

 <p>Northwards Housing North Manchester's Council Homes</p>		Report to: Northwards Housing Board 2 nd July 2019		Item No: <h1>11a</h1>	
Title:		VFM Strategy and Action Plan			
Date:		20 th March 2019			
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Confidential:		NO			
For: (Please tick action required)		NOTING	DISCUSSION ✓	APPROVAL ✓	
PURPOSE OF REPORT					
To document Northwards' revised Value for Money (VFM) Strategy and associated action plan.					
RECOMMENDATION					
That the Board approves the Strategy and action plan.					
IMPLICATIONS					
Risk Management		RR01a: Failure to manage budget within resources available CRR-01d Not maintaining financial probity			
Regulatory & legal compliance		None			

Consultation/Consideration:

	Yes, No or N/A:	Name:	Date:
Sub-Committee:	No		
Task Groups:	No		
Ward Councillors:	No		

Attached is the proposed VFM strategy as based on the principles agreed by the Board in March along with a detailed action plan as to how these principles will be applied. As a strategic document it sets the framework rather than identifying specific actions: these are included in the accompanying action plan.

The strategy has been compiled by the Head of Finance and ICT after extensive consultation with EMT and relevant staff throughout the business.

A draft of the main body of the Strategy was shared with the Board VFM Lead and the Chair and Vice-Chair of the Board and their feedback has been incorporated into a revised draft. However, this is a Board strategy and therefore we welcome any suggestions for improvement that Board members wish to see.

The action plan contains a number of suggestions as to how progress against this plan can be reported back to the Board. We have recommended that specific items, such as the financial information we will be preparing in response to the strategy, will be considered through Resources Sub-Committee, whilst formal progress against the whole plan will be reported to Board. However, if the Board wish to amend this please let us know.



VALUE FOR MONEY STRATEGY

2019 - 2022

Value for Money at Northwards

Background

Value for Money (VFM) is not just about saving money. VFM is about delivering our services in the most efficient way possible whilst meeting the needs of our tenants, our stakeholders and the wider community. This means striking the right balance between cost and quality and understanding how investment can improve services and lead to recurring savings. This balance can change over time as customer priorities or resources vary, so it must be kept under regular review at Board level.

In the current environment, where resources are constrained but demand for our services is higher than ever, we must embed a VFM culture across the whole organisation. We must ensure that responsibility for delivering value for money lies with all staff and that everyone is aware of how their actions contribute to our strategic objectives in this area.

This strategy sets out the Board's vision for how VFM can be achieved across all aspects of our operations and ensure that our tenants receive an effective, efficient and consistent service.

Northwards' Corporate Objectives

Northwards is committed to making sure that our vision and values sit at the heart of every action we take and every decision we make. Our vision is to make a difference in north Manchester by helping to make it a place where people choose to live, learn and work. Our values can be summarised as:

- **Putting people first** - We value our tenants and our employees and we consider the impact our actions have on people before making decisions.
- **Supporting communities to be successful** - We make north Manchester a thriving, better place, where everyone is part of the community. We work with others to do what's right.
- **Spending money wisely** - We achieve value for money by innovating, by consulting with tenants and involving employees to help us make the right choices.

Our VFM strategy cannot be deemed successful unless it fully contributes to achieving this vision and embodies these values.

Value for Money Standard

VFM is a key part of the regulation of Registered Providers (RPs) which are required to demonstrate how they meet the expectations of the VFM Standard and the associated Code of Practice on an annual basis

(https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/697226/VfM_Code_of_Practice_April_2018.pdf). As an Arms Length

Management Organisation (ALMO) Northwards is not currently subject to these regulatory requirements.

However, Northwards' regulatory regime in respect of VFM is likely to change. The Social Housing Green Paper has created the possibility that local authorities and, by extension, their ALMOs, may be subjected to some of the regulatory requirements of RPs along with new requirements. At the time of writing we do not know how the new regime will operate. Some of the requirements cannot be applicable to ALMOs as we do not own our housing stock, but the majority of the requirements could be applied. Therefore, in writing this strategy we have considered the key elements of the Standard with the intention that we would be able to demonstrate our compliance. However, we acknowledge that this strategy and associated action plan will likely need to be revisited when the new regulatory code is published.

Principles

In March 2019 Northwards' Board agreed the following principles for VFM:

1. To deliver our services in a way that achieves best overall value and to have a consistent approach to VFM across the organisation.
2. To recognise that cost is only one element of Value and that we must incorporate issues of quality and measure how our activities impact upon the community and the environment.
3. To ensure that all our staff recognise their continuing obligation to seek VFM for Northwards as part of their daily activities.
4. To enable our Tenants to participate in the decision making process and have real ability to influence decisions taken by Northwards in respect of VFM.
5. To have internal processes in place to track expenditure and understand the impact of our investment in services and homes.
6. To demonstrate that VFM comparisons have taken place against other similar activities and organisations using relevant measures where this is considered useful.

Delivering this vision

To deliver our services in a way that achieves best overall value and to have a consistent approach to VFM across the organisation.

Northwards is ambitious to drive improvement across the organisation and embed VFM in all services. To do this there must be a framework in place that ensures a consistent approach to VFM. However, we are responsible for a diverse range of services and it would be impossible to have a one-size approach to VFM. We recognise the need to tailor our approach according to the type of service and ensure that the unique challenges faced by staff are carefully considered and to prioritise our actions to deliver VFM.

To achieve this we will:

- Ensure that VFM is a key consideration in the design, implementation and delivery of our services.

- Have performance management and scrutiny functions which are effective at driving and delivering improved VFM performance.

To recognise that cost is only one element of Value and that we must incorporate issues of quality and measure how our activities impact upon the community and the environment.

Our focus should always be on 'Value' part of value for money. That does not mean financial savings are not crucial, but value is about delivering better outcomes for the business, our tenants and the community. This is about the wellbeing of people and places and how organisations can contribute to this through the creation of employment, learning opportunities and in supporting community cohesion; real social value. If Northwards is serious about these issues then we need to measure, maximise and demonstrate the impact we make and ensure that social value informs all of our decisions.

In addition, we must deliver services in a way that achieves VFM and minimises damage to the environment. We believe that embedding sustainability within all our processes will allow us to make a significant contribution to setting Manchester on a more sustainable trajectory.

To achieve this we will:

- Ensure that all aspects of value are considered in procurement.
- Have clear and unambiguous ethical practices and promote our view of ethical behaviour as a standard throughout the supply chain.
- Make social value a primary consideration in all our activities and ensure our expenditure supports local businesses wherever possible.
- Embed effective sustainable practices within our processes, recognising how sustainability is vital to the delivery of our corporate objectives.

To ensure that all our staff recognise their continuing obligation to seek VFM for Northwards as part of their daily activities.

To achieve our vision for VFM it is essential that our staff 'buy in' to that vision and make VFM a primary consideration when carrying out their duties.

To achieve this we will:

- Emphasise the role of staff in delivering VFM through procurement and other activities.
- Ensure there is appropriate training to support Northwards' staff in delivering VFM.
- Have appropriate structures in place to advise and support staff to achieve VFM.

To enable our Tenants to participate in the decision making process and have real ability to influence decisions taken by Northwards in respect of VFM.

Northwards' Corporate Objectives stress the importance of the tenant in everything that we do. We want the services that we deliver to meet the needs and the expectations of our tenants and other customers so it is essential that they are given the opportunity to influence our decision making processes.

To achieve this we will:

- Regularly publish information regarding Northwards' performance and VFM activities.
- Maintain and improve the structures by which tenants can scrutinise the services provided by Northwards.
- Facilitate tenant involvement in decisions about how Northwards directs its resources, including an understanding of the trade-offs and opportunity costs of its decisions.
- Develop a Customer Experience Strategy with details about how customer insight will be used to tailor services to the needs of our tenants.

To have internal processes in place to track expenditure and understand the impact of our investment in services and homes.

For effective use of resources and delivery of VFM we must establish what drives our costs and understand the actions required to optimise them.

To achieve this we will:

- Set challenging targets for performance and monitor our key performance indicators.
- Put systems in place to understand the costs of delivering specific services and which underlying factors influence these costs and how they do so.
- Work with our Council partners, helping them understand the return on their assets, and ensure that we have a strategy for optimising the future return on assets measured against our shared objectives.

To demonstrate that VFM comparisons have taken place against other similar activities and organisations using relevant measures where this is considered useful.

Understanding the costs of services, how they change over time and how we compare to others, is crucial to our objective of achieving VFM throughout the business. Provided that comparisons are fair and meaningful then they provide an opportunity to learn from others in order to refresh our approach to get better results.

To achieve this we will:

- Engage in benchmarking activities with other ALMOs across the country to help identify where performance can be improved.
- Investigate where other opportunities for meaningful comparison can be established within Manchester, including those outside of our sector.
- Work with partners across the city and beyond to share best practice and learn how services can be improved within our community.

Our relationship with Manchester City Council and Greater Manchester Combined Authority

Northwards delivers services in partnership with a range of other organisations in Manchester. These service providers are also embracing the same ambitions to provide better, more integrated services, and increasingly more accessible services. The challenges of budget reductions are also shared across service providers.

Of primary importance to Northwards is our relationship with our parent company, Manchester City Council. The Council has outlined its vision for the future through their 'Our Manchester Strategy'

(https://www.manchester.gov.uk/downloads/download/6426/the_manchester_strategy).

In formulating Northwards' own VFM strategy we must consider the wider strategic objectives of the city and how we can contribute to their achievement. Northwards is already delivering services, like Manchester Move and Adaptation Services, on behalf of other providers in the city. So we must consider the impact that we can have beyond North Manchester and beyond housing.

In addition to this civic relationship we also operate within a regional context. The continuing devolution of Greater Manchester will present opportunities for better collaboration and potentially enhanced VFM. This VFM strategy takes this regional context into account.

Relevant internal strategies

Northwards Housing's Digital First Strategy 2017-19

The Digital First Strategy put in place a framework to:

- enable and encourage tenants to engage with us through more efficient digital channels;
- ensure Northwards considers the opportunities digital technology offers to make Northwards a better business;
- see if technology can enhance what we're planning to do every time we prepare to implement something new anywhere in the business; and
- examine our existing policies, procedures, work practices, systems and behaviours and ask ourselves "can we improve these with technology?"

These activities are key to our VFM strategy. To continue to deliver more complex services at a high standard we must ensure that routine transactional services are delivered through the most efficient means possible and that increasingly means online.

Procurement Strategy 2018-2021

Effective procurement is one of the key determinants of VFM within this organisation and the aims of the procurement strategy are closely linked to VFM issues, most notably in:

- Achieving value for money in all our procurement, obtaining the right goods and services from the right suppliers at the right time and the right price;
- Ensuring all goods, works and services we procure are sourced ethically in terms of both our processes and in terms of the standards that we expect our suppliers, service providers and contractors to meet;
- Using our expenditure to add social value in our community wherever possible and leverage our spending power to create jobs and learning opportunities for the residents of north Manchester, the city and GM as a whole; and
- Making sustainability a primary consideration in all our procurement and ensure our expenditure does not impact negatively upon the environment.

These activities are key to our VFM strategy. Northwards must make best use of our constrained resources, both in terms of the price we pay and how our expenditure impacts upon the community.

ICT Strategy 2018-2021

The ICT strategy addresses some of the issues raised in respect of digital services but in addition the strategy includes the following aims that are relevant to VFM:

- Provide an excellent, customer-focused ICT service, supporting all staff to deliver services as effectively as possible;
- Ensure data collected through ICT enables the improvement of services and delivers business efficiency; and
- Improve value for money in the delivery of ICT to enable Northwards' operational and administrative teams to identify and implement efficiencies through IT-based solutions.

This highlights the role that effective ICT plays in supporting our operational teams to deliver their services as effectively as possible and how investment in ICT can enable efficiencies that in turn facilitate savings that can be ploughed back into the business.

Risks

In delivering this strategy we must consider the following risks:

- That we do not have sufficient capacity within the organisation to deliver the ambitious aims of this strategy.
- Our financial position may deteriorate rapidly and that financial savings become far more pressing than wider considerations of value.
- That we are expecting too much of operational officers to deliver their responsibilities in respect of this strategy.
- That forcing staff to consider the goals and objectives of this strategy will make their jobs overly bureaucratic.

- That in looking to achieve our wider goals, including quality, sustainability and social value, we increase costs at a time when savings are required.

Costs of the strategy

The majority of the costs associated with completing the VFM action plan attached in appendix 2 relate to activities that will be undertaken by our own staff. However, we estimate that the direct costs of delivering this strategy are as follows:

- Year 1 £17,200
- Year 2 £56,000
- Year 3 £29,500
- Total £102,700

It should be noted that of these estimated costs, £42,000, in respect of HouseMark and the customer satisfaction survey, would have been incurred irrespective of this strategy, and £26,000 of the cost relates to the expansion of automated surveys, which is simply being considered at the current time.

Measuring the impact of this strategy

As documented in the action plan in appendix A we will be undertaking the following actions to measure the impact of this strategy:

- Comparing year on year spend against every nominal code twice a year to capture efficiencies and record where costs are increasing to be reported in each instance to the Resources Sub-Committee of the Board.
- Revisit and update Northwards' Activity Based Costing exercise to understand our key cost drivers and how these can be managed downwards.
- Continue to benchmark our performance and costs against other similar providers and present plans as to how performance will be improved.
- Introducing a new suite of performance measures centred around VFM across the business to be reported to Resources Sub-Committee of the Board as a standing item.
- Completing our Level One Social Value Certificate committing us to implement systems and processes that are consistent with the Social Value Principles ahead of a formal measurement of our social value impact in year 2 of the strategy.

In addition to the above we will continue to report to the Board regarding progress in respect of individual service reviews.

Roles

The Board and Executive Management Team have overall responsibility for the delivery of VFM activities within Northwards.

The Board delivers their responsibilities through the following approach:

- Review and approve the VFM strategy.
- Review progress of VFM vision through monitoring progress against the action plan.
- Considering VFM within relevant board reports, including financial, performance monitoring and benchmarking information.
- Review and approve annual budgets.
- Review Northwards' asset management strategy to understand the financial, social and environmental returns we can deliver.

The Executive Management Team delivers their responsibilities through:

- Setting the objectives within the VFM action plan.
- Implementing the VFM action plan, reporting on annual basis.
- Ensuring staff engage in achieving Northwards' VFM objectives.
- Identifying and attracting additional external resources which support social value.
- Facilitating customer involvement in VFM where appropriate.

Monitoring and reviewing the strategy

The actions specified within this strategy have been listed in an action plan that is attached as the appendix. Formal progress against this Plan will be monitored annually by the Board.

The strategy will next be subject to formal review in July 2022.

To deliver our services in a way that achieves best overall value and to have a consistent approach to VFM across the organisation.				
Goal	Objective	Actions	Responsible	Timescale
Ensure that VFM is a key consideration in the design, implementation and delivery of our services.	VFM is a primary consideration in the design of new or transferred services.	VFM will be considered in the design of new services created by or transferred to Northwards at the initial stages and throughout the process.	EMT	Ongoing
		Any performance measures for new or transferred services will include indicators specifically related to VFM.	EMT	Ongoing
	VFM is a key measure of performance in respect of all services.	Review suite of performance measures across the business to establish how VFM can be measured in respect of individual services.	MF	Year 1
		Northwards revised and updated Activity Based Costing exercise will be used to assess the true cost of services and guide management about where costs can be reduced.	MF	Year 2
	Northwards has an embedded culture of continuous improvement.	Formalising post contract reviews as standard as part of our delivery of capital investment projects.	AP	Year 2
		Undertaking regular service reviews, ensuring people, process and systems are aligned to maximise service effectiveness and efficiency.	EMT	Ongoing
		Undertake a review of Northwards' contract management framework to ensure that we have capabilities to drive improvement in commissioned services.	JB	Year 2
Have performance management and scrutiny functions which are effective at driving and	VFM is a primary objective in all service reviews.	Each service review to include a minimum of one objective in relation to VFM.	EMT	Immediate
	VFM is considered as part of all reviews by Tenants' View.	Consultation with Tenants' View participants regarding the inclusion of VFM	BR	Year 1

delivering improved VFM performance.		as a formal consideration and objective in respect of each review.		
		Any issues associated with VFM identified by Tenants' View to be discussed at Resources Sub-Committee for more detailed consideration.	BR	Year 1
	VFM is reviewed by the Board and its Sub-Committees as part of ongoing scrutiny of operations.	VFM considerations to be listed by staff on all reports to Board and Sub-Committees.	JB	Year 1
		Formal progress against this strategy to be provided annually to Board.	RC	Year 1
To recognise that cost is only one element of Value and that we must incorporate issues of quality and measure how our activities impact upon the community and the environment.				
Goal	Objective	Actions	Responsible	Timescale
Ensure that all aspects of value are considered in procurement.	Budget holders understand Northwards' objectives in respect of VFM and apply the principles in procurement.	Training to be delivered to budget holders and their delegated authorities about VFM in procurement and how it can be achieved.	RC	Year 1
		Procurement Officer to provide advice and support to initiators and approvers to ensure that they are addressing VFM in all procurement.	DM	Year 2
		Procurement Officer to review all procurement above £3,000 to ensure that officers have considered VFM.	DM	Immediate
	All procurement processes consider value for money as a function of quality, cost and the achievement of the organisation's wider objectives.	Suite of templates to be developed for use on various types of procurement which will be published on Yammer for staff to access. This will include guidance and prompts around value for money.	CB/DM	Year 2
		All major tenders to cap weighting of cost to 40%, with social value set at a minimum of 20%.	RC	Year 1

Have clear and unambiguous ethical practices and promote our view of ethical behaviour as a standard throughout the supply chain.	Northwards ethical standards are clear and understandable.	Northwards to agree Ethical Standards in Procurement Policy based on the policy published by MCC.	RC	Year 1	
		Publish policy on Yammer and on the Northwards website.	MH	Year 1	
	Northwards staff are aware of these standards and apply them in their procurement activities.	Stage workshops with key staff from each department to communicate standards and identify any potential issues.	AB	Year 2	
		Ethical policy to be included as part of induction for new starters and new manager package.	AB	Year 2	
	Northwards' stakeholders are aware of these standards and hold staff accountable in applying them.	Northwards' Resources Sub-Committee of the Board to approve the Ethical Standards in Procurement Policy.	RC	Year 1	
		Any actions by staff that contravene standards to be reported to Resources Sub-Committee of the Board.	CB	Year 2	
	Make social value a primary consideration in all our activities and ensure our expenditure supports local businesses wherever possible.	Northwards staff and stakeholders understand the concept of social value and can apply it when considering the operations of the business.	Northwards to prepare guidance around the principles of social value and to share this with all staff and Board members.	DM	Year 1
			Hold a session with Board members about social value and how this impacts upon our activities	RC	Year 1
Fully participate in the GMHP Social Value Group, hearing examples of best practice and feeding these back to our own processes.			GL	Ongoing	
Social value is considered throughout procurement and all Northwards contracts contain tailored social value expectations that are enforced.		Through regular dialogue with budget holders Finance will maintain a schedule of all upcoming procurement to identify where social value can be added.	DM	Year 1	
		For any significant procurement either the Procurement Officer or a senior member	CB	Year 1	

		of the Finance team will attend a meeting to ensure social value is considered and applied.		
		Ahead of every major procurement the relevant HoS will meet with the Director of Business Services, or their delegated authority, and they will agree the social value expectations that will be included in any future contract.	RC	Year 1
		All significant contracts to include requirement for supplier to provide performance information against expectations, including social value, on at least quarterly basis.	JB	Year 2
	Northwards understands the impact of the actions it has taken to enhance social value and VFM.	Northwards will complete its Level One Social Value Certificate to commit to implement systems and processes that are consistent with the Social Value Principles, evidenced through policy documentation.	CB/DM	Year 1
		Northwards will complete its Level Two Social Value Certificate to implement systems and processes that are consistent with the Social Value Principles, evidenced through appropriate data collection.	CB/DM	Year 2
		Northwards will complete its Level Three Social Value Certificate to maximise the use of social value data to drive decisions to increase the social value created, evidenced through operational changes designed in response to data and with the specific intention to maximise the social value created with the resources available.	CB/DM	Year 3

		As part of the above Northwards will engage with Social Value UK to implement an effective tool for measuring the impact of these actions and whether our investment represents VFM.	RC	Year 2
Embed effective sustainable practices within our processes, recognising how sustainability is vital to the delivery of our corporate objectives.	Northwards staff and stakeholders understand the concept of sustainability and can apply it when considering the operations of the business.	Northwards to prepare guidance around the principles of sustainability and to share this with all staff and Board members.	DM	Year 2
		Hold sessions with budget holders and Board members about sustainability and how this impacts upon our activities.	RC	Year 2
	Sustainability is considered throughout procurement and all Northwards' contracts contain tailored sustainability expectations that are enforced.	Through regular dialogue with budget holders Finance will maintain a schedule of all upcoming procurement to ensure sustainability is considered.	DM	Year 1
		For any significant procurement either the Procurement Officer or a senior member of the Finance team will attend a meeting to ensure sustainability is considered and applied.	CB	Year 1
		Ahead of every major procurement the relevant HoS will meet with the Director of Business Services, or their delegated authority, and they will agree the sustainability expectations that will be included in any future contract.	RC	Year 2
		All significant contracts to include requirement for supplier to provide performance information against expectations, including sustainability, on at least quarterly basis.	JB	Year 2
To ensure that all our staff recognise their continuing obligation to seek VFM for Northwards as part of their daily activities.				
Goal	Objective	Actions	Responsible	Timescale

Emphasise the role of staff in delivering VFM through procurement and other activities.	All staff are aware of their responsibilities in respect of VFM in procurement.	Value for money concepts and responsibilities to be included as part of induction for all new staff and refreshed in manager inductions.	AB	Year 1
		Suite of templates to be developed for use on various types of procurement which will be published on Yammer for staff to access. This will include guidance and prompts around value for money.	CB/DM	Year 2
	All staff are committed to continuous improvement and adding value wherever possible in the services they deliver.	Include staff consultation is a key aspect of all service reviews and ensure that all staff have the opportunity to be involved in any service redesign.	EMT	Ongoing
		Strengthen facilities for staff feedback and suggestions and ensure recognition for those who put forward successful changes.	BR	Year 2
		Include consideration of VFM and improvement as a primary objective in staff appraisals.	AB	Year 2
Ensure there is appropriate training to support Northwards staff in delivering VFM.	Northwards staff are all trained in the principles of VFM and are able to apply these principles in day to day activity.	Training to be delivered to budget holders and their delegated authorities about VFM and how it can be achieved.	RC	Year 1
		HR to explore eLearning modules in respect of VFM to consider for roll out throughout the organisation.	PM	Year 1
		DoBS to meet with HR to consider general training requirements in respect of VFM in different parts of the business.	RC	Year 1
Have appropriate structures in place to advise and support staff to achieve VFM.	There is appropriate knowledge and experience throughout the organisation to provide advice and support to staff around VFM.	Training to be delivered to budget holders and their delegated authorities about VFM and how it can be achieved.	RC	Year 1
		Procurement Officer to identify key staff in each department by total orders and work	DM	Year 1

		with them to ensure that value for money is considered in every procurement.		
	Northwards' Board is able to hold management to account in respect of its VFM activity.	Northwards' Board is given training in the principles of VFM and how they can be applied in the context of social housing organisations.	RC	Year 1
		Northwards Board has a VFM lead who liaises directly with management in respect of VFM issues and feeds back to colleagues.	RC	Year 1
To enable our Tenants to participate in the decision making process and have real ability to influence decisions taken by Northwards in respect of VFM.				
Goal	Objective	Actions	Responsible	Timescale
Regularly publish information regarding Northwards' performance and VFM activities.	Northwards' tenants are aware of the targets agreed with MCC and our performance against these targets.	Key performance targets, and associated narrative, are published on our website and updated on an annual basis after approval from the Council.	MF/MH	Year 1
		Performance against non-confidential key performance indicators are published on Northwards' website on a quarterly basis.	MF/MH	Year 1
		Northwards to publish the results of our annual benchmarking exercise from HouseMark.	MF/MH	Year 1
To maintain and improve the structures by which tenants can scrutinise the services provided by Northwards.	Tenants' View has appropriate scope, access and support to carry out reviews of Northwards' services and their recommendations given fair consideration.	A long-term plan is agreed with Tenants' View participants to ensure fair scope across the business.	BR	Year 1
		Consultation with Tenants' View to understand their resourcing requirements for all future reviews.	BR	Year 1
		Northwards to pay for independent support for reviews where deemed necessary by Tenants' View.	BR	Year 1

		Where recommendations of Tenants' View are not implemented a response should be provided by management and approved by the Board.	BR	Year 1
	Northwards has a diverse range of access points for tenant feedback and scrutiny in respect of VFM.	Survey members of Northwards' Network around VFM ahead of session where they are able to discuss the issues with senior staff.	RC/BR	Year 1
		Expand Northwards' Customer Satisfaction Survey to include a section on VFM.	EB	Year 2
		Consider the expansion of automated feedback requests (Voicescape) for other transactional services throughout Northwards.	RC	Year 2
Facilitate tenant involvement in decisions around how Northwards directs its resources. Including an understanding of the trade-offs and opportunity costs of its decisions.	Tenants have an opportunity to influence the decision-making process within Northwards and are aware of the implications of these decisions.	Produce an easy to read summary of Northwards' financial position, including an assessment of our key financial challenges, and make this available to tenants.	CB	Year 1
		Northwards to hold open-invitation events with tenants about our financial position and ask them to express what they believe our priorities should be.	RC/MS	Year 1
Develop a Customer Experience Strategy with detail regarding how customer insight will be used to tailor services to the needs of our tenants.	Northwards has an effective strategy for enhancing customer experience and uses data to improve services for tenants.	Design and implement a new Customer Experience Strategy to improve the experience of tenants when dealing with Northwards.	BR	Year 2
		Within strategy develop a framework for how data we hold on tenants can be used to tailor services to their needs.	BR	Year 2
		Work with Customer Experience Officer to build upon the data we have on tenants' experience.	MF	Year 1

		Work with every part of the business to understand what data would be useful for their services and to provide this information to specification.	MF	Year 1
To have internal processes in place to track expenditure and understand the impact of our investment in services and homes.				
Goal	Objective	Actions	Responsible	Timescale
Set challenging targets for performance and monitor our key performance indicators.	Northwards' Board members receive the performance information they need to hold management to account in a timely fashion.	Undertake an exercise with the Board to review all existing KPIs and to establish whether they remain appropriate and to consider if other indicators are required.	MF	Year 1
		Bring forward the annual approval of changes to KPIs to March.	RC/MF	Year 2
	Northwards has challenging targets for performance and continuous improvement, including VFM.	One off review of all KPIs reported to Board and internally to establish how VFM considerations can be incorporated or enhanced.	MF	Year 1
		Annual review of the targets set within each department that push for improvement whilst taking into account challenges of environment.	MF/SMT	Year 1
Put systems in place to understand the costs of delivering specific services and which underlying factors influence these costs and how they do so.	Northwards has a full understanding of the costs of delivering each of our services.	Undertake review of all cost centres to ensure that the income and expenditure associated with each specific service can be assessed.	CB	Year 1
		Compare year on year spend against every nominal code twice a year to capture efficiencies and record where costs are increasing to be reported in each instance to the Resources Sub-Committee of the Board.	CB/MF	Year 1
		Revisit and update Northwards' Activity Based Costing exercise to understand how cost drivers can be managed downwards.	MF	Year 2

		Analyse the costs of different categories of repairs and understand how these costs are increasing over time to identify work that we can undertake to limit this increase.	MF	Year 1
Work with our Council partners understand the return on their assets, and have a strategy for optimising the future return on assets measured against our shared objectives.	Northwards maintains a detailed understanding of the Council's assets and how our investment feeds into our shared objectives.	Revise and update Northwards Asset Management Strategy for approval at Operations Sub-Committee.	CH	Year 2
		Progress against action plan associated with Asset Management Strategy to be reported to and discussed at EMT.	CH	Year 2
		Undertake annual Return on Assets exercise in conjunction with the Council, reporting findings to Operations Sub-Committee.	GL/CH	Year 1
	Northwards provides regular support to the Council in their asset management decisions.	Undertake options appraisals as required by our Council partners in respect of potential purchases from RPs and the private sector.	GL	Ongoing
		Make recommendations to the Council in respect of which properties should be disposed or demolished.	GL	Ongoing
		Continue to work with the Council in respect of their development programme.	GL	Ongoing
		Using the analysis undertaken around costs of different categories of repairs make formal recommendations to the Council regarding potential investment to limit ongoing costs.	MF	Year 2
To demonstrate that VFM comparisons have taken place against other similar activities and organisations using relevant measures where this is considered useful.				
Goal	Objective	Actions	Responsible	Timescale

Engage in benchmarking activities with other ALMOs across the country to help identify where performance can be improved.	Northwards understands how its costs and performance compare against similar providers.	Renew membership with HouseMark and fully participate in the benchmarking of costs and performance.	MF	Year 1
		Publish the results of the HouseMark exercise on the Northwards website.	MF/MH	Year 1
	Northwards recognises where performance can be improved and seeks to learn from others.	Identify best performers in HouseMark benchmark family and establish where lessons can be learned.	MF	Year 2
Investigate where other opportunities for meaningful comparison can be established within Manchester and outside of sector.	Northwards looks to learn lessons for improvement in a diverse range of organisations.	Undertake exercise to benchmark the costs of Northwards compared to the social housing activities of LSVTs in Manchester.	MF	Year 1
		Explore options for benchmarking groups for specific activities outside of social housing.	MF	Year 2
Work with partners across the city and beyond to share best practice and learn how services can be improved within our community.	Northwards engages with a variety of forums to share our best practice and seeks to understand where others' success can be applied.	Northwards will continue to participate in the GMHPP to share and learn from best practice.	EMT	Ongoing
		Northwards will continue to participate in the Northern ALMOs finance group and continue to engage with other ALMO groups across the country to share and learn from best practice.	RC	Ongoing

Appendix B

		Year 1	Year 2	Year 3
Training	Contract management	£2,000	£4,500	
	Session for budget holders on VFM principles	£900	£900	
	Social value training	£1,500		
	Sustainability		£1,800	
	eLearning module for VFM	£1,800		
	Ethics workshops		£900	
Consultancy	Tenants' View Support	£1,000	£1,000	£1,000
	Website development		£2,000	
	HouseMark	£8,500	£9,000	£9,500
Surveys	Automated surveys (Voicescape)		£13,000	£13,000
	Customer Satisfaction Survey		£15,000	
Events	Northwards Network	£500		
	VFM Session	£1,000		£1,000
Measurement	Social Value accreditation		£2,000	£5,000
	Impact assessment		£6,000	
Total		£17,200	£56,100	£29,500