

Nottingham City Homes strategy summaries



Value for money strategy 2008-2012

The Value For Money (VFM) strategy sets out the approach that Nottingham City Homes (NCH) is taking to deliver greater VFM and efficiency in its business operations.

It addresses the requirements of the Audit Commission's Key Line of Enquiry (KLOE) 32 on Value for Money and the Government's drive for efficiency as a result of the Gershon review and its most recent proposals outlined in October 2007. KLOE 32 is cross cutting, dealing with VFM for all housing activities, but each of the KLOEs has a VFM section focusing on the individual service requirements.

Within the VFM KLOE there is the need for extensive planning around the following key headline areas:

- 1. Understanding how the company's costs compare to others, allowing for local context, performance and policy choices**
- 2. Making sure costs are commensurate with service delivery, performance and the outcomes achieved**
- 3. Making sure the company contributes to the sector wide efficiency targets in:**
 - New supply
 - Capital works
 - Management and maintenance
 - Commodities
- 4. Having a robust, modern procurement strategy to apply best practice to achieve improved value for money in priority areas, including working with partners**
- 5. Understanding how value for money is managed, including through partnership and procurement, and taking a long term view.**

NCH's overall strategy for VFM is closely linked with the company's Medium Term Financial Plan, the Procurement Strategy, the Delivery Plan and Service Improvement Plans.

The Company has not previously produced an Annual Efficiency Statement (AES). While the production of an AES by ALMOs has been considered best practice, it was not an obligation. However, to conform with best practice and to clearly identify efficiency savings the company has decided that this should be done with effect from the identification of the 2007/08 actual savings and estimating the 2008/09 efficiencies.