

Paradigm Housing Group

VALUE FOR MONEY STATEMENT

2014/15



Introduction

Value for Money (VfM) is integral to how we manage our business – and has been for over 25 years. Paradigm is a social business, providing low cost housing solutions for those who cannot afford to access a highly priced market. We are passionate about providing quality services to customers in a consistent and professional manner.

The pressure on families and individuals in our areas of operation is demanding. We operate in West London and the Home Counties to the north and west of the Capital where housing costs are high but wages for most workers have not kept pace over the last five years. Welfare reform has had, and will continue to have, a huge impact on our customer base in the areas in which we operate, adding to the pressures on household budgets.

Recent government policy announcements relating to welfare reform and housing policy will have a substantial impact on our business. Four years of rent reduction will be good news for some of our residents but we have had to reassess our ability to continue to develop new homes for rent at the same rate as before. The timing and mix of new developments will change.

VfM at Paradigm recognises the importance of delivering quality services efficiently. We benchmark our services against other housing providers and where we need to increase costs to improve services in one area (such as Affordable Warmth) we work harder to achieve savings elsewhere. We are continually challenged by our Board, Committees and involved residents to deliver good services at lower cost.

As a Registered Provider we need to meet the requirements of the Regulatory Framework published by the Homes and Communities Agency and these include the publication of a VfM self-assessment. The self-assessment is summarised in our Annual Report and Financial Statements 2014-15 and this document sets out how we are achieving VfM in delivering our strategic vision.



Our strategic aims

Our central strategic aim, published in our Strategic Plan 2013-18, is to run a successful and profitable business providing homes and housing services that customers value. Our approach is to use our balance sheet strength to lever in external funding for developing new homes in areas of high demand. However we balance this with the aim of providing excellent services to our customers. The Paradigm Belief Circle (below) shows not only what we want to deliver – but also how we plan to do it – by balancing profit and customer satisfaction.

The focus on balancing profit and customer satisfaction drives the need to continually improve efficiency so that we provide affordable, secure and well-maintained homes whilst generating sufficient profit to continue our development programme. The July 2015 budget announced by the newly elected government included a number of provisions that we anticipate will have a negative impact on our business plans and the value of our asset base. A rent reduction over the next four years coupled with welfare reforms that will adversely impact rent collection and affordability for many of our customers will place considerable strain on both profit and customer satisfaction.



Achieving VfM will be even more critical in this changed environment and we will continue to focus on a number of key indicators, both financial and non-financial, in order to measure VfM in terms of efficiency gains, increased service effectiveness and cost reductions. Further information on these indicators, our benchmarked performance and our targets is set out on pages 16 to 21.



Measuring value for money

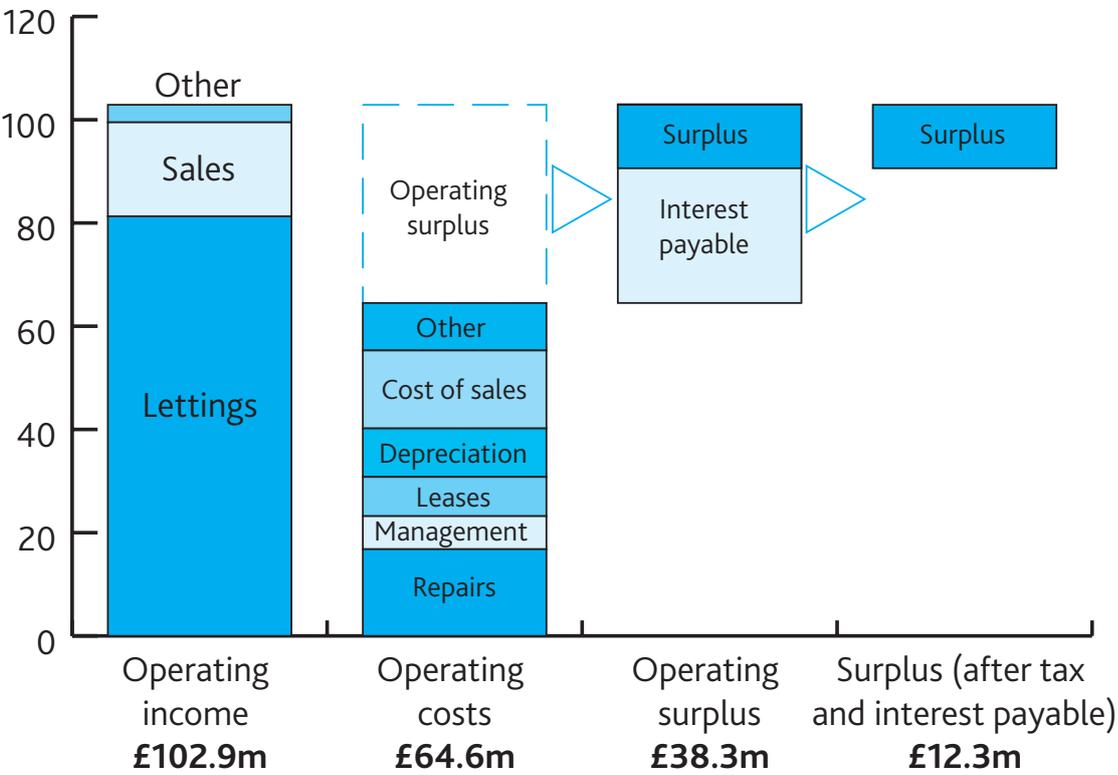


Paradigm’s Board is custodian of an important legacy. Our core purpose is to nurture and grow that legacy and protect it and its customers for the long term. This can only be achieved by running a financially sound business. As a charitable housing provider we operate to a core set of values; however we never apologise for seeking to maximise our profits as every penny is re-invested in new homes or improving services.



A financially sound business

Our financial strategy has a clear requirement that we should achieve a minimum annual surplus (10% of turnover) and that each part of the business should make a positive contribution to that surplus. For 2014-15 Paradigm Housing Group (the Group) surplus was £12.3m (12%), slightly lower in monetary terms but almost 1% higher in percentage terms than the previous financial year. Income for the year was £102.9m and a simple breakdown of how we used that money is set out below:



Key financial indicators

	2015-18 TARGET	2015	2014	2013	2012	2011
Operating surplus for the year as % of turnover	-	37.2%	32.9%	32.5%	36.0%	32.9%
Operating surplus, excluding first-tranche surplus, for the year as % of turnover, excluding first-tranche sales	40.0%	41.7%	42.2%	41.6%	38.9%	36.7%
Annual surplus as % of turnover	10.0%	12.0%	11.1%	11.1%	6.9%	5.0%
Rent losses (voids and bad debt as % of rent and service charges receivable)	1.5%	1.5%	1.6%	1.6%	1.3%	1.8%
Rent arrears (current tenant arrears as % of rent and service charges receivable)	-	5.4%	5.0%	4.0%	4.5%	4.8%
Rent arrears (rolling average adjusted for timing of housing benefit, used for management purposes)	2.5%	2.8%	3.0%	3.7%	4.4%	4.8%
Interest cover (Earnings Before Interest Tax Depreciation and Amortisation divided by interest payable and capitalised interest)	1.4	1.5	1.6	1.8	1.5	1.4
Gearing (total loans less cash as % of capital employed)	52.0%	56.5%	55.5%	63.8%	66.9%	69.5%
Return on investment (earnings for the year as % of average total debt)	7.0%	7.9%	7.8%	7.1%	5.9%	5.9%
Return on assets (surplus for the year as % of average total assets, adjusted for property revaluation)	1.8%	1.6%	1.7%	1.6%	0.8%	0.7%

In order to develop and grow our business our aim has been to generate at least 40% operating surplus (excluding the impact of first-tranche shared ownership sales) so that we build net worth, enabling us to borrow and invest in new homes. In maximising our borrowings a key restriction is the availability of security for new loans. Increasing numbers of new properties are shared ownership and on larger developments, built out over longer timescales than traditional schemes. Looking forward we anticipate more of our developments are likely to be for sale, either on an outright or shared-ownership basis. Effective treasury management continues to be critical for developing social landlords like Paradigm.

Treasury

As a business we borrow a large amount of money to fund the development of new homes. Our total borrowings at 31 March 2015 were £683.2m and a robust treasury management strategy is essential. Key treasury facts and achievements during 2014-15 include:



- Average cost of fixed rate funds is 5.1%
- Over 48% of debt is fixed for more than 20 years
- 90% of current debt is at fixed rates to reduce interest rate exposure
- At least six months of cash secured and available at any time

Since the year end we have agreed funding for new developments with the European Investment Bank under the Government Guarantee at a historically low interest rate of 2.26%.

Procurement

Last year we identified target cost savings of £2.3m for the three year period 2014-17. The expected savings for 2014-15 amounted to £1.3m leaving a further £1m for 2015-16 and 2016-17.

Last year we reported annual savings from retendering contracts, including some substantial contracts relating to kitchen supply, grounds maintenance and cleaning, of £700,000. These savings are reflected in our budgets going forward. For 2015-16 a total of £1.8m savings (£0.5m more than reported last year) are spread across the business as follows:

Area	Savings £m
People costs	0.74
Central costs	0.09
Property Services (materials; boiler programme)	0.65
Estates (grounds maintenance; cleaning)	0.32
Total	1.80



We have continued to retender contracts and generate savings, albeit on a smaller scale, with additional annual savings of over £100,000 as set out in the table below. As we have retendered contracts not only have we driven costs down but also enhanced specifications:

Area	Previous contract spend p/a	New contract spend p/a	Potential annual saving	%
People safe – staff safety alarms	40000	31000	9000	22.5%
Electrical surveys	4000	2500	1500	37.5%
Asbestos surveys	40000	33500	6500	16.3%
Out of hours contract	42500	37500	5000	11.8%
Private medical insurance	33000	8000	25000	75.7%
Mobile telephony	127500	85500	42000	32.9%
Personal protective equipment	27000	17500	9500	35.2%
Other facilities	6000	4000	2000	33.3%
Totals	320000	219500	100500	31.4%

The change in government policy outlined in the July 2015 Budget means our income will reduce by 1% a year over the next four years, in real terms a reduction of some 3.5% per year. We are in the process of identifying areas where we can make further cost savings as part of our on-going VfM strategy.

From 2013/14 our service charge policy has been to recover costs in full from those residents who benefit from the services. The impact for some residents has been an increase in service charges and in order to minimise this a cap has been applied, restricting the charge. We recovered 80% of service costs (including management fees) in 2013/14 and this increased to 90% in 2014/15. Recovery will reach 100% as the cap is lifted from all types of accommodation.

VfM in service charges is not only about recovering costs, but also about minimising those costs wherever possible against agreed service standards. The savings arising in 2014/15 from retendering the cleaning and grounds maintenance contracts (page 7) have been passed on to residents through lower service charges. Further areas identified for review in 2015/16 include reliance on third-party management companies and internal management costs.



Asset management and the effective use of resources

Any business wishing to achieve financial efficiency will optimise the management of its assets and Paradigm is no different. Changes to the way in which major works are planned together with targeted disposals will improve the quality of the stock, the outcomes for customers and generate significant resources for investment in new homes.

Our main portfolio is social housing assets and we achieved an operating surplus, excluding build for sale, of £35.3m in 2014-15, equivalent to an operating margin of 41.7% which is far in excess of the 27.2% average achieved by the registered provider sector according to the HCA's 2014 Global Accounts.

Our asset management strategy sets out our approach to ensure that our assets meet our longer term requirements in terms of location, condition, cost in use and rate of return on investment. Optimising asset location to reduce operating costs is undertaken in four different strategic ways:

Acquisition	We have taken advantage of opportunities to acquire housing stock from other housing providers where the location means that we can increase the density of our property base in different geographic areas. In 2014 we acquired 40 properties in High Wycombe, just down the road from our head office.
Development	A key part of our evaluation of a new scheme is whether it is adjacent or near to existing Paradigm properties to 'infill' our footprint and minimise operating costs. We adjust our appraisal criteria to be able to acquire sites in target areas to increase critical mass.
Disposal	Using our asset management database we review which properties we should dispose of when they become vacant.
Rationalisation	Where we own and manage properties outside our core operating areas, making the properties more expensive to manage and maintain as well as meaning residents may experience a lesser service, we have sought to dispose of the properties to other registered providers. Most recently we sold 150 properties to Orbit (2012-13) and have reinvested the proceeds in new developments.



Our in-house IT system reflects strong integration between the finance, development and investment works systems so that we have up to date information on the age and cost of the key components in our properties. We are undertaking a full stock condition survey to confirm that the information held on the system is accurate. Once this 'audit' is complete we will use the information to update the asset management strategy.

In the meantime we have improved efficiency in planning investment works which are now scheduled on a rolling geographic basis, by postcode, meaning we can take better advantage of bulk purchasing and staff utilisation. The average cost per property for investment works undertaken on this basis is £12.2k compared to the previous average cost per property of £12.9k.

We use the asset information as part of our review of void properties to determine their best use – for refurbishment and re-letting or disposal; for example some properties which have poor sound insulation require significant investment to bring them up to standard. In 2014-15 we generated £1.7m from 21 empty property sales.

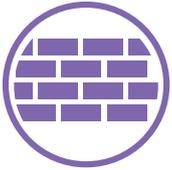
For those properties that we keep and re-let, the conversion to Affordable Rents (AR) increases the future rental stream and allows us increased borrowing ability as a consequence. In 2014-15 we converted 192 properties, increasing income by £221k, enabling additional borrowing of £4.4m. Following the July 2015 budget announcement that rents will be reduced by 1% a year for the next four years we anticipate that the decision on letting or disposal will be even more critical and anticipate that more income may be generated from empty property sales and this can be reinvested in new properties, though not necessarily on a like for like basis.

We maximise our operating surpluses by ensuring that our properties are of good quality and in demand, keeping voids, bad debts and arrears low, and driving down costs of management and maintenance. This enables us to achieve best-in-sector operating margins and strong returns on our investment (ROI):

Activity	ROI target
General social housing	5.0%
New business opportunities and development	7.0%
Commercial activities	10.0%



We currently achieve 7.9% ROI measured as operating surplus (excluding build for sale) divided by external debt. Whilst it would be possible to increase this ratio by reducing development volumes and/or repaying debt we consider just over 5% to be a target that demonstrates best use of Paradigm's resources.



Provide new homes

Our core social purpose is to provide new affordable homes for people who cannot afford to rent or buy in the open market. We aim to provide a range of housing solutions and, whilst we have not in the past concentrated on building homes for outright sale, we will be assessing the implementation of a prudent and limited outright sale programme as a way of subsidising our affordable homes programme.

Our development activity is funded from three principal sources: proceeds of property sales; capital grant; and borrowing. Reducing levels of grant and rental income mean we need to reduce our revenue costs (housing management and maintenance) and increase our surpluses from sales in order to continue to invest in delivering homes for future customers.

Development appraisals for rented and low-cost home ownership properties reflect the total cost in use for residents, to ensure they receive VfM in the enjoyment of their home. Each scheme proposed for Board approval highlights the estimated weekly outgoings for each property type including rent, estimated utility bills, council tax and service charges.

Highlights of our development and sales activity during 2014-15 include:

- 444 homes completed for rent or shared ownership – exceeding our commitments and the National Affordable Housing Programme
- 1,529 homes started and under development at the year-end
- Sold 188 new homes under shared ownership arrangements generating a surplus of £3.5m
- Started our biggest single development contract to date, with Barratts, to deliver more than 500 new homes over ten years in Milton Keynes
- Received over £20.1m of grant.

Following the July 2015 budget we will be assessing the benefits of a greater focus on developing homes for low-cost home ownership or outright sale as, due to the four-year rent reduction and uncertainty about future rent increases, some schemes for affordable rent no longer meet financial viability criteria.





Invest locally through the Paradigm Foundation

We established the Paradigm Foundation in 2013 with a donation of 2% of annual profits. Having the Foundation enables us to 'ring fence' our added value and social value work so that we can focus on the core business of providing homes and housing services that our customers value. The Foundation is led by a board of trustees and operates independently from Paradigm.

Key aims are:

- Supporting residents and their families into work, education and training
- Alleviating financial hardship through initiatives and small grants relating to income maximisation and financial welfare
- Encouraging community involvement through grant funding for small and larger community projects.

Achievements during 2014-15 included:

- £55k grants awarded to Citizens Advice Bureaux across the areas in which Paradigm operates, to enable their work providing debt advice, counselling and support; and encourage joint working to improve service efficiency and effectiveness
- £194.8k grants provided to a number of not-for-profit organisations and community groups across the areas in which Paradigm operates to underpin wide-ranging initiatives including: young homeless project; therapeutic horticulture; and motor vehicle maintenance courses
- Support for M for Money credit union to publicise the benefits of regular saving and availability of affordable loans and financial advice
- 11 small individual grants allocated to Paradigm residents for education and training, including work-based schemes to help them into employment
- Successful pilot employability project aimed at long-term unemployed people. Working closely with Watford Women's Centre the pilot made 197 new contacts and supported 6 people into paid or voluntary work with a further 15 into training so they are better placed to access future opportunities. In addition 24 people have benefitted from improved engagement by visiting the Centre. Based on a tested methodology of assessing social impact (Community Investment Values from the Social Value Bank) the net social benefit so far (after initial investment of £18k) has been estimated as £48k (27% return on investment).



CUSTOMER SATISFACTION

We believe that at the heart of good customer-centred services is the philosophy of: 'doing what you say you are going to do, when you say you will do it; and get it right first time'. Linked to this, and just as important, is the 'how' we do it. As a values-driven organisation, the 'how' we carry out our business is vitally important to us and throughout our service excellence journey we have worked as a team with our Board, our residents and our staff to improve services. This team approach has led to a unique blend of targets, standards and involvement that saves us time and money and leads to first class service delivery.



Clear service standards

In order to deliver a service with minimum waste it is important to provide clarity for both customers and staff about what we can and can't do. Our customers have told us what is important to them and our refreshed service standards focus on keeping customers informed; personalising responses and tailoring services; resolution of issues; and reliability and responsiveness.

Key targets	Outcomes
The production of easy to read and accessible standards for customers and staff	On-going – our service standards have been refreshed and re-launched following consultation with residents and staff
A programme of Housing Fundamentals training for all our staff	On-going – training has been developed and will continue to roll out in 2015-16
To develop flexibility in our offer where customers request it and it achieves better VfM and customer satisfaction	On-going – key part of our VfM strategy
To ensure our standards are adaptable and appropriate for vulnerable individuals and those who may need more support	Achieved – Vulnerable Persons strategy launched May 2013 and is being applied across all resident groups
To use our business and customer intelligence on impact, cost and affordability to drive improved standards	On-going – developing suite of indicators to demonstrate performance improvements for customers and inform operational decisions





Valued customer experiences

There are clear reasons why, like any other successful business, we need to focus on the customer experience. Our commitment to deliver right first time will help improve cost efficiency as well as having a positive impact on our reputation and customer satisfaction. We see our staff as our customers too and creating positive and productive environments where people want to work assists with employee retention and motivation which in turn provides an improved experience for residents.

Key targets	Outcomes
Establishing a Customer Insight team	On-going – external consultants provided initial direction
Customer Experience Fundamentals training for all staff	On-going – training and learning experiences being developed, although delivery is now anticipated in 2015-16 (within strategic target but later than originally anticipated due to competing priorities)
Greater accessibility and self-service options	On-going – initiatives to improve website access and offer automated telephone payments are underway. The improved arrangements will be in place by January 2016
Increased customer satisfaction	Achieved - Using complaints resolution as proxy measure

Our involved residents undertook an audit of our performance against the HCA consumer standards and reported their findings to the Residents' Forum and the Board. Overall feedback was that the residents were happy with our performance which met the key requirements of the consumer standards. They made recommendations for discussion with the Residents' Forum and following that discussion we agreed to implement the principal recommendations. One recommendation that did not receive full support was to introduce a charge where residents failed to keep repairs appointments but it was agreed, after discussion, that this could be divisive and costly to implement and manage at this stage although will be kept under review.

Last year the recommendations from the residents' audit covered two areas:

- Home
- Tenant involvement and empowerment



This year's audit focussed on these areas and in particular on action taken on the recommendations below:

HCA standards	2013- 2014 Recommendations	2014-15 Assessment
Home standard Repairs and maintenance	<p>Continue to ensure the performance of the first time fix rate for repairs improves and meets their target</p> <p>Ensure technicians call ahead when on their way to a repair appointment</p> <p>Offer the 3rd appointment slot publicised</p>	<p>Very close to target and continually monitoring</p> <p>Through shadowing there was evidence that this practice is not always followed and needs future monitoring</p> <p>Fully implemented</p>
Home standard Aids and adaptations	<p>Once implemented, adhere to the Performance Indicators for aids and adaptations</p> <p>Capture feedback from the residents using the aids and adaptations service to help continually improve the service</p>	<p>Only recently been introduced and too soon to show regular adherence to the KPIs although initial results are positive</p> <p>Data is being collected and feedback used to inform service improvement</p>
Tenancy involvement and empowerment standard	<p>To monitor the impact of new policies/strategies for:</p> <ul style="list-style-type: none"> • Customer complaints • Equality & Diversity • Vulnerable Persons 	<p>Customer complaints policy reviewed and implemented with further training being carried out for staff</p> <p>Strong evidence of compliance with new Equality and Diversity strategy including a dedicated Working Group made up of staff and residents</p> <p>The Vulnerable Persons Strategy reflects best practice and is fully implemented</p>





Excellent staff

We recognise that the success of our business depends on the quality of our managers and staff and we identified key targets to achieve:

Key targets	Outcomes
Promote and celebrate Team Paradigm and our colleagues	Achieved – following a successful Staff Conference in 2013 we have continued to celebrate success through individual and team awards. We were proud to be shortlisted as Apprentice Employer of the Year in the Buckinghamshire Business Awards (May 2014)
To have a comprehensive training strategy from induction to leadership development	On-going – we have continued to support apprentices in our property services team, with a further six joining during the year. Across the business, introduction of aspiring manager training has strengthened leadership development
To introduce a new Total Reward strategy	On-going – most elements have been introduced as planned although it continues to be reviewed and refined. We plan to introduce Total Reward Statements in 2016
To introduce and embed the new governance structure and to carry out a thorough governance compliance assessment	On-going – internal audit’s compliance review (originally planned for 2014-15) has been deferred, at their suggestion, to the 2015-16 Plan.

Benchmarking and performance

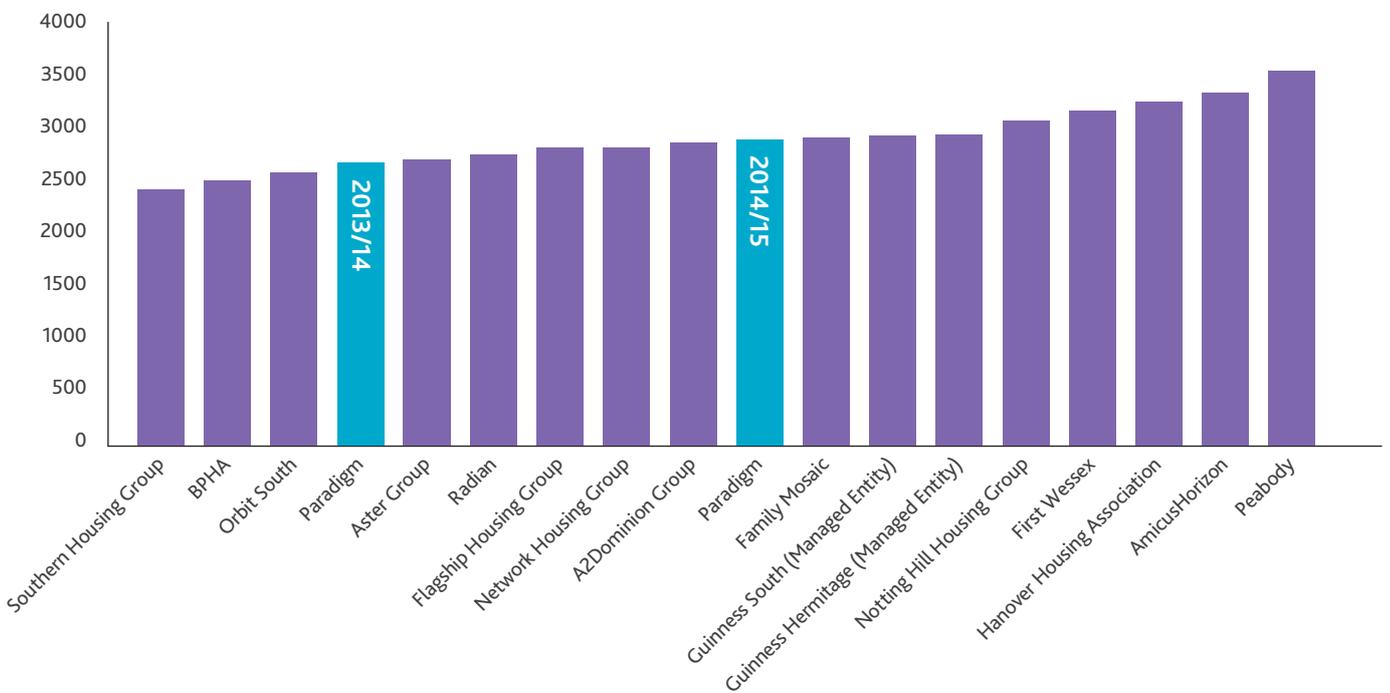
In common with many other Registered Providers, Paradigm uses HouseMark to benchmark performance in housing management and maintenance services, although we recognise there are limitations in this benchmarking as it excludes shared ownership and temporary housing activities, both of which are substantial parts of our business. We use trend analysis and set targets with the intention of delivering ‘upper quartile’ services.



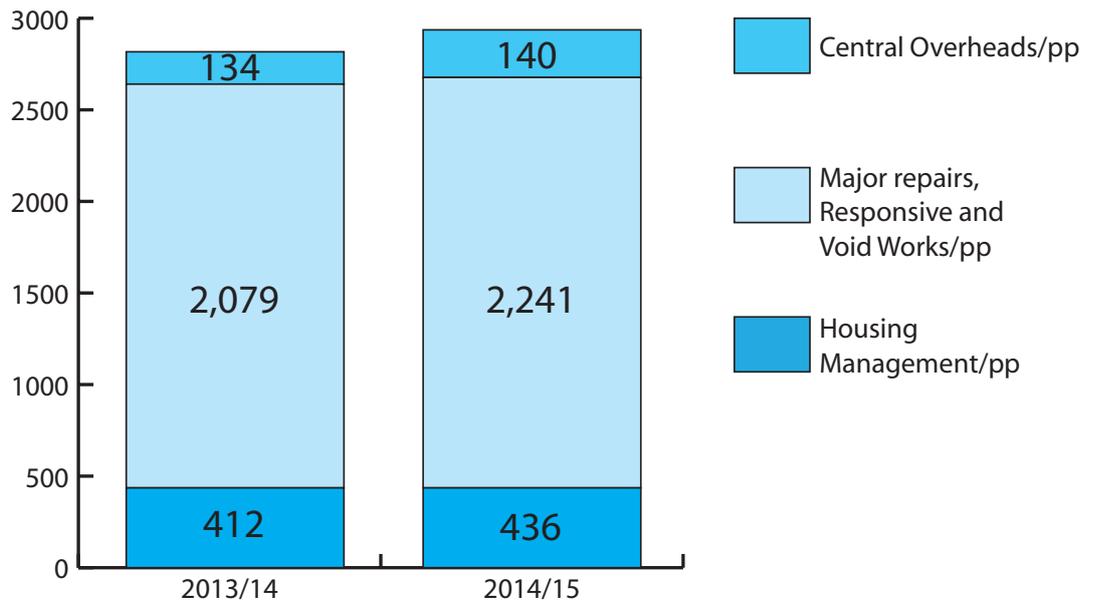
As part of the benchmarking process, we compare the cost and performance of our services against a regional data set and then a wider all-England peer group of traditional and large-scale stock transfer housing associations (over 200 associations). Whilst there are challenges in terms of specific performance outcomes that are influenced by organisational size or footprint, we believe the principle of the involved organisations all striving for better performance means that the targets naturally become harder to achieve.

We review key performance indicators at all housing and maintenance committee meetings throughout the year and in greater depth with the Residents' Forum and Board members twice a year. At the winter meeting we agree new targets for the following year.

At a detailed level, against 16 other Registered Providers in London and the South-East our total 'cost per property (cpp)', including major works, is £2,817 (2014: £2,625) with the increase reflecting greater spend on planned works to improve property insulation as well as reactive repairs relating to storm damage early in 2014. The HouseMark data against which we benchmark is not readily available until November and therefore we can only show the 2013-14 comparative information from other landlords.



Our costs have increased this year, mainly driven by exceptional weather impacts on our repair costs. We continue to challenge ourselves regarding cost of service and our target 'cpp' indicator for 2015-16 is to achieve upper quartile against the 200+ other housing associations.

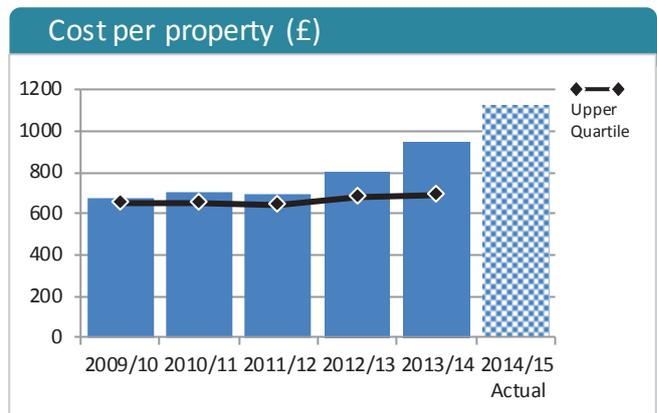
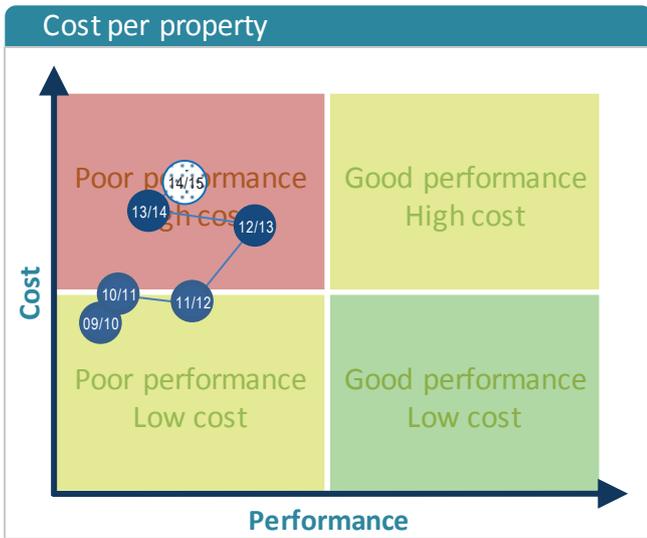


Responsive repairs and void works

Paradigm continued to invest in a Property Services team who manage all investment, planned and responsive maintenance and where 76% of all jobs are undertaken by in-house technicians, the remainder being outsourced to sub-contractors who specialise in certain types of work such as kitchen and bathroom replacement, roofing or wall insulation. In some areas we have pro-actively increased the proportion of work delivered by our own technicians, improving utilisation as well as control and influence over timing of works. Key areas affected have been kitchen and bathroom replacement and central heating boilers.

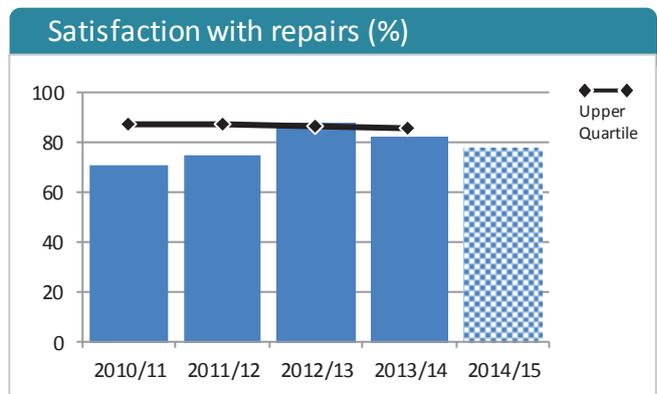
The cost of responsive repairs remains high by comparison to other providers and as noted above is higher than last year, with poor weather in the early part of the financial year a key factor. However our performance is improving as shown in the 'bubble chart' below.





Quartile position					
	10/11	11/12	12/13	13/14	14/15
Cost per property	£707	£698	£796	£944	£1121
Upper Quartile	£651	£643	£680	£691	n/a
Benchmark	Q2	Q2	Q3	Q3	Q3*

* Forecast



We will implement appropriate measures to understand and reverse the trend of cost increases with targets for 2015/16 to:

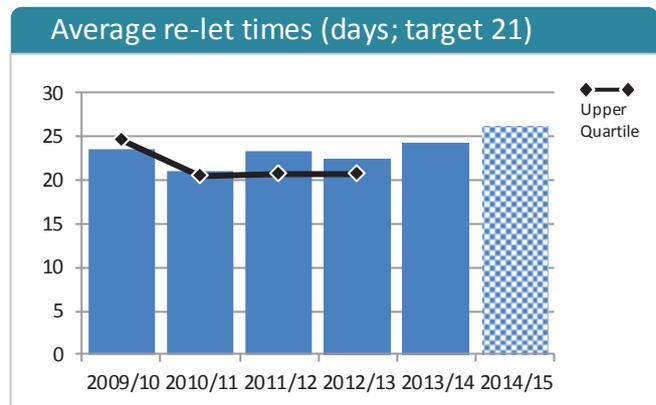
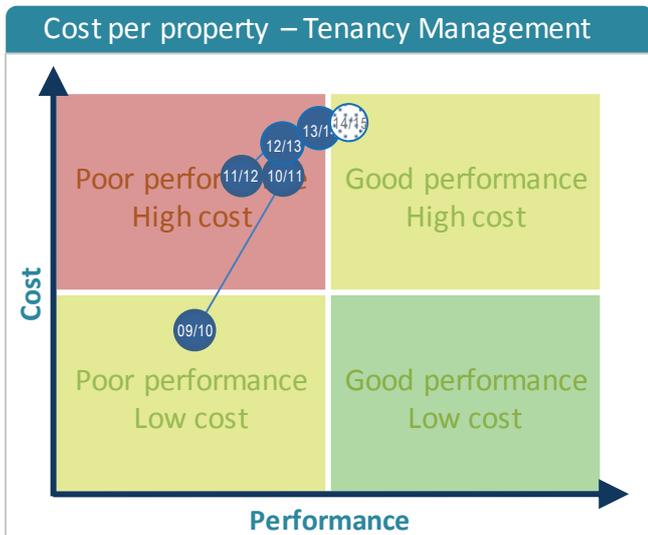
- Undertake a full stock condition survey, to be complete by July 2016, to inform a review of our asset management strategy to ensure that future maintenance spend is directed at those properties most in need, with planned disposal of properties that are uneconomic to retain
- Refine the voids and lettings process to reduce the time properties requiring major works are empty and losing income.
- Continue to renegotiate most major supply contracts, ensuring maximum quality and VfM. The first of these is the gas servicing contract which is expected to generate annual savings of over £100k per year
- Building on the success of the gas servicing dashboard which uses real-time information to inform 'lead' performance indicators ensuring 100% gas compliance, to develop online dashboards to manage the efficient use of our resources, minimising cost and maximising customer service



Lettings and voids process

Average relet times increased in 2014-15 to 26.2 days, from the previous year's 24.3 days. Our target is 21 days and since the year-end our performance in this area has steadily improved towards the target figure. The voids and lettings dashboard introduced towards the end of the year has contributed to a more streamlined process which in turn has led to better performance and an improved experience for both staff and customers.

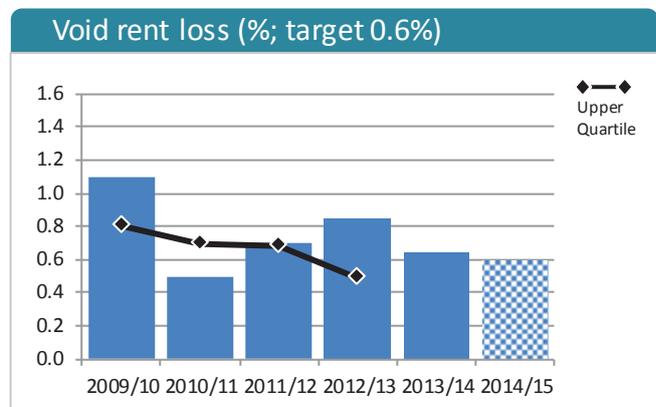
During 2014-15 we relet 804 homes and supported 188 mutual exchanges. These figures were an increase from the previous year and reflect further success of the 'management moves' initiative that helped 58 households move to more suitable accommodation. We have continued to experience impact of the welfare reforms and in particular spare room subsidy and the benefit cap, although fewer of the moves this year were directly linked to the impact of the reforms on our residents. We anticipate the number will increase as local authority subsidy to cushion the impact of the reforms on individuals is withdrawn.



Quartile position – Tenancy

	10/11	11/12	12/13	13/14	Actual 14/15
Cost per property	£138	£137	£243	£249	£278
Upper Quartile	£79	£83	£54	£73	n/a
Benchmark	Q3	Q3	Q4	Q4	Q4*

* Forecast

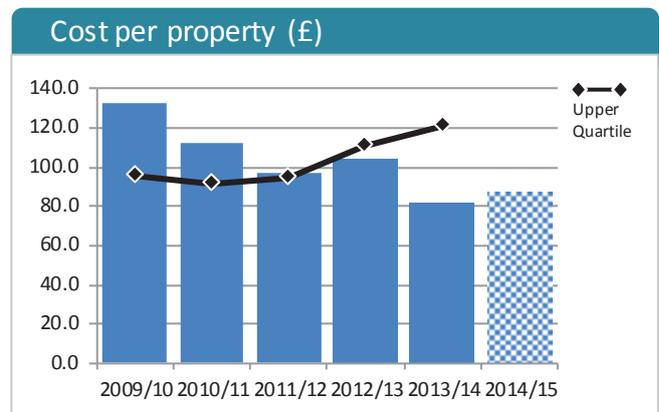
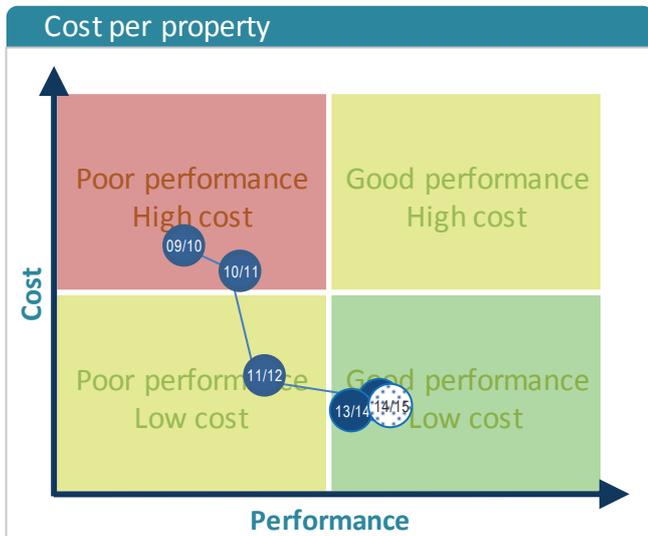


Arrears

As reported last year our rent arrears have steadily reduced since September 2012 following the introduction of a streamlined recovery process under which the recovery starts promptly so that the likelihood of large arrears balances building is reduced.

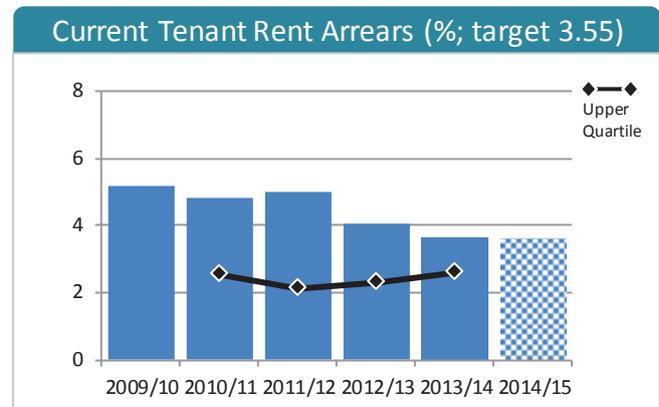
The cost of arrears recovery increased slightly in 2014-15 to £87 per property – still a substantial reduction from 2012-13 levels (see below). We are continuing to challenge ourselves to reduce arrears, even in a time of economic hardship for many of our residents who are affected by the welfare reforms introduced over the past five years and continuing over the next. Our target arrears (general needs and housing for older people) were 3.55% during 2014-15. We are currently targeting 3% and anticipate the target may reduce further by the end of the current financial year.

Whilst reducing the arrears target, we aim to maintain the Upper Quartile performance in cost per property and demonstrate on-going efficiency in arrears recovery.



Quartile position					
	10/11	11/12	12/13	13/14	14/15
Cost per property	£112	£97	£104	£82	£87
Upper Quartile	£91	£94	£105	£102	n/a
Benchmark	Q2	Q2	Q1	Q1	Q1*

* Forecast



Conclusion

Paradigm's VfM Statement has been designed to demonstrate our holistic approach to achieving VfM. We do not see this as a 'one-off' statement but rather a report of our successes in the past year and on-going improvement plans designed to strengthen the effectiveness of our services whilst controlling and in some circumstances reducing costs.

Our overall commitment to VfM is referenced in a number of corporate documents (rather than restricted to this Statement) including: Our Strategic Aims 2013-18; Annual Report and Financial Statements; and Annual Report to Residents, highlighting the different ways we embrace VfM.

We have not yet achieved all our targets and the Board and Executive are focussed on meeting the targets set out in this statement. In some instances we have achieved and are exceeding the objectives and have set more challenging targets going forward (for example rent arrears). We will continue to take this approach in future as we continue our VfM journey.





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