

Value for Money

Self Assessment Summary 2015



Wythenshawe
Community Housing Group



Executive Summary

Wythenshawe Community Housing Group Limited (WCHG) was established in April 2013 when Parkway Green Housing Trust (PGHT) and Willow Park Housing Trust Limited (WPHT) entered into a group structure, creating an organisation of almost 14,000 homes and 550 staff. During the second year of the Group Structure further improvements have been made to services and savings made of £3.8m against a target of £1.2m. The Group has also identified a further £2.6m it can save during 2015/2016.

How does the Group deliver Value for Money (VFM)?

VFM underpins all decisions that are made across the business to deliver the Group's Vision and Objectives.

The Group has a comprehensive VFM Strategy which sets out our plans to deliver VFM. We undertake a full VFM Self Assessment every year to ensure that our costs and performance are transparent to our stakeholders. Both documents are available on the Group website www.wchg.org.uk

The Group and its Subsidiaries each have a clearly structured 30 year business plan which is reviewed and regularly stress tested to ensure the future financial viability of the Group.

Stakeholders are key to the Group in setting our VFM approach and targets. For example, tenants who are our main stakeholder, have been involved in areas such as agreeing policies, procedures and strategies. They have also undertaken Service Reviews and Mystery Shopping of our services in order to ensure that the quality offered is in line with the service standards that tenants expect.

We continue to work with a wide range of partners from the local community in order to ensure that the best possible outcomes are achieved for our tenants. As set out in our Annual Report for 2015 and the full 2015 VFM Self Assessment, we have achieved significant improvements for Wythenshawe by working with the local council, charities, schools and the police. We will continue to find new ways of working to ensure that the maximum benefit is achieved for the investment in the local community.

What is VFM?

VFM is about making the right choice in the way in which the Group uses its money and resources.

Economy, Efficiency and Effectiveness are key drivers for VFM for both you and the Group.

Economy

- we measure and benchmark the cost of each service

Efficiency

- we monitor our ability to deliver more efficient services pound for pound

Effectiveness

- we measure if we are delivering the services that you actually need at the time when you need them

2014/2015 The Second Year for the Group

The Group has had a successful second year with services developed further in conjuncture with tenants. This has also delivered further savings which have been reinvested into front line services and developments.

The full VFM Self Assessment for 2015 details all the improvements over the past 12 month, but some highlights are below.

“Delivered savings of £3.8m during the year and identified a further £2.6m for the next 12 months.”

“Investment of £2.1 million in community investment schemes which has delivered £13.1 million worth of benefit to the wider community.”

“Involved tenants throughout the business to help monitor, challenge and improve performance.”

“Worked with partners to deliver more services in a co-ordinated joined up approach for tenants, these range from dealing with complex family issues to working with the council to ensure that all local grass areas are maintained.”

“Reduced our void turnaround to 20 days which has saved a further £120k.”



Performance

The Group monitors performance in all service areas to ensure that the best possible service is delivered to its Tenants and the wider community.

This information is reported to the Group and Subsidiary Boards and also the Tenant Committee in order to be open and transparent. All indicators are reviewed to identify trends and plan for future changes.

The key performance measures for 2014/2015 were...



99.3%

% of current rent collection



5.1%

% of current rent arrears



17.7%

% of former tenant rent collection

We continue to pursue all arrears in order that the rental income can be invested into front line services for all tenants.



98.9%

% of repairs completed on the first visit



99.8%

% of Emergency and Appointable Repairs completed within the target time



96.3%

% of customers satisfied with repairs



20 days

Total average void turnaround time for properties let in the month (calendar days)

Repairs are a key service for tenants and the Group continues to improve services to ensure that high quality repairs are completed on time and right first time.



89.2%

% of calls - first time fix



98.1%

Satisfaction with contact centre



3.5%

Sickness absence

The Contact Centre aim to answer calls quickly and resolve tenants' queries at the first phone call.

The Group continues to reduce sickness to maximise the effectiveness of our staff.

Targets are set in line with objectives, the level of performance that our tenants require and that can be delivered within budget.

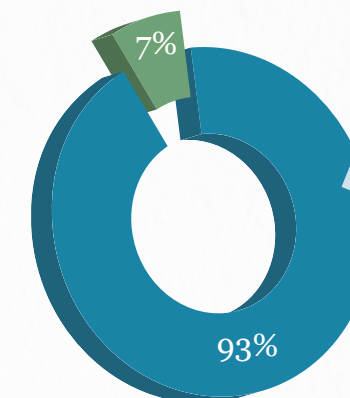
Operations

Where the Group receives its money:

The Group receives the majority of its income from rental turnover, in addition to Right to Buy sales proceeds and revenue grants. Income for 2014/2015 was split as below:

Income 2015

- Other Income
- Rental Income



- **£58.9m** (93.2%) Rental income;
- **£2.4m** (3.8%) Right to Buy proceeds;
- **£0.6m** (1.0%) Revenue Grant income;
- **£0.1m** (0.1%) Other income including interest receivable;
- **£1.2m** (1.9%) Non-social housing income

Total: **£63.2m**

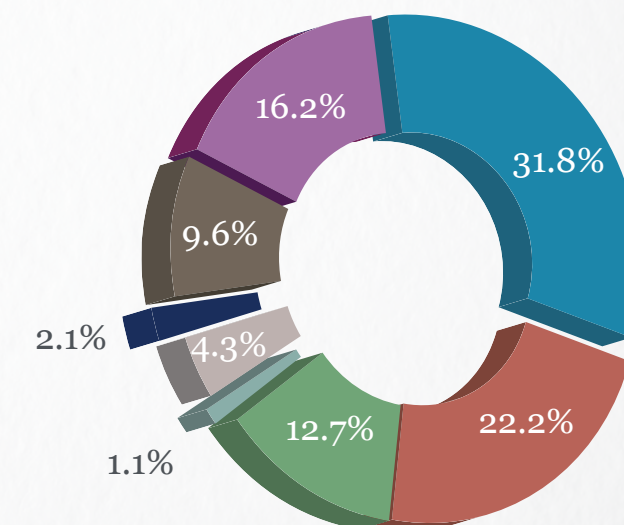
How the Group's funds are spent:

For the year ended 31 March 2015, the above income resources were used to fund the following operational spend:

Expenditure 2015

- Management & Services **£17.3m**
- Routine & Planned Maintenance **£12.1m**
- Investment in Stock **£6.9m**
- Bad debts **£0.6m**
- Other including Regeneration **£2.4m**
- Cost of sales **£1.2m**
- Interest payable **£5.2m**
- Purchase and development of new properties **£8.8m**

Total: **£54.5m**





The 2014/2015 costs are also benchmarked through Housemark - peer group used is the Northern Large Scale Voluntary Transfer Organisations with stock over 7,500 properties (group includes 19 other organisations).

KPI	Direction of Travel	Ranking 2015	Ranking 2014
Overheads as a % of turnover	↑	5th	9th
Overheads as a % of direct costs	↑	2nd	5th
Responsive & Void Repairs - CPP	↑	2nd (CPP - £654)	5th (CPP - £718)
Percentage of all repairs completed at the first visit	↑	3rd	4th
% of tenants satisfied with repairs and maintenance		13th	
Major Works & Cyclical Maintenance - CPP	↔	12th (CPP - £1,986)	12th (CPP - £1,903)
% of tenants satisfied with the overall quality of their home		10th	
Housing Management - CPP	↑	5th (CPP - £366)	6th (CPP - £369)
% of tenants satisfied with their neighbourhood as a place to live		12th	
Rent Arrears & Collection - CPP	↓	15th (CPP - £141)	11th (CPP - £120)
% rent collected	↑	8th	19th
Current tenant rent arrears (net of HB) as a % of rent due	↓	13th	10th
% of tenants satisfied that rent provides VFM		11th	

↑ = Performance improved from last year compared to others
↓ = Performance worse then last year compared to others
↔ = Performance the same as last year compared to others
CPP = Cost per property



The Group is well placed to deal with the future challenges that it will face and has evidenced 2 years of delivering VFM services whilst continuing to identify new ways to deliver services economically, efficiently and effectively.

The Group delivered VFM Savings of £3.8m during 2014/2015 against a target of £1.2m. We have delivered this saving by continuously reviewing the services that we offer and working with tenants to adapt services to meet their individual needs. A further £2.6m of savings has also been identified for 2015/2016.

This includes additional grant income of £1m obtained to replace the existing gas heating at three tower blocks. A full break down of the savings made in 2014 / 2015 and

those planned in 2015 / 2016 is included in the full VFM Self Assessment.

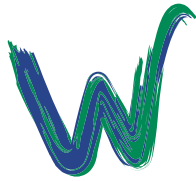
The recent Summer budget saw rents being reduced by 1% for the next 4 years, the Group will now build on its 2 years of strong performance and continue to look for more efficient ways of delivering the services that tenants require.

The Group will work with tenants, partners and stakeholders to continue to deliver key services to tenants and the Wythenshawe Community.

The Group will continue to invest in new opportunities for Wythenshawe and review its existing stock so that it continues to provide high quality homes to our tenants and meet the Decent Homes Standard.

To find out more please read our full 2015 VFM Self Assessment which is available at www.wchg.org.uk/vfm





Wythenshawe
Community Housing Group

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FREE FROM A LANDLINE

t: 0300 111 0000

LOCAL RATE FROM A MOBILE

(if not included in free bundle minutes)

Parkway Green

Parkway Green House

460 Palatine Road, Northenden M22 4DJ

Willow Park

Wythenshawe House,

8 Poundswick Lane, Wythenshawe, Manchester M22 9TA