

Value for money

What is value for money?

Defn: An economic value is the worth of a goods or service as determined by the market.. en.wikipedia.org/wiki/Value_for_money

Source: (online):

http://www.google.com.au/search?source=ig&rlz=&q=value+for+money#q=value+for+money+definition&revid=1886587416&sa=X&ei=u1qcUcz6EKiRigf_xoDAAQ&ved=0CH4Q1QIoAw&bav=on.2,or.r_qf.&bvm=bv.46751780,d.aGc&fp=6d3ecc3e796eb0b7&biw=1239&bih=835 (22May2013)

A utility derived from every purchase or every sum of money spent. Value for money is based not only on the minimum purchase price (economy) but also on the maximum efficiency and effectiveness of the purchase.

Source: (online): <http://www.businessdictionary.com/definition/value-for-money-VFM.html> (22May2013)

'Value for money' (VFM) is a term used to assess whether or not an organisation has obtained the maximum benefit from the goods and services it both acquires and provides, within the resources available to it. Some elements may be subjective, difficult to measure, intangible and misunderstood. Judgement is therefore required when considering whether VFM has been satisfactorily achieved or not. It not only measures the cost of goods and services, but also takes account of the mix of quality, cost, resource use, fitness for purpose, timeliness, and convenience to judge whether or not, together, they constitute good value.

Achieving VFM is also often described in terms of the 'three Es' - economy, efficiency and effectiveness. The definition of the three Es approved by the Value for Money Committee is as follows:

- **Economy** - careful use of resources to save expense, time or effort.
- **Efficiency** - delivering the same level of service for less cost, time or effort.
- **Effectiveness** - delivering a better service or getting a better return for the same amount of expense, time or effort.

The HEFCE goes on to state that in many areas of activity there is recognised 'good practice' or 'best practice', although this may be contested. In general terms, all organisations want to adopt such good practice as appropriate to their own circumstances, as a recognised way not only of achieving value for money but also of demonstrating that value for money has been both sought and achieved. Good practice will often require a well-planned, thorough and clear approach to an activity. The use of good practice is rarely seen as a waste of effort by those who adopt it, provided that it is adapted to their own circumstances. However, procedures by themselves are not necessarily sufficient, since the achievement of VFM requires an attitude and culture that seeks continuous improvement. The main benefits of promoting VFM principles include: The clarification of objectives. Rather than acting on assumptions about what is required, VFM principles will give managers a proper assessment of the objectives of an activity. This will maximise their chance of achieving the desired ends without unnecessary expenditure and effort. An 'assessment' should also demonstrate that the proposed activity fits in with the organisation's strategies and policies. Where this does not happen, an activity is, by definition, not achieving what the organisation has set out to do. An

assessment will also help end-users to get what they need (which may be different from what they want) to do their job properly.

Source: (online): <http://www.admin.cam.ac.uk/offices/secretariat/vfm/guide.html> (22May2013)

It is essentially a benefit derived from something that you might purchase – in this case, a stamp, stamps, a cover or some other philatelic acquisition.

Value can be represented by:

- Cash value – what you think you might buy/own/sell something for
- Enjoyment
- Investment
- Filling a gap

Something is only worth as much as what someone else will pay for it.

Catalogues are a guide to a commonly agreed cash value but it should be recognised as a guide only.

Something may have a high catalogue value but if nobody wants it then it is worth nothing. By the same token catalogues represent a value in a particular market at a particular time. Tastes change and so items once worth large amounts can fall and by the same token items of little value can escalate. At best catalogues should be recognised in this manner.

Many do not consider that the enjoyment of owning something, putting it into a collection and having possession of it can be something of value in its own right.

Compare the money that you might spend on a stamp with the cost of an overseas holiday. The holiday might cost a large sum and at the end of it you have had a great experience and have many memories and maybe some souvenirs and some photos. If you had spent the same amount on a stamp you would still have the stamp at the end of the day that you could later sell but maybe not the same memories or photos.

Value for money – postal history

What is postal history? Many things but I like to think of it as philatelic things in addition to and including stamps – items such as stamps on cover, postal stationery, postmarks and other postal markings, routes, rates, addressees, addressers, addresses – all sorts of things philatelic above and beyond just the stamps itself. It tends to be a bit inclusive as it represents different dimensions of stamp collecting.

In terms of value in postal history things to consider include:

1. The franking – stamps, meter marks, preadhesive markings, free markings, anything to do with the payment of the postage
2. The postmarks cancelling the stamps where franked
3. The transit and other postmarks
4. Cachets and labels and other stamped or Mss instructions
5. The address
6. The addressee
7. The sender
8. The route taken
9. The method of delivery
10. The date(s) of sending/ transit/delivery

11. The age of the material
12. The rate
13. The application of stamps at that rate at that time – in period or not
14. The provenance of the item
15. The rarity of the item
16. Philatelic mail and frankings – FDCs, PNCs, out of period usages
17. Combinations of any of the above

Aside from the general comments made earlier one needs to consider any and all of the above in getting value for money from postal history. In all cases a general comment can usually be made that a stamp on cover is worth more than the stamp alone. This is not to say that just the stamp is not worth something and for some people the stamp to fill the gap is worth more to them than the stamp on the cover. It is a common feature nowadays to see second rate and common FDC's chopped up and stamps floated off to be fine used but these tend to be the exceptions to the rule.

Examples:

Classic covers – GB, India

Airmail – Australia, Switzerland

Military - Australia

Destinations – Grahamland, Blackboy Hill, Field Marshall

Senders – Bob Menzies (Australian PM), high ranking military and royalty

Mode of transport – Ballon monte, airmail, Tin can mail

Cachets – Airmails, labels, mss endorsements

Rates – 1d, 4d, postcard rates, 85c

Rarity –India dawki; Mt Everest cachet; Australian Jubilee Motherhood fund slogans; Perth die case with Gold Centenary slogan; Australian colony in Paraguay; Xanthorrea State post mail

Meter marks

Transits and other ancillary postal markings

Stamps in period – modern Australia – 1988 used in 1988 not in 2011, 1950's cover with GV frankings well out of period, India 1/4a QV surcharges used on non-philatelic mail in 1920's using up old stamps

Value – personal value – card from an Uncle serving with Aust Military forces in Thailand in the early 1960's, mail from a relative who was an exPOW in 1945