

Value For Money Strategy

March 2026



Introduction

The purpose of this strategy is to set out a clear framework to ensure we are providing the best Value for Money (VFM) for our customers and links closely with RBH's corporate plan for 2025 -2028 'Building Foundations for People to Thrive' to support delivery of its Strategic Objectives.

This strategy covers RBH and its subsidiary, RBH (Design and Build) Limited. The Board is responsible for ensuring that the VFM Strategy is delivered in conjunction with the Representative Body, ELT and SLT. All RBH colleagues are responsible for achieving value for money in delivering their services.

This strategy document will put forward six key over-arching objectives to best support RBH's Corporate Plan as indicated above:

- Embedding a VFM culture across the organisation
- Working with our Customers to provide services that they want and need
- Maximising financial returns to reinvest in our customers
- Maximising our social value and environmental returns on our assets
- Delivering our key objectives in the most efficient and effective way
- Demonstrating compliance, accountability and transparency to our stakeholders



Context

Our corporate plan for the next three years will focus on five strategic themes. These themes reflect the things that our customers and colleagues tell us are important to them. Underpinning all of the themes is a drive for continuous improvement which is becoming an embedded part of our culture. As we move forward, we will look to bring new ideas and innovation to make it easy for our colleagues to do great things for our customers.

We will improve data and insight as we move forward to ensure all that we do is focused on facts and that we are making decisions based on what our customers tell us is important. Achieving value for money, with decisions driven by data and insight, and robust financial and social value analysis. Success will be monitored and reported through outcomes supported by key performance indicators.

We will link our VFM Strategy to these key themes:



Customers

Our services will be shaped with our customers with their voices heard in our business every day.



Communities

We'll support the building of thriving, inclusive communities where embracing diversity makes our communities great places to live.



People

Everything we achieve is through our people. Our focus will be on building a great place to work with a supportive and inclusive culture that reflects the diversity of our communities.



Homes

We'll continue to invest in our homes to ensure they are safe, warm places to live and comply with building safety regulations.



Governance

Embedding good governance, robust financial management and controls and ensuring our business is risk informed will see us strengthening the foundations that underpin RBH.

Regulation

RBH must ensure that we achieve optimum economy, efficiency and effectiveness in the delivery of our strategic objectives. The specific expectations of the Regulator for Social Housing's VFM Standard are that Registered Providers must:

- clearly articulate their strategic objectives
- have an approach agreed by their board to achieving VFM in meeting these objectives and demonstrate their delivery of VFM to stakeholders
- through their strategic objectives, articulate their strategy for delivering homes that meet a range of needs
- ensure that optimal benefit is derived from resources and assets and optimise economy, efficiency and effectiveness in the delivery of their strategic objectives.

Registered providers must demonstrate:

- a robust approach to achieving VFM – this must include a robust approach to decision making and a rigorous appraisal of potential options for improving performance
- regular and appropriate consideration by the board of potential VFM gains – this must include full consideration of costs and benefits of alternative commercial, organisational and delivery structures
- consideration of value for money across their whole business and where they invest in non-social housing activity, they should consider whether this generates returns commensurate to the risk involved and justification where this is not the case
- that they have appropriate targets in place for measuring performance in achieving value for money in delivering their strategic objectives, and that they regularly monitor and report their performance against these targets.

Registered providers must annually publish evidence in the statutory accounts to enable stakeholders to understand the provider's:

- performance against its own value for money targets and any metrics set out by the regulator, and how that performance compares to peers
- measurable plans to address any areas of underperformance, including clearly stating any areas where improvements would not be appropriate and the rationale for this.

This policy supports the delivery of the following regulatory standards :

Economic Standards

Governance & Financing Viability Standard

Rent Standard

Value for Money Standard

Consumer Standards

Neighbourhood & Community Standard

Safety & Quality Standard

Tenancy Standard

Transparency, Influence & Accountability Standard

Values

The policy fits with the mutual values of RBH:



Putting People First

The consideration of VFM in all that we do ensures that the customer gets VFM from the rent and service charges that they pay.



Doing What We Say

To ensure VFM is delivered it has to be embedded into all decision making within RBH.



Working As One

We work with our customers, suppliers, colleagues and other stakeholders to deliver VFM across the organisation.



Delivering Quality

Quality underpins a VFM approach to ensure that the service we deliver is of an appropriate quality and cost is not the only factor in VFM decision making.



Open & Transparent

We report our VFM performance in our financial statements and benchmark against peers so that our progress can be clearly seen.

Methodology

This document has been written to support delivery of the 2025-2028 corporate plan and will be reviewed alongside any future iterations of this.

Consultation has taken place with the Senior Leadership Team around the key themes, objectives and delivery of the VFM Strategy. This will help ensure a culture which is organisation wide where colleagues own and support delivery of value for money in everything they do.

Customer consultation has taken place at the last full update of the strategy with customers across all four townships and online and any feedback incorporated. There were 20 customers in total and feedback was positive and highlighted themes such as accessible communication channels, engagement and strengthening partner links.

The Strategy has also been reviewed by the Executive Leadership team; the Treasury and Finance Committee and consultation took place with employee group 'Our Voice' which reaches out across a wide range of RBH services.



Objective

1

Embedding a VFM culture across the organisation

'Outcome' – Value for money will be considered in all strategic and operational decision making in the organisation across short, medium and long timeframes.

Board

Board set the strategic direction of the organisation, incorporating value for money in the organisation's vision. Board will incorporate a value for money assessment into all of their own decision making as well as ensuring that VFM is operationally embedded across the organisation. The achievement of Board's social value aspirations is paramount across current and future activity and determining how returns are reinvested.

Executive

The Executive Team will embed VFM into the culture of the organisation and across all areas of the business. Understanding the costs of the business, what drives those costs, how this will change in the future allows the Executive to create a link between VFM at a strategic level and an operational level. VFM will be considered in the overall Corporate Strategy and individual strategies. Benchmarking against peer organisations helps to shape the organisational approach to VFM. Reporting on VFM performance in all relevant documents throughout the organisation, recording VFM outcomes and challenging the approach to VFM taken will provide assurance of embeddedness.

Colleagues

All colleagues will be aware of the VFM culture, the need to incorporate this into decision making at all levels and will be trained to deliver this. From the induction of a new colleague through to well established teams, VFM will be incorporated into training, development and appraisal of performance where relevant. Colleagues play a vital role in the identification of waste and improvement of processes to drive efficiency. A VFM working group will be established which brings together colleagues from across different parts of the business to build understanding and address VFM challenges which extend far beyond procurement and financial aspects. Where lower returns are accepted in pursuit of social value, the reasons for this will be articulated.

Communications

VFM will be a key theme of the Internal Communications Strategy and good news stories will enhance embeddedness and keep the concept fresh in the mind of our colleagues. Value for Money is one of the key principles in RBH's new Communications and Marketing Strategy. This principle needs to be reflected across our internal and external communications and marketing strategies, ensuring colleagues understand what VFM means for them and illustrating our commitment to VFM to our customers and stakeholders.

What we will achieve by 2027

- A value for money point will be included in every report to enable Board to incorporate a value for money assessment into all of their own decision making.
- VFM performance and outcomes will be reported in all relevant documents throughout the organisation.
- The performance management framework will be embedded with continued alignment between strategic objectives, strategic bridge and colleague objectives through the appraisal process.
- A VFM working group will be established.
- Through the working group an understanding of the VFM challenges will be developed beyond procurement and financial aspects.
- VFM will be embedded as a key theme of the Internal Communications Strategy.
- Strategy progress and achievement will be monitored through Board and Committee reporting as appropriate.
- The Technology Strategy will be refreshed to ensure alignment with RBH's priorities and sector regulatory changes.

Objective

2

Working with our Customers to provide services that they want and need

'Outcome' – Regular engagement with our customers will support services which are fit for purpose and avoid providing something which is not right or not needed.

Communication

In line with the Communications and Marketing Strategy, we will ensure that value for money is a golden thread of our internal and external communications, demonstrating that customers' rent is well spent on the things that matter to our customers and communities.

RBH will work with partner agencies to strengthen links and communications, considering alternative delivery structures where appropriate. Working together and providing more efficient communication will increase the support that our customers need in their everyday lives.

Communications should be provided through a range of channels and be accessible to all.

Engagement

Customer and colleague engagement should feature as a key part of the development of new strategies, process improvements and programmes of work. This ensures we are developing something that the customer wants and needs and therefore maximising the value created from the rental income we receive.

RBH should provide platforms for customer forums/surgeries which are accessible to all.

Involving residents in key procurement activity by engaging ahead of approaching the market will drive the achievement of better customer outcomes and therefore stronger value for money. Allowing customers choice over the services they receive allows them to understand the balance to be struck between cost and quality and how this will generate value for them.

RBH's Representative Body will carry out regular scrutiny challenges to help support improvements to services.

Monitoring Feedback from Customers

RBH will monitor feedback from all customer surveys to gain an understanding of how our customers are feeling. It gives us a steer on what we are doing well and where there are areas for improvement. RBH will make a commitment to using that feedback to improve the quality of our services and ensure the customers are getting services that they want and need.

What we will achieve by 2027

- Work with partner agencies to strengthen links and communications, considering alternative delivery structures where appropriate.
- Customer and colleague engagement will feature as a key part of the development of new strategies, process improvements and programmes of work.
- Customers will be involved in key procurement activity.
- The Representative Body will carry out regular scrutiny challenges to help support improvements to services.
- Customer feedback will be used to improve the quality of our services and ensure the customers are getting services that they want and need.
- Data-driven decision-making will be expanded in property services and asset management to ensure VFM.
- Value for money will be a golden thread of our external communications, demonstrating that customers' rent is well spent on the things that matter to our customers and communities.
- Use of customer information and insight will be strengthened to enable targeted analytics that support the delivery of the right services to the right customers at the right time.
- Predictive models will be developed to forecast customer demand and service usage, enabling RBH to anticipate needs and tailor services so customers receive the right support at the right time.
- Tailored engagement and consultation plans will be delivered for each regeneration and development project, utilising customer feedback and insight to tailor delivery.

Objective

3

Maximising financial returns to reinvest in our customers

'Outcome' – To ensure we provide services that our customers require that generate optimal value for the customer and the organisation and secure our long-term viability.

Planning, budgeting and cost management

A 30-year plan will be set and approved annually which ensures RBH can operate in the long-term and has a clear plan for delivering objectives in the short, medium and longer term. A detailed budget will be prepared using the principles of Zero-Based Budgeting and should be set with value for money in mind.

Training in budget management will support the effective setting and on-going management of budgets. Once our budgets are set for the year ahead, these will be monitored to ensure that planned activities are being delivered within the budgeted cost envelope and any potential risks to non-delivery highlighted and mitigated in good time through accurate forecasting.

Options appraisals

With any business case, an options appraisal should be drawn up prior to making a decision. This considers all options for delivery of a business case and allows for financial implications of each option to be assessed. Rigorous appraisal is undertaken for regeneration and development schemes as well as significant investment decisions comparing inputs and outputs, comparison against alternatives and the implications for the delivery of our objectives. With external assurance over modelling obtained where appropriate. The use of SHAPE modelling work will enable a greater understanding of asset performance alongside changes to the chart of accounts to enable stronger asset performance data to inform decision making. The Property Investment Group oversees individual property investment and divestment decisions and makes recommendations to management.

Effective procurement and contract management

Value for money should be a key priority in procurement activity. Tender evaluation criteria will vary between different tenders and will be based on an informed decision on what weighting combination will bring the greatest overall Value for Money from whatever goods or services are to be procured.

Following procurement, contracts should be managed to ensure that the supplier is providing the specified goods or services to the standards required by RBH, to the standards contained within their tender submission and realising the expected benefits from contracts.

Maximising Income

– both rent and other funding opportunities

RBH will promote a rent first culture supporting our customers where possible to be able to pay this.

RBH will constantly look for opportunities to obtain grant and other similar sources of funding to support the activities of the organisation.

General Principles

As an organisation RBH will:

- Work towards obtaining greater understanding of the cost base to reduce costs and generate more funds for investment.
- All investment and divestment decisions will be built on a business case and a strong understanding of the return on investment and comparison to other options where applicable, with the knowledge of the social value generated not just the financial.
- Decisions will be data driven based on financial performance, stock type, geography, stock condition and other factors which support the achievement of objectives.
- The Property Investment Group supports the robust challenge of options appraisals performed, applying financial analysis as well as wider criteria to decision making to understand social value.

What we will achieve by 2027

- Embed the performance management framework to monitor regeneration and development project finance.
- Progress the revised chart of accounts to support analysis and transparency of VFM performance, enabling informed decision making.
- Continue to deliver budget management training
- Ensure tender evaluation criteria is based on weighting that will bring the greatest Value for Money to each contract.
- Ensure income is maximised – both rent and other funding opportunities.
- Data driven decisions will be based on financial performance, stock type, geography, stock condition and other factors.
- Using the SHAPE model we will continue to develop our understanding of asset performance.

Objective

3

- Review the operating market and continue to improve operating surplus performance.
- Contract management training and contract management process improvement.
- All investment and divestment decisions will be built on a business case and a strong understanding of the return on investment and comparison to other options where applicable, with the knowledge of the social value generated not just the financial.
- Formalised options appraisal templates will be introduced for all major data initiatives; and enhanced post-project benefit tracking.
- Target cost per property for repairs will be developed, together with an action plan to achieve it.
- We will continue to renegotiate all subscriptions upon their annual renewal.
- The Property Investment Group will continue to appraise all asset investment decisions.
- Predictive models will be developed to forecast customer demand and service usage, enabling RBH to anticipate resource requirements and budget effectively.
- Training on options appraisals to strengthen a data driven, return on investment approach to decision making.

Objective

4

Maximising our social value and environmental returns on our assets

'Outcome' – To ensure the activities of the organisation contribute to the wellbeing of our communities.

Embed social value in everything that we do

RBH will create a Social Value Framework which will support social value culture organisation wide. This will create a better understanding of the importance of social value, what it means and how we create opportunities.

Social value will be a key consideration in our procurement activities and where possible will ask our suppliers to contribute to this where they can.

Reduce our Negative Impact in the Environment

RBH will look for opportunities to become greener in the work that we do.

RBH will commit to work with our communities to identify and develop long-term efficiencies.

We will encourage contractors and suppliers to develop sustainable management practices, and to consider the environment in the procurement of materials and supplies.

An ESG Working Group will be formed to promote sustainability within the organisation and consider RBH's sustainability reporting.

What we will achieve by 2027

- Social value measurement, and gap analysis will be performed and VFM analysis will be extended to include social return on investment (SROI) and environmental impact metrics.
- Social value will continue to be a key consideration in our procurement activities and we will ask our suppliers to contribute to this where they can.
- The Community Investment Strategy will be developed and delivered.
- The environment will be considered in the procurement of materials and supplies.
- The ESG Working Group will continue to develop sustainability reporting.
- Social value action plans will be introduced, based on area specific needs, for each regeneration project with key measurable benefits and outcomes.
- An action plan will be developed and delivered to maximise the social value outputs from repairs and investment programme contracts to benefit our communities and customers.

Objective

5

Delivering our key objectives in the most efficient and effective way

'Outcome' – To understand the costs of delivery and cost drivers and how costs could be reduced for customers through the target operating model and the use of technology.

Process Improvements

RBH will continually consider process improvements to make things easier, less time consuming, to ensure quality and to ensure that it delivers what the customer needs and wants.

There is a need for constant review of service offering where we should consider the effect on customer service and how we monitor that to ensure efficiency doesn't lead to lower value.

RBH will be open to exploring alternative ways of carrying out services and tasks and this should be a key consideration in all decisions and business cases.

Recruitment and Training

RBH will recruit the right people into the right roles to ensure that work is done well, expertly and efficiently.

RBH will ensure VFM mindset is embedded in the recruitment and onboarding stages and promote our VFM culture as part of the induction process.

Following recruitment, RBH will commit to developing and training colleagues through change management to ensure that the level of service can be maintained. Training will also be given on the principles and delivery of VFM to ensure delivery of the strategy.

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Technology and right tools to do the job

RBH should ensure that colleagues have the right tools to do their roles and that tools are accessible when needed. Employees should also take responsibility to make sure they have the right tools when needed. This allows tasks to be carried out well and in a timely manner.

Promoting a 'right first time' culture will improve the customer experience and increase productivity.

Homes & Communities Strategy

The Homes & Communities Strategy will provide a framework for the investment programme, decarbonisation and regeneration of homes and communities. Value for money will be considered throughout making sure all activities are financially appraised and ensuring homes are safe and of good quality, a place where customers want to live.

What we will achieve by 2027

- We will deliver the VFM action plan.
- Partnership working on neighbourhoods and place will be evidenced.
- Occupational Health provider services will be reviewed.
- Print and delivery costs will be renegotiated for the newsletter each year.
- Structured ROI calculations will be introduced for all major IT investments.
- Project benefit management and PMO processes will be strengthened and embedded.
- Benefits realisation tracking will be strengthened across data-led efficiencies and IT investments.
- The Repairs sub-contractor framework will be reprocedured using national schedule of rates and clear service and performance requirements.
- Empty Homes analytics will be used to reduce time homes are not occupied.
- Income analytics will be used to optimise debt recovery and customer support processes.
- The improvement plan will be delivered to optimise the use of the Property Services Foundations project and achieve the agreed benefits.
- Options appraisals will be carried out to determine whether office cleaning should be delivered in house as opposed to the external contract.
- Process improvements will be continuously considered, while maintaining quality.
- Operating models and structures will be continuously reviewed to ensure they meet the needs of the business and are future proof.
- Processes and technology will be overhauled to deliver improvements in debt collection including rent, shops and other sundry charges.
- The RBH fleet will be reprocedured to achieve optimum value for money across fleet rentals and ancillary costs.
- An action plan will be developed and delivered to achieve efficiency savings in the operation of the RBH fleet.

Objective

5

- An action plan will be developed and delivered to maximise the value for money and quality achieved across the property related contracts.
- A managed stores operation will be procured and implemented to maximise efficiencies in materials delivery, reduce risk, improve commercial performance and improve value for money in the delivery of repairs and maintenance.
- The in-house / contractor delivery of the compliance programmes will be reviewed to optimise value for money.
- The medium term actions in the NET Service Improvement Plan will be delivered.

Objective

6

Demonstrating compliance, accountability and transparency to our stakeholders

'Outcome' – To ensure good governance and compliance with the RSH's VFM Standard.

VFM Statement

The Value for Money Statement is published each year in September in RBH's financial statements in the annual report. It encompasses a review of the year from a Value for Money perspective telling a story of how we have performed against target metrics set at the beginning of the year and detailing areas where we have made value for money improvements. The Value for Money statement will also include comparisons against peer organisations and a review of social value as well as consideration of absolute costs.

This is not only a part of the regulatory standard detailed in section 3 of the Strategy but an important way of communicating with our many stakeholders.


VFM Metrics

The VFM regulatory standard also requires registered providers to measure performance against targets set at the start of each year. The targets for 2026/27 are set out below and are the RSH Value for Money Metrics. These will be monitored quarterly and mitigations put in place for adverse performance.

What we will achieve by 2027

- Change governance; change design; and architecture processes will be strengthened.
- VFM metric reporting will be expanded to include benchmarking and alternative delivery models (e.g. shared services, automation).

- Operational improvement plans will be delivered through achievement of the strategic bridge.
- Colleague satisfaction surveys will be introduced specifically on IT-enabled services.
- IT services will be benchmarked against housing sector peers.
- Processes for scope statement and business case writing will be strengthened.
- Maturity assessments will be repeated annually; integrating VFM KPIs into corporate dashboards; expanding self-serve reporting.
- Lessons learned processes in IT will link directly to VFM outcomes.
- VFM reporting will be included in financial statements and annual report.
- Quarterly monitoring of VFM metrics will continue with a strengthened benchmarking narrative.
- VFM targets will be monitored quarterly and mitigations will be put in place for adverse performance.
- Board reporting on rationale for non-improvement areas will be enhanced; with actions linked to customer impact.
- The property compliance subcontractors will be reprocured and will be monitored to meet contract.
- A Property Services contract management function will be implemented to drive value for money in the procurement and delivery of all property related contracts and to coordinate action to ensure suppliers and contractors deliver their contract targets.

Themes	VFM Metric	Target 2026/2027
 Governance	Headline social housing cost per unit	£7,314
	EBITDA MRI	(606%)
	Return on capital employed	1.55%
	Operating profit (overall)	0.00%
	Operating profit (social housing only)	2.93%
	% new supply delivered	0.00%
	% gearing	29.80%
	% re-investment	9.79%

VFM Self-Assessment and Action Plans

Every year, each service area will be required to carry out a self-assessment of VFM across their function. This will not only identify VFM good news stories but will also identify areas for improvement. These will form an action plan for the year ahead which will be progressed and monitored by the leadership team.

Monitoring

VFM metrics will be reported quarterly in the Quarterly KPI's which link intrinsically with the Corporate Plan.

The VFM working party will continue to be developed to ensure the delivery of the Strategy and embedding of the culture operationally. The group will also link in with the leadership at regular intervals to report on progress made.

The Senior Leadership team will review VFM monthly and updates will be reported to ELT and Board at regular intervals. Value for money decisions, benefits achieved and the effect on customer satisfaction will be logged, monitored and reported.

What does success look like?

- Value for money will be considered in all strategic and operational decision making in the organisation across short, medium and long timeframes.
- Regular engagement with our customers will support services which are fit for purpose and avoid providing something which is not right or not needed.
- To ensure we provide services that generate optimal value for the organisation and secure long-term viability.
- To ensure the activities of the organisation contribute to the wellbeing of our communities.
- To understand the costs of delivery and cost drivers and how costs could be reduced through the target operating model and the use of technology

Review

All RBH strategies, policies, service standards and procedures are reviewed on a regular basis to ensure that they are 'fit for purpose' and comply with all relevant legislation and statutory regulations.

This policy was previously a one year policy to align with the one year corporate strategy for 2024/25. The policy will now return to a 3 year cycle and will go through the full policy approval process every 3 years where this coincides with the full update to the Corporate Strategy and will undergo a desktop review annually. This is to ensure that it is fit for purpose and complies with all relevant and statutory regulations.

Links with other RBH Documents

This strategy links with and supports delivery of the Corporate Strategy and therefore links with and is delivered through all RBH strategies, policies and procedures.

Inclusivity statement

We are dedicated to fostering an inclusive and equitable environment for all. We ensure that everyone is valued and respected. Our policies aim to be inclusive, and will comply with UK laws, including the Equality Act 2010, to create a diverse and supportive environment for people to thrive.

We understand not everyone absorbs information the same way. If you have any difficulty understanding or interpreting this document, please email people@rbh.org.uk or call **Freephone 0800 027 7769**. We will work with you to ensure your individual needs are met.