

## BEST VALUE STRATEGY

### 1 Background:

1.1 The Housing Corporation, as the principle regulators of Cosmopolitan Housing Association (CHA), seek to ensure that housing associations are ‘properly managed’. A key theme of the Housing Corporation’s Regulatory Code and Guidance is the need to achieve “continuous improvements” in service delivery.

1.2 The Regulatory Code stipulates the following:

*‘Housing associations must aim to deliver continuous improvements and value for money in their services... using Best Value techniques, challenging what they do and how they do it, making comparisons with others, consulting people affected by their services and establishing whether they are providing the service, either directly or through a third party, at competitive standards and prices.’*

1.3 Irrespective of the regulatory requirements, CHA are committed to the principles of achieving Best Value in service delivery. It links directly with the following corporate objectives:

- Deliver customer focussed services
- Maximise operational efficiency

1.4 CHA places the application of Best Value principles as central to the organisation’s ability to deliver Continuous Improvements in service delivery.

### 2 Overview of Best Value:

2.1 Best Value is concerned with continuous improvements in service delivery. It is central to the organisation’s approach to achieving efficiency and effectiveness. It is also important for enabling the organisation to take a broader view of the social, economic and environmental implications of its actions.

2.2 The objectives of Best Value may be achieved through the following:

- Pursuing continuous improvements, having due regard to economy, efficiency, and effectiveness.
- Enabling residents to influence service design and delivery so that customer-focussed services may be provided.
- Achieving a balance between quality and cost in service delivery.

### 3 Principles of Best Value:

- 3.1 There are a number of attributes that can be identified as demonstrating effective Best Value operations. These should be inherent in all that the organisation does, and are detailed as follows:
- **Commitment and Leadership** – in implementing the principles of accountability, ownership, continuous improvement and transparency, with an explicit and systematic approach to integrating Best Value into day to day activities.
  - **Responsiveness** – to the needs of residents and stakeholders so that services are informed by their needs, as derived through open and accessible consultation mechanisms.
  - **Sound Governance and Management of Resources** – at a strategic and operational level in accordance with a framework for business planning supported by effective performance management.
  - **Best Value and Options Appraisals** - are implemented across the organisation, with no areas beyond the ambit of review and an acceptance that change may be necessary.
  - **Competitiveness in discharge of functions** – to make an effective use of public funding.
  - **Commitment to Sustainable Development** – In accordance with the organisational priorities to assess the broader impact and scope of the services it delivers.
  - **Commitment to Equality and Diversity** – in the discharge of its services and in accordance with legislative and good practice requirements.
  - **Accountability** – Through the public reporting of its performance, so that stakeholders are aware of where improvements are being made and what can be expected in the future.

### 4 Best Value Framework:

- 4.1 Best Value is essentially concerned with the establishment of a framework for building on the good practice and performance that already exists, either internally, or within the sector as a whole.
- 4.2 The organisation's has a commitment to undertake a Best Value review of three service areas per year.
- 4.3 It is the responsibility of the Continuous Improvement Group to identify and make recommendations to the Management Team and Board of Management of

the Best Value Review programme on a 3 year rolling basis, which will be subject to review annually.

- 4.4 The three year programme will be drawn up through an assessment of information derived from a range of indicators, including the organisational risk assessments; feedback from tenants including the tenant's survey and Tenant's Forum; benchmark performance information and complaints. The priority levels will be informed by the potential impact of change, the time since the last review, and its ability to contribute to the organisation's corporate objectives. It is expected that all service areas would be subject to a review at least every 5 years. A matrix of how this programme should be devised is at Appendix 1.
- 4.5 The Best Value methodology that should be followed in the undertaking of a review is detailed within the organisation's document: 'A Guide to Achieving Continuous Improvements: Best Value Reviews'. This follows the application of the 4 "Cs": Challenge; Compare; Consult; and Compete.
- **Challenge** – This will be the key to achieving significant performance improvements through challenging how a service is delivered. It will address the underlying reasons for delivering the service, whether the organisation is best placed to deliver the service, and what alternatives may exist.
  - **Compare** – Making informed comparisons form the basis of effective performance management, and is essential for the effective undertaking of a Best Value review. Where possible, similar services within a peer group should be used for the purposes of comparison.
  - **Consult** – Delivering both internal and external services require clear consultation with stakeholders to identify their needs and how these can best be met.
  - **Competition** – Opening up the service to competition is an effective way of ensuring the service is being delivered efficiently and effectively. It will require assessing how Best Value can be achieved, taking account for innovation and collaboration.
- 4.6 The application of the 4 "Cs" will not be done in a sequential or discretely phased approach. Each of the 4 Cs corroborates each other and the interaction of all four is the key to the successful application of Best Value principles to facilitate real change.

## 5 Monitoring Best Value:

- 5.1 The implementation of the Best Value Strategy is monitored at an operational level by the organisation's Continuous Improvement Group.
- 5.2 The operations of the Continuous Improvement Group are accountable to the organisation's Management Team, led by the Chief Executive.

## **6 Reporting and Implementation:**

- 6.1 The outcome of each Best Value review will be reported to the Board of Management for approval. The report will follow a standard template to ensure consistency, and will assess the degree to which current services accord with Best Value attributes and make recommendations for improvements in efficiency and effectiveness.
- 6.2 In the implementation of the Best Value review recommendations, it is essential that the activities reviewed and timescales for implementation are integrated with other aspects of the organisation's approach to Continuous Improvements, such as the Internal Audit and Policy Review programmes.
- 6.3 The monitoring of the implementation of the Best Value review recommendations will be monitored on a bi-annual basis by the Board of Management.

## **7 Conclusions:**

- 7.1 This document outlines the organisation's strategic approach to undertaking Best Value reviews. It details the regulatory obligations with which the organisation must comply, and the benefits that the organisation will derive from implementing a Best Value approach.

## **8 Related Documents:**

- 8.1 Other documents related to this Strategy document are as follows:
  - CHA Continuous Improvement Framework (Jan 2006)
  - CHA Guide to Achieving Continuous Improvements: Best Value Reviews (Jan 2006)

## 9 Summary

Strategy Title	Best Value Review Strategy
Dated Created	March 2006
Person Responsible	Group Policy and Performance Manager
Version	1.0
Date last amended	17 <sup>th</sup> March 2006
Authorised by	Board of Management
Review Period	3 Years
Review Committee	Board of Management
Date of last review	March 2006
Date of next review	March 2009



**APPENDIX 1 – BEST VALUE SERVICE REVIEW PRIORITY MATRIX**

Priority Indicator Source:	RISK MAP	TENANT SURVEY	PERFORMANCE / COMPLAINTS
<p><b>Year 1 (06/07)</b></p> <p><b>Year 2 (07/08)</b></p> <p><b>Year 3 (08/09)</b></p>	<p>[3 Service Areas to be selected from Risk Map and entered here]</p> <ul style="list-style-type: none"> <li>• Service Area 1</li> <li>• Service Area 2</li> <li>• Service Area 3</li> <li>• Reserve Service 1</li> <li>• Reserve Service 2</li> </ul>	<p>[3 Service Areas to be selected from Tenant Survey and entered here]</p> <ul style="list-style-type: none"> <li>• Service Area 1</li> <li>• Service Area 2</li> <li>• Service Area 3</li> <li>• Reserve Service 1</li> <li>• Reserve Service 2</li> </ul>	<p>[3 Service Areas to be selected from Performance Benchmarking and Complaints and entered here]</p> <ul style="list-style-type: none"> <li>• Service Area 1</li> <li>• Service Area 2</li> <li>• Service Area 3</li> <li>• Reserve Service 1</li> <li>• Reserve Service 2</li> </ul>
<p><b>Rules:</b></p> <ol style="list-style-type: none"> <li>1. 3 Service Areas are to be selected for Best Value review per year, 1 from each of the 3 Priority Indicator categories.</li> <li>2. No service area should receive a Best Value review sooner than 3 years since its last review.</li> <li>3. Regard should be given to integrating the schedule of the Best Value Reviews with the Internal Audit and Policy Review programmes and the operation of quality systems such as ISO 9000 and Clients’ Charter.</li> <li>4. Regard should also be given to the potential to achieve cost savings or efficiencies.</li> </ol>			

## **APPENDIX 2**

### **Service Areas to be included within a Best Value review programme:**

1. Lettings and Allocations
2. Access and Customer Care (includes complaints)
3. Void management
4. Estate Management & Anti-Social Behaviour
5. Resident Involvement
6. Planned / Cyclical Maintenance
7. Responsive repairs
8. Internal corporate services (e.g. Finance; HR; IT)
9. Income management (including service charges and arrears)
10. Supported Housing
11. Regeneration and Renewal
12. Gas Servicing
13. Aids and Adaptations
14. Equality & Diversity (cross-cutting theme)
15. Communal services
16. Continuous Improvement



**APPENDIX 3**

**PROPOSED BEST VALUE REVIEW PROGRAMME – 2006-09**

Priority Indicator Source:	RISK MAP	TENANT SURVEY	PERFORMANCE / COMPLAINTS
Year 1 (06/07)	<ul style="list-style-type: none"> <li>• Void Management</li> </ul>	<ul style="list-style-type: none"> <li>• Planned / Cyclical Maintenance</li> </ul>	<ul style="list-style-type: none"> <li>• Lettings &amp; Allocations</li> </ul>
Year 2 (07/08)	<ul style="list-style-type: none"> <li>• Continuous Improvement</li> </ul>	<ul style="list-style-type: none"> <li>• Communal Services</li> </ul>	<ul style="list-style-type: none"> <li>• Responsive repairs (appointments)</li> </ul>
Year 3 (08/09)	<ul style="list-style-type: none"> <li>• Regeneration &amp; Renewal</li> </ul>	<ul style="list-style-type: none"> <li>• Anti-Social Behaviour (full BVR)</li> </ul>	<ul style="list-style-type: none"> <li>• <i>Complaint led item</i></li> </ul>
<p><b><u>Notes:</u></b></p> <ul style="list-style-type: none"> <li>• Tenant Survey – Items of higher priority already being addressed are as follows: Complaints (Review done by Service Advantagedge); Anti-social behaviour (Strategy reviewed); Window Cleaning (Undertaken 2005/06).</li> </ul>			