Value for Money Strategy 2026-29

Corporate Strategy 2025-28

Improving Together

Our Mission:

To provide good quality homes and services in Greater Cambridge that people value.

Our Objectives

- To provide customers with good quality homes that are safe, well-maintained, energy & resource efficient and affordable.
- To provide customers with good quality services, opportunities to influence, and support which meets their needs.
- To provide employees with a good place to work and learn.
- To work with customers, employees and partners to continuously improve.

Our Values

- Listen carefully to understand.
- Empower each other to build trust.
- Explore choices to find the best.
- Work positively together.

Contents

Contents 2
1. Executive Summary and Introduction 3
2. Strategic Aims and Objectives 3
3. Defining Value for Money 4
4. Who is this strategy for? 4
5. What have we achieved so far? 4
6. Our Approach for 2026-29 5
   6.1 Governance and Culture 5
   6.2 Information and Data 6
   6.3 Maximising Income 6
   6.4 Asset Management 6
   6.5 Managing on Behalf of Others 7
   6.6 People Engagement 7
   6.7 Procurement and Contract Management 7
   6.8 Treasury Management 8
   6.9 Reporting 8
   6.10 Sustainability 8
7. What will success look like? 9
8. Who will deliver the strategy? 9
9. What do we need to deliver the strategy? 9
10. How will our customers know we are delivering? 10
11. How will we know we are delivering? 10
12. Related Strategies 10

APPENDIX 1: Mapping Value for Money Metrics to the Corporate Strategy 11
APPENDIX 2: Continuous Improvement Framework 12

Produced by: Executive Team
Applies to: Hundred Houses Society
Approved by: Hundred Houses Society Board – 1st December 2025
Lead Officer: Executive Resource Director

1. Executive Summary and Introduction

Welcome to our Value for Money Strategy.

Hundred Houses Society (HHS) is a housing association in Cambridge.
Our mission **To provide good quality homes and services in Greater Cambridge that people value** guides our Corporate Strategy which sets a clear direction for the future.

Our Value for Money Strategy and annual priorities provide a strategic, comprehensive and robust approach to managing all our resources. It enables managers to provide appropriate business assurance to those with responsibility for governance, as well as ensuring that all relevant regulatory standards are met.

Value for Money is a cross cutting strategy that underpin our Corporate Strategy. This strategy sets out the principles and approach to delivering value for money in the following areas:

- ✓ Governance and Culture
- ✓ Information and Data
- ✓ Maximising Income
- ✓ Asset Management
- ✓ Managing on Behalf of Others
- ✓ People Engagement
- ✓ Procurement and Contract Management
- ✓ Treasury Management
- ✓ Reporting
- ✓ Sustainability

This strategy is supported by our Value for Money priorities that are updated annually as part of our budget setting exercise and monitored regularly by the Board. We benchmark our performance to ensure our customers enjoy **good quality homes that are safe, well-maintained, energy & resource efficient and affordable** and are provided with **good quality services, opportunities to influence and support which meets their needs.** We achieve this by providing **our employees with a good place to work and learn** and **working with customers, employees and partners to continuously improve**. Collectively these form our Corporate Strategy objectives which support our mission.

Hundred Houses is committed to being an effective business, capable of delivering our Corporate Strategy and agreed priorities and aspirations.

2. Strategic Aims and Objectives

Our Value for Money Strategy aligns with our Corporate Strategy, helping us achieve our mission and objectives.

Our Value for Money aims are:

- **to maximise the benefits from all our resources and optimise our return on assets to ensure Hundred Houses is run effectively and in line with our values.**
- **to deliver Value for Money in all our activities, to enable us to use our resources in the best possible way to deliver our Corporate Strategy**

Our objectives are to ensure that:

- ✓ **Value for Money is integral to all decisions**
- ✓ **Benchmarking is used to continuously improve efficiency**
- ✓ **We have a clear understanding of cost drivers**

3. Defining Value for Money

Hundred Houses' definition of Value for Money is that **we focus on obtaining the most from our available resources to enable us to *provide good quality homes and services in Greater Cambridge that people value*.** We will assess our outcomes in terms of both quantity and quality, taking into account the financial, social, environmental and local economic impact.

We are committed to ensuring that Value for Money provides effective outcomes for customers. **We seek to make sure the goods and services we purchase are economic, efficient, effective and sustainable**.

4. Who is this strategy for?

This strategy has been developed in consultation with our stakeholders, including our employee team and Board. This strategy is aimed at the following stakeholders:

Our Customers	People who live and work in the communities we serve including potential, new and existing residents, and other landlords.
Our Team	Employees, Involved Residents, Shareholders and Board and Committee Members.
Our Partners and External Stakeholders	Local Authorities, Supply Chain Partners, Other Housing Associations, Local Businesses, Local Communities, Councillors and MPs.
Our Investors	Funders and Homes England
Our Regulator	The Regulator of Social Housing

5. What have we achieved so far?

Our Value for Money report in our Financial Statements sets out what we achieve each year.

The table below shows our performance for 2023-24 to 2024-25 against the Regulator of Social Housing's Value for Money Metrics. These are compared with the sector median for 2023-24. Most measures remain close to or better than the sector median, with the exception of those impacted by development where our performance is more cyclical. Our Financial Statements provide a detailed explanation of each metric and the rationale for historical and future changes.

Value for Money Metrics	2023-24		2024-25	2025-26
	HHS	Sector Median	HHS	Target
Regulator of Social Housing (RSH) Metrics				
1. Reinvestment	1.9%	7.7%	3.6%	2.3%
2. New Supply Delivered - Social Housing	0.0%	1.5%	0.8%	0.0%
3. Gearing (net of cash)	20.9%	46.4%	21.1%	23.0%
4. EBITDA MRI interest cover*[1]	177.5%	123.7%	258.8%	133.2%
5. Headline Social Housing cost per property (£)	5,400	5,094	5,113	5,732
6. Operating Margin (Social Housing)	22.0%	21.0%	24.6%	18.7%
Operating Margin (Overall)	22.7%	18.9%	26.1%	19.0%
7. Return on Capital employed	3.4%	2.8%	2.9%	2.2%

**1 Earnings Before Interest, Tax, Depreciation, Amortisation - Major Repairs Included.*

6. Our Approach for 2026-29

6.1 Governance and Culture

This Value for Money Strategy sets out our cross-cutting approach that affects and impacts on all our activities. It stresses the importance we place on Value for Money in respect of our operational, strategic and regulatory arrangements.

We have mapped key Value for Money metrics to our Corporate Strategy Objectives at appendix 1. The supplementary metrics may change as our Corporate Strategy is updated each year.

We actively promote an understanding of Value for Money within our organisation and ensure it is key in our decision making.

We integrate Value for Money into performance management and capacity generated by Value for Money will be used to deliver the approved Corporate Strategy priorities. This could be investment in existing customers homes, more homes, better services or more capacity to manage risk. We regularly consider the costs and benefits of alternative commercial, organisational and delivery structures with the Board.

Value for Money is a “Golden Thread” throughout our strategic and performance framework.

Framework	Element
Mission	To provide good quality homes and services in Greater Cambridge that People **Value**
Corporate Strategy	To provide customers with good quality: • Homes that are safe, well maintained, energy & resource efficient and **affordable** • Services, opportunities to influence and support which meets their needs.
Value for Money Strategy	A cross-cutting strategy to apply to all other strategies and activities.
Other Strategies	Deliver Value for Money through annual priorities.
Team and/or Individual Objectives	Set to deliver specific outcomes in line with Corporate Strategy and individual strategies.

6.2 Information and Data

To achieve Value for Money and improve customer experience we will continue to understand the business and what drives our costs. We ensure that what customers want and value is reflected in our priorities. This is achieved through the activities and priorities set in our Customer Strategy.

We continue to identify key activities and understand the associated costs. We make good use of our information and data to recognise key trends, **exploring choices to find the best** as stated in our values. We ensure that we evidence Value for Money in key decisions, including options that we do not pursue.

We benchmark costs and performance to help identify good performance and practices, and set targets and plans focussed on areas for improvement. We use this information to set budget and longer-term financial plan targets, in order to ensure continuous improvements in our services.

6.3 Maximising Income

We continue to review the impact of welfare changes and the economic climate to support customers and protect our income. We identify new sources of income from managing homes for other organisations and seeking grants, for example. We believe maximising income is as important to the business as cost savings. We recognise that one of the benefits of developing new homes is increasing our income.

We ensure that income collection is properly resourced and keep this under review to maintain good levels of performance and support for customers. We seek to minimise the amount of time properties are empty (and contribute no rent).

6.4 Asset Management

Effectively managing our property assets, including maintenance services and investment is one of our key Value for Money priorities. We know the repair and maintenance of the homes we own accounts for around 40% of our total annual operating expenditure and that overall customer satisfaction is driven by our performance in this area.

To achieve improved Value for Money across the management of our property assets we:

- ✓ Ensure ongoing compliance of our properties with safety and other relevant requirements.
- ✓ Undertake reviews of our repairs and maintenance provision, including procurement and contractor management.
- ✓ Develop a better understanding of the drivers affecting our costs and performance.
- ✓ Improve our target ratio of planned, to responsive repairs, to maximise Value for Money.
- ✓ Develop an active approach to asset management, which includes future property sales, where it delivers clear financial or social outcomes.
- ✓ Better understand the financial, social, and environmental performance of our properties with a view to releasing any under-performing properties for sale, re-development or improvement, as appropriate.
- ✓ Deliver our Homes Strategy to improve the performance of our assets.

6.5 Managing on Behalf of Others

We prioritise managing on behalf of local organisations where we are able to offer a good quality service and achieve agreed margins. We are keen to be able to support local organisations and be seen as a trusted partner. We will look to develop strategic alliances with these organisations to offer mutual benefits.

We will consider managing on behalf of national organisations where we are able to secure a sufficient margin and ensure we can manage any risks effectively and guarantee a good quality of service.

We will review current contracts when they are due for renewal to ensure they fit with this approach.

6.6 People Engagement

Our people are essential to everything we do and want to do. Our third corporate objective is to **provide employees with a good place to work and learn** and our fourth objective is to **work with customers, employees and partners to continuously improve**. We will ensure that our arrangements for employees are flexible, empowering, and promote wellbeing. On a regular basis we seek feedback from employees on their experience at Hundred Houses and benchmark their pay and other benefits.

We have a remunerated Board to ensure we can attract and retain the skills, knowledge and expertise we need to lead the business effectively. Recruitment is targeted so that we have the diversity of skills and experience to deliver the Corporate Strategy.

Learning is an important part of achieving Value for Money. We invest in employees' learning and development to ensure they have the necessary skills and knowledge. We will offer learning opportunities to employees with a particular focus on technology, communication, management and leadership.

To ensure the services we offer remain efficient, effective, and meet the needs of our customers we will undertake specific process reviews and ensure customers' preferences are taken into account when assessing Value for Money and making related decisions. We provide feedback to customers so they can see how their views have influenced decisions. We have a Continuous Improvement Framework that provides a toolkit of approaches to delivering improvement (see appendix 2).

6.7 Procurement and Contract Management

Our procurement seeks to deliver the most economically advantageous outcomes in terms of physical, social and environmental benefits. Where practical we will seek to procure from local suppliers who provide comparable Value for Money. When relevant, we will also ensure that we comply with our commitments in respect of Equity, Diversity and Inclusion, as well as relevant Public Contract Regulations. We will not be bound by the lowest current price, but will also consider customers' views, quality, environmental impact and whole life costs when relevant.

We will seek to secure the right goods and services, for the right price, from the best supplier and will seek to be a responsible investor in the local community. Examples of this may include asking developers to employ apprentices on sites where they are building our new homes.

6.8 Treasury Management

We have a robust Treasury Management Policy that adheres to all relevant regulatory and legal requirements. In ensuring Value for Money of the overall cost of funding, we are mindful of ensuring sufficient flexibility to fund future activities and capacity to manage risks. This will be achieved through appropriate funding structures, treasury instruments and on-going treasury management activities.

The key elements of our Treasury Management Policy are:

- ✓ A framework to maintain liquidity for expenditure and the classifications of liquid funds.
- ✓ Interest rate risk management strategy, which is set according to our business needs.
- ✓ Our approach to counterparty risk management is to protect capital rather than return, with conservative criteria having been set for institutions we will invest in.
- ✓ A framework for recording decision making on treasury matters.
- ✓ Regular review and monitoring of the Treasury Strategy by the Board.
- ✓ Support and advice from independent treasury consultants.

6.9 Reporting

We will monitor our Value for Money performance to promote continuous improvement and good practices across the organisation and ensure that opportunities are not lost.

To achieve our Value for Money aims and objectives we will:

- ✓ Report Value for Money activities, achievements and plans annually.
- ✓ Carry out benchmarking, explain variances and their link to quality.
- ✓ Set relevant targets to ensure continuous improvement.
- ✓ Monitor on a quarterly basis relevant outcomes.
- ✓ Track and report efficiency gains.
- ✓ Minimise the cost of key activities and actively manage their drivers.
- ✓ Deliver within our budget and financial plan.
- ✓ Monitor and report on our Corporate Strategy delivery.

Measuring success will not be judged on cost alone, but by achieving outcomes based on clear outputs.

6.10 Sustainability

Hundred Houses aims to deliver efficient services, which meet the needs of our customers, are sympathetic to the needs of our stakeholders, whilst responsibly sourcing materials and minimising waste. We will ensure that sustainability is a key consideration in our decisions.

We understand the part that housing plays in ensuring that the country delivers its future environmental targets. It is estimated that the UK's housing produces around 20% of all carbon emissions and in addition, inefficiently heated or insulated housing contribute to 'fuel poverty' particularly for households with a low income. We are committed to working with the government and other stakeholders to ensure that our properties meet the relevant energy performance standards. Our plans to achieve this are set out in our Homes Strategy.

During 2025/6, we will develop our Sustainability Strategy that will focus on existing homes, future new homes, our customers and our business. A key aspect of this strategy will be to ensure we conscientiously source materials and minimise waste through our selection of contractors and suppliers.

We also have a Procurement Strategy that states our approach will be to select the most economically advantageous procurement that is based on physical, social and environmental benefits, whilst ensuring we remain compliant with relevant Public Contract Regulations.

7. What will success look like?

We will know if we have been successful in 2029 if we have continued to be close to the sector median*[1] across these metrics:

Value for Money Metrics	**2023-24**		**2024-25**	**2025-26**
	HHS	**Sector Median**	**HHS**	**Target**
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Reinvestment	1.9%	7.7%	3.6%	2.3%
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Return On Capital Employed	3.4%	2.8%	2.9%	2.2%
Supplementary Metrics*3				
Ratio of responsive to planned maintenance	0.36	n/a	0.54	0.30
Occupancy (%)	98.1%	n/a	98.3%	98.9%
Rent collected (% of rent due)	99.0%	n/a	101.9%	99.0%
Employee Turnover	48.0%	19.3%	32.5%	n/a
Sickness Absence	5.2%	5.7%	2.5%	n/a

**1 We define close as being between top and bottom quartiles.*
**2 Earnings Before Interest, Tax, Depreciation, Amortisation - Major Repairs Included.*
**3 These may change as our Corporate Strategy is updated each year.*

8. Who will deliver the strategy?

The strategy will be led by the Executive Team. All managers are responsible for delivering and monitoring the strategy. Managers for services across all teams will be responsible for implementing actions where required.

9. What do we need to deliver the strategy?

We will ensure that our employee teams have the tools and resources required to deliver this strategy. Financial resources will be allocated to support the delivery of the Value for Money Strategy and corresponding projects.

10. How will our customers know we are delivering?

This strategy aligns with the aspirations and priorities set out in our Corporate Strategy.

We will ensure that we report to our customers on the progress of the strategy through:

- Our annual financial statements
- Our annual report to residents
- Articles in our customer publications
- Through our website

11. How will we know we are delivering?

The annual priorities will be monitored as part of the Corporate Strategy to ensure that the stated objectives are being delivered. This will include:

- A regular review of the annual priorities by the Executive Team to ensure the strategy continues to address the needs of our stakeholders
- A regular review of the progress of the strategy by the Board

We will report on our Value for Money metrics through the reports outlined in section 10 and will also include information Value for Money metrics and reporting to Board members in regular financial reports.

12. Related Strategies

This strategy has been developed to complement the following strategies and documents, which should be considered together with this strategy.

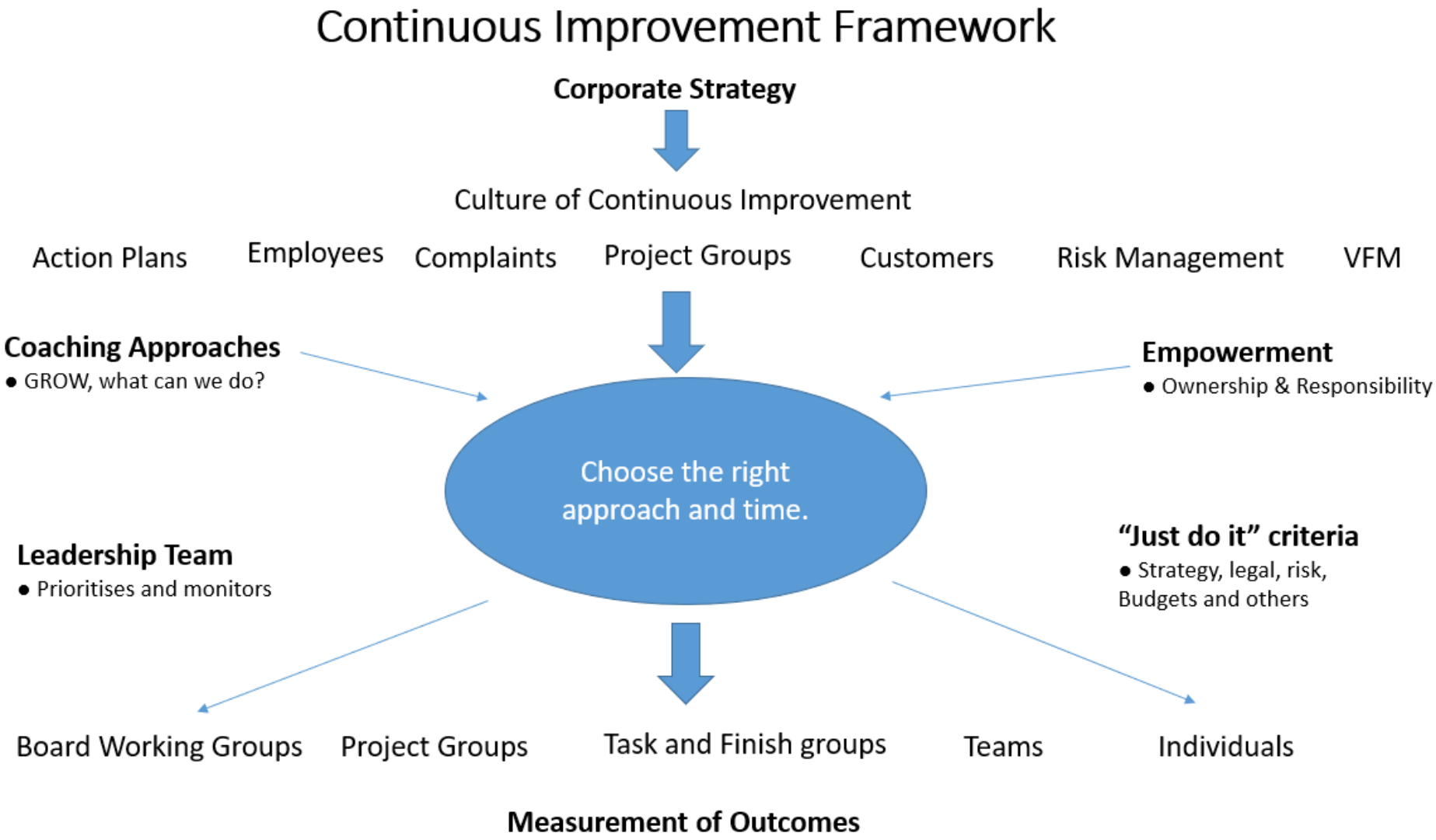
- Corporate Strategy
- Homes Strategy
- Customer Strategy
- Procurement Strategy
- Development Strategy
- Sustainability Strategy
- Treasury Policy
- ICT Policy
- Financial Regulations
- Continuous Improvement Framework

APPENDIX 1: Mapping Value for Money Metrics to the Corporate Strategy

	Good quality homes that are safe, well maintained, energy & resource efficient and affordable	Good quality services, opportunities to influence, and support which meets needs.	A good place to work and learn	Work with customers employees and partners to continuously improve
Metrics RSH	• Reinvestment • New Supply Delivered • Gearing • EBITDA MRI *1 • Operating Margin • Return On Capital Employed	• Headline Social Housing Cost		Applicable to all metrics
Potential additional metrics*2	• Safety Compliance KPIs • Average EPC Rating	• Occupancy • Response repairs: planned maintenance • Rent collected • Additional repairs KPIs • TSM perception survey and other customer satisfaction results	• Employee turnover • Sickness absence • Learning metrics • Outcomes of investing in ICT	Applicable to all metrics

**1 Earnings Before Interest, Tax, Depreciation, Amortisation - Major Repairs Included.*
**2 These may change as our Corporate Strategy is updated each year.*

APPENDIX 2: Continuous Improvement Framework



Just do it criteria

- ❑ Aligns with Corporate and other relevant strategies.
- ❑ Can be delivered within existing resources.
- ❑ Has a positive or neutral impact on others.
- ❑ Maintains legal and regulatory compliance.
- ❑ Improves or maintains our risk exposure.
- ❑ Clearly communicated to all those impacted