

Introduction

The Royal College of Music (RCM) recognises its responsibility to achieve Value for Money (VfM) from all its activities.

The RCM is committed to the pursuit of economy, efficiency and effectiveness as part of its overall aims and objectives. The RCM will seek to adopt good practice and incorporate VfM principles in all its activities.

The RCM ensures that it conducts its business in a way that extracts the maximum benefit from the resources available. VfM not only measures cost, it also takes into account quality and fitness for purpose to determine whether goods and services represent good value. The College seeks to determine if it is operating:

- 1. Economically – using the minimum level of resources for a given service level*
- 2. Efficiently – maximising its delivery of services within a given level of resource*
- 3. Effectively – taking the most appropriate actions to meet its objectives*

The VfM Strategy & Policy forms a key component of the wider framework for ensuring the College is well managed, and that the culture of the RCM is one where continuous improvement is sought out by staff.

Objectives

- To achieve good VfM, the RCM has set itself these objectives:
- To integrate VfM principles within existing management, planning and review processes.
- To adopt recognised good practice where this is appropriate.
- To benchmark RCM activities against other similar activities and organisations where this is considered useful.
- To respond to opportunities to enhance the economy, efficiency and effectiveness of activities.
- To promote a culture of continuous improvement.
- To demonstrate actively to both internal and external observers that the achievement of VfM is sought in all activities undertaken.
- To ensure that all staff recognise their continuing obligation to seek VfM for the RCM as part of their routine activities.

Roles and Responsibilities

Council

1. RCM Council has overall responsibility for VfM. In particular, Council has a duty imposed by the OfS conditions of registration and conditions of funding. Council, however, delegates regular oversight of VfM matters to the Audit & Risk Assurance Committee.

Audit & Risk Assurance Committee

2. Audit & Risk Assurance Committee, on behalf of Council, ensures that reasonable processes and practices are in place in the course of its general business to ensure that VfM is being achieved, and keeps this Strategy and Policy under periodic review. Audit & Risk Assurance Committee receives reports from the Directorate and internal auditors (at least annually) on VfM activities. The reports received enable Audit & Risk Assurance Committee to discharge its duty to report formally to Council on whether or not it is satisfied with the arrangements in place to promote VfM.

Finance & General Purposes Committee

3. F&GP seeks to ensure that VfM is taken into account in proposals which have a budgetary dimension.

Directorate

4. Members of Directorate have individual and collective responsibility for VfM. The Directorate as a whole has overall responsibility for ensuring practical steps are taken to achieve VfM across the range of College activities. The Directorate ensures VfM is considered as part of all initiatives and promotes a culture of continuous improvement.

Role of Director

5. The Director provides leadership on VfM matters and will actively promote the culture of continuous improvement.

Role of Deputy Director

6. The Deputy Director has responsibility for keeping the Audit & Risk Assurance Committee and Council advised on VfM matters. The Director of Finance & Technology advises the Deputy Director that VfM arrangements satisfy the requirements of the Financial Strategy.

Role of Directorate Members

7. Directorate members are responsible for ensuring adequate consideration is given to VfM arrangements in the departments/areas for which they are responsible and, where appropriate, disseminate information and actively encourage the spread of best practice. Directorate members are also expected to ensure that VfM considerations are given sufficient priority at an early stage in the planning process, such as, when strategies are being developed.

Role of Internal Auditors

8. The internal auditors are expected to conduct all audits in a manner that meets the objectives of the VfM policy. VfM considerations should influence the scope of the annual audit programme and the scope of individual audits. Where appropriate the College will also commission specific VfM studies from the Internal Auditors.
9. The internal auditors will provide a written opinion on the College's VfM arrangements which will be reported to the Audit & Risk Assurance Committee, Council and ultimately the OfS.

Role of External Auditors

10. The external auditors are expected to comment on VfM arrangements as part of the external audit programme.

Role of Heads of Departments/Areas

11. Heads of Departments should:
12. Implement policies and initiatives that have a VfM dimension as agreed by the Directorate and approved by Audit & Risk Assurance Committee on behalf of Council.
13. Ensure there is a continual review of the most significant aspects of the department's operation to ensure VfM is being achieved.
14. Provide adequate information in a timely manner on the status of VfM arrangements, as and when required.

Role of all staff

15. There is a general duty on all staff to ensure that VfM in the use of resources and the delivery of services is achieved.

Review of Policy

16. The Policy will be reviewed at least every 5 years by the Directorate, and amendments will be reported to the Audit & Risk Assurance Committee for approval.

Deputy Director

Kevin Porter

2008, reviewed July 2019, last reviewed July 2025

Reviewed by

Audit & Risk Assurance Committee, May 2020, October 2025

Finance & General Purposes Committee, June 2020, October 2025

Approved by Council

July 2020, November 2025