



Value for Money report

What value for money means to Havebury

2024/25



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Providers are required to follow the Regulator of Social Housing's (RSH) Value for Money Standard. The standard requires us to provide evidence in the statutory accounts to enable stakeholders to understand performance against value for money targets and any metrics set out by the RSH (and how that performance compares to peers), and measurable plans to address any areas of underperformance including clearly stating where improvements would not be appropriate and the rationale for this. This section therefore sets out our performance against the RSH's seven metrics: reinvestment, new supply delivered, gearing, EBITDA MRI, headline social housing cost per unit, operating margin and return on capital employed. In addition, a suite of our own measures of value set by the Board are reported. Benchmarking of each indicator has been carried out to compare performance to peers, using either the sector global accounts, Vantage or HouseMark.

For Havebury, value for money is delivered through our strong value for money culture, sound financial and business planning, effective procurement, performance management, resident scrutiny and

governance functions. Our community focus on our existing estates and in considering new developments, helps foster homes and neighbourhoods for residents to thrive. As a developing housing association, we are actively involved in regeneration, building preservation and improvement of housing stock and the environment. Our core value for money objective is to deliver our new build commitments outlined in the corporate plan, whilst maintaining median costs. The organic growth will positively impact on the economy, enhance our business health, benefit financial performance, and increase capacity to build more homes in future. During 2024/25, 278 new homes were completed.

The Board has overall responsibility for value for money and continued to review our value for money performance throughout 2024/25. Against each objective we have set a number of key value for money performance indicators to be tracked throughout the life of our corporate plan which is available at <https://www.havebury.com/2023/08/01/our-corporate-plan/>.

Our traffic light system used within this report provides an indicator of how we performed against our internal targets for the 24/25 year.



Performance against the Regulator of Social Housing's Value for Money Metrics

The RSH's value for money metrics are split into measures of economy, efficiency and effectiveness. The assessment of our performance below is benchmarked against the latest release of global accounts, relating to the financial year 2023/24.

Value for money metrics - economy

The CPU metric enables providers to assess their expenditure in a format that can easily be compared to peers.

	Havebury 2024/25	Havebury 2024/25 (budget)	Havebury 2023/24	Sector 2023/24	Peer group 2023/24 median
Headline social housing CPU	● £4,738	£5,080	£4,775	£5,136	£5,093

CPU sits below the 2023/24 sector median and below our budget. The overall economic position is still challenging, however, reduction in inflation and stabilisation in the costs of goods and labour have been a driver of lower overall costs.

	Havebury 2024/25	Havebury 2024/25 (budget)	Havebury 2023/24	Sector 2023/24	Peer group 2023/24 median
Management	● £1,119	£1,160	£1,255	£1,274	
Service charges	● £503	£647	£519	£892	
Maintenance and major repairs	● £2,894	£3,128	£2,865	£3,046	
Other costs	● £221	£145	£137	£547	

After an 18% year on year increase in the 2022/23 to 2023/24 financial year, we have seen costs for the 2024/25 financial year stabilise and reduce slightly. We are performing below the sector median on all four measures.

Value for money metrics – efficiency

	Havebury 2024/25	Havebury 2024/25 (budget)	Havebury 2023/24	Sector 2023/24	Peer group 2023/24 median
Reinvestment	● 11.5%	11.9%	11.5%	7.7%	8.8%
Gearing	● 49.9%	51.2%	48.3%	45.6%	49.8%
EBITDA MRI interest cover	● 147%	130%	149%	122%	116%
Operating margin (exc Asset sales)	● 25.3%	23.2%	23.4%	18.5%	20.6%
Operating margin (SHL)	● 28.1%	23.5%	23.6%	20.4%	20.6%
Return on capital employed	● 3.2%	3.0%	3.0%	2.8%	2.9%

As a measure of our value for money (efficiency) performance, reference is drawn to our position compared to peers in the context of our corporate objectives. It provides important context, demonstrating surpluses are not being generated at the expense of investment in new and existing properties. We are pleased to report that our reinvestment percentage has remained at 12% year on year. This demonstrates our ongoing commitment to investment in our existing homes and communities.

Meanwhile, our operating margin remains above our budget and above the sector median.

Value for money metrics – effectiveness

	Havebury 2024/25	Havebury 2024/25 (budget)	Havebury 2023/24	Sector 2023/24	Peer group 2023/24 median
New supply delivered (social)	● 3.6%	3.1%	2.9%	1.4%	1.6%

Our performance compared with the sector for new supply shows our commitment to developing new affordable homes and how we are maintaining our ambitions for our corporate plan and key objectives. Havebury is determined to play its part in addressing the need for more affordable housing and provide better access to home ownership.

Performance against Havebury's own value for money targets

In addition to the RSH's VFM metrics, performance against our own value for money indicators and a comparison to peers is set out below. These measures are monitored by our Leadership Team, Committees and Board routinely.

Measure	2024/25 Result	2024/25 Target	Sector 2024/25 quartile 1	Sector 2024/25 median	Sector 2024/25 quartile 3
Trusted delivery of resident services					
Customer satisfaction with overall service provided	● 81.8%	79.4%	79.4%	73.1%	66.9%
Customer satisfaction with last repair	● 79.6%	78.9%	78.9%	73.2%	67.7%
Developing new affordable homes					
Social housing units developed (absolute)	● 167	147			
Customer satisfaction with new build home	● 99.0%	96.6%			
Investing in existing homes and communities					
% of properties with a valid gas safety certificate	● 99.5%	100.0%	100.0%	100.0%	99.71%
% of homes with a valid fire risk assessment	● 100.0%	100.0%	100.0%	100.0%	100.0%
Fire risk actions overdue	● 61	0			
Play our part in addressing climate change					
% of homes EPC C or above	● 75.02%	75.0%			
Being a great place to work					
Average days/shifts lost to sickness	● 7.7	5.4	5.1	7.3	9.6
Staff turnover	● 16.8%	13.2%	8.1%	12.3%	18.5%
Remaining a thriving business					
Rent collected	● 101.0%	100.0%			
Current tenant arrears (net of HB) as a % of rent debit	● 2.32%	3.50%	2.22%	2.95%	3.95%
Property occupancy rate	● 99.61%	99.6%	99.92%	99.53%	99.41%

In 2024/25 overall customer satisfaction was collected using TSM methodology. This was completed by our provider, TLF (The Leadership Factor). Our performance sits slightly above the upper quartile for the sector, making us one of the best performing providers for customer satisfaction. The benchmarking data used to define quartiles was from the Regulator of Social Housing full results publication in November 2024.

We had a target range for percentage of homes at EPC C and we narrowly missed out on our maximum target for the year. We managed to move over 300 homes to EPC C throughout 2024/25.

Our development programme is significant for the size of our organisation. We delivered above our target for the year. Our homes were of a high standard and our customers have given us near perfect feedback scores throughout the year.

We have had teething problems with our new gas servicing contractor and have taken significant steps towards improving the delivery of this contract. We are seeing an improvement in performance and have options open to us to ensure gas servicing does not fall behind.

Our commitment to improving the energy efficiency of our homes has not faltered. We exceeded our target last year and have the funding and pipeline of work in place to continue delivering on this into 2025/26.

We have seen our sickness and turnover rates drop year on year and we are using better analysis methods to determine the reasons for both measures.

Environmental impact

During the year we launched our first sustainability strategy for 2025-26.

Although this is our first sustainability strategy, we are starting from a good place, we have had considerable feedback and input from our residents in developing this strategy. Having adopted the Sustainability for Housing (SfH) reporting standard in 2023, our first outturn report was published in summer 2024. We've linked our objectives to the Sustainability Reporting Standard (SRS), which is also used to reference our annual ESG report. In delivering this strategy, we want to measurably reduce our environmental impact, as a whole, year on year.

Following an in-depth gap analysis in 2024, our areas of focus are:

- Residents
- Carbon
- Waste
- Water
- Biodiversity
- Procurement
- Pollution

We'll be using three key approaches to reduce our impact in all these areas. They are:

Ask the questions – avoiding an impact in the first place is better than reducing the impact. We will look at opportunities to question the impact on sustainability when we are making decisions.

It takes a team – the successful delivery of this strategy takes a team. Our colleagues and residents are at the heart of this, and we'll continue to build on these two concepts.

Design 'in' the future – decisions we make now about our homes, estates or developments need to facilitate any measures we may need to incorporate further down the line. For example, EV charging, solar panels and shutters on windows.

The full strategy including our action plan for 2025-26 is available on our website at: <https://www.havebury.com/wp-content/uploads/2025/03/Sustainability-Strategy-2025-26-external-.pdf>. To further support our sustainability commitments, we have secured £3.4m from the Government's Warm Homes: Social Housing Fund Wave 3.

Future developments

A key influence on the timing of borrowings is the rate at which development activity takes place. The Board has approved plans to spend £52m during the next financial year to develop affordable housing as we continue to invest in the area. This will be funded from loan facilities and grants from Homes England.

The Association continues to assess the impact of welfare reform policies on its business plan and intended future developments. Initiatives are regularly reviewed to assist our residents in dealing with the cost-of-living crisis, especially in relation to rent and service charges. A support fund of £250k was available during the 2024/25 financial year and a fund of £150k will be available for 2025/26.

Statement of compliance

In preparing this Strategic Report and Board Report, the Board has followed the principles set out in the Statement of Recommended Practice: Accounting for registered social housing providers 2018 (SORP).

Remuneration of Board Directors

Board Members receive a payment for their work following benchmarking advice from a sector consultant working to national guidelines. Both individual and collective Member performance is appraised annually with the objective of enabling the Board to ensure that it is fit for purpose.



Board Chair
WH Cresswell



Company Secretary
Marie McCleary

Date: 22 July 2025

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Housing Partnership

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