

# Value for money? Strategic approach to housing? It can't be done. Can it?

**We believe it can:** we've worked with 21 local authorities over the last 18 months to prove that you can understand how much your strategic and retained housing services cost, and what you are getting for your money. With a number of other authorities beginning the process, this work is gaining momentum, increasing opportunities to share information and practice.

## *Why is it important?*

The most important reason is that your residents and communities – whatever their need, aspiration or tenure – can't access and receive the highest quality housing services unless you continuously improve what is on offer, and develop services where there are gaps. Understanding cost and value is part of the improvement process.

There's also local government reform and the comprehensive area assessment. CAA asks 'how effectively does the organisation manage its finances to deliver value for money? And does the organisation have a sound understanding of its costs and performance and does it achieve efficiencies?' Housing is not immune from this agenda – can you answer these questions now?

## *What services do you offer?*

The service we offer to local authorities includes:

- An introduction to our value for money framework and how it should be used
- Individual and specialist support to finance officers to analyse housing expenditure
- Individual or group support to decision makers and performance managers to identify outputs and quality measures
- Financial and performance management guidance notes to support consistent approaches
- A report or presentation on the findings from the completed framework
- Recommendations for what action you should take next.

We can also provide a presentation to groups of authorities if there is interest but you want to know more before you commit.

We offer a reduced price for groups of authorities. For the package described here our fees are £2,000 per local authority working (minimum of three) in a group compared to £4,500 for up to two local authorities.

## *Is it that easy?*

We're not saying we have all the answers, or that it will be an easy process. For the brave few who have chosen to open 'the can of worms' there remain challenges. How do we measure quality when we don't know what customers think? How do we measure the value of services we don't control? What happens when we don't measure anything? And what is an outcome anyway?

These important questions demand answers. That's why we're also working to convince Communities and Local Government and the Audit Commission that for housing to contribute to a vision of sustainable communities, local authorities need the right tools for the job.

### *What do I need to do next?*

If you would like more information, or to have a discussion about the work we do, please contact Russell Helms on the number at the bottom of this page. In the meantime, we've learnt a number of lessons from our work so far that we'd like to share with you.

### *Work with others*

We think you will benefit the most from working with neighbouring local authorities and/or those that are similar to you to complete the framework. If you have a sub-regional or cross-authority group we'd suggest talking about this there.

- Working with those closest to you allows you to consider the relationship amongst cost, outputs and strategic housing markets, to explore the potential for you to jointly commission services, or to purchase services from each other
- Working with those similar to you will allow you to understand the relationship between cost and outputs in self-contained markets, and to identify practice that will deliver better value
- We're in uncharted territory. Working with others pools ideas and is valuable for moral support!

### *Get senior commitment*

A number of people are required to complete the framework. Commitment at a senior level brings the right people to the table. The framework won't work if you can't get finance involved, and it won't be used in making decisions if the right people don't know about it.

### *It will take time to complete*

We've already made some changes to the framework so it doesn't become too onerous. However, as strategic and retained housing services involve many people, understanding how much time they contribute to delivery takes time. We think this time is a good investment for the future.

### *It's not the end*

Completing the framework is the start of a process that enables you to identify potential areas for improvement or change. You will have to do some work once the figures are in and we will help you start this with our recommendations and guidance.