1. Introduction

The purpose of this strategy is to ensure that Adullam Homes Housing Association has a formalised approach to delivering and achieving Value for Money (VFM) in meeting its strategic aims.

The VFM standard places a requirement on Adullam Homes to ensure that VFM is at the core of our strategies, detailing our approach that is transparent and accountable to our Tenants Residents and Service Users (TRS)and other stakeholders.

Effective management of VFM performance is also a key regulatory expectation for Adullam Homes. Better outcomes, service delivery, and efficiency depend on it. Achieving these demands good quality information on and interpretation of performance which help shape strategic decision-making.

VFM is not just about saving money. It is about delivering Adullam Homes Housing Association services in the most efficient way possible whilst meeting the needs of our TRS, our stakeholders and Commissioners and those we work with in the wider community. This means striking the right balance between cost and quality and understanding how investment can improve services and lead to recurring savings. This balance can change over time as customer priorities, statutory requirements or resources vary, so it must be kept under regular review.

Our Values

Valuing the Individual

Listen and give time to the feelings and views of others.

Integrity and Fairness

Do the right thing even when no one is looking.

Striving for Excellence

Are open to change and new ideas. Always improve on yesterday's performance. Are the best they can be, by identifying and delivering continuous improvements. Motivate others by playing an active role and encouraging them.

The VFM Strategy will be incorporated into both our strategic and operational activities. The Business Plan actions from team workplans reflect this and relate directly to those actions stated but also link to other defined strategies/key policies, business priorities, and team/service targets.

As a not-for-profit organisation driven by social purpose Adullam Homes Housing Association want to demonstrate social value to ensure the best outcomes for their tenants' residents and service users. Measuring social value is important because it can:

- Be used to forecast the expected impacts of developing new services or programmes, which in turn can help secure support for funding and makes later evaluation far more efficient and robust.
- Support Adullam's requirement to demonstrate VFM to the Regulator of Social Housing.

- Help meet the Government's expectations in terms of demonstrating social value, for those delivering commissioned services.
-

Consumer Regulation Requirements and Compliance

- TSMs - continue to work with our TRS and ensure data captured improves the services we provide.
- Consumer Standards - monitor Adullam Homes Consumer Standards Self-Assessment to facilitate a structured approach to evaluating, evidencing, and improving adherence to these standards:
    - STAIRs
    - Competency and Conduct
- Ombudsman - continued compliance against Self-Assessment
- SHROA (Supported Housing Regulatory Oversight Act) - compliance with the governments proposed licensing regime for supported housing across England, and new National Supported Housing Standards for the support provided.
- Procurement Act - ensure VFM, transparency, openness, and fairness within procurement processes and that procurement contracts are more accessible to small businesses and social enterprises.
- Ofsted - compliance against regulations.

Artificial Intelligence

Artificial Intelligence (AI) is reshaping data management in social housing, offering predictive insights, personalized engagement, and the ability to tailor services to meet individual resident needs more effectively. As technology continues to evolve, the adoption of AI is increasing rapidly. Adullam Homes will need to begin to outline our approach to using AI responsibly and provide a framework for the ethical adoption, deployment, and management of approved AI systems and tools used across Adullam Homes to improve and enhance data quality.

Risk Management

Adullam Homes views risk as the possibility that an action, event or set of circumstances will adversely or beneficially affect the ability to achieve its objectives. Risk Appetite is a core consideration in the risk management approach and links directly to VFM. Adullam Homes Board members and Executive will express clearly and review regularly the extent of their willingness to take risk to meet their strategic objectives.

Risk Management is the process which helps Adullam Homes understand, evaluate, and act on all risks with a view to increasing the probability of success and reducing the likelihood of failure. The Assurance Framework is the key source of evidence that links strategic objectives to risks, controls and assurances, and the main tool that the Board use in discharging its overall responsibility for internal control.

Adullam Homes as a Registered Provider needs to ensure that an appropriate, robust, and prudent business planning, risk, and control framework is in place. Registered Providers' Boards are responsible for the oversight of their organisation's management of risk. The Regulator of Social

Housing sets out its expectations of providers' risk management in the Governance and Financial Viability Standard, and associated Code of Practice.

Within the overarching role that boards need to play, risk management and mitigation strategies should underpin both the development of the business plan and all key decisions. A broad view of the risk universe is critical to ensuring that all the relevant risks are considered, assessed, and controlled.

With changes to Regulation there is a need for investment in compliance therefore it is important that boards have a robust understanding of the range of strategic and financial risks that their business might face, partly to ensure continued compliance with the regulatory standards, but more fundamentally to ensure that they can manage the risks that could prevent the organisation from achieving its objectives over the long term and over the economic cycle.

This strategy sets out how VFM can be achieved across all aspects of our operations and ensure that our TRS receive an effective, efficient, and consistent service.

2. Our Five Strategic Pledges

The social, economic, and political environment is challenging and unpredictable due to world events and high-cost inflation. This influences the strategic risks that may prevent us from achieving our strategic objectives and consideration of appropriate mitigations need to be built into our team plans and schemes of work.

Our budget for 2025/26 reflects an investment in staff costs, these additional costs will support both salary uplifts to ensure market rates in a highly competitive labour environment and new roles to support delivery of our objectives.

We aspire for growth of our services, and these will be built upon established relationships with Local Authority partners and regional partnerships. This needs to be balanced with ensuring Adullam remains financially strong, and the mitigations identified in the strategic Risk Register delivered with appropriate stress testing and scenario planning. A key opportunity will be supported accommodation for Young People and the demonstration of compliance with the Supported Accommodation undertaking standards and outcomes as defined by our registration with Ofsted and subsequent inspections.

Reporting progress on VFM will be an annual exercise and will be split into the five distinct pledge areas.

1. Homes

We will provide good quality safe affordable homes that are well managed and meet the tenant satisfaction measures set by the Regulator.

- Keep properties in good repair and meet the Decent Homes Standard.
- Repairs completed within target timescales and satisfaction with repairs.
- Maintaining building safety, well maintained homes safe to live in - gas safety, fire safety, asbestos safety, lift safety, and electrical safety.
- Effective handling of complaints, compliance with HO complaint handling code and demonstration of learning from outcomes.
- Engage TRS's to ensure an opportunity to voice perspectives on relevant issues, embed a culture of co-production, inclusion, and engagement. Develop an effective scrutiny panel to support policy and operational effectiveness.

2. Investing in our Workforce

We will Invest in our workforce addressing gaps and ensure a compassionate and inclusive culture for our staff.

- We will build on the existing staff wellbeing offer via the Happy, Healthy and Here Strategy.
- We will provide a working environment that attracts and retains good staff.
- Support and develop our workforce to embrace and live our values.
- Ensure staff have the confidence to make decisions within their role and influence the People Strategy via an effective Employee Voice group that feeds into the People Committee.

3. Managing our Resources

We will make the most of our resources and demonstrate how we balance cost, quality, and performance.

- We will ensure our business remains financially strong and complies with the Golden Rules set by Board.
- Develop services where we have established partner relationships and can demonstrate added value to our regional delivery.
- Central Services support delivery of relevant strategic pledges via effective workplans.
- Work closely with ASE to leverage in grant funding to support local social value delivery.
- Obtain effective and reliable data in respect to our stock quality underpinning any investment decisions.

4. Being the Best, we can

We will ensure that the quality of services TRS's can expect from our services are transparent and demonstrate positive outcomes and impact.

- Demonstrate VFM and social value to all stakeholders including transparency to TRS's on how service charges are comprised and how decisions on capital investment are made.
- Demonstrate quality assurance and compliance of contracts with Local Authority Partners and Regulators.
- Build improved recruitment and onboarding pathways for staff.
- Capture and share good practice across services including appropriate external accreditation.
- Use effective procedures and processes, reviewing these in timescale or following feedback from stakeholders.
- Build on results of Tenant Satisfaction Measures and Scrutiny Panel/Young Person's Voice feedback.

5. Consumer Regulation and Compliance

We will ensure we are compliant with all Consumer Regulation requirements whilst keeping our TRS safe, involved, and at the heart of the business and services we deliver.

- TSM - continue to work with our TRS and ensure data captured improves the services we provide.
- Consumer Standards - monitor Adullam Homes Consumer Standards Self-Assessment to facilitate a structured approach to evaluating, evidencing, and improving adherence to these standards.
- Ombudsman - continued compliance against Self-Assessment.
- SHROA - compliance with the Government's proposed licensing regime for supported housing across England, and new National Supported Housing Standards for the support provided.
- Procurement Act - ensure VFM, transparency, openness, and fairness within procurement processes and that procurement contracts are more accessible to small businesses and social enterprises.
- Ofsted - compliance with Regulations.

3. VFM Metrics

Regulatory Metrics

The Regulator of Social Housing has introduced a set of metrics against which all Registered Providers, regardless of their size and nature of business delivery, are required to report. The results from these metrics are shown below.

Metric No.	Metric Title	SPBM benchmarking report Acuity Research and Practice	Adullam Homes: Results from Statutory Financial Statements	
		24/25 Median	25/26	24/25
1	Reinvestment %	3.4%	3%	1%
2A	New supply delivered % - Social Housing	0%	0%	0%
2B	New supply delivered % - Non-Social Housing	0%	0%	0%
3	Gearing %	13.8%	(13.5%)	(13 %)
4	Earnings pre-interest, tax, depreciation, amortisation; major repairs included interest cover.	192%	(117%)	507%
5	Headline Social Housing Cost per Unit (excluding support and care costs).	£6,524	£16,649	£14,382
6A	Operating Margin (social housing lettings) %	17.3%	2.5%	4.3%
6B	Operating Margin (overall) %	15.3%	3.1%	4.9%
7	Return on Capital Employed	3.1%	2.5%	3.4%

Notes to the Regulatory Metrics

1 Figures include a commitment to deliver contracts in 2025/26 and on existing reinvestment.
2 As a specialist supported housing provider, the Association's level of provision is not dependent upon new supply being delivered.
3 The Association's low levels of debt are less than its cash at bank. There is an increase in cash balance in 2025/26 compared to 2024/25 due to operating activities.
4 The Association in 2025/26 compared to 2024/25 has increased in major works capitalised and less surplus.
5 The Association is committed to ensuring all properties meet the Decent Homes Standard and has a regular reinvestment programme.
6 The Association has made a surplus 2025/26, however, less than 2024/25. This relates to an increase in staff agency costs.
7 The Association has significantly higher social housing costs per unit than its peers. This is due to the small number of properties owned, the dispersed nature of the stock and the high levels of housing management needed to provide the level of service required by customers.

Future VFM Savings and Initiatives

As part of the business plan process, VFM objectives are set by the Board in agreement with the Senior Leadership Team.

VFM Objectives for 2026/27 are as follows:

- Artificial Intelligence - Adullam homes have commissioned CURO to assist with the incremental approach we are adapting to using AI in a number of 'pilot areas' in 2026/27. AI - implementation of Co-Pilot in key strategic business areas.
- Achieve a minimum of Outcome 2 for Ofsted inspections through robust QA processes.
- Retain ROSPA Gold Standard.
- Replace and improve the Association's mobile connectivity solution to enhance signal coverage, improve data usage performance, and provide better VFM.
- Workforce Stabilisation and Growth - Reduce the vacancy gap/Strengthen workforce planning/Improve early retention/Enhance recruitment metrics.
- The Social Tenants Access to Information Requirements (STAIRs) - establish a new statutory framework aimed at strengthening transparency and accountability across Adullam Homes - Publication Scheme fully operational, 1st October 2026/ formally manage individual information requests by 1st April 2027.
- Reduce agency spend by 30% - Through workforce planning and internal recruitment.
- Embed the Spring Charter and SEA self-assessment outcome and learning across services to ensure quality and consistency.
- ERA Implementation - Strengthen selection processes/Formalise structured induction/Introduce mandatory probation review checkpoints/Train Managers in early performance intervention/Strengthen documentation and governance.
- Comply with SHIP and SEA requirements - Revise accommodation-based support/ Improve property standards.
- Competence and Conduct Standards - Align job design and recruitment standards/Implement documented performance review frameworks/Ensure consistent conduct management/Enhance assurance reporting to the Committee.
- Continuous Co-production: Use TSM 2026 baseline to ensure feedback shapes local and national offers.
- Develop and implement EDI Strategy/Plan.
- Develop website in line with regulatory changes - establish new Publications Scheme for Adullam Homes.
- Adullam Homes will train tenants, residents, and service users to be what called "Scrutiny Champions."
- There will be a Scrutiny Panel made up of people from all over the Association regionally
- We will use the agreed governance structure for CIE in all levels of decision-making nationally, regionally, locally and embedded as part of decision-making forums or committees.
- Provide co-production training for all staff.

- Better engagement through a communications plan using easy read documents, better website links, access to information, annual calendar of events and the annual national CIE week held each March.
- Improve property standards with cyclical timetable for works such as internal decoration and renewals and replacements (similar to capex plans and less reactive) - SHROA requirements.
- Complete second cohort of CIH level 4 roll out for staff.
- Sheffield bid for implementation March 2027/NSAP bid for implementation July 2026/ABEN bid for implementation March 2027.

The Board will receive updates on the annual VFM objectives at the FARM Committee and Board meeting to monitor performance.

To reflect the Regulator's approach to reinforce the strategic significance of VFM within the sector, the Association has embedded the principles of VFM throughout its operational and strategic policies. Adullam's VFM performance will be measured against its own strategic VFM targets, its peer groups, and the set of regulatory metrics.

To ensure the Association's assets are fully utilised, represent VFM and provide quality housing for our tenants, residents, and service users, we review our stock on a quarterly basis and report to Board annually. In conjunction with the Finance Team, a weekly breakdown of all void properties and properties which have been taken off gross is provided. This informs the Asset Management, Housing and Health and Safety Teams on which units still satisfy the operational and business needs of the Association and do not represent a risk. All reviews are in consideration of the Association's Asset Management Strategy and Business Plan.

Within the budget and business objectives the Association considers VFM in terms of Economy, Efficiency, Effectiveness, and the Creation of Social Value. The principles underpinning the way we will manage our assets and resources include:

- Meeting the needs of customers at the right time
- Customer satisfaction
- Co-production and collaboration
- Regulatory compliance and customer involvement
- Enhancement of our reputation and track record
- Support by delivery from suppliers whose prices are competitive for the quality of service delivered and yield additional social value.

Adullam Homes have a VFM Strategy which ensures that we have a formalised strategic approach to delivering and achieving VFM in meeting our strategic aims.

The distinctive social purpose of Adullam requires us to protect and promote the interests of our TRS's and the communities we serve, while safeguarding public investment. We need to ensure the views and needs of the people we serve are at the heart of strategic decision making, there is robust oversight of measures to keep TRS's, other customers, and staff safe and the Board exert a firm grip of risk

including testing the impact of potential risk scenarios on our plans. The VFM Strategy is incorporated into both the strategic and operational activities of the Association. The Business Plan actions reflect this linking to other defined strategies/key policies, business priorities, and team/service targets.

The Association aims to derive the most value out of every pound spent, balancing costs against the diverse requirements of the service user base. Adullam provides supported accommodation to young single homeless people, young people leaving care, those from offending backgrounds, vulnerable mothers and children, people recovering from drug and alcohol addiction, people living with enduring mental health issues and vulnerable families.

Adullam aims to help people to access safe, comfortable accommodation and support them to go on to lead independent lives. As a supported housing provider, Adullam competes on quality and cost for the awarding of support contracts from various Local Authority Commissioners. Through returns to Commissioners, the Association reports on the utilisation of bedspaces and support hours provided. For the Association to thrive in this challenging environment it must constantly be aware of its cost base, the pricing of staff costs, property costs and be aware of those of its competitors. It has had to react quickly to changing geography, contract wins, and losses and the subsequent costs associated with winning and losing work and properties. The Association has had to contend with changing demand for its property stock to respond to various contact/Commissioner requirements.

Strategic objectives are set and agreed by the Board, as are Adullam's performance targets and reflect the longer-term business plan. The targets are reviewed and revised annually, based on analysis of the organisation's performance, external factors as well as comparison with peers.

4. How we Monitor VFM

Building a stronger organisation requires us to know how we are performing, what our customer considers important and compliance with the Regulator. To do this effectively we have to ensure all Managers at all levels support a positive VFM culture within their teams and deliver briefings to their staff. This will mean that Managers will use team meetings/briefings to talk about VFM and encourage suggestions for service improvement from staff, customers, and stakeholders about how we can better deliver our services.

The monitoring and review process will address performance by regularly reviewing current practice in place, action plans, performance indicators, and benchmarking information. We will also look at best practice in other areas and be proactive in tracking costs whilst improving the services we provide.

Reporting on progress made against the strategy, however, is not just limited to one forum or meeting and will be embedded throughout all scheduled operational and strategic meetings. VFM will be discussed regularly and reported/monitored by:

- **Board** - as part of the business planning process, who will drive the overall VFM Strategy and actions/targets identified. Receive reports on VFM financial metrics and standards met quarterly.

- **Finance, Audit and Risk Management (FARM)** - has responsibility to deal with the detailed scrutiny of financial performance, external and internal audit, internal control, risk management, and other matters. The Committee will advise the Board on the effectiveness of the Association's management and control systems for ensuring VFM, propriety and regulatory compliance, economy, efficiency, competence, and accountability. The Committee will focus on:
    - Internal Audit
    - External Audit
    - Internal Control
    - Risk Management
    - Financial Management

- **Operations Committee** - will monitor all VFM operational aspects of Adullam's housing and support work. The Operations Committee has been established to ensure that the Association delivers on its operational work so to fulfil its regulatory obligations as well as its mission. The Operation Committee will focus on the following areas:
    - Home Standards
    - Resident Involvement and Empowerment Standards
    - Tenancy Standards
    - Neighbourhood and Community Standards
    - Value for Money Standard
    - Risk Management
    - Performance Indicators and Reporting

- **People Committee** - The Committee considers the structures and systems required to effectively lead the Association in relation to remuneration, HR strategy, and related matters and for making recommendations on these issues to the Board. This committee also oversees the appointment of new Board and Committee Members, and the Association's pay and reward strategy, in respect of Non-Executive and Executive appointments and remuneration. The Committee considers the structures and systems required to effectively lead the Association in relation remuneration, nominations, and related matters.

- **Executive Management Team/Senior Leadership Team** - Directors and Senior Managers will champion VFM. Reports where relevant will detail VFM and form the basis for strategic decision making in line with Board direction. Service performance and financial information will be reviewed by this group.

- **Team Plan Management Group** - The group has been established to ensure that the Association delivers on its mission of providing quality housing, housing services and meet all regulatory requirements. The group is also responsible to ensure Adullam's strategic business plans are delivered and monitored via the main actions and priorities stated within Team Workplans.

- **GDPR Strategy Group** - has responsibility to monitor all GDPR compliance and risks associated with changes to legislation in data protection. The group will ensure actions identified are addressed/monitored and that key areas of risk are reported on. They will meet quarterly to monitor Data Protection/GDPR compliance and risk.

- **Quality Assurance** - VFM reports and targets will be scrutinised in line with Board and Committee reporting.

- **Senior Managers** - will use performance data to inform operational decisions and improve services both regionally and for central office functions.

- **Staff** - understand what VFM is about and look to improve and add value to the service they deliver. It is integral to the process that they have a voice and provide feedback.

- **TRS Involvement** - it is essential that those we provide the service for are involved to help to scrutinise what we do and help Adullam Homes to deliver a continuous service improvement.

- **The Regulator of Social Housing** - will review financial viability and governance.

5. VFM - The Sector Risk Profile and the Responsibilities of the Board

This sets out the Regulator's view of the most significant sources of risk to providers' ongoing delivery of the outcomes required by their standards. It is aimed primarily at Boards of private registered providers and, where relevant, the councillors forming the governing bodies of Local Authority registered providers.

- It remains the responsibility of Board members to ensure providers meet their regulatory standards.
- External pressure continues to weaken the sector's financial capacity and implementing mitigations will leave less margin for error in decision making.
- Boards will need to exercise skill and judgement to manage risks in order to deliver objectives, identifying pressures and ensuring mitigation plans remain robust against the potential for further shocks.

Strategic Direction

- It is crucial that Boards continue to set a clear strategic direction and priorities for their organisations. The macroeconomic headwinds faced by the sector and resulting weakening financial capacity will make it harder for providers to deliver competing objectives, and Boards will inevitably face difficult trade-offs.
- Providers will also need to focus on delivering quality services to tenants, many of whom will be facing significant cost of living pressures. VFM will inevitably be a focus in a period of financial constraint for both providers and tenants, and Boards must ensure the activity they undertake effectively achieves strategic objectives.
- Boards must be able to clearly articulate their organisation's purpose and priorities and transparently communicate performance against these in order to manage the risks inherent to these trade-offs.

6. Monitoring and Review

This strategy will be reviewed annually, unless legislation, service delivery or regulatory developments require otherwise, ensuring the Strategy continues to meet its objectives.