

Supporting public accountability: presenting income and expenditure information to current students

In March 2014 HEFCE and the British Universities Finance Directors Group provided guidance to institutions on improving access to their financial information (Circular Letter 06/14). This is one of a set of five case studies published in January 2015 to illustrate the solutions adopted and how institutions developed these.

University of Sheffield

The University of Sheffield is a long-established teaching and research institution in South Yorkshire. A member of the Russell Group of research-intensive universities, it hosts 26,000 students and more than 1,300 members of academic staff across 50 academic departments and 82 research centres. It has total income of over £500 million per year and recently took the top position in the Times Higher Education student experience survey.

The University had already given thought to how to present financial information more effectively to staff and students. In particular, it was keen to explain the need to generate a modest financial surplus each year, so that funds can be reinvested in the University and its facilities.

In order to appeal to the widest possible audience, the finance team decided to present a range of financial information using an 'infographics' approach. This includes a breakdown of income and expenditure across different categories that are already used widely in the University's financial reporting processes, an explanation of the operating surplus and how it is used, and a small number of key financial performance indicators.

Helen Dingle, the University's Director of Finance, and Vicki Jackson, Assistant Director of Finance with responsibility for financial reporting, started by looking at different sorts of infographics, to decide what they liked and what they did not. They then developed an initial draft of their ideas, which they refined with the specialist support of the University's Corporate Affairs team. Their focus remained, though, on the information needs of the staff and student audience.

The finance team shared its infographic design, complete with data for the 2012/13 academic year, with relevant committees, whose membership includes the President and Development Officer of the University's students' union. The team also shared the design with Heads of Department and other major committees. This included the Senate Budget Committee, which brings together representatives of academic staff, professional services staff and the Student Union. The design was received positively, with a strong consensus that it was informative, engaging and easy to use.

The University published the 2012/13 figures on its website straight away and has now published a similar infographic with 2013/14 financial information. The 'Financial Results Infographic 2012/13' is available to download from the [University Annual Report and Financial Statements web page](#). (The information was signposted with a link on the University's main homepage for a limited period. The infographics will also be shared with Heads of Departments, University committees and colleagues within the finance team for wider circulation.

With the infographic reporting template now set up, it will be relatively straightforward for the University to update it in future years. The finance team is now also considering how it could use social media, such as Twitter, to communicate more effectively with students in respect of

financial information. It has also started to give thought, following the positive response to its infographics, to how a similar approach could be integrated into its other financial reporting processes, such as the monthly financial management information.

Reflecting on their work to date, the University's finance team emphasise the importance of knowing at the outset what you want to achieve, focusing on the intended audience for the financial information and what this audience will want or need to know. Think carefully about the messages that you want to communicate, they advise, and what you want to end up with in terms of content and visual presentation. Get feedback on your initial ideas from people who do not have a financial background. And, critically, make sure that the information you produce adds genuine value to your institution's financial reporting processes.

£517.9m - £497.5m = £20.4m

NET INCOME

TOTAL EXPENDITURE

OPERATING SURPLUS

WHY DOES THE UNIVERSITY MAKE AN OPERATING SURPLUS?



TO ENSURE THAT THE UNIVERSITY'S ACTIVITIES REMAIN FINANCIALLY SUSTAINABLE IN THE LONG TERM.



TO ENSURE THAT THE UNIVERSITY HAS SUFFICIENT RESOURCES AVAILABLE TO REPLACE, IMPROVE AND INVEST IN ITS PHYSICAL ASSETS IN ORDER TO ACHIEVE ITS ACADEMIC STRATEGY.



TO ALLOW INVESTMENT SUCH AS FOR ADDITIONAL STAFF, FACILITIES AND SERVICES.



TO MITIGATE AGAINST UNFORESEEN EVENTS THAT MIGHT JEOPARDISE THE FINANCIAL HEALTH OF THE UNIVERSITY IN THE SHORT TERM.
