



The
University
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Evidencing success and identifying opportunity: the role of value for money reports

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Our history of VfM reporting

- 2011 VfM Strategy
- 2011 – 2014 reports
- 2015 review of VfM Strategy
- 2015 – 2016 reports



2011 VfM Strategy

- Followed a 2010 Audit Committee view that “VfM ... was only just adequate“
- New integrated VfM strategy:
 - added as one of the objectives in our Financial Operating Strategy;
 - aligns with all other operating strategies; and
 - uses the existing governance and management committee structures
- Pervade every aspect of activities, regardless of funding source
- Acknowledged that there’s no single VfM measure
- Set clear VfM responsibilities



2011 VfM Strategy

Matrix of Economy, Efficiency and Effectiveness by:

1. Governance & Management
2. Human Resources
3. Use of Facilities
4. Revenue Expenditure
5. Capital Expenditure



2011 VfM Strategy

Seven objectives:

1. Promote VfM throughout the University to all staff
2. Encourage VfM control mechanisms
3. Discourage actions contrary to VfM
4. Identify ways that VfM can be evidenced
5. Ensure best practice is adopted and promote continuous improvement
6. Support a culture where VfM failure is challenged
7. Report VfM to provide assurance of its achievement



2011 VfM Strategy

11 action areas:

1. Communicate and train VfM principles
2. Rigorous planning process
3. Skilled workforce policies
4. Estate and facilities utilisation
5. Robust approach to capital projects appraisal and management
6. Effective procurement policies
7. Enforce budgetary controls
8. Specific initiatives (including those identified by audit)
9. Report annually and reflect
10. Identify measures and benchmarks
11. Adopt a culture of continuous improvement



2011 VfM Strategy

2011 specific initiatives :

1. Sharing research infrastructure
2. Review pooled teaching space
3. Energy strategy to lead better procurement and energy use reduction
4. Improve ordering through use of e-catalogues
5. Review IT support structures
6. Review contract compliance
7. VfM review of student facing services



2011 – 2014 reports

- Based on responses to a request for good and poor VfM examples and future opportunities
- Reported activity analysed by the 11 action areas (>80 examples)
- A report of ~20 pages and circulated widely (beyond Audit Committee)
- Increasing use of a new Performance Improvement Unit
- Include some detailed case studies
- Reflect sector developments



2015 review of VfM Strategy

- Consider the new 2015 University Strategic Plan and past four years of VfM strategy, action and reports
- Use the HEFCE analysis and feedback (but still no prescribed format)
- All objectives and approach retained, but improvements suggested to their reporting



2015 review of VfM Strategy

Reporting improvements:

- Request for Top 2 actions or initiatives (per area)
- More summary information about the operation of systemic controls and strategies
- More output measures
- Include actions to maximise income
- Report in three categories: cost, efficiency or income
- More future VfM ideas
- Introduce an annual Audit Committee VfM award



2015 – 2016 reports

- Revised approach with collated responses to five new questions
- Lots of summary case studies
- Use of the headline sector metric of indirect cost rates



Summary

- An integrated and strategic approach
- Clear responsibilities
- Wide engagement and communication
- Reflective and evolving reporting both of the past practice and future opportunities