

# Value for Money Statement

Review 2023/2024



## Value for Money (VFM) Statement (Review 2023/2024)

At Newington, we have defined VFM as a way to manage resources to provide quality services, homes and help create safe, sustainable and vibrant communities for people to live and work. VFM is based not only on minimum cost of the services provided but also on the maximum efficiency and effectiveness (outcomes) of the resources employed to deliver the service. VFM is about achieving the right balance between the three 'E's'- **Economy, Efficiency and Effectiveness.**



**Economy**  
is the price paid for what goes into providing a service.

**Efficiency**  
is a measure of productivity or how much is gained from what is put in.

**Effectiveness**  
is a measure of the impact achieved and can be both qualitative and quantitative.

VFM is high when there is an optimum balance between all three 'E's'; relatively low costs, high productivity and successful outcomes. Social value within Newington is not limited to the outcomes that flow from housing assets or from the provision of housing services but by also supporting the local economy and community led organisations' that deliver valuable service and support, which enhance communities and people's lives.

The Association wants to maintain VFM and be transparent about it. We have a clear aim of what we want to achieve, where our principles are and that our homes and services:

- Meet the needs of tenants and other service users at the right time and meet their expectations,
- Are of the right quality and are fit for purpose,
- Generate high levels of satisfaction and enhance our reputation and our track record,
- Services are delivered from suppliers (internal or external) whose prices are competitive for the quality of service provided.

**These principles improve our sustainability, viability and opportunities for the future.**

## Our Group Structure Agreement with Apex Housing

On 6 April 2015, Newington Housing Association became part of the Apex Housing Group. Whilst retaining its independence as a Housing Association, Newington HA has aligned itself, voluntarily, to a dynamic and innovative organisation within the NI social housing sector, which was a driver for the formation of this joint partnership initiative that has realised efficiency savings, boosted surpluses and increased the potential borrowing capacity of both organisations.

**The combined Group Structure Agreement has allowed us to:**

- Optimise returns on assets,
- Include performance management and scrutiny functions which are effective at driving and delivering improved value for money performance,
- Allowed us to identify a clearer understanding of the costs and outcomes of delivering specific services and any underlying factors which may influence these costs,
- Ensured financial resilience and provide both Associations with the capacity to continually grow,
- Increased housing supply,
- Sustain and develop fit for purpose services to our tenants and additional investment in our homes,
- Delivered greater benefit to our existing and future tenants and local communities.



## Some examples of activities in 2023/24 where these Value for Money principles were applied are as follows:

Community Investment Fund - Via our Community Investment Fund, we spent approximately £125k to ensure the delivery of a range of strategic and community initiatives which were designed to strengthen the communities we serve and to make positive differences at a local level.

### We measured the impact of our community investment activities during 2023/24 and below are some of the key outcomes:

- 60 tenants received funding grants via our Kindness Fund
- 16 groups/organisations received funding grants of up to £1,000 via our Brian Mullan Community Fund
- 12 students received bursaries of up to £500 via our Student Bursary Scheme
- Our Welfare Advisor role was retained until at least the end of Dec. 2025
- Our Tenant Forum membership grew to seven members during the year
- 1 Housing Apprentice joined our team
- 1 Student Placement joined our team
- Supported living services delivered to more than 50 residents
- Newington have signed up to three pre-procured framework providers, Fusion 21, Procurement for Housing & M3NHF Framework. This enables Newington to draw down service and works contracts which will value for money
- Through a procurement exercise a review of the insurance cover relating to all our homes and activities was carried out in July 2023. Our existing insurance provider renewal was compared to another market leading insurance provider. The new insurance provider was found to be considerably cheaper as well meeting the essential level of insurance cover required.
- Through NHF framework we were able to appoint RAND Associates, as the lowest ranked provider making a saving of £660 compared to the incumbent provider.
- Through the Fusion 21 framework we were able to appoint Tersus Consultancy as the lowest ranked provider to deliver asbestos surveys for the relevant properties.
- Through effective individual quotation exercises we ensured value of money by saving £6,125 across 10 Disabled Adaptations.
- Through an effective individual quotation exercises for electrical installation condition reports we were able to save £6K compared to the next lowest quotation.
- £296K Invested through planned and cyclical maintenance improvements to our existing homes
- £480K invested in maintaining our existing homes through response maintenance
- Replaced 54 kitchens within our homes during the 2023/24 year
- 23 Gas boilers were upgraded within our existing homes
- 100% of all relevant properties within Newington ownership have undergone a regular fire risk assessments within the past year
- 4 additional homes were added to our stock profile
- Our average energy rating of our homes is 76, which exceeds the NI average energy rating of 65

## Tenant Views

We continued to promote initiatives that encourage tenant participation. Our Tenant Forum has now been in place since April 2017. During 2023/24, Forum members took part in various initiatives including organising and delivering community events, seasonal projects, training, the delivery of Newington's /Community Celebration Event, the development of our new Tenant Participation & Community Involvement Strategy and Community Investment Strategies for 2023 - 2026 and our new 3-Year Strategic Plan.



## Social Value Investment, Tenant Participation & Community Engagement



### Measuring social impact

At Newington, we are committed to ensuring that new and existing tenants are aware of the support available to assist them to sustain their tenancies. Mechanisms and procedures are in place to ensure that tenants are signposted or directly referred for financial, tenancy or personal support and these procedures are at the core of our day-to-day services.

By providing this service, it helps to maximise the use of the various essential services that are provided locally.

We continually strive to invest locally and believe we are making a real contribution to people's lives.

One of our main strategic priorities for 2023/04 was delivering on the commitments we have made within our new Tenant Participation & Community Involvement Strategy 2023 -2026 and new Community Investment Strategy 2023 - 2026.

Our Community Engagement Officer's role, which is part funded from the Community Investment Fund, is extremely important to local community and voluntary groups within North Belfast and the postholder plays a pivotal role in ensuring we deliver on the commitments made.

### Partnership working with others at a local level

We have continued to sustain all our existing partnerships, whilst continuing to forge new ones with various community, voluntary and statutory organisations. This is to ensure our tenants receive the support to help them to fully integrate well within their new or existing surroundings.

Newington continued to attend various multi-agency partnership initiatives (i.e., Multi Agency/Community Safety Forums) to address any instances of Anti-Social Behaviour and/or hate crime in all areas where Newington provides homes.

The Association remained an active member of the North Belfast Smile Sure-Start's Management Committee.

### Our Community Investment during 2023/24

Via our Community Investment Fund budget, which is set by our Board each year, we have supported a range of strategic and community activities to allow us to provide greater financial support and to make more positive differences, locally.

From April 2023, this budget was increased to 3% of total rent receivable and is in place to support a range of strategic and community activities and which allows us to provide greater financial support and to make a more positive difference, locally.

Via our Community Investment Fund, the Association spent £124k on various initiatives and projects.

We retained the provision of an independent Welfare Advice post during 2023/24. The post is now fully funded by Newington and the Welfare Advice worker is based within Tar Isteach. The Welfare Advice worker delivers advice and support services out of the Tar Isteach advice centre two days per week and at Newington's main office on the Limestone Road, one day per week.

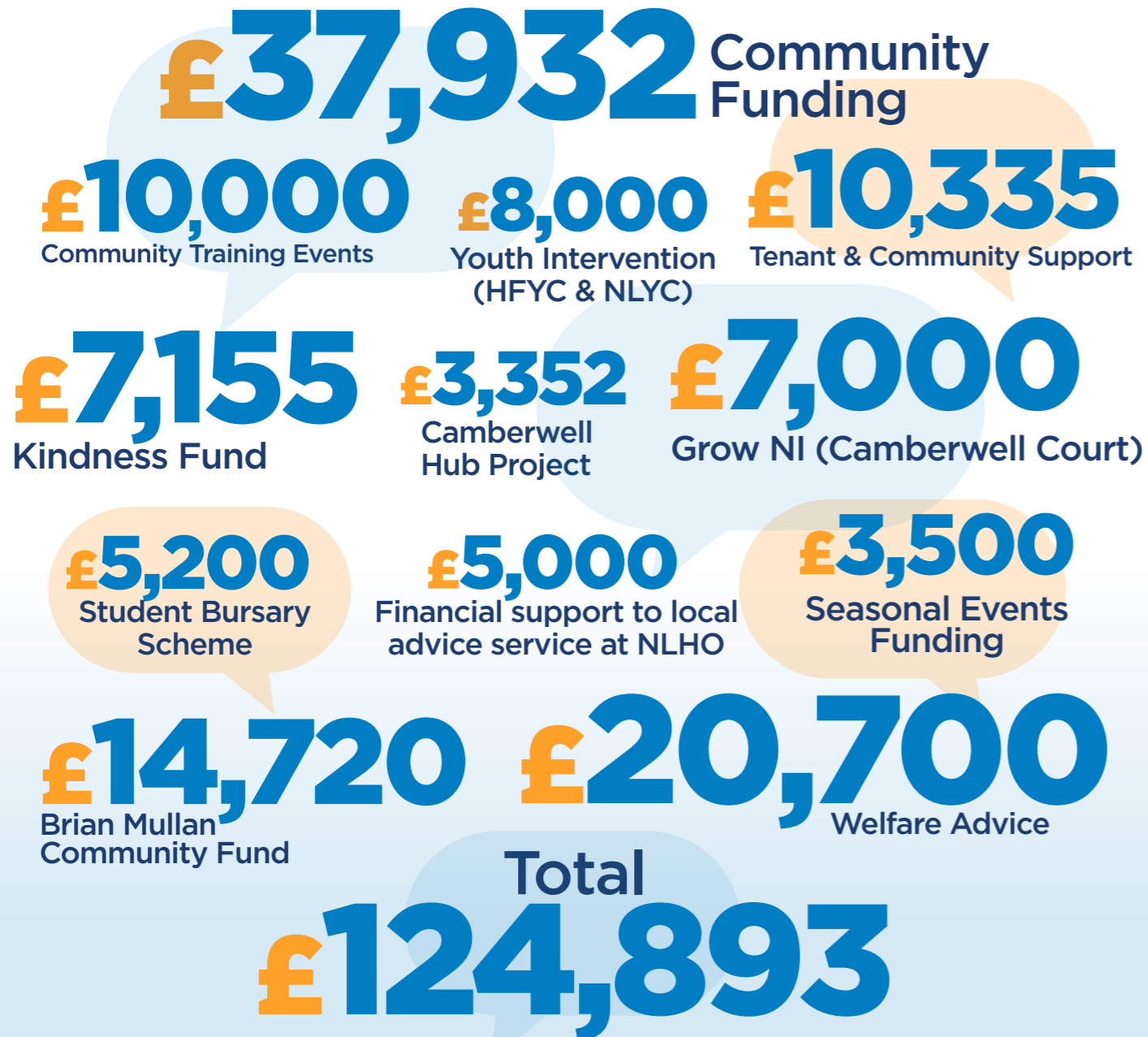
The Association continued to work in partnership with our key stakeholders and partners to enhance the lives of those currently residing within existing well-established communities.

Newington continued to invest and support local communities through direct requests for funding, as well as funding to support a range of community activities for young people, families and our older tenants.

# Our main highlights during 2023 - 2024

Between April 2023 and March 2024, the Association has delivered or financially supported the projects and initiatives that support our residents and the wider community.

The following is a breakdown of our Community Investment expenditure during 2023/2024:



Newington continued to invest and support local groups, organisations and communities through direct requests for funding, as well as funding to support a range of community activities for young people, families, and older tenants.

## Commitment to working with other Housing Associations

To further improve the Value for Money processes within NHA, there is a commitment to collaborative working with other Housing Associations and the Northern Ireland Federation of Housing Associations (NIFHA).

The Association attends the following meetings to share ideas, best practice, enhance services and to promote a positive image of individual HA's and the social housing sector in general.

- NIFHA Governance/CEO Forum
- North West Housing Forum
- NIFHA Finance Forum
- NIFHA Housing Association Managers Forum
- NIFHA - Comms Officers Forum
- Supporting/Empowering Communities - Tenant Participation Practitioners Network Group
- NIHE, NIFHA & HA's Operational Group



## Financial Results

During 2023/24 there have been opportunities and challenges including:

- Increase of 15% in Operating surplus £1.151m (2023: £1.004m).
- Surplus on ordinary activities decreased by 6% to £423k (2023: £448k).
- During the year 79% of the Association's rental income was received directly from Housing Benefit or Universal Credit
- Non-technical rent arrears increased from 3.55% at end of Quarter 1 to 4.01% at year end.
- Overall, the association continues to perform well on a range of cost, financial and asset performance metrics which show NHA is on track to meeting its long-term strategic objectives.

## Asset Performance

Portfolio	Book value £'000 2024	Rental Income (excl rates) £'000 2024	Gross Yield 2024	Book value £'000 2023	Rental Income (excl rates) £'000 2023	Gross Yield 2023
Social housing lettings	65,598	3,949	6.0%	65,842	3,673	5.6%

\*Gross Yield = Rental Income/Book Value

## Measurement

NHA continues to develop how it reports on value for money in order to continue to provide effective and efficient services and meet the DfC's regulatory framework. NHA has regularly measured its performance against peers within NI.

A comparison of some of the primary indicators for 2023/24 is set out below along with the results of the HouseMark Sector Scorecard:

Indicator	Newington HA 2023/24	Newington HA 2022/23	UK Median
Operating margin	22.0%	20.4%	18.5%
Gearing	22.1%	23.3%	45.4%
Return on Capital Employed	1.8	2.1	2.8
Headline Social Cost Per Unit	£3,937	£3,137	£4,475

## NHA Benchmarking Performance (Internal)

Indicator	Newington HA 2023/24	Newington HA 2022/23
Interest Cover	155%	249%
Occupancy	98%	98.42%

## NHA Benchmarking Performance (Internal)

### Finance

	Year 23/24	Year 22/23
Management cost per unit	£1,099	£1,167
Maintenance cost per unit	£1,441	£2,619
Actual income vs budget	99%	98%
Actual expenditure vs budget	101%	100%
Interest Cover	1.55	2.49
Gearing	22.1%	23.3%
Gross Margin	22.0%	20.4%
Net Margin	8.1%	9.1%
Return on Capital Employed	1.8	2.1
Headline social cost per unit	£3,973	£3,137

### Human Resources

	Year 23/24	Year 22/23
Salary costs as % of turnover - Excl. HAG amort	22.9%	27.5%
Leavers during the year	4	13
Employee turnover	18%	59%
Days lost through sickness	167.5	293
% Employee sickness absence	3.1%	5.9%

### Property Services

	Year 23/24	Year 22/23
All repairs completed within target	87%	80%
ICO <4 hours	99%	95.5%
Emergency repairs < 24 hours	95%	91.8%
Urgent repairs < 4 days	83%	66.1%
Routine repairs < 20 days	74%	73.9%
COTs completed within target - H&S	76%	74.4%
COTs completed within target - General	86%	76.1%
Properties with gas certificates in place	99.7	99.3%
Works orders which were cyclical	1135	731
Total works orders raised which were response (i.e., ICO's, emergency, urgent, routine & COT's).	2999	2976
Total works orders competed on time which were response (i.e., ICO's, etc.)	2615	2376
Expenditure on response repairs	£350,220	£400,168
Expenditure on cyclical maintenance	£185,392	£236,575
Expenditure on capitalised repairs	£387,192	£101,352

### Complaints (Service Delivery)

	Year 23/24	Year 22/23
Number of complaints received	3	0
Number of complaints resolved	3	0
Number of complaints ongoing	0	0
Complains referred to Ombudsman	0	0

### Housing Management

	Year 23/24	Year 22/23
Income Collected (incl. O/S HB)	99.1%	96.5%
Tenant Arrears- Non-technical as % of total income	4.01%	3.55%

### (ASB - Complaints)

	Year 23/24	Year 22/23
Number of complaints received	35	26
Number of complaints resolved	34	24
Number of complaints ongoing	1	2

### Housing Stock Properties at Y/E:

	Year 23/24	Year 22/23
No. of new build properties developed	0	0
No. of House Sales completed	0	5
New supply delivered (via ESP's, Rehabs, etc.)	4	2
No. of properties in NHA management	721	717

\* Includes 1 under shared ownership

### Housing Stock (Voids ay Y/E):

	Year 23/24	Year 22/23
Void properties available for letting	1	5
Void prop. awaiting COT works at year end	2	4

\* Note: The Association had a further 15 vacant properties, nine of which were undergoing major improvement works and six awaiting demolition.

### Void Performance

	Year 23/24	Year 22/23
Total Void Loss (Year End)	£51,896	£48,570
Void Loss as a % Income Receivable	1.14%	1.17%

### Housing Stock (Lettings)

	Year 23/24	Year 22/23
No. of G/Needs & Sheltered - New-Lets	4	2
No. of G/Needs & Sheltered - Relets	28	21
Number of successions	2	3
Number of Direct Exchanges	7	5
No. of Supported Housing - Relets	8	29

\*Mater Dei Hostel



**Newington**  
Housing Association  
(1975) Ltd.

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300 Limestone Road  
Belfast  
BT15 3AR

**Phone:** 02890 744 055

**Email:** [admin@newingtonha.co.uk](mailto:admin@newingtonha.co.uk)

**Opening Hours:** 9:00 am – 5:00 pm on weekdays  
**(Closed at weekends and on Public Holidays)**

Out of Hours Emergency Number:

**0800 731 3081**

Newington Housing Association (1975) Limited is registered under the Co-operative and Community Benefit Societies Act (Northern Ireland) 1969 and is a Registered Housing Association.

Newington Housing Association (1975) Limited is a registered charity **(Charity No. IP158)**.

Newington Housing Association (1975) Limited is registered with the Charity Commission for Northern Ireland **(Registration No. NIC102477)**.

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