

woven

Value for Money Statement

2023/2024

INTRODUCTION

This Value for Money (VFM) Statement is produced for our tenants, residents, stakeholders, board members and staff. It sets out where we are on providing efficient and effective services for all our customers and creating value for money within Woven.

Woven receive significant public funding and operate within a regulatory framework. We aim to achieve and demonstrate good practice in our approach to VFM, comparable with the best performers in the sector, as well as contributing to sector-wide expectations.

To deliver these objectives, we must in turn achieve and demonstrate VFM in all our activities, addressing cost and quality together. We believe that these aims can be summed up in one of our overarching objectives:

‘To ensure financial viability and deliver Value for Money.’

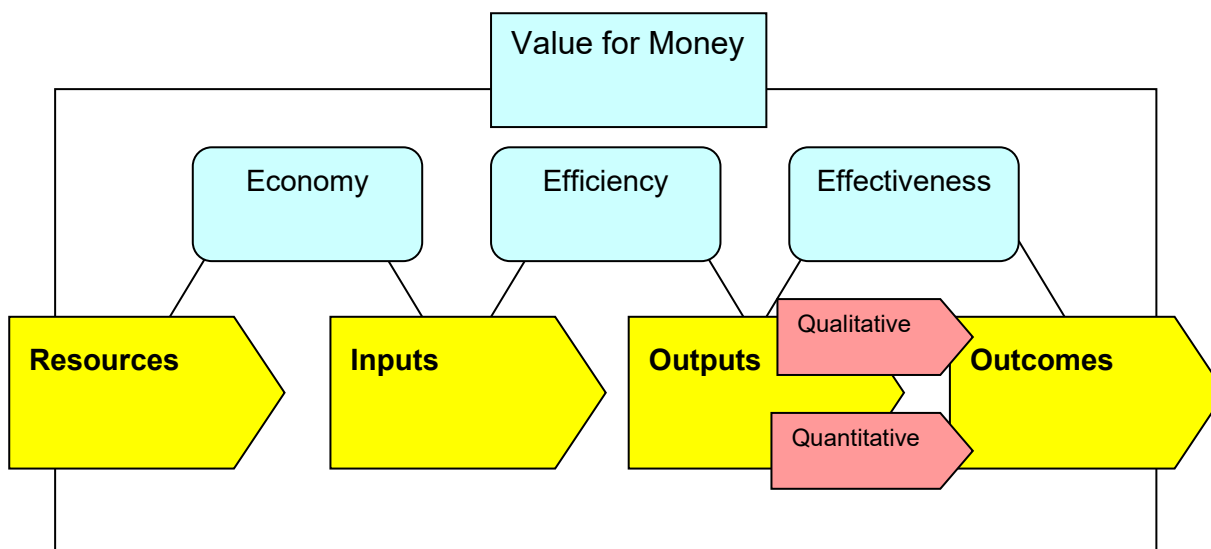
As outlined in our Corporate Strategy 2018-2024 we will:

- Develop and maintain innovative and robust investment partnerships
- Develop and maintain sustainable and innovative commercial opportunities in accordance with our mission
- Develop and maintain sustainable growth through sound and viable financial processes.

WHAT DOES VALUE FOR MONEY (VFM) MEAN FOR WOVEN?

Value for money (VFM) can be defined as the “optimal use of resources to achieve the intended outcomes.” For members of Woven efforts to achieve VFM are focused on curating a portfolio of productive housing assets and managing them well to deliver the following core organisational objectives:

- Maintain effective governance
- Provide value for money customer services
- Increase the size of the business through growth
- Ensuring customer and community services enhance the health and well-being of the individual and the environment within which they live.



The Figure above highlights that VFM can be thought of as an ongoing process of optimising the relationship between resources and outcomes. This optimisation is achieved through a focus on economy, efficiency, and effectiveness:

Economy

This is what is paid for what goes into providing a service. Economy is about minimising the cost of inputs for an activity ('doing things at the right cost'). In essence economy is the careful use of resources to save expense, time, or effort.

Efficiency

This is a measure of how well things are done i.e., productivity. Efficiency is primarily associated with the process and delivery i.e., performing tasks with reasonable effort ('doing things the right way'). In essence efficiency is the delivering of the same level of service for less expense, time, or effort.

Effectiveness

This is a measure of the extent to which intended outcomes are achieved ('doing the right things')

We understand value for money is high where there is a good balance between all three – low costs, high productivity, and successful outcomes. We acknowledge that we are accountable to our customers, partners, funders, and regulators by setting out here our past performance and future aspirations.

We know that for our tenants and other customers quality and "getting it right at the first opportunity" are two essential elements of VFM.

Procurement of goods and services is another key element of VFM. In deciding whether something offers VFM, we look at whether we are obtaining the maximum benefit for the goods and services that we acquire or provide, within our resources. There is certainly no assumption that the cheapest price is best – decisions are taken based on a balance of cost and quality, taking ‘whole life’ costs into account. Measurement of progress towards achieving VFM is therefore a combination of cost, performance, and satisfaction indicators.

Procurement is a particularly important role within Associations, recognising this we have a specialised inhouse resource to deliver VFM through our all our contracts.

Performance in 2023/24

Business Growth

Woven's General Need stock increased by **64** units in the year which has led to the following changes in stock. **2023 figures have been amended from last year to reclassify 9 properties which qualify as staff properties and are now shown separately from general needs housing.*

Number of units owned and managed at year end

Self-Contained	2024	2023
	Properties	Properties
General Needs Housing	2261	*2197
Staff Properties	9	9
Supported Housing	-	-
Sheltered Housing	35	35
Hostel bed spaces	68	61
	<u>2373</u>	<u>2302</u>

Non Self-Contained	2024	2023
	Bedspaces	Bedspaces
General Needs Housing	-	-
Supported Housing	-	-
Hostel bed spaces	172	179
	<u>172</u>	<u>179</u>

Total Units Owned and Managed at year end	<u>2545</u>	<u>*2481</u>
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The increase in properties over last year of 2.58% reflect the handover of 70 units and the sale of 8 units The new properties are shown in the table below.

Scheme Name	Completion Date	No of Units
Cregagh Road, Belfast (2A Loopland Park)	10/05/2023	9
Medway Street, Belfast	10/05/2023	10
Letterkenny Road, Derry (Old City Crescent)	06/07/2023	24
Mark Street, Newtownards (31 Mary Street)	16/08/2023	8
Balmoral Dale, Bangor (Balmoral Road)	31/08/2023	13
Burn Road, Coleraine (Mulberry Lane)	08/12/2023	5
94 St Eithne's Park, Derry	01/03/2024	1
	Total	70

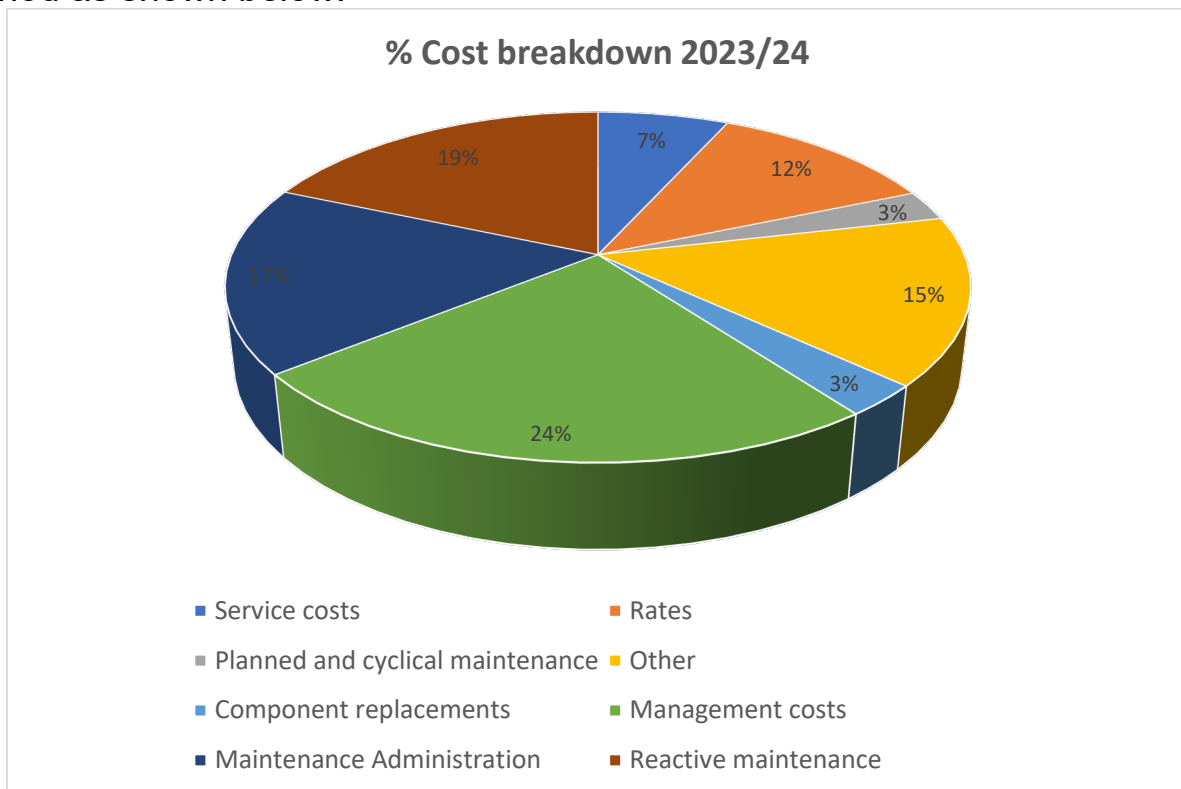
The total stock movement in year is 62 additional units (70 additions and 8 house sales). The total stock table in the previous section is an excerpt from the Audited Financial Statements and shows a movement of 64 units. Our Financial Statements recognise a further 2 additional units. These were buy back properties at 2 The Cloisters and 25 Clifton Park which were purchased in March 2023 and works completed during the 2023/24 Financial Year.

We have also made an adjustment to our Hostel bedspaces by reclassifying 7 self-contained units. This has resulted in an increase of 7 units in our self-contained hostel bedspaces and a reduction of 7 in our non self-contained hostel bedspaces. This had not impacted our overall stock numbers.

Further to this we had **97** units that went on site in **2023/24**.

Operational Costs Breakdown 2023/24.

Monitoring our income and expenditure is as vital a part of achieving Value for Money. The setting of realistic but challenging Key Performance Indicators (KPIs) is essential. By concentrating on the swift turnover of void properties and the maintenance of low rent arrears through the achievement of affordable rent levels and support to tenants ensures Woven maximises the income stream available. Before providing more detailed breakdown of our KPIs we feel it is important to highlight our percentage cost breakdown for the period as shown below:



It is noted that **21%** of our running costs are spent on maintaining our property, with a decrease in reactive spend of **£145,558** and a decrease in planned and cyclical maintenance revenue costs of **£279,138** from last year.

As demonstrated further in our Executive Summary for the period we were below our target spend on maintenance costs per unit. Our maintenance costs per unit – (excluding admin costs) for 2023/24 was **£1148**. Our housing management unit costs per unit for 2023/24 were **£1298**.

Woven Housing Association Ltd

Executive Summary

12 Month Ended 31 March 2024

Key Performance Indicators

	Actual	Target	Internal or External Target
No of Units cumulative	2305	2381	
No of Voids at 31/03/2024	19		
Surplus Before Transfers	519,641	294,866	Internal
Surplus After Transfers	582,934	348,907	Internal
Management Cost per unit	1,298	1,215	Internal
Maintenance Cost per unit	2,165	2,351	Internal
Maintenance Cost per unit - excluding admin costs	1,148	1,382	Internal
Administration Costs	5,000,633	4,874,181	Internal

****Please note 2305 Actual figure above excludes 68 hostel bedspaces.***

We continue to ensure that our staff are provided with the skills and knowledge to perform their duties and deliver value for money in their roles.

KPIs and Performance 2023/24

Below indicates how we performed last year at Q4 and Year End against our Key Performance Indicators, including performance against external targets, where these are required of us.

Area	Objective	Lead	KPI (No. & description)	Ext. Target	Int. Target	Q4 & YE
1.0 DEVELOPMENT	Operational Excellence	DoD	1.1 Onsite Starts per SHDP		(100-150) Q1 = 0 Q2 = 0 Q3 = 2 Q4 = 148	95 YE 97
	Customer	DoD	1.2 Handovers (Actual v Estimated)		(138) Q1 =31 Q2 =34 Q3 = 0 Q4 = 73	6 YE 70
	Financial	DoD	1.3 Budget v Actual Spend (10% variance) *Board revised budget 01/12/23		Q1=£4.4m* [£6.9m] Q2 = £4.9m* [£19m] Q3 = £6.3m* Q4 = £9.7m*	Actual £5.7m 41% variance YE Actual £18.4m 27% variance
	Customer	DoD	1.4 % of W/C dwellings (as onsite starts)	10%	10%	6 (4%) YE 4%
2.0 EST	Customer	CE	2.1 % Complaints responded to on time as per process.		100%	100% (7 complaints received. 7 responded to on time). YE Average 95%

Area	Objective	Lead	KPI (No. & description)	Ext. Target	Int. Target	Q4 & YE
3.0 ASSET MANAGEMENT	Customer	DoAM	3.1 H&S Compliance <i>(overall Statutory)</i>	100%		95%
	Customer	DoAM	3.2 Emergency repairs within target	85%	85%	92.96%
	Customer	DoAM	3.3 Urgent repairs within target	80%	80%	80.33%
	Customer	DoAM	3.4 Routine repairs within target	80%	80%	84.55%
	Financial	DoAM	3.5 Budget performance		100%	YE 70%
	Financial	DoAM	3.6 Maintenance costs per unit (excl. admin costs)		Q1 < £1,441 Q2 < £1,115 Q3 < £1,267 Q4 < £1,385	YE – £1,131
	Operational Excellence	DoAM	3.7 Programme performance		95%	YE 67%
	Operational Excellence	DoAM	3.8 Void maintenance turnaround with target.		90% days 15	100% YE Average 83%
Area	Objective	Lead	KPI (No. & description)	Ext. Target	Int. Target	Q4 & YE
4.0 HOMES & COMMUNITIES	Financial	DoHC	4.1 Current & Former rent arrears	≤ 5%	≤ 4%	4.8%
	Operational Excellence	DoHC	4.2 Void relets time 80% from fit to let		15 WD	89%

	Financial	DoHC	4.3 % of rental income lost - properties empty. $\leq 1.5\%$ of rent due any given year.		$\leq 1.5\%$	0.9%	
	Financial	DoHC	4.4 Homeowner service arrears		$\leq 6\%$	Decrease of 7.3% from Q4 2022/23	
	Customer	DoHC	4.5 ASB - to resolve 85% of complaints made within 20 working days		$\geq 85\%$	85.71%	
	Customer	DoHC	4.6 Customer satisfaction with home when moving in - 4 weekly visit		$\geq 95\%$	92%	
Area	Objective	Lead	KPI (No. & description)	Ext. Target	Int. Target	Q4 & YE	
5.0	People	DoFCS	5.1 Staff Turnover		$= \leq 10\%$	5.90% [11.80%]	
			5.2 Sick Absence		$= \leq 5\%$	ST 2.2% [1.33%] LT 4.3% [4.86%] T 6.5% [6.19%]	
6.0	FINANCE	Financial	DoFCS	6.1 Invoicing on Time	100%	95%	Overall YTD 92.82%
		Financial	DoFCS	6.2 Gearing	$\leq 50\%$		28%
		Financial	DoFCS	6.3 Interest Cover	>1.25		2.85
		Financial	DoFCS	Liquidity Current Ratio		>1	1.88
		Financial	ALL	Budget variance < 10%		10%	1%



Combining sector sentiment, best practice, and trend analysis, Housemark deliver high-level insights and forecasts to give housing organisations the confidence to make in-year decisions about the future of their business.

Housemark is the leading data and insight company for the UK housing sector and is jointly owned by the National Housing Federation and the Chartered Institute for Housing.

As a Housemark member, we see the benefits in being able to report on our performance, access our entire data, compare our performance with our peers, attend membership inclusive events, preview access to reports and publications, as well as avail of preferential rates for other Housemark tools and services

We participate in Housemark's Monthly Pulse Report exercises, which allows us to report on and see how we compare against our peers on several key performance information every month. By providing a small set of valuable metrics Housemark delivers a monthly summary report. Overleaf is an example of peer quartiles we participated in in March 2024 and for the 23/24 period.

Housemark Monthly Pulse Exercise – Peer Quartiles 2023/24

KPI	March 2024				Annual 2023/24		
	Quartile 3	Median	Quartile 1		Quartile 3	Median	Quartile 1
Homes with a valid gas safety certificate (%)	99.87	99.98	100.00		99.75	99.95	100.00
Domestic properties with EICR certificates up to five years old (%)	96.60	99.01	99.86		93.97	98.59	99.83
Responsive repairs completed per 1,000 properties	213.81	274.14	320.30		4040	3510	2890
Responsive repairs completed within target timescale (%)	74.40	84.07	90.82	Emergency	87.78	94.95	98.50
				Non-emergency	73.50	81.40	89.00
Satisfaction with repairs - transactional (%)	79.00	87.00	93.00		82.40	88.00	93.00
'True' current tenant arrears (%)	4.01	2.88	2.04		4.25	3.14	2.07
Dwellings vacant but available to let (%)	1.03	0.54	0.28		1.26	0.61	0.26
Average re-let time in days (standard re-lets)	68.04	42.71	25.86		80.05	50.72	35.17
New ASB cases reported per 1,000 properties	1.70	2.89	4.60		60.50	38.56	21.90
Formal Stage 1 and Stage 2 complaints received per 1,000 properties	2.91	4.63	7.37	Stage 1	71.67	43.46	26.08
				Stage 2	10.37	5.46	3.34
Stage 1 and Stage 2 complaints resolved within timescale (%)	75.21	91.10	100.00	Stage 1	64.93	83.33	94.07
				Stage 2	63.74	80.61	95.84
Customer contact received via digital channels (%)	21.49	29.59	42.25		NA	NA	NA
Satisfaction with the overall service their landlord provides - perception (%)	65.18	73.60	82.18		66.20	74.60	81.00
Working days lost to sickness absence (%)	4.82	3.76	2.66	Average days	12.25	10.51	8.21
Voluntary staff turnover (%)	1.60	0.94	0.60		14.80	11.04	8.03

By partaking in this monthly exercise, we also have access to analysis of up-to-the-minute sector trends, what is driving current performance and how sector policy and practice is evolving – an essential performance management tool for every data-driven business. In addition to the monthly pulse exercises Woven partake in the Annual Cost and Performance Comparison exercise. In doing so we receive an in-depth Annual Report from Housemark highlighting year on year Headline Financial Summaries of outputs as shown below.

Annual Headline Financial Summary 2023/24

Turnover / income (£000s)	£16,682
Operating costs / HRA expenditure (£000s)	£13,622
Capitalised spend on major works (£000s)	£936
Operating margin (overall)	18.35%
Operating margin (social housing lettings)	20.31%
EBITDA MRI Interest Rate Cover	136.14%
New supply delivered: absolute (social)	70
New supply delivered: absolute (non-social)	0
New supply delivered: % (social housing)	2.75%
New supply delivered: % (non-social)	0.00%
Gearing	28.37%
Reinvestment %	1.79%
Return on capital employed (ROCE)	1.44%
Headline social housing cost per unit	£2,860



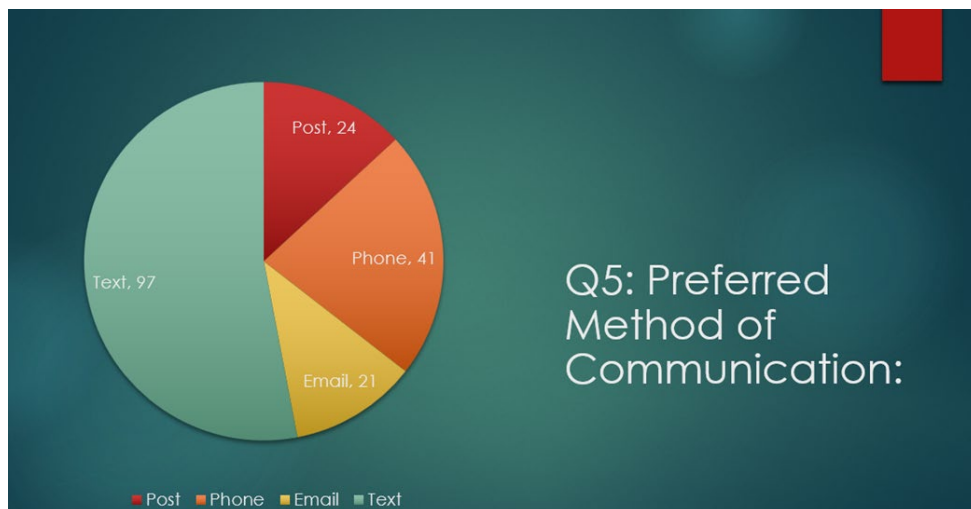
Customer Services

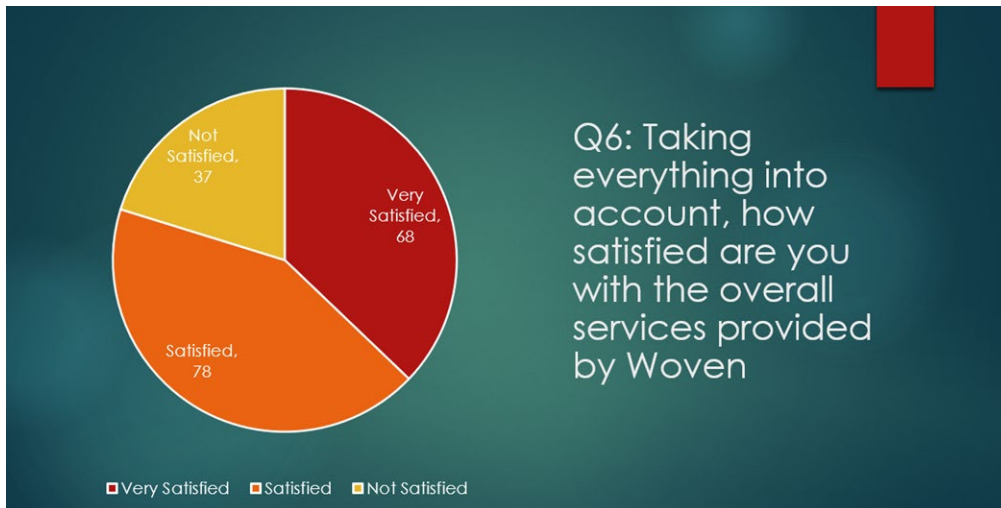
In a world of limited funding, we are constantly seeking to improve the way in which our resources are deployed. As previously demonstrated, achieving Value for Money means getting the spend right first time, and the golden thread which enables us to achieve this, across all our services, is to listen to our customer's needs and aspirations.

Knowing that customer 'buy in' improves satisfaction and therefore reduces complaints and potentially expensive mistakes we offer more communication choices to our customers than just telephone surveys. We have developed a range of communication options; these include the use of texting and social media. Texts allow us to get a quick customer response ensuring we act quickly and effectively reducing unwanted mistakes.

Engaging with our customer's is central to us achieving Value for Money whilst continually improving our service delivery.

Our Community Involvement Team oversee the conducting of Tenants Satisfaction Surveys for all service areas via a range of communication methods. In the period feedback (*actual numbers*) from our tenants on preferences and satisfaction of key service areas are demonstrated in the following charts.





Other key satisfaction items recorded.

- 99% satisfaction with independence, sense of well-being, safety, and security since moving into a Woven home
- 100% satisfaction with home being safe and secure since moving into a new build Woven home
- 32 compliments recorded for customer service (*only specific acts of gratitude for exceptional service are recorded*) and increase of 5 from last year
- 488 tenants benefitted from our in-house money/welfare advice service

Commitment to the National Customer Service Excellence Standard

The Association is a long-standing holder of the National Customer Service Excellence Standard, previously Charter Mark, and continue to be independently and rigorously assessed annually against the Standard. While not obligatory we believe being assessed against the National Standard year on year helps us focus on and demonstrate value for money benefitting not only our customers but our staff in several ways:

- By using the diagnostic tool to assess in great depth those areas that research has indicated are a priority for customers, with particular focus on **delivery, timeliness, information, professionalism, and staff attitude.**
- helps build a picture of our organisation and how customer focused we truly are. It challenges us to look afresh at our organisation from the perspective of the customer – examining what we deliver and how well.

- **Building Team and Individual Skills.** At the heart of customer service excellence are professionally researched concepts around the key aspects of customer insight and how this can be used to deliver an effective customer focused service. It provides guidance on a full range of tools and techniques that can be used to deliver excellence. In this way both individuals and teams can learn new skills and gain greater understanding of these important concepts as well as how they can be used to grow a customer focused culture.

To date out of 5 criteria, (57 criterion), the Association has achieved [*previous year's figures appear in brackets*]:

- **22 [21] Compliance Plus/Best Practices**
- **34 [35] Full Compliances**

Community Investment – Health and Well Being and Environment commitment

Community investment VFM is also about enhancing the impact we have on communities in which we operate focusing on the impacts we have on people's wellbeing or welfare.

As part of our Tenant and Community Engagement Strategy **138** community events and activities took place in the period. These included social, recreational, educational and health and wellbeing events and activities.

These events and activities were organised by our Community Involvement Team were based on feedback from our tenants on what they wished to get involved in. The events and activities were received well with much positive feedback received.

We recognise the positive impact of the great outdoors to our tenants, the wider community, and the environment that we live in. During the period

- We supported tenants with funding to purchase plants for raised beds on schemes where tenants have identified the need either because of mental health problems, physical health problems or cost of living crisis to grow their own produce.
- We provided tenants with the resources and training to grow their own baskets and window boxes creating pride and a welcoming ambience on schemes.

Our Community Involvement Team continue to work closely with our Tenant Scrutiny Panels and Tenant Regional Panels to help us identify areas where improvements can be made to all our services.



ISO Integrated Management System (IMS) Standards

We continue to retain the International Standard Organisation (ISO) certification against the ISO Integrated Management System (IMS) Standards during the period: ISO 9001:2015 Quality Management, ISO 14001:2015 Environmental Management and ISO 45001:2018 Occupation Health and Safety Management.

- **ISO 9001** is globally recognised as the benchmark for Quality Management Systems, adopted by more than a million businesses, big and small, worldwide. Quality management principles are core to Woven’s business, customer focus, leadership, engagement of people, improvement, and relationship management.
- **ISO 14001** illustrates Woven’s commitment to managing our environmental footprint. It highlights that we put environmental sustainability at the heart of our business and use our IMS system to manage the environment from the potential impacts of our activities.
- **ISO 45001** demonstrates Woven’s commitment to our employees’ health and safety by reducing workplace risks, improving employee safety, creating better and safer working conditions and continually driving improvement in this area. The achievement of this International certification demonstrates Woven’s ongoing commitment to continuous improvement across the business, which benefits our employees, customers and all our stakeholders.



INVESTORS
IN PEOPLE | Gold

Investors in People

We recognise that our people are our most valuable commodity. We have long been committed to adopting the Investors in People (IIP) framework and achieving Investors in People status. We appreciate that our people are the driving force behind our business and are critical to our organisation's success.

Investing in your people is proven to be essential in delivering sustainable results, especially in a crisis. Organisations that lead, support, and develop their workforce effectively are 17% more productive and 21% more profitable.

We are aware that employers who get this wrong not only suffer the performance consequences but also see a detrimental impact on the wellbeing of their employees.

Organisations which meet the IIP standard, are believed to reflect excellence in people management and the few that attain Gold status represent just 17% of all those assessed. We are delighted, therefore, to have been judged worthy of this top accolade, recognising our strong, ongoing commitment to investing in our staff.

We continue to be committed to investing in our staff and to at least maintaining our Gold status while continuing to drive improvement and aiming for further status recognition in this area.

Conclusion

We re-emphasise the importance of VFM and aspire towards continuous improvement on improving VFM. We will routinely review our policies, processes, systems, and measures to ensure that these underpin our VFM priorities.

We will also ensure that relevant VFM actions and outcomes are communicated appropriately with our customers and stakeholders to demonstrate progress against our plans.

Board and SMT of Woven Housing Association (Ulster) Ltd.

11 September 2024