**Value for Money (VFM) Statement 2018**

The University Council’s responsibility for value for money is set out in Regulations of Council (Regulation II.8), which list the Council’s functions, including:

> ‘[to] be the principal financial and business authority of the University, to ensure that financial control and risk management procedures are robust, to approve the annual budget and financial statements, and to have overall responsibility for the University’s assets, property and estate, including ensuring value for money;’ (8.12).

Regulations of Council (Regulation II.11.2) list the duties of the Audit Committee, including ‘To satisfy itself that satisfactory arrangements are in place to promote economy, efficiency and effectiveness and for the management and quality assurance of data submitted to HESA, the Office for Students, the Student Loans Company and other funding bodies.’ (11.2.1(j)).

Audit Committee exercises a monitoring role in relation to Value for Money, to ensure the University maintains adequate and effective arrangements in respect of all expenditure regardless of the source of funds. The Internal Auditors take account of Value for Money issues as part of their routine system-based auditing, with any relevant issues being examined and reported. Internal audit reports explicitly address, and report on, VFM or are designed to include VFM themes within the audit objectives.

The University’s Financial Operating Strategy identifies the adoption of a VFM Strategy as a financial objective for the University, and in 2010-11 the University adopted a Value for Money Strategy. This strategy contains 7 VFM objectives and a series of actions identified as a mechanism for achieving these objectives. Audit Committee receives an annual report which is also circulated to Finance Committee and Council for information. Although the Office for Students have confirmed that there is no formal requirement to include an Annual VFM Report in the Annual Accountability Return, the University will continue to produce such a report. Its format shall evolve to meet any updated guidance from the OfS or UUK.

The reporting on VFM also complements the reporting on Procurement activity and savings provided to both Audit Committee and Finance Committee. These include updates on progress made towards achieving the objectives set in the Procurement Strategy and a summary of planned activity.

The University’s annual Commercial Report is reviewed in detail by the Finance Committee and received by Audit Committee for information.

As part of the University’s financial reporting it prepares a summary of the sources of underlying income and areas of expenditure which is made available online:

https://www.sheffield.ac.uk/finance/finstatements

Audit Committee has confirmed in its annual report that it is of the opinion that the University’s arrangements for economy, efficiency and effectiveness (VFM) are adequate (i.e. suitably designed) and effective (i.e. the controls are operating as designed).