

DE MONTFORT UNIVERSITY

Value for Money Strategy

1 VfM Policy Statement

- 1.1 De Montfort University (DMU) recognises its responsibility to achieve Value for Money (VfM) from all its activities, however they may be funded. The obligation is enshrined within the HEFCE Memorandum, and HEFCE Good Practice Guide: “Effective Financial Management” and the HEFCE Code of Practice on Accountability and Audit
- 1.2 DMU is committed to the pursuit of economy, efficiency and effectiveness as an integral part of its strategic planning and management. The institution will seek to adopt good practice and incorporate VfM principles in all its activities.

2 Objectives

To meet its commitment to achieving VfM, DMU has set itself the following aims:

- to integrate VfM principles within existing management, planning, review and decision making processes;
- to adopt recognised good practice where this makes sense;
- to undertake VfM studies on areas of activity identified as worthy of review;
- to benchmark the institution's activities against other similar activities and organisations where this is considered achievable and useful;
- to respond to opportunities to enhance the economy, efficiency and effectiveness of activities;
- to promote a culture of continuous improvement by seeking to challenge existing practices to ensure that they are achieving VfM;
- to demonstrate actively to both internal and external observers that the achievement of VfM is sought in all activities undertaken;
- to ensure that all staff recognise their continuing obligation to seek VfM for the institution as part of their routine activities.

3 Responsibility

- 3.1 *The responsibility for VfM lies with all members and staff of DMU and is not restricted to those with resource or financial responsibilities.*
- 3.2 The Board of Governors is required to satisfy itself that VfM is being sought and achieved from the use of public funds. The Board has determined that this institution should extend this principle to all its funds.
- 3.3 The Audit Committee is required, under the HEFCE Audit Code of Practice, to satisfy itself that satisfactory arrangements are in place to promote economy, efficiency and effectiveness and comment accordingly in their annual report to the Board of Governors.

- 3.4 The Vice Chancellors' Group (VCG) has the delegated executive responsibility to put in place arrangements that will ensure VfM is being sought. The VCG have a responsibility to keep the Board and Audit Committee advised of VfM issues.
- 3.5 Managers have the executive responsibility to maintain an awareness of good practices in their own area of operation and to ensure that these are followed appropriately.
- 3.6 All staff should endeavour to seek and achieve VfM in all activities and to bring to management's attention any opportunities for improvement.

4 Review and Reporting

The Audit Committee gives an annual opinion to the Board of Governors on, amongst other things, the arrangements for promoting economy, efficiency and effectiveness (value for money). The Committee forms its opinion on the basis of its own enquiries, on advice taken from Internal and External Audit, on available evidence from management, and on general advice and good practice.

5 Implementation

- 5.1 Achieving VfM must be a key consideration in the planning and management processes at all levels within the University.
- 5.2 VfM should be considered and documented as part of the justification of all new schemes, investments and projects.
- 5.3 As part of the annual planning round, Faculties and Directorates should seek to identify VfM initiatives conducted during the year, and any VfM plans for the future linked (wherever possible) to key objectives.