



BUCKINGHAMSHIRE
NEW UNIVERSITY

EST. 1891



Value for Money policy

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Context

On the 18th of October 2019, the Office for Students issued their Value for Money strategy for 2019 to 2021. This made it clear that Value for Money (VfM) in the Higher Education Sector is 'in the eye of the beholder' or stakeholders. Students are the first priority for VfM and taxpayers are the second.

The relevance of VfM to these stakeholder is as follows:

- **Students** receive VfM when they experience the full benefits of their higher education – both during their studies and afterwards – in exchange for the effort, time and money they invest; and
- **Taxpayers** receive VfM when higher education providers use public money and students fees efficiently and effectively to deliver graduates, from all backgrounds, who contribute to society and the economy.

This policy sets out to address the VfM priorities of these stakeholder groups. In addition, VfM will also be assessed through the objectives which are in alignment with the more traditional definition of VfM based on economy, efficiency and effectiveness.

Responsibility for Value for Money

Council

- As the principal executive and policy-making body of the University, the Council is responsible for VfM. The Office for Students in their Office for Students' value for money strategy 2019 to 2021 Publication (OfS 2019.38) defines their requirements Value for Money under Providers Efficiency as :

'Providers receiving funding from the OfS must comply with our conditions of registration. This includes demonstrating that they have adequate and effective arrangements in place to manage public money appropriately and in accordance with the principle of value for money – it must be used economically, efficiently and effectively'.

Audit Committee

- The Audit Committee is responsible for the VfM Policy. The Audit Committee reports to the Council and alerts the Council on any emerging issues. In addition, the Audit Committee oversees internal audit, external audit and management as required in its review of activities. The OfS audit Code of Practice requires that the Audit Committee state formally in its annual report to the Council whether or not it is satisfied with the VfM arrangements in place. The Audit Committee should provide advice to the Council on the effectiveness of the University's VfM arrangements.
- The Audit Committee is required to keep VfM processes and procedures under review and will receive an annual report on VfM.

Management and Leadership Groups

- The responsibility for VfM lies with all members of staff within Bucks New University and is not restricted to senior management or those with financial responsibilities.
- The University Executive Team is responsible to implement this policy and ensure VfM is being sought and delivered.
- Head of Schools and Directors of Service are responsible for encouraging and implementing good VfM practice within the Schools and Directorates. All Managers have the responsibility to be aware of good practices in their own area of operation and to ensure that these are followed appropriately.

Demonstration of Value for Money

The University has identified the following measures that can be used to demonstrate VfM and these include:

1. Value for Money for Students

Measures the University may use when assessing value for money, include:

- quality of teaching
- fair assessment and helpful feedback
- learning resources such as Library and IT services
- securing a job within six months of graduation
- getting a good grade
- number of contact hours per week
- number of academic staff per student measured by the staff and student ratio and
- the quality of facilities and all other resources provided.

Most of these measures are related to input and output measures and are predominately available from internal metrics, external returns and league tables, including:

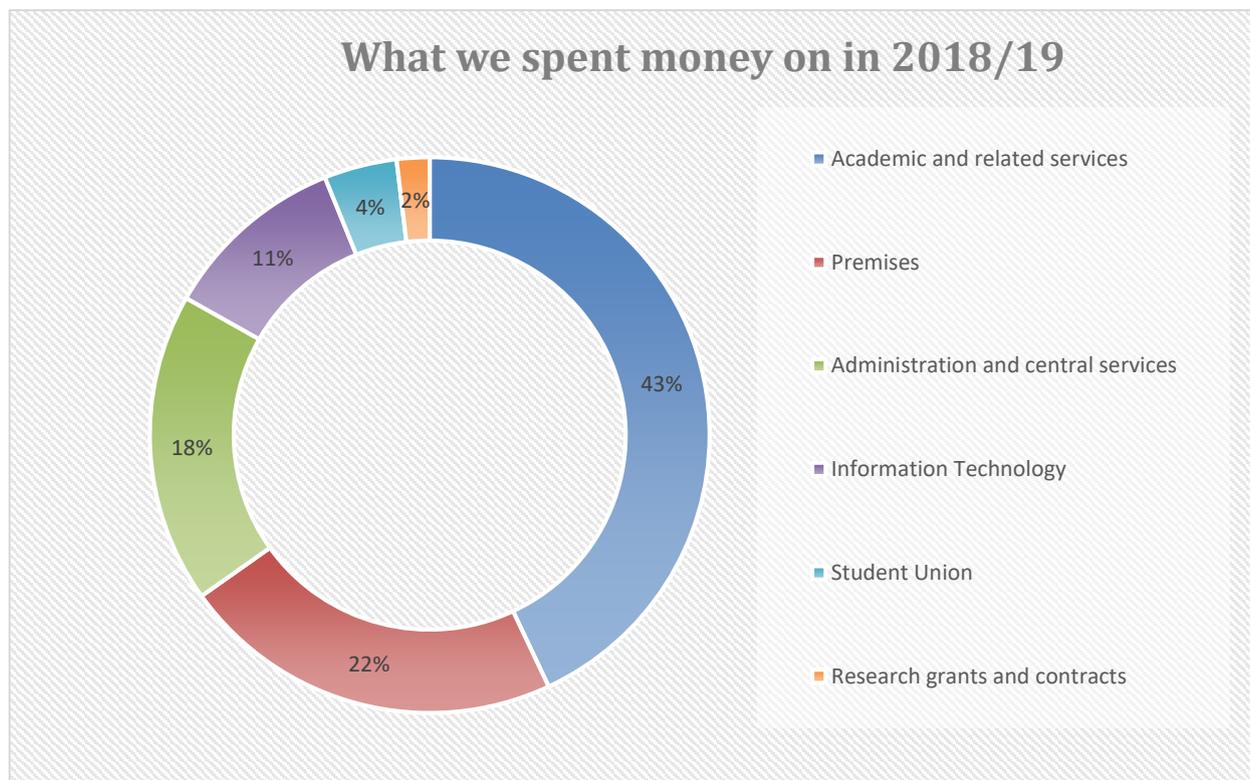
- Impact 2022 KPI Reporting
- NSS student satisfaction
- graduate outcomes survey – progression
- annual HEPI survey and
- Longitudinal Educational Outcomes (LEO) dataset on graduate earnings.

2. Value for Money for Taxpayers

Measures the University may use when assessing VfM will include:

- preparing a breakdown of how the university spends its fee income
- preparing a breakdown of income and expenditure at the University
- comparing the costs of teaching on all courses at the University and
- comparing the University's expenditure with other Universities, using benchmarking.

The table below provides an illustration of where the University spends its income.



3. Economy, Efficiency and Effectiveness

The University also considers VfM in the context of economy (efforts to spend less and utilise fewer resources), efficiency (efforts to spend well) and effectiveness (efforts to optimise the impact of spending) as it seeks to deliver against its strategic goals and objectives, which in themselves guide everything the University does.

Measures the University may use when assessing VfM will include:

- always being cost conscious
- promote processes that drive healthy competition for resources
- ensure the appropriate prioritisation of processes and support resource allocation decisions

- monitor and evaluate procurement buying performance
- take a strategic approach to procurement and
- actively review and manage contracts.

Achievement of VfM

An assessment of value for money can be achieved in a number of ways. For example:

- through benchmarking
- through competitive tendering/seeking of alternative quotations
- through collaborative purchasing contracts
- by using performance indicators
- through guidance issued from, e.g. the National Audit Office
- through conducting VfM studies
- by seeking out and considering the adoption of "best practice"
- through internal audit work
- through the work of the Strategic Development and Planning Directorate
- by continual review of technology available
- by awareness of new, emerging, technology
- by building collaborative partnerships
- through the retention of planning and VfM assessment documentation
- through information and consultation with all staff
- by reviewing the outcomes of an activity
- by ensuring that, in all things, we aspire to "do the right thing correctly, in the right way, first time"
- By planning and implementing activity in accordance with VfM principles, we can demonstrate that we have acted in the appropriate manner required of a publicly funded organisation.

Promoting Value for Money

The main benefits of promoting VfM are:-

a The clarification of objectives - VfM principles give managers a framework with which to assess the objectives of an activity. A VfM assessment should demonstrate that the activity fits in with the University's strategies and objectives and should maximise the chance of achieving the desired ends without unnecessary expenditure and effort.

b Planning - Application of VfM principles ensures that the activity is planned.

c Openness and transparency - Properly documented planning and assessment helps provide a demonstration of achieving propriety as well as VfM.

d Compliance with constitutional, regulatory and legal obligations - Application of VfM principles at the planning stage should consider, and therefore ensure, compliance with statutes and regulations.

e Risk assessment - As inadequate risk assessment can lead to poor VfM, application of VfM principles at the planning stage should help ensure that appropriate risk assessment of the activity has been carried out.

Review

This policy will be reviewed every two years or whenever change affects any part of it.