liaison Officer to join an intergenerational choir with other residents living locally. The choir was run by local Time Bank service for free and took place weekly at the association's local Pop In centre. Mrs X confidence levels were raised as a result and she experienced less feeling of isolation. The choir sang before a large audience at Hull City Hall as a culmination of their collective citywide efforts that Mrs X was a part of. Mrs X now regularly attends a wide range of activities and events and is a valuable member of her local community. HACT's value bank ascribes a value of **£36,766** for an outcome which is **relief from depression and anxiety** and **£3,753** for **feelings of belonging to neighbourhoods** and **£1,850** for being a **member of a social group**.

Mr and Mrs Y, Mrs Y has onset dementia and both Mr and Mrs Y like to socialise and take regular exercise, The association ran a swimming club for customers that was led by a member of staff who was a qualified teacher of aquatics. This gave them both regular exercise and a social activity and contact with other customers who stayed for a coffee and a chat after their swim. It also gave Mr Y some support and freedom to exercise without worrying constantly about his wife who was accompanied by the staff member. HACTS value bank ascribes a value of **£1,850** for being a **member of a social group** and **£4,179** for taking **frequent moderate exercise**

Plans for 2015/16

Over the next year the following activities will take place in relation to **Operating Costs, Performance and Satisfaction**, these activities are detailed in the VFM Action Plan attached at Appendix 1 and the VFM PI's attached at Appendix 3

- Further develop the association's approach to Performance Management to ensure ownership of performance throughout the association
- Use Performance Improvement Plans to ensure that improvements are made by responsible officers and agreed by the SMT
- Implement revised responsive repair, aids and adaptation and major works surveys to ensure the association is capturing customers views in the key business areas and can use the information to improve services
- Continue to roll out a review of all surveys undertaken by the association to ensure the association is capturing customers' views in all its key business areas and can use the information to improve services
- Assess the detailed outputs from the Resident Satisfaction Survey and Cost Benchmarking generally and as part

of service review and improvement activities

- Undertake cost, satisfaction and performance benchmarking to ensure the association understands the impact and relationship of cost, satisfaction and performance to each other, particularly as a result of the workforce review
- Continue the roll out of the associations Contractor Portal to ensure more contractors are able to input real time information into the associations IT systems
- Work to introduce a Supplier and Business Portal to ensure that more business can be done online, reducing overhead costs
- Capture the social value of all activities offered by the association
- Use social value calculations to assess the likely cost and benefits by offering an activity
- Assess the value of the Housing Proactive system, potential opportunities to increase the use of the systems and the savings accruing from using the system rather than using letters

Case Study – Undertaking a Workforce Review to Create An Association Fit for the Future

The association has put a number of building blocks in place to meet the future needs, wants and desires of the customers it provides homes and services for. In addition, to detail stock condition and customer insight information, the association recognised that it needed to invest in its staff and develop a staffing structure that will deliver its ambitions set out in its Business Plan. In Autumn 2014, the association began a Workforce Review, working with expert independent support. The outputs from the review will be:

- *Success Criteria, driven by the ambitions in the Business Plan and the expectations of key stakeholders who have a vested interest in the work of the association. These success criteria articulate what the association is aspiring to achieve and should give direction to the work, plans, values and behaviours of the association and provide a checklist of performance criteria*
- *A Competency Framework, that describes the core skills and behaviours that people who work in the association need to have in order to deliver the Business Plan*
- *Job Descriptions, that are up to date, written in a consistent style and format and include a competency profile which describes how the different roles apply the core competencies in the competency framework.*
- *A Staffing Structure, developed in discussion with key staff stakeholders*
- *An extensive Learning and Development Programme to ensure people can meet the core competencies*

In November 2014, working with an independent expert, the association facilitated a series of workshops with all staff, the purpose of which was to consider;

- *What staff think success should look like for the association and staff and how the association might structure its work and teams in the future*
- *The core competencies the association needs to develop*
- *How well staff think the association was doing currently in terms of achieving these*
- *What staff think the association needs to do differently*

In December 2014 a small task group was formed that;

- *Helped create the detailed association competency framework*
- *Considered how this framework will be used across the association*
- *Assess the strengths and limitations of the associations current business processes, structures and job descriptions*

In March/April 2015, a new staffing structure was developed and agreed at the Board which recognises the strategic need for specialist skills within the Senior Management Team and to manage and develop the associations approaches to sustainability and development and health and well-being, the latter two posts being fixed term

The association will implement and evaluate the revised staffing structure to ensure the outputs and outcomes are in line with expectations.

5 The Associations VFM Gains and Achievements in 2014/15

During 2014/15 the association was actively engaged in a major business transformation programme and achieved a number of objectives in relation to VFM many of which were set out in its VFM Action Plan for 2014/15, see Appendix 5. The VFM Action Plan for 2015/16 is attached at Appendix 1. Details of the associations VFM achievements in 2014/15 are given below:

VFM and Governance Arrangements

Action	Why VFM?
Reviewed the association's governance arrangements	To ensure they remain effective, relevant and efficient
Created a Development and New Business Committee	To ensure scrutiny of a key risk area
Agreed a Board Development and Training Plan	To ensure that Board members have the skills, knowledge and experience to lead the association
A bid to the Homes and Communities agency for almost £3m to build 94 two bedroomed bungalows was successful	£2.8m in grant funding will allow the association to develop 94 properties and represents 30% of the total scheme costs of £9,279m
Undertook a staffing review with the aim to make the association fit for the future Agreed new association wide; <ul style="list-style-type: none"> • Success criteria • Competency framework • Staffing structure and • Training programme 	Have a staffing structure that is fit for the future and having fully trained competent staff will allow the association to deliver its Business Plan, mission and goals
Began the process to recruit: <ul style="list-style-type: none"> • A permanent Head of Property Services • A fixed term Development and Sustainability Manager • A fixed term Health and Well-Being Manager 	Create the necessary capacity and expertise to deliver key areas of the business plan.
Undertook 4 Internal Audits resulting in 32 recommendations Implemented 27 Internal Audit recommendations	Ensure compliance, effectiveness and best value
Updated the Business Plan	Governing document within the VFM agenda
Had the accounts audited and signed off by Baker Tilley or external auditors	Legal requirement offers assurance and demonstrated effective governance and finance management.
Met all covenants upon the association and met all financial rules and regulations so maintaining the cost of borrowing Reviewed the association's Financial Management Plan Reviewed the association's Treasury Management Policy	Ensure investments maximise investments and minimise risk.
Produced and had signed off by the Board Annual Reports in relation to; <ul style="list-style-type: none"> • Health and Safety • Equalities and Diversity • Performance Management • Internal Controls • Allocations 	Demonstrates performance and progress in key business areas and supports the assurance framework
Developed and monitored a suite of VFM key performance indicators (see attached at Appendix 3) Developed new Balanced Scorecards for the three business units of Business Support, Property Services and Resident Services	Information in relation to cost, performance and satisfaction allows the Board to take a rounded view of the direction of travel of the association and be assured through PIP's that the SMT and staff understand the association's cost, performance and satisfaction and are working to rectify poor performance and continuously improve on good performance
Developed and began to implement a Strategic Policy Review Framework timetable	Having a suite of up to date policy and procedures across the whole of the association's business that staff adhere to is good practice and helps to mitigate risk through actions that are unregulated

Supported residents on the Resident Led Scrutiny Team to conduct one complete and begin another review	Resident scrutiny is a key regulatory requirement but more importantly offers service insight and improvement actions developed by customers to improve service delivery for customers
Made around £232,000 in total efficiency savings detailed at Appendix 4. This is a mix of savings from working in partnership, working more efficiently, leveraging in funding and making financial savings	This is a visible demonstration of a VFM ethos within the association demonstrating that staff are actively looking to achieve, economic, efficient and effective service delivery.

Operating Surplus and the Use of Assets and Resources

Action	Why VFM?
Generated £5.309m in rent and service charges from residential properties Met targets for; <ul style="list-style-type: none"> The amount of rent collected, that would be written off as uncollectable and that was lost due to properties being empty The level of current resident arrears The level of former resident arrears 	Rents and service charges are the association's main income source, maximising rent collection and minimising current and former tenant arrears helps to maximise the associations surplus
Developed and let 15 new 2 bedroomed bungalows sited on land gifted by Hull City Council	Land costs are an expensive part of total development costs, free land and government grant allows the association to develop
Continued to let out part of the ground floor for £6,600 per year and advertised the remaining ground floor for rent of potentially up to £11,400 per year.	The association owns its office building and letting out spare office capacity is an extra revenue stream
Between Feb 2013 and Feb 2014 generated an income of approximately £39,000 from the feed in tariff generated through solar panels located on the association's sheltered schemes, Pop in centres and a number of recently built homes.	Feed in tariff payments are an annual income offset by the cost of installing the technology. Once the association has repaid capital costs it is making an annual profit. Customers living in the properties with PV panels attached benefit from reduced energy use
Continued to manage 31 properties on behalf of another almshouse for £21,500 per annum to enable them to continue to meet their objectives	The association continues to support a small almshouse provider by managing properties on its behalf providing an additional income stream and supporting the continued existence of a small specialist provider
Received £1,500 in rental income for land behind properties used as an overflow car park	This is an additional income stream that is on land owned by the association but currently not used for housing
Spent over £1.002m employing staff	The majority of the association's staff live locally and their spending power contributes to the local economy
Spent around £960,000 on day to day repairs and maintenance Spent around on £403,000 on planned maintenance and £570,000 on major works to improve the association's stock, neighbourhoods and empty properties	This helps to maintain the association's major asset base its properties in line with the Business Plan and Asset Management Strategy. It is primarily locally owned and based businesses who carry out repairs, maintenance and major works and their organisation and staffs spending power also contributes to the local economy
Agreed and began to implement the Asset Management Strategy and Procurement Strategy	Having detailed knowledge of the investment needs of the association's major asset base and maintaining and improving these assets in an economic, efficient and effective way is central to achieving VFM
Relet the gas servicing and maintenance contract with estimated savings of around £80,000 on the previous contract for an enhanced and 3 star service Relet the window cleaning contract at Sylvester House saving £3,000 per year Worked in consortiums saving an estimated £34,000 on time and money through membership	Reprocurement of services can lead to services that cost less but are equal if not better than previous service delivery arrangements as the re procurement of gas services demonstrated. Working in consortiums using group purchasing power and well developed procurement routes, options and documentation

Operational Costs, Service Delivery and Social Value

Action	Why VFM?
Began an in-depth review of resident involvement	Having a resident involvement offer that is fit for purpose allows the association to maximise the level of resident involvement and influence
Began an in-depth review of the association's Housing Plus offer	Housing Plus schemes offer specialist accommodation and the needs, wants and desires of older people are changing and the association needs to ensure it keeps pace with these needs, wants and desires to ensure it offers first class homes and services
Roll out the use of survey	Understanding ongoing satisfaction, issues and impact of service delivery helps to ensure service delivery meets needs, wants and desires
Introduced a dedicated Customer Service Team to manage all first contact with residents	Offering a solution to customers queries at first contact will give the association more flexibility with how it deploys its specialist resources
Undertook 67 home visits to residents stating they sometimes felt lonely / or isolated	The health and well-being agenda is a key association goal
Introduced the Housing Proactive system to over 1,000 customers to go live in May 2015	As well as being a cost effective service, the Housing Proactive service will add to the association's social value and health and well-being agendas
Developed the Contractor Portal to allow contractors to input repair and maintenance information directly into the associations IT system to go live from April 2015	Increased use of the portal will lead to less invoice processing which has a cashable saving attached

Case Study – Providing specialist accommodation in the local market

The association has its own mission and goals around developing first class homes for its customers. As the leading provider of older person's accommodation in Hull, the association works in close partnership with Hull City Council to meet the needs identified in the Councils Health and Well-being and Housing and Neighbourhood Renewal Strategies. The Council has identified the need for good quality properties for older people in key areas of the city where the provision of bungalows is low compared to current and future demand. In addition, the Council has had a long stated ambition to develop extra care housing across the city and has also taken on responsibility for key aspects of healthcare and is looking to develop new localised health care provision across the city.

The Association's Board of Trustees includes representatives of the Hull City Council, including the Council's portfolio holder with responsibility for housing and regeneration. The strong links between the Council and the association and the individual and shared mission and goals means that the association is seen as a key partner in the provision of older people properties. A joint bid for HCA funding was submitted which will enable the association to receive £2.8m grant to help develop bungalows on two brownfield sites in East and West Hull in neighbourhoods that will include an extra care scheme in West Hull and a local cottage style hospital in East Hull.

As the association has a sound Treasury Management Strategy and Financial Plans including options to raise the additional funding for development that will stretch the association, but not break it, the Board of Trustees is confident that the addition of 94 properties will add more first class properties to its portfolio requiring little year on year investment in the way of responsive repairs and major works and can meet some of the demand for its properties, there is at any given time more than 500 people on the association's waiting list. In addition, the location of the two brownfield sites allows the association to control costs by having only two large rather than a number of small development sites and also advance its health and well-being agenda by building adjacent to an extra care facility, services which future residents will be able to enjoy and building adjacent to a cottage style hospital which will specialise in the care of older people.

6 Conclusion

As a smaller housing organisation, PFH can often not compete in numbers with larger organisations but we believe that we compete in terms of driving effectiveness and efficiency within the organisation and investing in social outcomes that improves our resident's quality of life. Each year we are improving our approach to VFM and transforming our business to meet future challenges and to be accountable to our Residents.

This self-assessment and its appendices, tracks our progress and evidences our contribution to the value for money agenda. In light of recent government announcements relating to rent reductions, PFH are responding through an ambitious but deliverable savings plan that will further drive the value for money within the organisation. Our aim is to make most savings with least impacts upon the quality of our homes and services to Residents.

Our Board of Trustees considered and endorsed this self-assessment at the July 2015 Board meeting.

7 Glossary of Terms

Almshouse	Almshouses are charitable housing provided to enable people to live in a particular community at an affordable rent
Annual Maintenance Agreements	Is an agreement between the association and a contractor to provide an (often very specific) service for a year, such as lift maintenance, servicing fire equipment
Area Forum	This is the association bi annual forum where residents from the local area are invited to discuss issues that affect them, such as when major works will be taking place to their property and to receive organisational information, such as on performance
Asset Management Strategy	This strategy details what the repair and maintenance needs of the associations assets (the properties and building it owns) are and what the association will spend to maintain its assets and how it will do this to ensure it gets VFM
Audit and Risk Committee	This is one of the associations sub committees that reports to the Board of Trustees and ensures that the association properly evaluates all its strategic and operational risks, their likelihood and potential impact of these risks and the controls that the association has in place to effectively manage these risks
Balanced Scorecard	This is the report that is produced that contains all the key areas that the Board of Trustees and Senior Management measures how it is performing. This is a mix of information on staff and staffing, financial performance, customer service and service provision (such as repairs)
Benchmarking	This involves the association measuring its performance in many of the areas in the Balanced Scorecard with how other social housing providers perform in these same areas. By doing this the association can make sure it sets the level of performance it wants to achieve high enough so that when it reaches this performance it knows that is one of the best performing associations in the country
Board of Trustees	This is the group of volunteers who have ultimate responsibility for the direction of the association, contained in the Business Plan and making sure it reaches its destination
Business Plan	This is the association's key strategic document, it describes the associations, mission and goals, operating environment and delivery plans over a three year period.
Code of Sustainable Homes	The Code for Sustainable Homes is an environmental assessment method for rating and certifying the performance of new homes in England, Wales and Northern Ireland
Cyclical Maintenance	This is a programme of maintenance (often annual) that the association uses contractors to perform. This can include for example, annual gas servicing contracts or six year painting programmes
Development Strategy	This is how the association will meet the objectives set out in the Business Plan to develop or acquire properties, with particular emphasis both on upholding the quality of accommodation and achieving rents which are affordable for those customers whom it sets out to house
Economy	This is minimising the cost of resources used or required – Spending less
Efficiency	This is the relationship between what we do and the resources it takes to do what we do – Spending well
Effectiveness	This is the relationship between the intended results and the actual results of what we do – Spending wisely
Energy Performance Certificates	This is part of the drive to improve energy efficiency in properties and contains the energy efficiency of a property and the environmental impact of a property and displays this as a graph, similar to those found on kitchen appliances. Ratings come on a scale of A-G, with A being the best, they are given out to all new residents when they move into a property or
External Audit	This is an independent examination of the financial statements prepared by the organisation. It is usually conducted for statutory purposes (because the law requires it). An audit results in an audit opinion about whether the financial statements give a 'true and fair' view of the association
Governance	This is the establishment of policies and continuous monitoring of their proper implementation, by the Board of Trustees of the association.
Homes and Communities Agency	This is the branch of the government which is the regulator of social housing and sets rules and regulations social housing providers have to follow
HouseMark	This is an organisation that is a provider of integrated data and analysis and knowledge to the social housing sector. They hold data bases of information that

	allows the association to undertake cost, performance and satisfaction benchmarking
Internal Audit	This is an independent, objective assurance and consulting activity designed to add value and improve the associations operations
Major Works	This is any improvement works that has a major impact upon properties, such as replacing a kitchen or a central heating boiler or doors and windows
Mission Statement	This is the short statement that captures everything the association is trying to do
New Business and Development Committee	This subcommittee of the Board of Trustees, looks at both how the association is implementing its development strategy and how the association can diversify what it does or do things in partnerships
Penetration Testing	This is a tool for testing a computer system, network or Web application to find vulnerabilities that an attacker could exploit
Performance Indicators	These are specific, measurable, achievable, realistic and time bound measures of key areas of the associations performance
Performance Improvement Plans	These are plans that the association puts in place to improve areas of performance that have been assessed as not up to the target the association has set itself
Procurement	This is the action of obtaining or procuring goods or services
Procurement Clubs	These are organisations that allow the association to combine its purchasing power with other to get better value. Or that support the association to procure goods and services by providing already developed documentation and contracts
Procurement Strategy	This is the way that the association will go about obtaining the goods and services it needs
Regulatory Framework	This is the framework of rules and regulations the association must follow set by the Homes and Community Agency
Responsive Repairs	These are the day to day repairs reported by customers that need to be attended to fix a problem
Resident Led Scrutiny Panel	This is a group of residents who have volunteered to ensure that the association is performing to the standards it has set itself and who review services and recommend improvements to services
Return on Investment	This is a comparison that is made between what the association needs to spend on its properties over a given period of time and the value of rental income it will receives from its properties
SAP	This Standard Assessment Procedure is the methodology used by the Government to assess and compare the energy and environmental performance of dwellings. Its purpose is to provide accurate and reliable assessments of dwelling energy performances that are needed to underpin energy and environmental improvements
Senior Management Team	This is the group of four officers, the Chief Executive and three Heads of Service who undertake the day to running of the association and implement the Strategies and plans on behalf of the Board of Trustees
Service Plus	This refers to the associations sheltered housing schemes and services
Smart Meters	This is usually an electronic device that records consumption of electric energy in intervals of an hour or less and communicates that information to customers
Social Value	This is the value given to activities that the association engages in to benefit its customers that goes above and beyond providing a home and associated services. Activities can include having Pop In centres and providing a range of activities to help combat loneliness and isolation
STAR	This is the Survey of Tenants and Residents and is a series of satisfaction questions that social housing providers ask in the same way that allow them to benchmark their tenants and residents satisfaction levels
Stress Testing	This involves running a series of scenarios to assess how the association would cope, for example, if a large number of properties were flooded, or the association lost its IT services etc. Stress testing also involves the scenario of a number of things all happening at once
Risk Management	This is the forecasting and evaluation of the associations financial, strategic and operational risks together with the identification of procedures to avoid or minimise their impact
Risk Register	This is a list of the associations strategic and operational risks listed together including their potential likelihood and effect plus actions to minimise the risk
Transactional Surveys	These are surveys that cover activities or services that the association provides that are designed to assess how these services or activities have been provided and how

	they could be improved
Treasury Management	This is the management and control of current and future cash flows in accordance with an association's guidelines as well as the management of the risks related to those cash flows
Universal Credit	This is a new type of benefit designed to support people who are on a low income or out of work. It will replace six existing benefits and is currently being rolled out across the UK. The new system is based on a single monthly payment, transferred directly into a bank account
VFM Action Plan	This is the list of activities that the association will engage in across the business to manage how it is getting VFM against the actions it is planning
VFM Performance Indicators	This is a list of specific performance indicators which have a financial value attached to improved performance, for example Percentage of rent collected, more collected means more money to spend
VFM Strategy	This is the association's document that defines VFM for the association, describe how and demonstrate that the association is doing the right things in the right way to achieve VFM. Highlights the importance of the associations strategic and performance management frameworks to achieving VFM. Describe how the association self-regulates and has effective resident scrutiny arrangements. Contains the VFM Action Plan to ensure that the association implements, meets and continues to meet its strategic objectives

Appendix 1

Value for Money (VFM) Action Plan 2015/16

Objective	Actions	Outcomes	Owner	Completion Date
To have an association wide strategic approach to and the measurement of achieving value for money	Review the associations VFM Strategy in line with current best practice	A focussed VFM Strategy that is the foundation of the provision of VFM within PFH and support the VFM Annual Self-Assessment	Gavin Clark	December 2016
	Approved VFM Strategy and Self-Assessment	Demonstration of VFM ethos, PFH's ambition is to be a high performing and high value association with tangible VFM outcomes to stakeholders.	Gavin Clark	End July 2015 (annual event)
	Identify internal areas for improvement and establish performance target definitions and improvement actions.	PFH will have focussed areas for VFM improvements that are measurable and deliver reportable cost efficiency and service benefits.	Gavin Clark	End July 2105 (annual event, part of VFM Annual Self-Assessment)
	To establish the organisation's social value position through annual social value audits	Demonstration of the social value of PFH's activities using the HACT social value bank achieving business plan objectives, especially in areas such as preventing loneliness and isolation.	Gavin Clark	End July 2105 (annual event, part of VFM Annual Self-Assessment)
To review the Association's governance and risk management effectiveness as part of its demonstration of value for money	Deliver Association's Governance Review Action Plan	PFH can demonstrate to the effectiveness of Governance and risk management arrangements to ensure the Association is effectively managed.	Claire Warren	
	Review the remaining two (out of a total of eight) risks		Lish Harris	
	Carry out stress testing of the association	PFH can demonstrate it understands the impact of a combination of key critical issues on the association and its ability to manage critical issues and how it will mitigate critical issues	Lish Harris	December
	Carry out penetration testing of the associations IT systems	PFH can demonstrate that it takes information / data security seriously and has mitigated major threats to its IT systems	Damien Blackburn	September 2105
To demonstrate value for money in the provision of services delivered by others on behalf of the association	Delivery of year 2 Procurement Strategy Actions include: <ul style="list-style-type: none"> • Procurement of repairs and maintenance services • Tendering of new build construction works • Tendering for architecture services • Tendering for a development agent for new build • Tendering of grounds maintenance works • Approach to and tendering of annual maintenance agreements (AMA) 	PFH is able to demonstrate the VFM of outsourced services through competitive tendering environments and measurements on cost, quality and added social value	Property Services Director And Lish Harris	March 2016
	To find the best solution for funding the remaining development costs	PFH is able to show it has considered all the funding options available and that is is managing the risks of taking on extra debt	Lish Harris	March 2016
	To implement and subsequently review the impact and effectiveness of the Housing Proactive Service	PFH is able to demonstrate the effectiveness of the Housing Proactive service from a cost saving and social value viewpoint		May 2015 Implementation March 2016 Review
Roll out the increased use	To rollout and increase the use of the:	PFH is able to demonstrate increased use of E-business	Rachel	March 2015

of IT to conduct more E-business	<ul style="list-style-type: none"> • Trustee Portal • Residents Portal • Contractor Portal and develop: <ul style="list-style-type: none"> • Suppliers Portal • Business Portal 	methods and can quantify the savings made through doing E-business	Damen & Damien Blackburn & Jim Davis	
Benchmarking and the outcomes of benchmarking	Undertake a detailed assessment of the associations outputs from cost benchmarking, providing assurance on to the Board and SMT and exploring the detailed reasons for changes to costs/performance/satisfaction	PFH is able to demonstrate it understands its absolute and comparative costs and costs drivers and what it intends to do to make any necessary improvements to its costs/performance/satisfaction	Gavin Clark	December 2015
As part of the 'Fit for the Future' business plan objective, to demonstrate best value in staff team service delivery.	<p>Delivery of recommended actions following workforce review</p> <p>Extensive training programme to allow people to fully perform new roles, developing the right skill and competencies</p> <p>Recruitment of Head of Property Management, Health and Well-Being Manager and Development and Sustainability Manager and other part time roles</p> <p>Implementation of a three directorate Business Support, Property and Resident Services</p> <p>Evaluate the new staffing structure</p>	PFH has staffing arrangements which are designed to support the associations growth and continuous improvement agenda and which delivers Business Plan outcomes	<p>Claire Warren</p> <p>Pam Stamp</p>	September 2015
To review the effectiveness of the associations resident involvement activities.	Approval of revised strategy including demonstration of VFM and social value.	Most effective routes to resident engagement and feedback obtained that enable PFH to deliver services in line with varied resident groups expectations.	Paula Kelly	September 2015
To review the effectiveness of the Association's sheltered housing portfolio	Prepare analysis, position and recommendations based on best practice and future thinking. Rebrand sheltered housing services and incrementally implement change including following workforce review	PFH will have a multi-faceted service offer that links housing, health and wellbeing strands together delivered from housing centres that offer a modern and attractive service offer	Paula Kelly	March 2016 for revised offer, changes to be implemented where possible on flow
Undertake service reviews and undertake Performance Improvement Plans	<p>To ensure the continuing effectiveness of services and to link to best practice. The following areas of service are to be reviewed:</p> <ul style="list-style-type: none"> • Allocations and Lettings <p>The following areas of service are currently subject to a Performance Improvement Plan:</p> <ul style="list-style-type: none"> • Complaints • Rent Arrears and Write Offs • Responsive Repairs • Staff Sickness 	PFH has proactive and reactive arrangements for monitoring and improving service delivery and can demonstrate improved cost/performance/satisfaction following reviews and plans. PFH can demonstrate it monitors performance proactively and has systems in place to improve performance	<p>Paula Kelly</p> <p>Gavin Clark Katie Burton Rob Cressey Pam Stamp</p>	<p>October 2015</p> <p>Ongoing until SMT agree performance has improved sufficiently</p>
Undertake a Resident Satisfaction Survey and a detailed analysis of the findings	To undertake the three yearly Resident Satisfaction Survey using STAR methodology	Assessing satisfaction along with assessing its performance and costs are the three most important factors when making an overall assessment of the VFM of service provision	Gavin Clark	July (Survey) November (Analysis)

Pickering and Ferens Homes

Operational Performance Management Report

Covering the Period 1st April 2014 to 31st March 2015

Providing excellent quality homes and services which enhance later life

- 1 - Offer first class homes
- 2 - Offer first class services
- 3 - Deliver better neighbourhoods and communities
- 4 - Promote independent living and choice
- 5 - Be effective and grow
- 6 - Deliver through people and partnerships

ORGANISATIONAL KPI's																	
					2014/15												
PFH Goals	Performance Indicator	Owner(s)	2013/14 Outturn	2014/15 Target	Apr - Apr	Apr - May	Apr - June	Apr - July	Apr - Aug	Apr - Sept	Apr - Oct	Apr - Nov	Apr - Dec	Apr - Jan	Apr - Feb	Apr - Mar	
2, 6	Average number of working days lost due to sickness absence (Delivery Plan indicator)	LH/PK	15.5 days	10 days	0.9 days	1.8 days	2.9 days	3.8 days	4.5 days	5.3 days	6.6 days	7.6 days	7.9 days	9 days	9.5 days	10.4 days	
2, 6	Average number of working days lost due to long term sickness absense (Delivery Plan indicator)	LH/PK	9.9 days	6 days	0.6 days	0.9 days	1.5 days	1.9 days	1.9 days	1.9 days	3.4 days	4.3 days	4.3 days	5.1 days	5.2 days	6.4 days	
2, 6	Average number of working days lost due to short term sickness absence (Delivery Plan indicator)	LH/PK	5.6 days	4 days	0.3 days	0.9 days	1.4 days	1.9 days	2.6 days	3.4 days	3.2 days	3.3 days	3.6 days	3.9 days	4.3 days	4 days	
2, 6	Total staff turnover	CEX	6.6%	6.5%	Annual Indicator											13.6%	
6	Percentage of staff appraisals completed within target time	PS	98.0%	98.0%	98.0%	98.0%	98.0%	70.7%	70.7%	70.7%	70.7%	70.7%	70.7%	70.7%	70.7%	70.7%	70.7%
6	Percentage of staff very or fairly satisfied with PFH as an employer	CEX	97.0%	TBC	Staff Satisfaction Survey to be conducted - New Annual Indicator												
6	Percentage of staff who would recommend PFH as a great place to work to Other People (Delivery Plan indicator)	CEX	New	TBC	Staff Satisfaction Survey to be conducted - New Annual Indicator												
2, 6	Percentage spend against budget (training budget)	CEX	111.6%	100% By year end	0.5%	5.5%	4.0%	4.0%	10.3%	16.7%	32.0%	34.2%	38.0%	39.9%	43.1%	57.7%	
5	HCA viability assessment (Delivery Plan indicator)	CEX		G1 V1	Annual Indicator											G1 V1	
6	Number of development activities identified within the CSE report stil to be completed	CEX		11									11	11	11	11	

FINANCIAL KPI's																
					2014/15											
PFH Goals	Performance Indicator	Owner(s)	2013/14 Outturn	2014/15 Target	Apr - Apr	Apr - May	Apr - June	Apr - July	Apr - Aug	Apr - Sept	Apr - Oct	Apr - Nov	Apr - Dec	Apr - Jan	Apr - Feb	Apr - Mar
1, 2	Rent collected from current and former tenants as a percentage of rent due	PK	108.7%	100%	98.3%	95.9%	93.2%	97.5%	96.2%	97.7%	95.9%	96.5%	95.1%	95.6%	96.1%	100.9%
1, 2	Rent arrears of current residents as % rent due	PK	0.7%	1.5%	0.8%	0.6%	1.9%	2.1%	1.8%	1.5%	2.6%	2.5%	3.6%	3.5%	3.6%	0.6%
1, 2	Rent arrears of former tenants as a percentage of rent due	PK	0.5%	0.45%	0.34%	0.34%	0.37%	0.40%	0.47%	0.42%	0.36%	0.40%	0.36%	0.39%	0.38%	0.40%
1, 2	Percentage of all residents who have been evicted for rent arrears	PK	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
1, 2	Rent arrears of current and former residents written off as a percentage of rent due	PK	0.2%	0.1%	0.0%	0.0%	0.04%	0.05%	0.05%	0.1%	0.2%	0.2%	0.3%	0.3%	0.3%	0.3%
1, 2	Number of cases of rent written off	LH	36		0	0	11	15	15	27	47	47	59	59	59	59
1, 2	Value of rent written off	LH	£11,573		£0.0	£0.0	£2,994	£3,425	£3,425	£7,041	£12,722	£12,722	£18,239	£18,239	£18,239	£18,239
1, 2	Rent loss due to empty properties as a percentage of rent due	PK / LH	0.6%	0.55%	0.5%	0.5%	0.5%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.6%	0.6%	0.6%
1, 2	Percentage of residents who are very or fairly satisfied that their rent represents VFM	CEX	93.4%	TBC	To assess resident satisfaction											
1, 2	Housing benefit paid as a percentage of total rent due	LH	80.9%		69.5%	69.9%	65.8%	65.4%	68.9%	70.2%	68.7%	69.1%	67.9%	67.2%	68.8%	73.0%
1, 2	Percentage of residents on housing benefit	LH	75.7%		76.4%	76.5%	76.7%	77.0%	77.1%	77.0%	77.1%	77.9%	76.5%	76.4%	75.6%	74.4%
1, 2	Percentage of residents paying by direct debit	LH	40.3%	45.0%	40.7%	41.5%	40.7%	41.4%	40.9%	40.9%	41.1%	57.5%	58.3%	58.8%	60.2%	58.4% (1)
1	Percentage maintenance spend against budget (responsive repairs)	LH	104.0%	100% By year end	6.7%	13.1%	21.4%	30.2%	34.7%	42.8%	52.1%	62.4%	71.7%	79.9%	87.5%	97.1%
1	Percentage maintenance spend against budget (capital programme)	LH	99.3%		11.5%	14.4%	14.8%	16.8%	81.6%	85.7%	92.1%	105.1%	94.3%	96.2%	97.2%	105.8% (2, 5)
1	Percentage maintenance spend against budget (revenue programme)		94.6%		7.4%	10.3%	18.9%	20.6%	25.1%	41.4%	73.5%	77.7%	93.6%	93.8%	102.1%	97% (3, 4, 5)

Notes: 1 - 859 residents have an element of rent to pay and of this total 502 pay by direct debit. 2 - Percentage drop between November and December due to reclassification of expenditure between capital programme and revenue programme. 3 - Percentage increase from September to October due to £174,000 order raised relating to environmental works 4 - Percentage increase between January and February due to £40k major repairs raised in February 5 - Year end closedown work resulted in some reclassification of works

2014/15	Average Turnaround Time			% of Properties Let on First Offer			% of Offers Refused		
	East	North/West	All	East	North/West	All	East	North/West	All
Total Relets	58	61	119	58	61	119	58	61	119
All	18.8 days	15.6 days	17.2 days	67.2%	70.5%	68.9%	34.1%	32.3%	33.5%
1 Bed	20.6 days	19.6 days	20.3 days	83.3%	70.0%	82.2%	18.2%	28.6%	22.2%
2 Bed	12.5 days	14.6 days	13.8 days	60.9%	67.7%	65.0%	30.3%	37.5%	34.8%
Sheltered	25.5 days	15.5 bdays	21.0 days	58.8%	78.6%	67.8%	48.5%	40.0%	41.5%
	14.5 days	Minus voids over 50 days							
2013/14	Average Turnaround Time			% of Properties Let on First Offer			% of Offers Refused		
	East	North/West	All	East	North/West	All	East	North/West	All
Total Relets	69	51	120	69	51	120	69	51	120
All	20.9 days	15.9 days	18.5 days	75.0%	75.0%	75.0%	27.7%	31.5%	29.3%
1 Bed	31.3 days	18.7 days	26.7 days	71.4%	66.7%	69.7%	32.3%	33.4	32.7%
2 Bed	13.7 days	16.9 days	16.1 days	80.8%	69.0%	74.5%	19.4%	35.6%	28.9%
Sheltered	15.7 days	5.2 days	9.1 days	71.4%	100.0%	80.6%	32.3%	0.0%	16.1%
2012/13	Average Turnaround Time			% of Properties Let on First Offer			% of Offers Refused		
	East	North/West	All	East	North/West	All	East	North/West	All
Total Relets	50	58	108	50	58	108	50	58	108
All	20.6 days	20.4 days	20.3 days	78.0%	74.1%	75.9%	30.6%	48.3%	40.4%
1 Bed	25.1 days	35.4 days	31.1 days	66.7%	58.8%	62.1%	33.3%	54.1%	47.3%
2 Bed	15.6 days	14.4 days	14.9 days	86.4%	75.0%	79.6%	15.4%	23.3%	20.2%
Sheltered	22.3 days	11.7 days	18.5 days	75.0%	100.0%	84.0%	42.9%	0.0%	32.4%

Address of, Number and Reasons For Refusals

East			North			West				
Address		Reason for Refusal	Address		Reason for Refusal	Address		Cal Days	Reason	Rent Loss
19 Broadway Manor	2	Too small / No contact post offer	36 AHC	1	Too expensive	12 Icelandic Close	1		Not safe to leave dog	
265 Staveley Road	1	Upstairs flat	7 Ashbury Court	2	B/room small / Green Cl only	164 Rosedale Grove	2		Too far out / Not suitable	
43 Malin Lodge	2	Too dark / Too dark	5 Edith Cavell Court	1	Wants HCC bungalow	7 The Jacobs Homes	1		Wrong location	
12a Royale Court	2	Too ill / moved elsewhere	65 Westgarth Avenue	2	Chnd Mind / Too ill	8 Easby Court	1		Wants Barrington Ave	
35 Humber View	2	Wants AHC / Too expensive	5 AHC	1	Too ill	17 CPL	1		Not ready for sheltered	
15 Golden Court	1	Too ill	26 Westgarth Avenue	2	Too small, too ill	20 Easby Court	1		Not want to move	
32 Cromarty Close	1	Did not like prop	17 Easby Court	2	Not LAS, too ill	38 Coxwold Grove	3		Kit small / Too small / Not interested	
12 Royale Court	1	Does not want to move				6 St Pancras Close	1		Dislike area	
1 Studley Court	2	Moved elsewhere / Wants Bway				22 Easby Court	1		Too small	
36 Malin Lodge	1	Too far from city centre				33 Wheatfield Close	2		Too far / refused	
44 Broadway Drive	1	Wants bath not shower				27 CPL	4		Not shelt, too ill, wants Bung, want to stay	
4 Juliet Reckitt Haven	1	Not ready to move								
23 Malin Lodge	7	Wants G/F, Too far out, too expensive, too small, too small, too small, to far away								
35 Broadway Drive	1	Too ill								
35 Hebrides Close	1	Moved elsewhere / Wants Bway								
11 The Broadway	1	Needs bath								
22 Humber View	1	Wants Ground Floor								
24 Humber View	1	Cannot afford to move								
6 Studley Court	1	Needs wet area								
Refusals by Type of Property										
			Type of Property	% of Refusals	% of Total Stock					
			Sheltered	27.0%	15.1%					
			1 Bed Bungalow/Hse	13.5%	15.9%					
			2+ Bed Bungalow / Hse	66.8%	59.9%					
			Flats	2.7%	9.1%					

CUSTOMER FEEDBACK KPI's																
					2014/15											
PFH Goals	Performance Indicator	Owner(s)	2013/14 Outturn	2014/15 Target	Apr - Apr	Apr - May	Apr - June	Apr - July	Apr - Aug	Apr - Sept	Apr - Oct	Apr - Nov	Apr - Dec	Apr - Jan	Apr - Feb	Apr - Mar
1, 2	Number of COMPLAINTS opened in the period	PK / LH	New		2	2	5	8	13	13	15	22	25	28	30	34
1, 2	Number of ASB cases opened in the period	PK / LH	New		7	7	10	11	17	19	21	21	23	23	28	33
1, 2	Number of COMPLIMENTS received in the period	PK / LH	New		5	10	18	23	29	30	38	43	49	56	61	71
1, 2	Number of SUGGESTIONS received in the period	PK / LH	New		1	2	3	5	10	13	18	21	26	29	33	35
1, 2	Number of DOMESTIC VIOLENCE cases opened in the period	PK / LH	New		0	0	0	0	0	0	0	0	0	0	0	0
1, 2	Number of HARRASSMENT cases opened in the period	PK / LH	New		0	2	2	2	2	2	2	2	2	2	2	2
1, 2	Percentage of COMPLAINTS responded to in target	PK / LH	New	95.0%	0.0%	0.0%	25.0%	50.0%	46.2%	37.5%	46.7%	54.6%	54.6%	55.6%	60.0%	61.8%
1, 2	Percentage of ASB Cases responded to in target	PK / LH	New	95.0%	85.7%	85.7%	70.0%	72.7%	76.5%	78.9%	76.2%	76.2%	77.3%	73.9%	76.0%	
1, 2	Percentage of residents very or fairly satisfied with the outcome of their stage 1 COMPLAINT	PK / LH	97.0%	95.0%	N/A	N/A	N/A	N/A	N/A	83%	87.5%	90.9%	90.9%	90.9%	90.9%	
Notes: 1 - 25 surveys sent 2 received back in timescales unsatisfied,																

As at 31st March 2015								
Complaints 34			Suggestions 35			Compliments 71		
56	Poor communications re benefit application	Housing	55	Disturbance payment following boiler replacement	Property Services	To consider on policy change / RS	Work of external contractors	19
88	Poor communication re scooter storage	Housing	60	Removal of bin store gates	Property Services	To consider on renewal / NRS	Quality of Grounds Maintenance Service	14
104	Cleaners attendance	Housing	77	Erection of security spikes on listed building	Property Services	Spikes erected at request of resident / Anonymous	New fittings and the quality of work	12
109	Anonymous re allocation of property	Housing	114	Adequacy of security lighting	Property Services	Lighting owned by Hull CC PFH lighting added / NRS	Individual Teams / staff member	12
110	Unfair treatment compared to others	Housing	130	Providing matching back and front doors	Property Services	To do when door changed / NRS	All following leaving the service	4
139	Unfair treatment compared to others	Housing	132	Esthetic quality of components used	Property Services	Standard component used / NRS	General thank you	4
167	Delays in answering lifeline	Housing	141	Damage to carpet and underlay following leak	Property Services	Claim from own insurance / NRS	Speed of repair works	2
174	Dirty guest bedroom	Housing	150	Communal aerial faults to be urgent not routine	Property Services	Aerial faults are assessed and communal ones prioritised / NRS	External contractor	1
185	Dirty guest bedroom	Housing	160	Urgency of lift repairs	Property Services	Lift repaired residents kept informed at AHC / RS	Redecoration cheque	1
258	Unhappiness at Allocation Policy, nature of the telephone call	Housing	162	Urgency of lift repairs	Property Services	Lift repaired residents kept informed at AHC / RS	Prompt internal invoice processing	1
81	Delays to works	Property Services	166	Additional Consultation prior to major works	Property Services	To consider for future projects / RS	Scheme gritting	1
103	Contractor clean up after works	Property Services	170	Location of skip	Property Services	To do when door changed / RS	ASB 33	
111	Installation of patio doors	Property Services	179	Lighting in hallway cupboard	Property Services	To consider on new properties / NRS	Personal	11
145	Outcome of Pre Inspection re shed	Property Services	212	Window and door replacement	Property Services	Future programmes to be agreed / NRS	Animal Fouling	6
176	Relaying of flooring	Property Services	224	Leaving lights on after service (resident blind)	Property Services	Noted, passed to contractor / RS	Nuisance	6
178	Numerous re AHC	Property Services	275	Hiring a handyman to do small jobs	Property Services	Paper to BOT / NRS	Noise	4
207	Condensation / rotten windows	Property Services	82	Clearing grass following cutting	Property Services - Ground Maintenance	To consider on retendering / NRS	Rubbish	2
214	Time taken to reset boiler times	Property Services	94	Providing gardeners with appropriate clothing	Property Services - Ground Maintenance	Gardeners have and should wear waterproof clothing / RS	Others	4
245	Leaving lights on after service (resident blind)	Property Services	142	Clearing grass following cutting	Property Services - Ground Maintenance	To consider on retendering / NRS		
257	Contractor clean up after works	Property Services	143	Clearing grass following cutting	Property Services - Ground Maintenance	To consider on retendering / NRS		

No.	Complaint Topic	Complaint Area	No.	Suggestion Topic	Suggestion Area	Suggestion Response / Response Sent
272	Contractor clean up after works	Property Services	146	Cutting new turf	Property Services - Ground Maintenance	One off incident / NRS
53	Contractor staff attitude	Property Services - Ground Maintenance	200	Clearing grass following cutting	Property Services - Ground Maintenance	To consider on retendering / NRS
80	Poor communications re job progress	Property Services - Ground Maintenance	99	Make sure people live in their properties	Housing	Checked living status / Anonymous
102	Overgrown bushes djacent to provate properties	Property Services - Ground Maintenance	190	Cold alert visit	Housing	Process in place via cold visitors / NRS
181	Leaves blown onto car	Property Services - Ground Maintenance	187	Cats roaming the neighbourhood	Housing	Does not want to take further just recording / NRS
245	Contractor clean up after works	Property Services	202	10% transfer rule review	Housing	10% transfer rule remains in place / NRS
193	Contractor staff attitude	Property Services - Ground Maintenance	126	Volume on answerphone message	All	Checked but cannot alter / NRS
209	Maintenance of slippery paths	Property Services - Ground Maintenance	127	Answerphone message on extra bank holidays	All	Checked but cannot alter / NRS
232	Contractor staff attitude	Property Services - Ground Maintenance	206	Unaware of extra days work holiday	All	On calendar and publicised in offices / NRS
276	Missed grass cuts in the year	Property Services - Ground Maintenance	208	Letter in Mr and Mrs names	All	Procedures in place following death of spouse RS
157	Increased Direct Debit taken by mistake	Finance	184	Various re AHC	Property Services / Housing	Lift repaired residents kept informed at AHC / RS
274	Legality of services	Finance	229	Late cancellation of consultation meeting	Property Services / Housing	
177	Response to e-mail	Other	244	Assisted bin collection	Property Services / Housing	
189	Access to Larne Road	Other	191	Disturbance payment made into joint bank account	Finance	One off incident / NRS
			222	Open Priory Pop In Centre more	Other	

SERVICES KPI's																	
					2014/15												
PFH Goals	Performance Indicator	Owner(s)	2013/14 Outturn	2014/15 Target	Apr - Apr	Apr - May	Apr - June	Apr - July	Apr - Aug	Apr - Sept	Apr - Oct	Apr - Nov	Apr - Dec	Apr - Jan	Apr - Feb	Apr - Mar	
1, 2	Percentage of dwellings with a valid gas safety certificate	LH	99.91%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	
1, 2	Percentage of emergency repairs attended within target time (Delivery Plan indicator)	LH	78.4%	99.0%	80.0%	97.3%	97.5%	91.3%	98.1%	98.1%	99.2%	98.7%	98.9%	99.1%	99.1%	99.2%	
1, 2	Percentage of urgent repairs completed within target time (Delivery Plan indicator)	LH	92.3%	97.5%	92.3%	92.9%	92.2%	94.6%	95.0%	94.2%	93.5%	93.7%	93.4%	93.1%	94.0%	93.6%	
1, 2	Percentage of routine repairs completed within target time (Delivery Plan indicator)	LH	93.0%	97.5%	90.9%	93.1%	94.9%	96.0%	96.4%	95.9%	94.5%	95.4%	94.4%	94.4%	93.3%		94.0%
1, 2	Percentage of all responsive repairs completed within target time (Delivery Plan indicator)	LH	92.6%	97.5%	91.4%	93.0%	93.5%	95.3%	95.5%	95.0%	94.0%	94.5%	93.8%	93.7%	93.6%		93.8%
1, 2	Appointments kept as a percentage of appointments made (Delivery Plan indicator)	LH		95%				99.3%	99.3%	99.4%	99.0%	98.6%	98.9%	98.9%	99.0%	99.1%	99.2%
1, 2, 3	Average number of calendar days to complete repairs (Delivery Plan indicator)	LH	6.9 days	6.5 days	9.0 days	5.1days	4.5 days	5.1 days	5.0 days	5.2 days	5.7 days	5.3 days	6.1 days	5.8 days	5.9 days	5.9 days	
1, 2, 3	Percentage of properties that are vacant and available to let	PK/LH	0.6%	0.5%	0.6%	0.3%	0.8%	0.8%	0.6%	0.3%	0.3%	0.7%	1.4%	1.4%	1.1%	1.9%	
1, 2, 3	Percentage of properties that are vacant and unavailable to let	PK	0.2%	0.1%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%		0.2%
1, 2, 3	Average re-let time for properties in calendar days (Delivery Plan indicator)	PK/LH	18.5 days	14 days	14 days	13.5 days	11.8 days	12.6 days	13.8 days	14.3 days	14.8 days	14.6 days	14.4 days	16.9 days	16.8 days		17.2 days
1, 3	Percentage of properties failing the decent homes standard	LH	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
1, 3	Average energy efficiency rating of properties (based on SAP 2005) (Delivery Plan indicator)	LH	68.2	69.0	68.2	68.6	68.2	68.3	68.3	69.6	69.0	69.0	69.0	69.0	69.0	69.0	
2	Percentage of residents very or fairly satisfied with the allocations and lettings process	PK	97.0%	97.5%	93.0%	92.0%	94.0%	95.0%	93.7%	95.3%	94.0%	92.0%	92.0%	94.0%	93.0%	94.0%	
1, 2, 3	Percentage of residents very or fairly satisfied with the standard and condition of the property	LH	95.0%	95.5%	100.0%	97.0%	94.0%	95.0%	93.6%	88.0%	91.0%	93.0%	93.0%	95.2%	91.0%		92.0%
1, 2, 3	Percentage of residents very or fairly satisfied with their neighbourhood as a place to live	PK	98.0%	98.0%	To assess resident satisfaction												
2	Percentage of new residency visits completed on time	PK	89.0%	90.0%	93.0%	95.0%	92.0%	94.0%	94.0%	93.0%	95.0%	92.0%	92.0%	91.0%	88.0%	88.0%	

Value for Money Key Performance Indicators 2014/15

Reducing Relet Times	
To Reduce the Average Time Taken to Relet Empty Properties to 14 Calendar Days in the 2014/15 Financial Year	
Average Relet Time for 2013/14 as at 31 st March 2014	18.5 days (based on 120 lets)
Average Relet Time for 2014/15 as at 31 st March 2015	17.2 days (Based on 119 lets)
Savings for 2014/15 based on average turnaround time against 2013/14 based on average turnaround time	£1,855.20
Target of 14 days set for 2014/15 was not achieved	

Reduce Invoices Processed	
To Reduce the Number of Invoices Processed in the 2014/15 Financial Year by (500)	
Invoices Processed as at 31 st March 2014	7307
Invoices Processed as at 31 st March 2015	7813
Cost Savings Per Invoice	£50 (Per Quantum) or £15 (per PFH)
Cost Savings for 500 Invoices	£25,000 or £7,500 (Based on 500 less invoices processed)
Savings for 2014/15 based on reduced number of invoices	£0.00
Target of 7,000 set for 2014/15 was not achieved	

Increase the Use of Scanning	
To Increase the Number of Documents Scanned in the 2014/15 Financial Year by (750) documents	
Documents Scanned as at 31 st March 2015	
Housing Services	
3 rd Party Letters	Approx 150
Doctors Letters	Approx 50
Other Correspondence	Approx 350
Total	Approx 500
Property Services	
Major Adaptations Forms	Approx 35
Minor Adaptations	Approx 150
Alteration Forms	Approx 65
Total	Approx 250
Total Documents Scanned	Approx 750
Average cost savings per scanned document	£5 (Based on no need to access house files for information)
Total cost savings in 2014/15	£3,750
Target to increase number of documents scanned achieved	

Increase the Use of IT Portals / E Communications	
To Increase the Number and Frequency of Trustees, Residents and Contractors Using IT Portals / E Communications from A Zero Base in the 2014/15 Financial Year.	
Anticipated Portal Uses as at 31 st March 2015	
Trustees	12 BOT IPad users, used at BOT meetings, BOT Away Days and Sub Committee meetings (20 meetings in total)
Trustee Cost Savings	£500 (Based on £25 savings per trustee based on saved printing costs and time saved)
Residents	40 Portal Uses
Resident Cost Savings	£200 (Based on £5 per user saved per visit through not speaking to staff members)
Contractors	6 Contractors
Contractor Cost Savings	£2.50 per job (Based on time saved in invoice processing)
Staff	25 IPad Users
Staff Cost Savings	£2,500 (Based on IPad users saving £100 per year in printing costs and time)
Approximate Cost Savings in 2014/15	£3,200 + Contractor Portal Use
Target to increase number IT Portal / E Communications users achieved	

Reducing Cleaning Material Costs at Sheltered Schemes	
To Reduce the Cost of Cleaning Materials by (5%) in the 2014/15 Financial Year	
Cleaning Material Costs for 2013/14	£5,795
Cleaning Material Costs for 2014/15 as at 31 st January 2015	£4,323
Actual Cleaning Costs for 2014/15	£5,195
Financial Value of Cleaning Cost Savings in 2014/15	£600
Total Cleaning Costs savings in 2014/15	10.4%
Target to increase number IT Portal / E Communications users achieved	

Increasing Direct Debit Take Up	
To Increase the Number of People Paying By Direct Debit by (25) in the 2014/15 Financial Year	
Direct Debit Payers as at 31 st March 2014	477
Direct Debit Payers as at 31 st March 2015	502
Cost Savings in 2014/15	25 x 12 x 60p for all pay service = £180
Target to increase number of Direct Debit users achieved	

Reprocurement of the Gas Maintenance and Servicing Contract	
To test the market to ensure that the contract with the associations contractor for gas maintenance and servicing provides value for money and to reduce overall costs	
Anticipated Cost Savings due to reprocurement in 2014/15	£20,000 (10% of 2013/14 budget)
Actual Cost Savings due to reprocurement in 2014/15	£60,000
Target to achieve £20,000 cost savings achieved	

Value for Money Key Performance Indicators 2015/16

Reducing Relet Times	
To Reduce the Average Time Taken to Relet Empty Properties to 14 Calendar Days in the 2015/16 Financial Year	
Average Relet Time for 2014/15 as at 31 st March 2015	17.2 days (Based on 119 lets)
Anticipated average relet time as at 31 st March 2016	14 (Based on 119 lets)
Savings for 2015/16 based on average turnaround time against 2014/15 based on average turnaround time	£6,043.30
Maths – Annual Rent Debit 2015/16 = £7.105m/1230 properties/52/7 = £15.87 per day average rent x difference in days between 2014/15 output and 2015/16 target = 3.2 days x 119 lets = 380 days. £15.87 x 380 days = £6,043.30	

Reduce Invoices Processed	
To Reduce the Number of Invoices Processed in the Financial Year by (500)	
Invoices Processed as at 31 st March 2015	7813
Anticipated number of invoices processed as at 31 st March 2016	7313
Cost Savings Per Invoice	£15 based on internal calculations
Cost Savings for 500 Invoices	£7,500

Increase the Use of Scanning	
To Increase the Number of Documents Scanned in the Financial Year by (750) documents	
Documents Scanned as at 31 st March 2015	
Housing Services	
3 rd Party Letters	Approx 150
Doctors Letters	Approx 50
Other Correspondence	Approx 350
Total	Approx 500
Property Services	
Major Adaptations Forms	Approx 35
Minor Adaptations	Approx 150
Alteration Forms	Approx 65
Total	Approx 250
Total Documents Scanned 2014/15	Approx 750
Anticipated Documents Scanned as at 31st March 2016	
Housing Services	
3 rd Party Letters	Approx 150
Doctors Letters	Approx 50
Other Correspondence	Approx 350
Total	Approx 500
Property Services	
Major Adaptations Forms	Approx 35
Minor Adaptations	Approx 150
Alteration Forms	Approx 65
Total	Approx 250
Total Documents Scanned 2015/16	Approx 750
Total cost savings in 2015/16	£3,750

Increasing Direct Debit Take Up	
To Increase the Number of People Paying By Direct Debit by (25) in the Financial Year	
Direct Debit Payers as at 31 st March 2015	502
Anticipated Direct Debit Payers as at 31st March 2016	527 = £180
Cost Savings in 2015/16	

Reprocurement of the Repairs and Maintenance Contract	
To test the market to ensure that the contract with the associations contractor for gas maintenance and servicing provides value for money and to reduce overall costs	
Anticipated Cost Savings due to reprocurement in 2014/15	£244,000 (10% of 2013/14 budget)
Cost Savings in 2015/16	

Current Resident Rent Arrears	
To reduce the level of current resident rent arrears as a percentage of rent due from 0.6% to 0.5%	
Anticipated Cost Savings due to increased arrears collection in 2015/16	£7,305
Actual Cost Savings due to increased arrears collection in 2015/16	
Maths – Annual rent debit = $£7,105,000/100 \times 0.6 = £42,630$ and $£7,105,000/100 \times 0.5 = £35,325$	

Former Resident Arrears	
To reduce the level of former resident rent arrears as a percentage of rent due from 0.4% to 0.35%	
Anticipated Cost Savings due to increased arrears collection in 2015/16	£3,553
Actual Cost Savings due to increased arrears collection in 2015/16	
Maths – Annual rent debit = $£7,105,000/100 \times 0.4 = £28,420$ and $£7,105,000/100 \times 0.35 = £24,867$	

Write Offs	
To reduce the level rent written off as a percentage of rent due from 0.3% to 0.1%	
Anticipated Cost Savings due to increased arrears collection in 2015/16	£14,210
Actual Cost Savings due to increased arrears collection in 2015/16	
Maths – Annual rent debit = $£7,105,000/100 \times 0.3 = £21,315$ and $£7,105,000/100 \times 0.1 = £7,105$	

Staff Sickness	
To reduce the level of overall staff sickness from an average per person of 10.4 days to 8 days	
Anticipated Cost Savings due to fall in sickness levels	£70,362
Actual Cost Savings due to fall in sickness levels	
Maths – Staffing budget = $£1,260,575/43\text{staff}/52\text{weeks}/5\text{working days} = £112.76 = \text{average days' pay} - £112.76 \times 52 \times 5 \times 2.4 \text{ days}$	

Appendix 4

VFM Efficiency Log 2014/15

Ongoing Efficiency Area (See Efficiency Log 2013/14 for more details)	Approximate Annual Savings 2014/15		Number of Years Savings Apply For
	Time in £	Money in £	
Annual Report to Residents – Production of Annual Report in house		£2,000	Five Years from 2011/12
Astraline and code changes – Staff rather than contractor changing door codes		£1,000	Annually, if door codes are changed
Disabled Facilities Grants – Provision of DFG by Hull City Council saving the association the costs of adapting properties		£115,000	Annually, can fluctuate
Housing Benefit and Kypera – Move to automatic from manual report collation	£2,242		Five years from 2013/14
Ipad rollout - Move from paper based to electronic working	£1,687		Five years from 2013/14
Kypera Flagship Site - Reduced training and consultancy costs due to Flagship Status		£4,500	Annually while flagship status retained
Lease of land at Eleanor Scott Cottages – Lease of spare land for car parking		£1,800	Annually until land use changes
Mobile phone contract – Change of provider and billing arrangements		£2,750	Five years from 2013/14
Office let – Let of part / all spare office capacity		£6,600	Annually until office use changes
Rechargeable Repairs Policy – Recharge to residents for costs of damage incurred		£2000	Annually, can fluctuate
Registering for the higher rate of FIT – The FIT provides an annual income that needs to be offset against the cost of introducing the technology		£31,000	Annually, will increase to £40,000 with the transfer of 20 properties, the transfer will also include a one off receipt for £23,000 due in 2014/15
Trustee portal – Move from paper meeting to electronic meeting papers		£3,200	Five years from 2013/14
Use of Residents Portal – Use of residents Portal to access rent account information			Will increase over time as the Portal is publicised and becomes more functional across areas of the business
Totals	£3,929	£169,850	

New Efficiency Areas in 2014/15 including new ongoing and one off savings	Who	What Was the Idea	What Savings Were Made	Notes and ongoing savings calculation
Working in Partnership				
Confidential waste and paper disposables year on year	Sue Kingett	To provide confidential waste and paper disposal through a different organisation	MONEY - £500 per year	Ongoing for five years
Energy monitors – one off	Paula Kelly	Provision of 100 free energy monitors by EMS to residents in part of East Hull	MONEY - £4,000	Provision of energy monitors at £40 per meter
KC Wi-Fi grant – one off	Damien Blackburn	To provide free Wi-Fi at Sheltered Schemes for residents to use to get on line as part of the move to digital by design service provision	MONEY - £500 grant from Kingston communications	One off
Keep fit – one off	Dawn Wainman	To help the association kick start keep fit for residents to increase their level of exercise and social interaction	MONEY - £500 grant from Hull City Council	One off
Procurement club savings – year on year	Rob Cressey	To add capacity in the re procurement of major works	MONEY - £34,000	Ongoing
Sing Live costs – one off	Julie Hill	To support singing groups at a sheltered housing scheme	TIME - £500	Two hour x 12 weeks' time from Hull Time Banking service – One Off
Swimming club funding	Dawn Wainman	To help the association kick start a swimming club for residents to increase their level of exercise and social interaction	MONEY - £500 grant from Hull City Council	One off
Working More Efficiently				
Cleaning materials - year on year	Katie Burton	Reducing the cost of cleaning materials by ordering centrally	MONEY - £500	Ongoing
Cleaning contract – year on year	Gail Wilson	To retender the cleaning contract using consortium documentation	MONEY - £3,000 per year	Ongoing for five years
Contractor portal - year on year	Rob Cressey	To reduce the number of invoices received and processed by the association through contractors use of a dedicated portal	MONEY - Minimal	Minimal as Portal was on trial at the end of 2014. To go live in 2015/16 and increase the number of users
Reviewing the iPad contracts	Damien Blackburn	To renegotiate the contract price for I pads	MONEY - £3,000 per year	Ongoing for five years
Customer Service Team - year on year	Paula Kelly	To increase the number of calls dealt with at first contact through the provision of a generic front of house service	TIME – Unquantified	Savings need to be calculated in 2015/16
Window cleaning	Gail Wilson	Changing office window cleaner	MONEY - £420 per year	Ongoing for five years

New Efficiency Areas in 2014/15 including new ongoing and one off savings	Who	What Was the Idea	What Savings Were Made	Notes and ongoing savings calculation
Financial Benefits and Savings				
Claiming back the VAT on lifts and hoists	Helen Birch	Following an association wide assessment of VAT conducted by an external consultant and attendance at training courses, a number of areas where VAT was being paid have been reviewed in an effort to pay the correct levels of VAT going forward and to claim back previously paid VAT	MONEY - £375	One offs
Claiming back the VAT on neck pendants			MONEY - £1,150	
Claim back VAT on repairs and maintenance			MONEY - £30	
Claiming tax from bank interest			MONEY – £900	
Claiming other VAT clawbacks due to partial exemption from VAT status			MONEY - £6,050	
Money from the sale of old PCs	Damien Blackburn	Selling off redundant hardware for recycling	MONEY – £700	One off, but could reoccur at intervals
Changing the provider of letter headed paper	Damien Blackburn	To seek other suppliers of letter headed paper at a reduced cost	MONEY - £450	Ongoing for five years
Free review of Kypera Implementation	Damien Blackburn	A free review of the implementation of Kypera	MONEY - £1,900	One off

Efficiency Savings that are Likely to be Made 2015/16

Title	Who	Notes	Savings year on year money and time
Handypersons service	New Head of Property Services	The Board has provisionally agreed to employ a handyperson to undertake a wide range of small but costly jobs across the association. A business case and the issues surrounding employment of a handyperson will be considered	
Housing Proactive	Katie Burton	The Housing Proactive service will commence in May 2015, as a major user of the service the association is been given the service which costs £4.50 per week for free for potentially over 230 full rent and service charge payers which for 26 weeks in 2014/15 has a value of almost £27,000. In addition, rather than sending non urgent mail to all residents at around £1,000 for all residents, a message can be delivered to all residents quickly via Housing Proactive as part of the contract with the association	TIME - To write and print letters MONEY – On postage, up to £5,000 per year
Procurement of a gas repairs and maintenance and servicing contractor	Interim Asset Manager	The gas repairs, maintenance and servicing contract is to be re procured, via procurement club arrangements. A number of factors will affect the likely savings that can be made including the, length of contract, enhanced service and the procurement club arrangements	TIME – To let the contract using procurement club arrangements MONEY – A nominal figure of 10% savings could be achieved based on total budget spend
Procurement of a grounds maintenance contractor	New Head of Property Services	The grounds maintenance contract (for communal and private gardens), is to be re procured, via procurement club arrangements. Initially residents will consider the scope of the specification and tenderers will be asked to price on options	TIME – To let the contract using procurement club arrangements MONEY – A nominal figure of 10% savings could be achieved based on total budget spend
Procurement of a repairs and maintenance contractor	New Head of Property Services	The repairs and maintenance service is to be re procured, via procurement club arrangements. A number of factors will affect the likely savings that can be made including the, length of contract, enhanced service and the procurement club arrangements	TIME – To let the contract using procurement club arrangements MONEY – A nominal figure of 10% savings could be achieved based on total budget spend
Producing Energy Performance Certificates	Andrew Mounsor and Jay Dobson	The association has to have a Energy Performance Certificate produced when a property becomes empty or if a property has works undertaken that will effect its SAP rating (such as the replacement of boilers and / or radiators and windows and doors. The cost of an EPC provided by an external surveyor is £60 per EPC. The association will train two of its Technical Officers to undertake EPC's. The training costs are £5,300 of which £1,500 will be paid by a training provider for the Trainee Technical Officer, making the cost of the training £3,000 on average the association has 150 EPCs produced each year at a total cost of £9,000 per year. This is a spend to save initiative that will save the costs of the training within 6 month of 12015/16	MONEY - £9,000 per year
Replacement programme - boilers	New Head of Property Services	A boiler replacement programme based on the Asset Management Strategy, customer insight information and customers' needs and wants will take place via procurement club arrangements.	TIME – To let the contract using procurement club arrangements
Replacement programme - windows and doors	New Head of Property Services	A larger and shorter duration programme to replace all obsolete double glazed windows and doors based on the Asset Management Strategy and customer insight information and customers' needs and wants will take place via procurement club arrangements.	TIME – To let the contract using procurement club arrangements

Reviewing Annual Maintenance Agreements	Gail Wilson / Anne Wealsby	The association has a number of Annual Maintenance agreements (AMA's) that it lets based on yearly cycles. As the association now has a fixed major repairs programme it will be able to review both its major AMA's such as its painting programme but also other AMA which could be let over longer periods giving better value using procurement club arrangement	TIME – To let the contract using procurement club arrangements MONEY – A nominal figure of 10% savings could be achieved based on total budget spend
Worcester Boiler Training -	Rob Cressey	The association has trained a number of frontline staff to be able to provide advice and support to residents to enable residents or staff to reset heating controls. Currently when a small pool, of staff are unable to reset heating controls quickly a contractor is asked to attend. Over 20 jobs were given to contractors in 2014/15 which cost on average £40 per visit. The training staff received was provided free of charge by Worcester Bosch as part of an agreement with the Association to use their boilers	MONEY - £800 saved on reducing the number of heating control reset jobs to zero

Appendix 5

Value for Money (VFM) Action Plan 2014/15

Objective	Actions	Outcomes	Owner	Completion Date
To establish the organisation's baseline social value position through a social value audit.	Commission a social audit baseline report. Establish current level of social investment and establish method and targets for 2014/15.	Increase value to Association's Residents and local communities, achieving business plan objectives, especially in areas such as preventing loneliness and isolation.	Gavin Clark	End August 2014 Completed establishing and assessing the social value of the association will be a yearly activity
To develop and manage a range of best value performance indicators for 2014/15 based on benchmarking and internal performance information.	Identify internal areas for improvement and establish performance target definitions and improvement actions. Identified areas so far: <ul style="list-style-type: none"> • IT Portal/ e business use • Intro of scanning/ e letters • Reducing relet times • Increasing Direct Debit payment method • Reduction in invoice volumes • Review of cleaning costs Respond to findings within HouseMark benchmarking report (results awaited).	Focused areas for VFM improvements that are measurable and deliver reportable cost efficiency and service benefits. Suite of active performance targets for teams to performance manage.	Gavin Clark	End August 2014 Completed establishing and monitoring VFM performance indicators for the the association will be a yearly activity
To ensure the effective return on investment within the Association's through active asset management.	Approval of PFH Asset Management Strategy. Option Appraisal of High value/ low value assets	Comprehensive approach to effective investment in Associations property assets. Demonstration that ensure property portfolio works in line with PFH business objectives.	Lish Harris	End July 2014 Completed End January 2015 Completed but to refine the approach in 2015/15
To review of the effectiveness of Resident Involvement activities.	To pilot proposed project management methodology to assess VFM impacts. Approval of revised strategy including demonstration ofVFM and social value.	Most effective routes to resident engagement and feedback obtained that enable PFH to deliver services in line with varied resident groups expectations. Project management methodology tested to ensure it can be consistently applied in line with vfm	Paula Kelly	End September 2014 Still ongoing due to scope and complexity of review and workforce review

		principles.		
To review the effectiveness of the Association's sheltered housing portfolio	<p>Establish scope of review.</p> <p>Establish Project Team</p> <p>Prepare analysis, position and recommendations based on best practice and future thinking.</p>	A Board of Trustees approved strategy and a revised Housing plus service for older people that is in line with expectations of varied or particular customers' needs and aspirations, is cost effective and sustainable into the future.	Paula Kelly	<p>End December 2014</p> <p>Still ongoing, report to Board May 15 to complete September 2015</p>
To enhance the organisation's consultation with Residents on value for money and future spending priorities	<p>Research best practice.</p> <p>Resident show consultation</p> <p>Other actions to be identified.</p>	Rent setting, service charge and budgetary proposals that clearly demonstrate consideration of resident service priorities.		Complete via Budget Roadshows
To review the Association's governance and risk management effectiveness as part of its demonstration of value for money	<p>Deliver Association's Governance Review Brief</p> <p>Upgrade Association's approach to Risk Management inc. establishment of risk appetite and control environment.</p>	PFH can demonstrate to stakeholder's effectiveness of Governance and risk management arrangements to ensure the Association is effectively managed.	Claire Warren	<p>End September 2014</p> <p>Completed, Governance Action Plan adopted and being implemented</p>
To demonstrate value for money in the provision of services delivered by others on our behalf	<p>Delivery of year 1 Procurement Strategy Actions include:</p> <ul style="list-style-type: none"> • Tendering of gas serving and repair contract • Procurement of repairs and maintenance services • Tendering of new build construction works (if applicable) • Tendering of grounds maintenance • Updated cost spend analysis 	PFH is able to demonstrate VFM on outsourced services through competitive tendering environments and measurements on cost, quality and added social value.	Lish Harris	<p>End March 2015</p> <p>Part completed, retendering of Grounds Maintenance was unsuccessful to procure in 2105/16. Repairs and maintenance to be procured in 2015/16. Tendering of new build construction works will take place due to success in application for grant funding from the HCA</p>
As part of the 'Fit for the Future' business plan objective, to demonstrate best value in staff team service delivery.	<p>Approval of Workforce Review/Organisational Development Brief.</p> <p>Commissioning of Review Support.</p> <p>Delivery of recommended actions</p>	A staffing arrangement which is designed to support the organisations growth and continuous improvement agenda and which delivers business plan outcomes.	Claire Warren	<p>End April 2015</p> <p>Part completed, Workforce review agreed and action plan to be implemented in 2015/16</p>
To demonstrate the organisation's strategy, approach and measurement of achieving value for money	Approved VFM Strategy and Self-Assessment	Demonstration of vfm ethos, ambition to be high performing and high value organisation and tangible vfm outcomes to stakeholders.	Gavin Clark	<p>End July 2015</p> <p>Completed, annual event</p>