



# VALUE FOR MONEY POLICY

**Freebridge**  
COMMUNITY HOUSING





| Value for Money Policy |                                      |             |               |
|------------------------|--------------------------------------|-------------|---------------|
| Last Reviewed          | February 2026                        | Next Review | February 2028 |
| Responsible Officer    | Chief Finance and Technology Officer |             |               |

## 1. Purpose

- 1.1 This policy sets out how Freebridge Community Housing's will meet the Value for Money (VfM) standard.
- 1.2 The policy outlines how Freebridge will meet the required outcomes "a" to "d" of the Value for Money Standard 2018.
- 1.3 Our Value for money goals are simple: to deliver good quality homes and services whilst retaining financial strength and resilience to fulfil our wider purpose.
- 1.4 The [VfM Technical Guidance Notes June 2025](#) sets out the details of the range of VfM metrics and how these metrics are defined including the calculation of each measure unless specified in this document Freebridge will be following this guidance note.

## 2. Regulatory Context

- 2.1 Homes England defines Value for Money (VfM) as the optimal use of public resources to achieve maximum social, financial, and environmental value, ensuring that every pound spent delivers the highest quality, sustainable, and affordable homes and services. This approach focuses on balancing cost, quality, and performance to deliver long-term benefits to communities and individuals.

Registered providers must

a. clearly articulate their strategic objectives

- Freebridge Corporate Strategy 2026-30

b. have an approach agreed by their board to achieving value for money in meeting these objectives and demonstrate their delivery of value for money to stakeholders

- Annual delivery plan
- Business Plan
- Tenant Satisfaction Measures

c. through their strategic objectives, articulate their strategy for delivering homes that meet a range of needs

- Development Plan

d. ensure that optimal benefit is derived from resources and assets and optimise economy, efficiency and effectiveness in the delivery of their strategic objectives.

- Benchmarking for key costs and operational efficiency measures
- Salary Benchmarking

### **3. Performance Measurement**

Key VfM indicators will include and be published annually in the financial statements

|                 |                                       |
|-----------------|---------------------------------------|
| <b>Metric 1</b> | Reinvestment %                        |
| <b>Metric 2</b> | New Supply Delivered %                |
| <b>Metric 3</b> | Gearing %                             |
| <b>Metric 4</b> | EBITDA MRI                            |
| <b>Metric 5</b> | Headline Social Housing Cost per Unit |
| <b>Metric 6</b> | Operating Margin %                    |
| <b>Metric 7</b> | Return of Capital Employed            |

These are defined in the Technical Guidance Note above

Additionally a VfM indicator on EBITDA flat will be included.

### **4. Governance**

4.1 Oversight of the continued delivery of the Value for Money Plan will be overseen by the Audit and Risk Committee.

The committee should verify that management has built strong processes to support VfM, such as:

- Procurement controls (competitive tendering, benchmarking)
- Budget and cost control systems-control systems.
- Business case templates requiring VfM justification
- Programme and project management standards
- Postimplementation reviews-implementation reviews.

#### 4.2 Oversee Internal Audit's Role in VfM

- Internal Audit is a key assurance provider.
- The Audit Committee should:
- Approve an internal audit plan that includes VfM audits.
- Request audits on procurement, contract management, major projects, or high spend areas.
- Review audit findings and ensure follow up actions are implemented.

#### 4.3 Oversee Risk Management Related to VfM

Specific VfM risks include:

- Inefficient processes
- Poor procurement or contract management
- Cost overruns on major projects
- Under-delivery of benefits
- Vendor dependency or poor performance
- Wasted resources or duplication

#### 4.4 Provide Annual Assurance Through the Audit Committee Report

Each year the Audit Committee should:

- Summarise its oversight of VfM
- Report on findings from internal and external audit
- Provide an assurance statement about the adequacy of VfM arrangements
- Recommend improvements for the year ahead

4.5 Whilst the Audit Committee has specific delegated authority to look at VfM, it is the responsibility of the Board and All Committees to provide challenge and independent scrutiny, not limited to:

- Whether services remain cost-effective
- Whether alternative delivery models (outsourcing, shared services, automation) have been considered
- Whether costs are rising faster than outputs or outcomes
- Whether benefits of investments are tracked over time