

# Family Housing Association (Birkenhead & Wirral) Limited

## Value for Money Self-Assessment - Year Ended December 2022

### 1. Introduction

- 1.1 Family Housing Association is a small Registered Social Landlord based in Birkenhead, on the Wirral Peninsula. All of our housing stock is situated within 5 miles of our office. We employ seven full time members of staff and own 393 properties.
- 1.2 This Value for Money Self-Assessment provides a detailed analysis of our strategy, performance, and achievements during 2022. As a Registered Social Landlord, Family Housing Association is required to publish an annual Value for Money Statement that is robust, transparent and accessible.
- 1.3 The Self-Assessment includes a summary of our overall approach, to give our stakeholders an understanding of our strategy to continuously improve Value for Money and our performance during the year, meeting the requirements of the Regulatory Framework in a manner that is proportionate to a small Housing Association owning and managing less than 1,000 properties.
- 1.4 Throughout the year Family Housing Association has continued to strive towards achieving Value for Money despite the ongoing challenge earlier in the year presented by Coronavirus and then latterly by rising inflation.

### 2. Value for Money Strategy

#### 2.1 Aims and Objectives.

When we assess our performance in terms of Value for Money, we consider it in conjunction with our Mission, Aims and Objectives, which are set out in our Business Plan.

Our Business Plan is reviewed annually. In 2022, the relevant mission, aims and objectives in the Business Plan are summarised as follows.

**Mission:** ‘To provide high quality homes and excellent services, at genuinely affordable rents to those in housing need in Wirral’

#### **Aims, Corporate Goals & Objectives:**

- To provide homes, at reasonable below market rents, to help those on low incomes who are in housing need in Wirral.
- To maintain its properties to a good standard.
- To carefully manage risk to protect the Association’s Assets.
- To provide excellent services to our tenants.
- To achieve steady growth, to help more people in housing need.
- Providing caring and courteous services to all existing and potential residents that are customer focussed and respond to our customers’ needs and aspirations.
- Maintain our properties to a good standard that exceeds the Decent Homes Standard.
- Provide a good standard of housing which offers value for money to tenants.
- Embrace new initiatives that are in keeping with the tradition and skills of the Association.
- Ensuring equality of opportunity in the allocation of housing, employment of staff and appointment of Board Members.
- Plan and control all aspects of business activity to maintain the Association’s financial strength and viability.
- Retaining a well-motivated professional workforce.

2.2 Our Value for Money strategy is intended to ensure that we:

- Deliver high quality services to our stakeholders.
- Work to reduce costs without reducing quality.
- Focus on outcomes for the Association and our stakeholders when considering investment decisions.
- Understand the right balance between cost and quality when delivering our Business Plan objectives.
- Meeting the expectations of the Social Housing Regulator by providing a high standard of service to tenants, ensuring long term viability, effectively managing risk and achieving long term growth.

### **3. Processes to Support our Value for Money Strategy**

#### **3.1 Budgetary Constraints**

Each year the Board agrees an updated Business Plan that is then subject to Stress Testing. The Board then agrees a Budget for the year to meet Business Plan objectives.

The Management Team monitors expenditure to ensure it is in line with the Budget on a weekly basis. The Finance Director compiles Management Accounts each quarter, providing information in respect of expenditure and variances during the year, information on Loan Covenant Compliance and Financial Performance Indicators. Independent Stress Testing is undertaken by Hailwood & Co.

#### **3.2 Tenant and Resident Involvement**

The Family Housing Association Board had two members who are tenants during 2022, ensuring that tenants' views and perspectives are part of the decision-making process.

In addition, the Association has a Customer Panel that is involved in all aspects of our work, including reviewing our approach to achieving Value for Money and our Business Plan. The Panel members review our performance and policies and provide feedback to the Board. The Association has adopted the 'Together with Tenants' initiative introduced by the National Housing Federation.

#### **3.3 Performance Monitoring – Bi-Monthly**

During 2022, Officers completed performance information on a monthly basis. At the Bi-Board meetings, members received regular updates on performance relevant to Value for Money. Reports to each Board meeting included information on void expenditure, rent arrears performance, repairs expenditure, lettings performance, ASB statistics and statistics on compliance.

### 3.4 Performance Monitoring - Six Monthly

The Board and Customer Panel receive an in-depth report on performance every six months. This report includes information on the previous three years performance for comparative purposes and allows the Board and Customer Panel to assess our performance.

The report includes information on:

- Repair Customer Satisfaction Questionnaire results
- Repair Customer Satisfaction Questionnaire response rate
- New Tenant Satisfaction Questionnaire results
- Benchmarking Statistics comparing performance with other small Registered Providers, including repairs performance, re-let performance, rent collected, rent written off, evictions, average spend per property on repairs, void works, gas safety and staff sickness absence.

### 3.5 Keeping Tenants Informed

Family Housing Association produces an Annual Report that is shared with all Tenants which contains important information on our performance. The Association also shared details of our performance on its website and produces regular Newsletters to tenants.

### 3.6 Value for Money Service Standards

Our Value for Money Service Standards were developed with our Customer Panel and are intended to ensure that we give due consideration to cost, quality, social and economic factors. As a small association, there is risk that our efforts to make efficiency savings could cost more than any savings they could generate. It is therefore important that we focus our efforts in appropriate areas. Three key areas have been identified:

- Repairs & Maintenance
- Procurement of Goods and Services
- Investment of Assets

A range of targets were agreed, performance against which is reported to the Board and Customer Panel and to all tenants in our Annual Report.

### 3.7 Benchmarking Our Performance

Family Housing Association is a member of the Community Housing Associations North West (CHANW) Benchmarking Club. Each member of the club shares performance and VFM information with Acuity (part of HouseMark, National Housing Federation) who compile statistics and graphs to allow us to compare and analyse our performance against those of our peers.

The Regulator's Value for Money Metrics are also benchmarked against our peers and are included in section 6.

## **4. Understanding the Performance of Association Assets & Liabilities**

### **4.1 Cash Assets**

At the end of 2022, the Association had cash reserves of £1,458,669. Our policy is to re-invest our reserves in our homes or in new homes rather than allowing significant cash reserves to build up.

During 2022, Family Housing Association acquired six properties at a total cost of £708,520 which have subsequently been let at Social Rents. We spent an additional £22,226 improving a property that was purchased towards the end of 2021 at a cost of £89,696. A plot of land suitable development of three properties was acquired in 2021 and during 2022, £11,646 was spent exploring the potential development of the site. The total development budget for 2023 stands at £256,000. However, development has been suspended during the first half of 2023, to allow a better understanding of inflationary pressures and the cost of the 2023 Planned Maintenance Programme to become known. Our cash assets continued to offer very limited returns due the low base rate. The average rate of return during the year was 0.63%, this being achieved through utilisation of a 95-day notice deposit account with Nationwide.

### **4.2 Summary of Debt**

Family Housing Association had a total mortgage debt of £674,615 at the end of 2022. A review of our borrowing and investment rates is carried out annually.

At the end of 2022 we had debts from two lenders. One debt has significant redemption penalties that make it uneconomical to re-finance. The remaining debt moved over to a variable rate based on SONIA TERM + an adjustment + 0.6% from 2022. The average rate during the year was 6.90%. A decision on overpaying or re-financing this debt has been regularly reviewed by the Board.

### **4.3 Property Assets**

The estimated open market value of our housing stock at the end of 2022 was £42,530,700. The estimated Existing Use Value (Social Housing) of our housing stock is £16,425,219.

We have had a comprehensive Asset Management Strategy in place since 2004. All of our homes are inspected every five years and the condition of property components is recorded. All of our homes have been fully compliant with the Decent Homes Standard since 2009.

Our Asset Management Programme is fully integrated with our Component Accounting System to help us get the maximum possible lifespan for each of our property components to minimise the amount of value written off when components such as kitchens and bathrooms are replaced.

External contractors carry out all of our Planned Maintenance through competitive tendering of the contracts. Contractors from our Approved Contractor list are invited to tender, together with new contractors identified with the assistance of our consultants each year, to ensure we receive the best possible value for money through the programme.

#### 4.4 Financial Performance of Property Assets

Family Housing Association monitors the financial performance of our housing stock. Each property is included in a 'Performance Group' of similar properties in similar localities. There were 23 Performance Groups in total. For each group we look at the rental income received and compare with the total expenditure including management costs, cyclical maintenance, void costs, planned maintenance and service charges. By comparing the income generated by each group with the expenditure, we were able to calculate the cash generated by each property and the rate of return for each group.

It is important to note that Family Housing Association charges 'Social Rents' for all our homes, as we believe they are genuinely more affordable for tenants. The Association does not charge the higher 'Affordable Rents' used by some other Registered Providers that would increase our rates of return.

Our best performing General Needs Housing Stock during 2022 were the modern properties in Leighton Road in Birkenhead. No voids and low maintenance costs allowed these homes to generate a cash surplus of £2,149 per property, a return of 4.44% on EUV-SH.

Our worst performing housing stock during 2022 were the eight properties in Harrowby Road in Birkenhead. High response repairs costs over the last 5 years, influenced by expensive void works, meant these properties generated a loss of £93 each during the year.

For all our Housing Stock, the average rate of return in 2022 based on cost was 1.98%. The rate of return based on the EUV-SH was 2.45%. Performance during 2023 is expected to be broadly similar due to the pressures of high inflation combined with a rent cap of 7%.

### 5. Overall Value for Money Performance During 2022

#### 5.1 Return on Public Investment

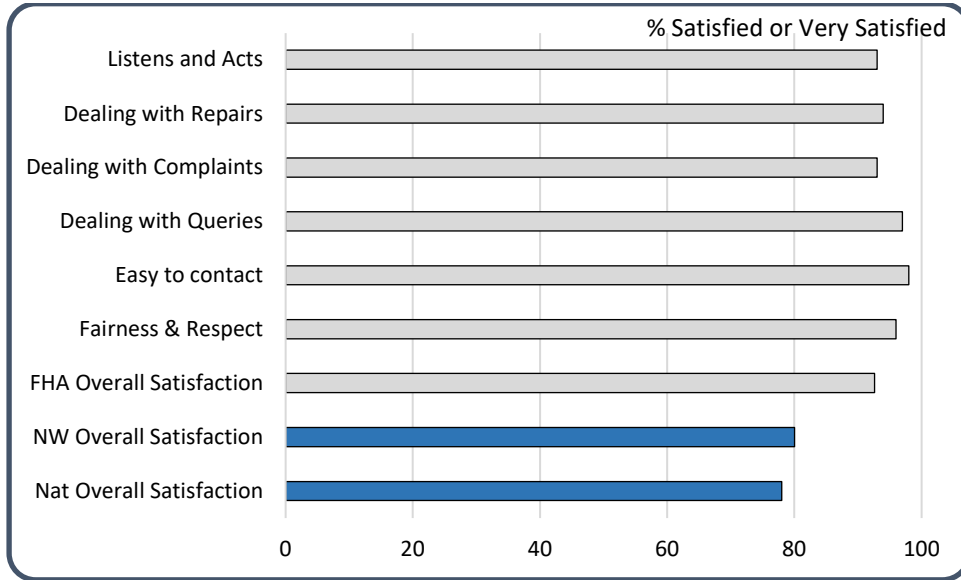
The total amount of public money invested in Family Housing Association to date is £8,709,004. This means the Association, based on the current open market value of its housing stock in 2022 and allowing for outstanding debt, generated an additional £33,821,696 worth of housing assets from this public investment.

#### 5.2 Savings in Housing related Benefits

The Association provides homes exclusively at 'Social Rent' to many tenants that claim Housing Benefit or the Housing Element of Universal Credit that would otherwise be renting in the private sector. As our rents are significantly lower than the equivalent Local Housing Allowance, Family Housing Association saved the taxpayer an estimated £209,440 in Benefits during 2022, compared to those tenants receiving the Local Housing Allowance in the private rented sector. Over the last seven years the saving to the taxpayer is over £1.7m.

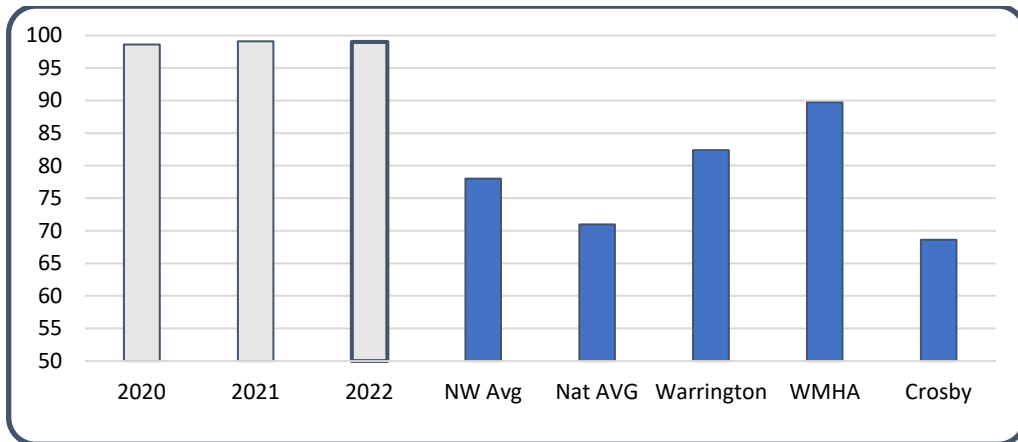
### 5.3 Tenant Satisfaction

Family Housing Association has carried out a Customer Satisfaction Survey based on the housing sector recognised STAR survey every 3 years. In 2022, Family Housing Association agreed to work with the other members of CHANW Benchmarking club referred to earlier in this report, to conduct a joint survey, which would allow more straightforward comparisons to be made and achieve Value for Money via the economies of scale of larger numbers of Housing Associations participating. The results of the survey showed Family Housing Association to be one of the top performing Housing Associations in the country in many of the key areas.



### 5.4 Responsive Repairs

Most of our tenants report their repairs to Family Housing Association’s office, where many know Staff on a first name basis. We provide a friendly, professional service and tailor our service to our tenants’ individual needs. Repairs are typically carried out by small scale local contractors. The various work types are subject to competitive quotes at regular intervals to ensure contractors are providing value for money. Customer Satisfaction is monitored through a Questionnaire sent out for every repair. Performance generally and of individual contractors is closely monitored. The percentage of repairs where tenants were satisfied with the repair was 99.00% in 2022.



The figures for FHA relate to Customer Satisfaction Questionnaire Results for 2022, the figures for other local associations are from the 2021/22 CHANW Survey.

## 5.5 Property Demand

Demand for our properties remains strong. We have no properties that we have been unable to let, despite the fact that we own some properties in areas with significant social and economic problems. We help to create demand for those homes which are harder to let than others by maintaining the properties at a high standard of repair and decoration and providing a high-quality service. We also let all our homes at ‘Social Rent’ helping attract those on low incomes. We have 65 properties that have proved ‘Hard to Let’ historically and are identified as such in our Asset and Liabilities Register.

## 5.6 VFM Standards Performance

Our Value for Money Standard was developed with our Customer Panel and all tenants were consulted prior to its introduction. The Panel felt that our work to achieve Value for Money must have regard to cost, quality, customer satisfaction, timeliness and the impact on the local economy and communities. The Panel felt strongly that we should utilise local contractors and suppliers where possible, and this is reflected in the Standard agreed and the targets set. Some of our Planned Maintenance was delivered by a Liverpool based contractor and the local office of a National Company resulting in performance dropping below the target for use of local contractors during 2022.

	Target	Performance
Inspection of Repairs that are of a good standard and offer VFM	90%	96.9%
Customer Satisfaction with Repairs	90%	99.0%
Use local contractors for carrying out Repairs	70% Wirral 90% NW	67.6% Wirral 96.5% NW
Use local suppliers for goods and services	70% Wirral 80% NW	66.6% Wirral 88.8% NW

## 5.7 Environmental Returns

The work that we do during the year can have a beneficial impact on the environment, either through a reduction in carbon emissions or through positive social benefits. During 2022 we invested £39k in replacing 13 aging boilers with A rated condensing boilers. This figure includes over £10k to convert tank-based systems to combination boilers. These changes are expected to save our tenants almost £1,800 per annum in reduced fuel bills and reduce carbon emissions by over 16 tonnes. We also invested almost £11k in improving the insulation of solid brick walls.

In addition, our Policy to invest time and resources letting properties in hard to let areas, such as our 8 homes in Harrowby Road in Birkenhead, has social and economic benefits for that locality. A number of landlords have chosen to dispose of houses in this area but in our view, this only accelerates the decline and has a negative social impact. Wirral Borough Council’s selective licensing scheme of private landlords has begun to have a positive impact with a noticeable reduction in tenancy turnover.

## 5.8 Aids and Adaptations

Carrying out work to enable people to remain in their homes provided social and economic benefits for our tenants and for the Association. The costs involved in re-letting a property are considerable. Tenants request adaptations when they are already struggling at home and in need of the work. Any unnecessary delay puts the tenant at risk and could also lead to them giving up their tenancy.

In accordance with our caring ethos, our strategy is to carry out the majority of adaptations at our own expense and to deliver them with minimal delay. Minor adaptations are normally delivered within a few days and more significant works in under a month. We only resort to Disabled Facilities Grant funding when the works are expected to cost many thousands of pounds.

During 2022 we invested £2,635 in aids and adaptations work. This investment has prevented potentially very significant costs within the NHS and social care agencies through prevention of falls and accidents and their resulting treatment and rehabilitation costs.

## 5.9 Information Technology

We employ staff with strong IT skills that has enabled us to develop our own bespoke Housing Management Software that meets the requirements of the business. We build and maintain all of our own computer hardware. The savings this has delivered are estimated to be in excess of £8,000 every year.

## 5.10 Social Value

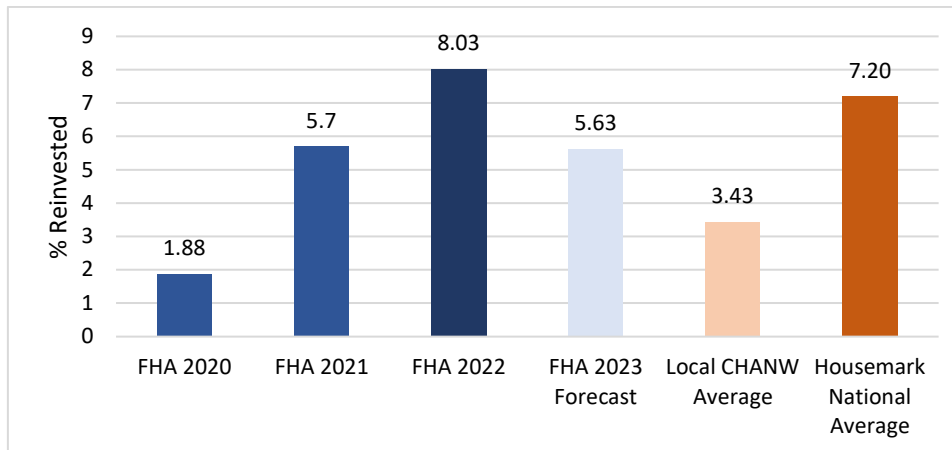
We encourage our Staff to take time to talk to our tenants to get to know them and build better relationships. Any of our tenants can call the office and can speak to any member of Staff, including our Management Team. The 2022 Tenant Satisfaction Survey asked tenants if it was easy to contact Family Housing Association and 98% said it was easy or very easy, the highest score both locally and nationally. Our small size gives us a distinct advantage over large Associations, as most of our tenants know us on a first name basis and feel they can talk to us about the issues that affect them. We believe that the strong relationship we enjoy with our tenants is what sets us apart from other Associations and it helps us to minimise rent arrears, reduce evictions and minimise property turnover and the associated costs. We also asked our tenants in our 2022 Survey whether Family Housing Association treats them with fairness and respect. The score of 96% was again the highest locally and nationally.



## 6. Regulator Value for Money Metrics

This section will outline our performance in terms of the Regulator's Value for Money Metrics. Comparative data is included, for the North West Small Housing Association Benchmarking Club and the National Small Provider Average from Housemark. Most Association's accounts run from April to March, whereas Family Housing's run from January to December. Comparative data relates to the period from April 2021 to March 2022, as this is the most recent data available.

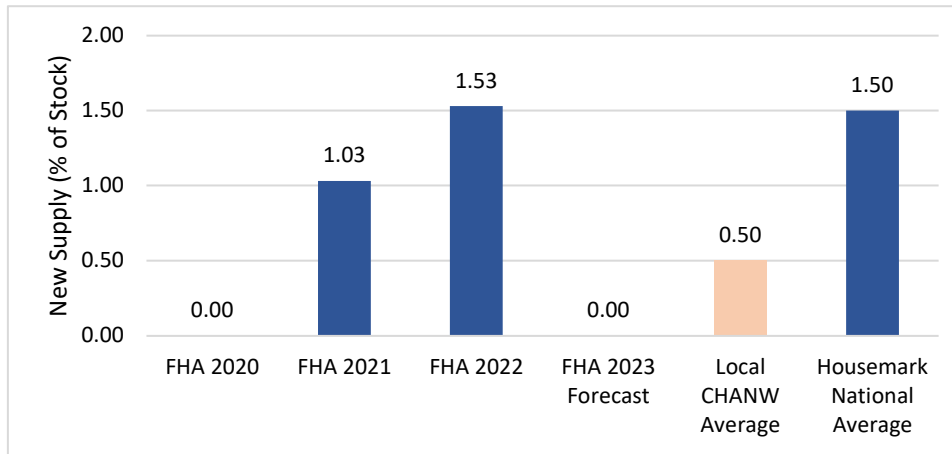
### 6.1 Reinvestment



During 2022, Family Housing Association was budgeting for a reinvestment metric of 10.15, which included expenditure on new units of around £743K, expenditure on capital works for existing properties of around £584K, plus £170K for energy efficiency improvements. Six new units were acquired during the year costing £709K, a property acquired late 2021 was refurbished during the year costing £22K, professional fees of £11K were spent in relation to a piece of land acquired in 2021 which is for development, and £414K was invested into existing properties. It was anticipated that the development on the land would have progressed further, but due to various factors including the continued impact from Covid-19 and the increasing cost of labour and materials, the building plans have been re-submitted which will mean a later start on site and a completion date than originally anticipated. Development plans have been put on hold until inflation starts to fall and the 2023 planned maintenance programme are known. It has been challenging to purchase existing properties at modest prices due to the increase in the housing market and lack of availability due to a high demand.

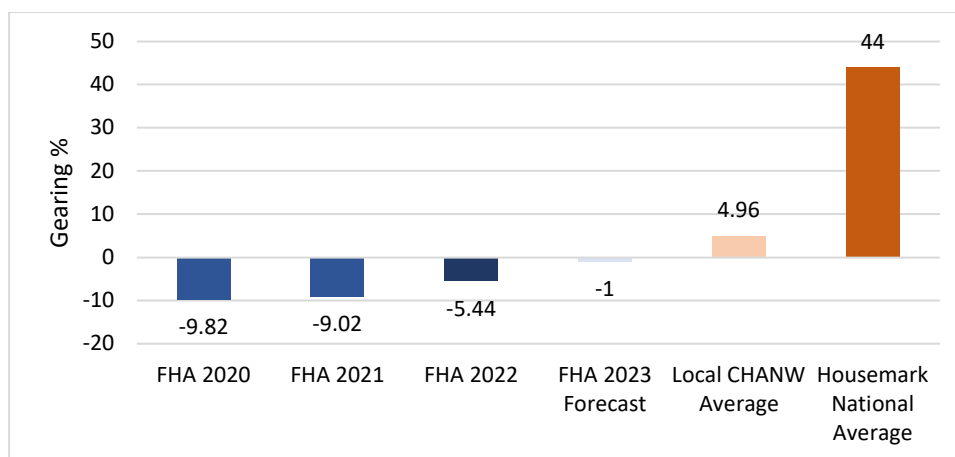
The impact of Covid delays on our Planned Maintenance programme resulted in the 2021 Programme being mostly completed in 2022. The 2022 programme was slightly late in starting on site, but a large proportion of the work was completed in the year, with a small proportion slipping into early 2023. There has been minimal expenditure on energy efficiency, some of this money was used to improve the insulation of our homes and the aim is to continue this project in the coming years to achieve EPC Band C on our properties. The above underspend meant that the actual metric was lower than budget at 8.03, although this is an improvement on the 2021 figure of 5.70. The budget for 2023 has set aside £256K for development, £408K on capital works into existing properties, plus £170K on energy efficiency, although this budget is to be reviewed and updated during 2023. This would mean a metric of 5.63 if these projects could be delivered.

## 6.2 New Supply Delivered (Social Housing Units)



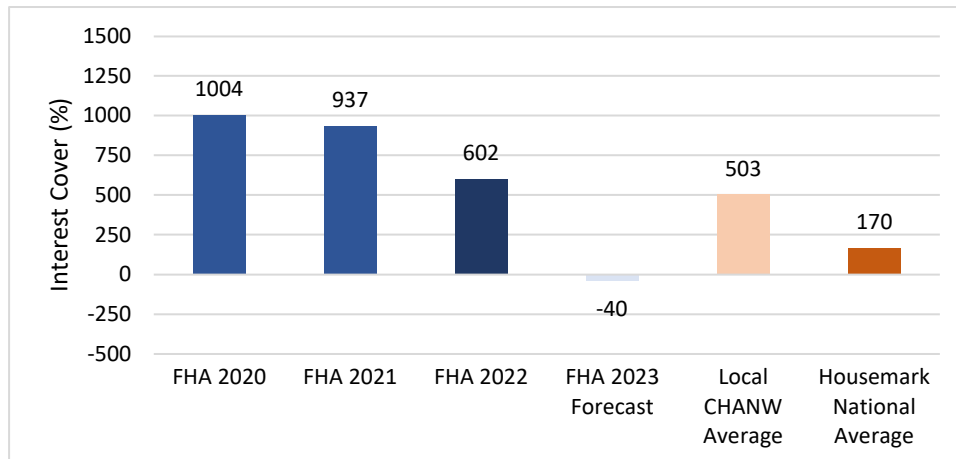
Family Housing Association acquired six modern properties during 2022 by purchasing them on the open market. The actual supply was 1.53 compared to the budget of 1.78. The Chief Executive continues to promote the Association's interest in development opportunities with Wirral Council and potential partner organisations in the local area. The 2023 budget has been set aside for building new units on the land purchased in 2021 which are not expected to complete until 2024 at the earliest, should a cost effective development solution be identified.

## 6.3 Gearing



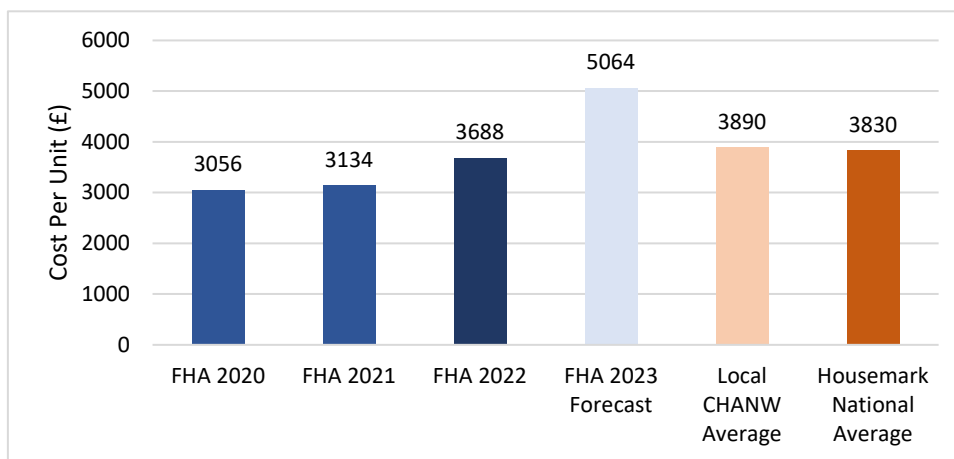
The budgeted gearing metric for 2022 was -0.68 due to being prudent in our budgeting with rising inflation, plus the bulk of two years planned maintenance work being spent in one year to catch up after the delays since Covid. The actual gearing metric was -5.44 due to higher bank balances throughout the year due to the underspend detailed in 6.1 above, plus savings made on response and void repairs, and the slight delay on completing the 2022 planned maintenance programme. The Association is planning to invest around £834K in 2023 through the Planned Maintenance Programme, energy efficiency improvements and progressing the development of new units on the land acquired in 2021. This would reduce the Gearing metric to around -1.00, which is still good as cash reserves are expected to exceed mortgages. The Association has continued to repay its borrowings and has not required any further borrowing finance. The plan is to continue to use cash reserves, but if a development opportunity does become available, then any costings would be modelled into the Business Plan to consider affordability.

#### 6.4 Interest Cover (EBITDA MRI)



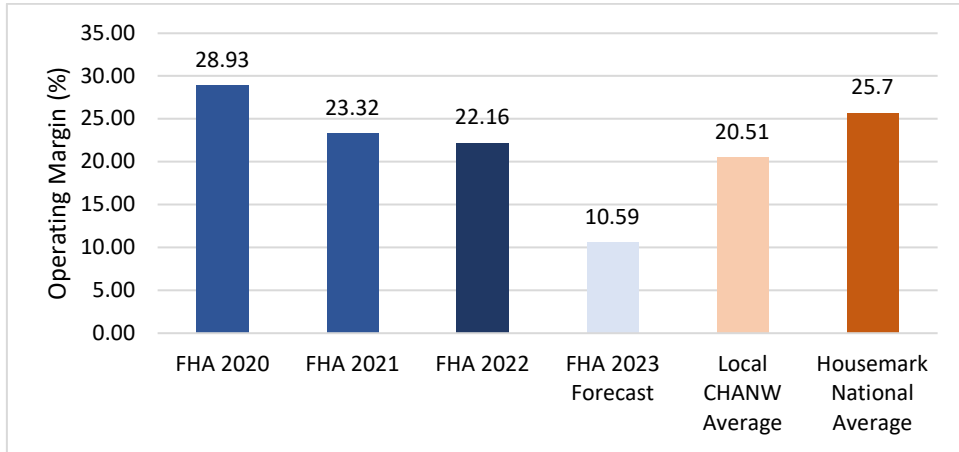
During 2022, budgeted interest cover was -687 due to a much lower budgeted surplus, which was due to the plan to catch up on the Planned Maintenance Programmes and spend on energy efficiency improvement work, boiler replacements plus the other capital works. The actual cover was 602, as the operating surplus was much higher than expected as there was an underspend on energy efficiency, savings made on response and void repairs and a slight delay in completing the planned maintenance programme which will fall into early 2023. The Association is expecting Interest Cover in 2023 to fall to around -40 due to a much lower budgeted surplus as inflation is expected to remain high during the year whilst the rents have been capped at 7% from 1<sup>st</sup> April 2023. Although the budgeted figure is negative, this will not cause any issues with lenders as there are no financial loan covenants.

#### 6.5 Headline Social Housing Cost per unit



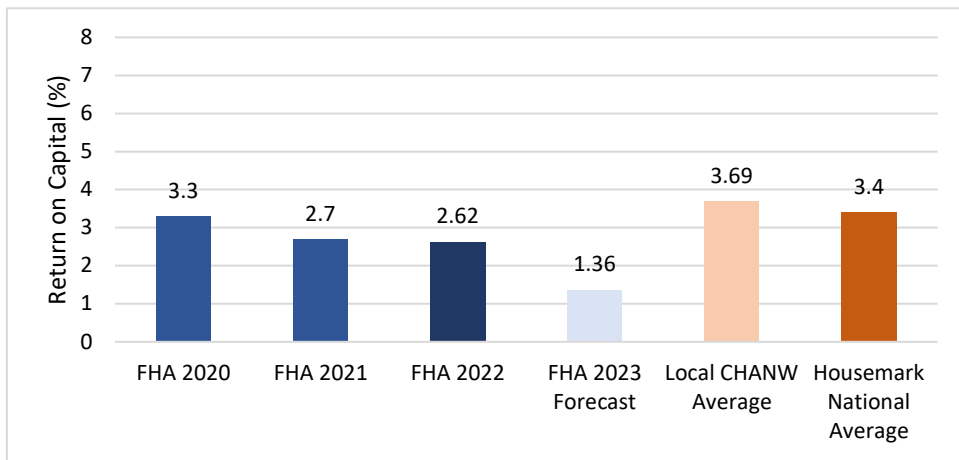
Family Housing Association was expecting a headline social housing cost per unit during 2022 of £5,427 due to a budgeted increase in capital investment (mainly being the energy efficiency work), plus catching up on two years Planned Maintenance Costs. The actual cost per unit was lower at £3,688. This was partly due to a slight delay in completing the Planned Maintenance work, an underspend on energy efficiency, plus savings on response, void and major repairs. The budgeted 2023 cost is expected to increase to £5,064 as the Association is anticipating an increase in repair costs due to high inflation (including the Planned Maintenance Programme), as well as the usual capital investment programme to continue to maintain the properties to meet the Decent Homes Standard.

### 6.6 Operating Margin



Family Housing Association was expecting an operating margin of 4.90, but the actual result was 22.16 after the slight delay to fully completing the planned maintenance work, but also due to the savings on other repairs already mentioned in 6.5. During 2023 a much reduced margin of 10.59 is expected as costs are anticipated to increase with continued high inflation, together with the rents being capped at 7% from 1<sup>st</sup> April 2023. Family Housing Association’s Operating Margin is impacted by the Association’s commitment to charge exclusively ‘Social Rents’ and not to convert properties to more lucrative ‘Affordable Rents’.

### 6.7 Return on Capital Employed



This metric was budgeted to be 0.59 during 2022, but the results were 2.62 due to the increase in surplus and higher bank balances. We expect the 2023 results to be around 1.36 due to the decrease in budgeted surplus and bank balances. This metric is also directly affected by our use of ‘Social Rents’ as discussed in 6.6 above. Many Associations have chosen to convert homes from ‘Social Rents’ to higher ‘Affordable Rents’ as part of their development strategy. These higher rents help to generate additional income. However, as they are close to market rents, they are unaffordable for many on low incomes. They also result in greater expense to the taxpayer as many of these tenants will be in receipt of Housing Benefit or the Housing Element of Universal Credit. Family Housing Association remains committed to charging exclusively ‘Social Rents’.

## 7. Reporting on 2022 Value for Money Projects

### 7.1 Boiler Improvement Programme

During the year, Family Housing Association upgraded 13 boilers to the latest 'A' rated boilers from Worcester Bosch and Vaillant. It was a challenging year for boiler improvements due to the shortage of boilers affecting the industry. During the middle part of the year, only essential replacements were carried out to ensure boilers were available when they could not be repaired. Heat pump technology is being monitored and the latest research has shown it can be effective and efficient. However, even though heat pumps are more efficient than gas boilers, due to electricity being far more expensive than gas, they do not currently offer a viable alternative in terms of running costs for people on low incomes.

### 7.2 Cloud Based Telecommunications

The first full year of Cloud Based Telecoms has allowed the technology to bed in and for staff to get used to the new technology. It has shown significant advantages, allowing staff to answer and make 'landline' calls when working from home or when out of the office. The out of hours answerphone is fully automatic rather than manually activated and can be monitored by a group of staff rather than just one. Phone numbers from our Housing Management system can be 'copied and pasted' into the system to allow calls to be made without the risk of entering a wrong number. On the negative side, the system is less reliable than the old hard-wired system, with occasional 'crossed lines' or dropped calls. Overall, the benefits have far outweighed the disadvantages.

### 7.3 Hybrid Working

A review of Hybrid Working was carried out during the year which led to the introduction of a new Hybrid Working policy. The policy is deliberately designed to be flexible to meet the needs of the business. The majority of staff have been working 2 days in the office and 3 days at home, with some working more office days due to personal preference. All staff retain their own workstations and there has not been a move towards 'hot desking'. The principal benefits of Hybrid Working has been a reduction in carbon emissions of 8 tonnes CO<sup>2</sup> and improved work-life balance for staff. Customer Satisfaction was assessed whilst hybrid working by the Independent Customer Satisfaction Survey carried out by TLF research in collaboration with CHANW, that showed that Family Housing Association was one of best performing Associations in the country. This provided re-assurance that excellent Customer Service and Hybrid Working are compatible.

### 7.4 Carbon Footprint Project

During 2022, the Board of Family Housing Association has received a variety of reports assessing the Association's impact on climate change. The project has found that our Operational Emissions (those related to the running of the business rather than our properties) were just under 11 tons CO<sup>2</sup> in total. The biggest contributor was staff commuting, which even allowing for hybrid working, still exceeded 4 tonnes CO<sup>2</sup>. The next highest was office heating which was just over 3 tons CO<sup>2</sup>. Office electricity was sourced from 80% renewables resulting in emissions of just under 1 tonne CO<sup>2</sup>. The project has set a useful baseline that the Association can use to determine its strategy going forward.

## **8. Value for Money Projects for 2023**

### **8.1 Boiler Modernisation Programme**

The ongoing Boiler improvement programme will look to replace the bulk of the 28 boilers that Family Housing Association currently has that are over 15 years old, in addition to those replaced on a reactive basis during the year that are uneconomical to repair. The budget for boiler replacement during the year is £65k. There will be ongoing monitoring of heat pump technology to assess when they become a cost-effective alternative to gas central heating systems.

### **8.2 Insurance**

During 2023 the long-term agreement with our Insurers comes to an end, providing the ideal opportunity to test the market to see if our current insurers remain competitive. This will involve obtaining additional quotations for the range of insurance products that the Association requires, including insuring our Housing Stock, Office, Public Liability Insurance, Terrorism Insurance and 'Business Combined' insurance that covers operating risks.

### **8.3 Asset Management Services**

During 2022 a long term arrangement for Asset Management Services with the Paddock Johnson Partnership was wound down, terminating with the end of the 2022 Planned Maintenance Programme. A new 12 month contract was entered into with RAND Associates to provide Asset Management Services during 2023. Crucially the fee structure moves away from a percentage of contract value to a fixed fee, removing the potential conflict of interest that affected the previous arrangement. During 2023, the success of this new arrangement will be considered and compared with the alternative of bringing the service in-house through the appointment of an 'Asset Manager'.

### **8.4 Text Message Communications**

For many years, Family Housing Association has been communicating with tenants through various means, including telephone, e-mail, personal visit and most effectively, text messages. They provide a way of reaching tenants in a fast, efficient and less disruptive way. Against the backdrop of rising postage costs, this project will look to move some services, such as repair confirmations and Repair Satisfaction Questionnaires to text messages and online forms. The project will monitor response rates, cost savings and tenant feedback to assess its effectiveness.