**Value for Money Strategy**

**1.Introduction**

Amity recognises its responsibility to achieve value for money (VFM) from all of its activities and as such is committed to the pursuit of economy1, efficiency and effectiveness. This commitment depends on the University having the staff, skills, structures and systems that will enable the it to change and continually improve its performance and working practices.

The over- arching principle behind VFM is ‘to make the best use of the available resources in order to achieve the desired output and maximise the benefit achieved from that output

Value for Money has three components, economy, efficiency and effectiveness. In the short term it can often be simplified as lowest price or cost but this is a mistake and it is important to try to achieve an outcome that also recognises the efficiency of any process or function and its effectiveness.

**2. Objectives**

To achieve good VFM, we seek:

* to integrate VFM principles within existing planning and review processes and embed the pursuit of economy, efficiency and effectiveness within operational management;
* to respond to opportunities to enhance the economy, efficiency and effectiveness of activities and adopt recognised good practice where this makes sense;
* to undertake VFM studies on areas of activity identified as worthy of review and apply the lessons learned to other areas of the University;
* to promote a culture of continuous improvement;
* to ensure that all staff recognise their continuing obligation to seek VFM for the institution as part of their routine activities;
* to benchmark our activities against other similar activities and organisations where this is considered useful.
* to appraise the University’s operational effectiveness and increase the efficiency and effectiveness of systems and processes
* to embed the pursuit of increased efficiency and effectiveness while maintaining costs to affordable levels throughout all layers of management in the University
* to challenge current practices and approaches in order to improve performance and position the University to meet future challenges.
* To ensure that there is a system for developing implementing and monitoring VFM plans.

The resulting VFM activities will enable the institution to achieve competitive advantage by performing in a way that makes the best use of the resources available,

**3. Governance, Management and Value for Money**

The University has adopted the CUC guidance on the operation of the governing body.
Responsibility for pursuing value for money lies with all members of staff; in a formal sense, the following roles have been agreed:

**AGB** ensures that there are sound arrangements for risk management, control and governance, and for economy, efficiency and effectiveness. It reviews the arrangements for managing the resources under its control; AGB has delegated regular oversight of VFM matters to the Audit Committee.

**Audit Committee** receives assurance during the year that satisfactory arrangements are in place to promote economy, efficiency and effectiveness. It maintains an overview and independent judgment on the effectiveness of the University's value for money arrangements. Its annual report includes its opinion of the arrangements for promoting economy, efficiency and effectiveness. The annual report from internal audit includes an opinion on the University’s arrangements for securing value for money

**Amity Executive Team** is the formally constituted senior management team and is responsible to AGB and Academic Board for the operation of the University including the use of key performance indicators, risk management and value for money activities.

**VFM Steering Panel** have operational responsibilities for developing the VFM plans, identifying resource requirements, co-ordinating work and monitoring progress toward delivering these plans. The group is chaired by the Registrar and comprises the Head of academic Unit, Head of HR and Director of Finance.

**Managers** have the responsibility for reviewing and maintaining good practice in their own area of operation;

**All staff** should endeavour to seek and achieve VFM in all activities and to bring to management’s attention any opportunities for improvement;

Internal Audit will assist the Audit Committee by conducting an annual review to assess the adequacy and robustness of the University’s VFM arrangements and to provide an overall opinion on the arrangements in place to achieve VFM across all key activities. An annual report will be made to the Audit Committee and summarised within the Annual Internal Audit Report.

**4. Approach**

 Amity will seek to achieve VFM across all of its activities in the following ways:

* regularly assess performance against the agreed performance indicators both at senior management team and governing body levels
* benchmark performance against performance indicators externally, and internally by breaking these down to academic and service function level
* investigate areas where the benchmarks suggest that there is underperformance or underachieve to establish how the School can revise its practices and approaches to improve performance
* undertake internal reviews on a periodic basis of particular units
* undertake process improvement reviews in areas that have been assessed by management as falling short in terms of the benefit they are providing to the business Unit
* ensure that appropriate procurement and tendering policies and procedures are in place and adhered to.

This approach will be informed by relevant internal and external data from a wide range of sources including the Higher Education Information Database for Institutions (HEIDI).

**5. Reporting**

The University will produce an annual VFM report each year which will be adopted by Governing Body on the advice of the Audit Committee. This report will outline achievements during the year against key VFM projects, provide a summary of discrete VFM initiatives undertaken and outline future VFM priorities and plans

In line with the Office For Students' code, the annual report must include an opinion on the adequacy and effectiveness of arrangements for:

* Risk management, control and governance and
* Economy, efficiency and effectiveness

Value for money considerations will form part of the agreed audit annual plan on the areas to be reviewed in the year. Value for money considerations will form an integral part of the routine work of the internal auditors. The Internal Audit Team will give an opinion on each investigation on value for money aspects. We will continue to ask the Internal Auditors to undertake specific value for money studies where appropriate. A member of the Internal Audit Team serves on the VFM Steering Group.