

## NOTTINGHAM CITY HOMES

### REPORT OF THE DIRECTOR OF FINANCE

THE BOARD  
31 JULY 2008

### VALUE FOR MONEY STRATEGY

#### 1 SUMMARY

- 1.1 This report is to present to the Board the 2008 – 2012 Value for Money (VFM) Strategy for approval.
- 1.2 Not all of the supporting appendices are yet completed, since the work on these is still in progress. The Strategy cannot therefore be considered as the final version, although changes to the main document are likely to be minimal.

#### 2 RECOMMENDATIONS

- 2.1 To approve the Nottingham City Homes VFM Strategy as a draft and authorise the Chair and vice Chair to approve the final version on behalf of the Board.

#### 3 VALUE FOR MONEY WITHIN NOTTINGHAM CITY HOMES

- 3.1 The Company adopted a VFM Strategy in 2006, which set out the general direction required to deal with the weaknesses in VFM that were clearly highlighted in 2005 by the Audit Commission.
- 3.2 Following the production of the Company's Delivery Plan and the Service Improvement Plans, an updated VFM Strategy is essential for the Company to set out how we are dealing with the VFM and Efficiency Agenda in the Medium Term.

#### 4 CONTENT

- 4.1 The Strategy sets out the background to VFM within Nottingham City Homes and the Company's current position in moving from dealing with some significant weaknesses towards achieving best practice.
- 4.2 In previous years the Company did not produce an Annual Efficiency Statement (AES) in line with the Gershon requirements for local authorities. The AES was not a requirement for ALMOs but was considered to be best practice. Hence we will produce one for 2007/08 actuals and the 2008/09 estimate. At the time of preparing this report the statement has not been fully completed and others will be added once validated. An early draft is however included as an appendix to the strategy document to provide the board with an indication of efficiency savings for 2007/08 and 2008/09.
- 4.3 In addition to the AES, the appendices to the VFM Strategy comprise –

- Directorate Strategies
- Self assessment against the Audit Commission's KLOE32 (to follow)
- The VFM SIP (to follow)
- The VFM Review Programme
- Nottingham City Council SLAs and Recharges Review Programme

## **5 IMPLICATIONS FOR NOTTINGHAM CITY HOMES OBJECTIVES**

- 5.1 A robust VFM Strategy is essential to support NCH objectives of providing good quality, affordable and well managed housing that will achieve at least a two star rating.

## **7 VALUE FOR MONEY & EFFICIENCY ISSUES**

- 7.1 The Strategy is a crucial component in addressing the VFM issues that are vital to the Company's future.

## **8 EQUALITY & DIVERSITY IMPLICATIONS**

- 8.1 Equality and Diversity is dealt with in a separate section within the Strategy.

## **9 COMMENTS OF THE DIRECTOR OF FINANCE**

- 9.1 The Director of Finance is the author of this report.

## **10 BACKGROUND MATERIAL AND PUBLISHED DOCUMENTS REFERRED TO IN COMPILING THIS REPORT**

- 10.1 Medium Term Plan and Budget  
Audit Commission's KLOE32 and VFM Guidance

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