

Press release: Regulator publishes a response to the Value for Money consultation

Following a [statutory consultation by the Regulator of Social Housing](#) a new Value for Money Standard and a supporting Code of Practice, which will apply to all private registered providers of social housing, will come into effect on 1 April 2018.

Alongside the new Standard and Code the regulator is publishing value for money metrics that providers will be expected to report against. To meet its statutory objective to be proportionate and minimise interference, the metrics are based on information collected through the providers' existing Annual Accounts regulatory return and drawn from the pilot undertaken by the Sector Scorecard Working Group.

Generally respondents welcomed the move away from a narrative approach of VfM reporting to more focused reporting, and understood and supported the metrics approach that RSH had proposed.

From 1 April 2018 private registered providers will no longer need to produce a VfM self-assessment and should meet the reporting requirements of the new Standard. While the value for money metrics which are applicable to all, are financially focused, providers will be able to also set performance targets themselves to reflect social outcomes, appropriate to their objectives.

The Standard requires providers to publish performance evidence in their annual accounts against their own metrics and those defined by the regulator, and report how that performance compares to peers. Providers will be free to report outside of the accounts in a way they see fit if they consider this increases transparency with stakeholders.

Simon Dow, Interim Chair of the Regulation Committee said:

Thank you to everyone who contributed their views to our Value for Money (VfM) consultation and the separate Technical Note on metrics. Overall, the responses have been very positive and the strengthened Standard now sets out a clear expectation that VfM should be a key strategic consideration for boards.

The new approach will assist with scrutiny and consistency over the information reported, enable a greater focus on outcomes, and help continue to drive improvements in value for money in the sector. As is already our practice, we will seek assurance through In Depth Assessments that registered providers are putting the Standard in practice.

A [decision statement](#), outlining the analysis of consultation responses received, has been published on the Gov.uk website. It includes the final version of the VfM Standard and Code of Practice.

The [VfM Metrics Technical Note](#) is also published on a separate page of the website.

1. There were 174 completed responses to the statutory consultation which ran from 27 September 2017 to 20 December 2017. The regulator also consulted extensively with sector representative bodies.
2. The [Sector Scorecard](#) is a voluntary approach that has been adopted by a large proportion of the sector as piloted by the [Sector Scorecard Working Group](#). The new VfM Standard does not oblige providers to adopt the Sector Scorecard. However, the Standard expects that providers will also report on performance targets based upon their own strategic objectives, and if providers wish to draw on the sector scorecard in setting such targets they are free to do so. Where the two sets of measures overlap, we have sought to align the calculation of the metrics in order to ensure consistency and avoid any scope for confusion.
3. The regulator's purpose is to promote a viable, efficient and well-governed social housing sector able to deliver homes that meet a range of needs. It does this by undertaking robust economic regulation focusing on governance, financial viability and value for money that maintains lender confidence and protects the taxpayer. It also sets consumer standards and may take action if these standards are breached and there is a significant risk of serious detriment to tenants or potential tenants.

For more information visit the [RSH website](#).

Our [media enquiries page](#) has contact details for journalists.

For general queries to RSH, please email enquiries@rsh.gov.uk or call 0300 124 5225.