VALUE FOR MONEY POLICY, OCTOBER 2023

1. OVERVIEW AND PURPOSE

1.1 This policy supports the Financial Regulations. It sets out the approach of the University in meeting the requirement of the Regulations with regard to Value for Money (VfM) and describes the means by which the principles of the Regulations should be applied in the day-to-day operations of the University.

1.2 As a University which is registered with the OfS we must be transparent about how we deliver Value for Money and publish clear information about how we ensure it. This policy sets out the University’s approach to Value for Money delivery to all stakeholders, and to addressing the relevant requirements of the OfS to ensure that:

- ‘there are adequate and effective arrangements in place to provide transparency about Value for Money for all students and (where a provider has access to the student support system or to grant funding) for taxpayers’ - OfS Public Interest Governance Principles VI
- ‘there are adequate and effective arrangements in place to ensure public funds are managed appropriately, in line with the conditions of grant and the principles of regularity, propriety and Value for Money, and to protect the interests of taxpayers and other stakeholders. This also applies to any funds passed to another entity for the provision of facilities for learning and teaching, or for research to be undertaken’ - OfS Public Interest Governance Principles XII
- the University uses public funds for proper purposes and seeks to achieve Value for Money (VfM) from public funds.

1.3 The policy is also intended to:

- promote transparency, accountability and consequently, Value for Money
- provide clarity of responsibility for the achievement of value of Value for Money and ensure that all staff recognise their continuing responsibility to seek VfM as they carry out their roles
- demonstrate to both internal and external observers how the achievement of VfM is sought in all activities undertaken
- integrate VfM principles within all management, planning and review processes
- align the University’s approach to VfM with the Office for Students’ Value for Money strategy.

2. SCOPE

This policy is approved by the Audit and Risk Committee (ARC) on the recommendation of the Vice-Chancellor and must be adhered to by all members of staff and others connected with the University, as defined in the University Financial Regulations.
The policy applies to all activities that the University undertakes as it delivers against its strategic goals and objectives.

The policy applies to all University funds irrespective of their source except where more stringent requirements are required by a third party, such as the sponsor of a research grant.

3. RESPONSIBILITIES

3.1 Roles and responsibilities

The University expects that everyone at the University takes responsibility for considering VfM in whatever role they play. This includes staff, students and other stakeholders.

Specific responsibilities:

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<td>Council and Council Committees</td>
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| Council and Council Committees, Executive | Shared responsibility to create and embed a culture of Value for Money awareness, regardless of the financial position:  
  - ensure there is an effective VfM strategy and policy in place and that these are integrated seamlessly into the way the University works  
  - seek to ensure that people across the institution (including staff, students or other stakeholders) are encouraged to, and feel confident in, suggesting ways in which efficiency could be improved. |
| Council and Council Committees, Executive, Heads of School (HoS) and Directors of Professional Services (DoPS) and delegated budget holders, management decision making boards and groups | Shared responsibility to create and embed a culture of Value for Money awareness, regardless of the financial position:  
  - ensure VfM strategy and policy are integrated seamlessly into the way the University works  
  - communicate the importance of VfM across the organisation, regardless of the financial position. |
| Council and Council Committees, Executive, HoS and DoPS and delegated budget holders, management decision making boards and groups | Embed VfM in decision making:  
  - embed consideration of VfM in strategic and operational planning and decision making  
  - have regard to VfM whenever they are called upon to review proposals and approve plans and policies |
- ensure transparency and accountability in our operational decision making and planning for the future.

| Council and Council Committees, Executive, HoS and DoPS and delegated budget holders, management decision making boards and groups | Measure and report outcomes to demonstrate VfM:  
|---|---|
| | • ensure that measures of success are built into proposals, plans and policies such that success in achieving the desired outcome can be measured  
| | • measure our performance and evaluate activity and projects to determine if they delivered their intended outcomes and secured VfM, and learn from this. |

| Vice-Chancellor | In accordance with best practice, provide ARC and Council with an annual report and opinion regarding the relevant approach, achievements and priorities of the University with regards to VfM.  
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| Director of Finance | Embed VfM in day-to-day operating:  
|---|---|
| | • ensure that policy and process, financial governance, risk management and internal control systems are in place to support achievement of VfM when using all resources, including those relating to our people, our technology and our space  
| | • ensure adequate training and resources are in place to support staff in meeting their VfM responsibilities. |

| HoS and DoPS and delegated budget holders | Embed VfM in day-to-day operating:  
|---|---|
| | • ensure there are effective systems, processes and controls to ensure VfM is achieved within their area of responsibility  
| | • ensure compliance with the policies with links to the achievement of VfM within their areas of responsibility  
| | • provide the Director of Finance with information required to enable VfM studies  
| | • procure goods and services effectively in accordance with University policy and procedures  
| | • make best use of our staff, office space and technology to carry out our activities at lower cost, or with greater efficiency and effectiveness. |

| Internal auditors | Plan and carry out VfM reviews and provide an annual opinion to Council on the adequacy and effectiveness of arrangements to promote economy, efficiency and effectiveness. |

| Members of staff | Shared responsibility to create and embed a culture of Value for Money awareness: |
• Understand the principles of Value for Money in the University, challenge ways of working and identify ways in which Value for Money could be improved.

Members of Staff

Embed VfM in day-to-day operating:
• undertake Value for Money training and seek additional guidance where required
• comply with relevant policy and process
• be efficient in the use of University resources and ensure Value for Money in the University’s operations and transactions.

4. POLICY

4.1 Our overall policy aim is to manage our resources effectively and efficiently to achieve a world-class standard of teaching and research.

We aim to:

• invest as much of our income as we can to ensure that we are delivering the highest quality teaching possible and achieving the greatest impact possible through our research
• ensure Value for Money for both students, the taxpayer and wider society, by aligning the level of resource provided by the University with the intended quality of the outcome. In doing this we will ensure that we balance our operational priorities with our responsibility to ensure long term organisational sustainability and success.

4.2 How we define Value for Money

The University has traditionally considered Value for Money to comprise of economy, efficiency and effectiveness in the application of its resources to achieve its aims. It has expanded this definition to explicitly include income generation:

• Economy - careful use of resources to save expense, time or effort (‘spending less’)
• Efficiency - delivering the same level of service for less cost, time or effort (‘spending well’)
• Effectiveness - delivering a better service or getting a better return for the same amount of expense, time or effort (‘spending wisely’)
• Income generation - Creating new positive net income streams that bring in additional financial resources to further our charitable purposes.

Whilst it is not included within our core definition of VfM, the University is also mindful of the importance of ‘Equity’, as defined in the HEFCE circular letter 23/2016: ‘Equity – the extent to which services are available to and reach all people for which they are intended (‘spending fairly’).
Equity is particularly relevant to specific bodies and roles within the University who will consider it in their decision making.

4.3 Our strategic aims

The achievement of Value for Money for our stakeholders will be embedded in our strategic planning and decision making to ensure that Value for Money is integrated seamlessly into the way the institution works.

Our current strategic framework (Sussex 2025) incorporates our Value for Money commitments, including:

- our students will receive a transformative, high quality education and learning experience that will allow them to realise the futures that they want and to the benefit of society as a whole (Learn to Transform)
- our research will create new agendas, contribute new knowledge and provide new ideas and solutions that will help to shape the world (Research with Impact)
- we will bring benefits to society at large (Engage for Change)
- we will re-engineer our processes, structures and governance with a special focus on our core professional services of Human Resources, IT, Finance and Estates (Build on Strengths)
- Sussex will be known in the higher education sector for its agility, efficiency, effectiveness and care in enhancing and delivering our academic vision, strategies and priorities (Build on Strengths)
- we will have a confident and agile academic and administrative workforce, which understands its role in delivering the University’s priorities and Value for Money outcomes (Build on Strengths).

4.4 Value for Money for students

The application of our resources to achieve Value for Money for our students is a priority for the University.

The OfS states that ‘Students receive Value for Money when they experience the full benefits of higher education – both during their studies and afterwards – in exchange for the effort, time and money they invest’.

Our priorities are aligned to those identified by the OfS. These include:

- ensuring high quality teaching and delivering an excellent teaching and learning experience
- securing positive employment outcomes for our students
- maintaining the value of a Sussex degree over the long term
- protecting students as consumers
- increasing transparency with regards to how student fees are spent.
In the context of embedding VfM in our decision making this means:

- considering how Value for Money for students could be improved at early stages of decision making, not a bolt on
- reviewing level of inputs, for example student/staff ratios against potential impact on student outcomes – e.g. satisfaction, retention, attainment and employment
- including student satisfaction as a criterion when reviewing the suitability and sustainability of the institution’s academic portfolio and when making other decisions about teaching and teaching delivery
- identifying aspects of student satisfaction and outcome measures and considering how these can be addressed where issues are identified
- implementing a range of feedback mechanisms for students in order to understand and address their concerns
- identifying aspects of student satisfaction and outcome measures and considering how these can be addressed where issues are identified

Our Access and Participation plan 2020/21 - 2024/25 sets out our approach to delivering our overarching aim to ensure equality of opportunity for under-represented groups at all stages of the student lifecycle.

4.5 Value for Money for the taxpayer and wider society

The OfS states that taxpayers receive Value for Money when higher education providers use public money and student fees efficiently and effectively to deliver graduates, from all backgrounds, who contribute to society and the economy.

The benefits for taxpayers and for society as a whole are seen through lower rates of unemployment and crime, higher tax revenues, and increased levels of knowledge, better levels of health and wellbeing, and civic participation (including volunteering).

By ensuring positive outcomes for individual students we ensure that taxpayers receive Value for Money. We endow our students with the skills needed to become the high-quality labour force and leaders required for the future development of the UK’s economy and society. We monitor employment outcomes to check that students are leaving with the skills and knowledge that they need.

Where possible we work with employers and professional bodies to develop and modify courses – considering both course content and how courses are delivered. We consider curriculum design and the provision of placements, as well as careers advice.

4.6 Governance and management structures

The promotion of Value for Money is embedded in our governance and management structures - Appendix 4 to this policy sets out more information.

All relevant decision-making bodies address their roles in delivery of Value for Money in their terms of reference and report annually on their performance.
Audit and Risk Committee and the Executive receive reports from our internal auditors on the outcome of VfM reviews and ensure that recommendations are acted on.

4.7 Measuring and reporting Value for Money outcomes:

Measures of success are built into proposals and plans to invest our resources and when considering relevant policies. Committees and decision making bodies ensure that they are using internal and external information to measure and monitor both the way we apply our resources and the outcomes (e.g. in internal and external student surveys, the Research Excellence Framework). We use this approach to determine if we delivered our intended outcomes and secured Value for Money and learn from this.

We use appropriate benchmarks, such as Transparent Approach to Costing (TRAC) to understand the cost of activities in comparison with other similar providers to help determine where we can improve the Value for Money to students and taxpayers.

We are transparent about how we deliver Value for Money for students and for taxpayers, publishing information on our income and expenditure to allow students and the public to hold us to account and challenge the way in which fees and funding are being spent.

5. LEGISLATION AND GOOD PRACTICE

The OfS requires that Council ensures that the University uses public funds for proper purposes and seeks to achieve Value for Money from public funds. To support this the Audit and Risk Committee provides an annual opinion on the adequacy and effectiveness of the arrangements for promoting economy, efficiency and effectiveness.

This is informed by an annual report from the Vice-Chancellor and by our internal auditors who plan and carry out VfM reviews and provide an annual opinion to Council on the adequacy and effectiveness of arrangements to promote economy, efficiency and effectiveness.

Review / Contacts / References

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<td>Audit and Risk Committee</td>
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<td>October 2025</td>
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| Related internal policies, procedures, guidance: | Appendix 1 ‘Value for Money in day-to-day purchasing – a guide for University staff’  
Appendix 2 - Draft Value for Money checklist for Council and Council committees, the Executive, management decision making boards and groups  
Appendix 3 - Template Value for Money checklist for major projects  
Appendix 4 - Governance and management structures |
| Policy owner: | Finance |
| Lead contact / author: | Sian Thomas, Deputy Director of Finance |