

IBCM Value for Money Policy

1. Introduction and Purpose

International Business College Manchester (IBCM) is a College of Further and Higher Education with a vision to be the leading Higher Education specialist college in the North West of England. At the heart of all the College's activities is the student experience. We recognise that students need to be confident that the money they pay is being used to make sure that their study programme at IBCM provides them with maximum benefits, both immediately and throughout their lives.

The benefits of gaining qualifications such as those offered at IBCM are numerous, both in terms of future careers and also in terms of personal development and the wider contribution that students can make to society. This policy statement will therefore provide the reassurance required by students and other stakeholders that IBCM recognises and takes seriously its responsibility to achieve Value for Money in all aspects of its operation.

The policy aims to:

- Integrate and enable the adoption of VfM principles within existing management planning and review processes;
- Adopt recognised good and best practice;
- Provide the opportunity to enhance the economy, efficiency and effectiveness of all IBCM activities
- Promote a culture of continuous improvement
- Ensure that financial savings for IBCM will be achieved without compromising any aspect of the quality of service delivery;

2. The concept of VfM

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 is a term used to assess whether or not an organisation has obtained the maximum benefits from the goods and services it acquires and provides, within the resources available to it. VfM not only measures the cost of goods and services, but also takes account of the mix of quality, cost, use of resources, fitness for purpose, timeliness and convenience to judge whether or not, together, they constitute good value.

The Office for Students value for money strategy 2019 – 2021 (<https://www.officeforstudents.org.uk/publications/value-for-money-strategy/>) 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
- 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 strategy further indicates that the primary measure of value for money 'will be based on the perceptions of students and graduates' and that the OfS 'will monitor progress without imposing its own definition of value for money'

IBCM believes that the diversity of perspectives on what VfM means makes it difficult to assign its definition to a single algorithm or statement and that VfM could mean a variety of things to different people. For this reason, IBCM will adopt a broad and contextual view whereby VfM is considered with regards to economy, efficiency and effectiveness as it seeks to deliver against its strategic goals and objectives, through reference to a variety of metrics and narratives.

3.0 Responsibilities

The Board of Governors is required to satisfy itself the VfM is being sought and achieved and that this will be assured through an audit working group or similar body as identified within the Terms of Reference.

The Executive Committee is tasked with putting in place arrangements for obtaining VfM, in line with the strategic objectives and to respond to opportunities that will enhance economy, efficiency and effectiveness.

All Staff are expected to ensure the principles of VfM are applied in the use of all resources and the delivery of services under their control.

4.0 Policy Principles

In conducting business the following principles apply:

In relation to achievement of **economy**:

- Always be cost conscious
- Promote processes to drive healthy competition for resources
- Ensure appropriate prioritisation processes support resource allocation decisions
- Monitor and evaluate procurement buying performance

In relation to achievement of **efficiency**:

- Make evidence-based decisions
- Ensure resource utilisation is proportional to the objective in mind
- Simplify wherever possible and avoid duplication of effort
- Take a strategic approach to procurement
- Actively review and manage contracts

In relation to achievement of **effectiveness**:

- Conduct timely, accurate and relevant performance reporting against objectives
- Review and manage resource allocation in the context of risks and opportunities
- Be prepared to innovate, adapt and experiment
- Be accountable and transparent.

5.0 Version History

Version	2.0
Originator	Mark Harrington/Debby Dawson
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