As the University celebrates its 90th anniversary, it is tempting to look back on those features of our past that now appear rather quaint. The Vice-Chancellor writing a University song (which, incidentally, will be performed at Court next week). The at-times-comical attempts to find a 'niche' for the Duke of Edinburgh within the governance of the University. Or the Jantaculam celebration with its boar's head procession.

All of these feel well and truly consigned to our history. But that's not true of everything that concerned those who went before us. Although the words might change, our past and present have been connected by a wish - and need - to put our finances on a sound footing. In phrases that have eerie resonance, WM Childs wrote in 1906, 'It is hard work running this College. The stress of things was due, at bottom, to the incurable tendency of growth to outstrip resources'. In May that year, Childs confided to his journal that the financial issue towered above all others. 'I know that I must master it', he wrote, 'or it will master me'.
So, more than a century on, we seek modern day solutions to the financial issue. That is part of the motivation for our new Sustainable Planning System that we have introduced for the first time. Yes, we will use this to assist us in 'balancing the books' but even more importantly, it is a chance for our academic Schools to plan their work over a longer time frame.

Through the new system, we have already seen some interesting new ideas emerge. With greater experience of, and confidence in, the system, the hope is that each School will have greater control over its own future within the context of University-wide priorities.

When I came to Reading, the University was already struggling with operating deficits. The quick and easy solution - and there was pressure to do this - would have been to make an across-the-board cut.

That would have had a dramatic effect, indiscriminate as it would have necessarily been, on our core academic activity. Not only that, we would have made cuts to Schools just at the point when greater competition for students was really beginning to bite in 2012 and the 2014 REF was still very much in play.
Unlike many other universities since 2012, we have not pared back significantly on our academic activity. In many ways we have tried to do the opposite, by absorbing deficits for longer to enable us to compete and not fall behind the pace.

But we had to address these underlying deficits as the University was literally unsustainable if we had failed to do so. Hence us launching the Efficiency and Effectiveness programme nearly three years ago. This year alone, it will deliver savings of over £9m money - which if we hadn’t been able to ‘bank’ from this source would have inevitably meant us making reductions across all academic Schools and Functions within the University.

Part of the Efficiency and Effectiveness work has required us to make changes in professional, administrative and support services. In doing so, I have been very clear that I value immensely the work that colleagues in those services do but our core priority has to be protecting the academic base as far as we can.

Now I recognise that it is not always easy to draw a sharp distinction between academic activity and other support,
particularly in the ways in which we support teaching and learning, but I do believe that we can improve what we do and provide a consistently high level of service to colleagues and students.

In reminding Senate of this context, it would be wrong of me not to acknowledge the concerns that many colleagues have expressed about the Professional and Administrative Support (PAS) programme. Inevitably, there is anxiety when jobs are affected and work is to be done in a different way. We want to provide all necessary support, at the same time as turning to implementation so that we can make a great success of the new arrangements.

I have already referred to the heightened competition for student numbers that really kicked off in 2012 and 2016 is no different.

As of the end of last week, the University has received a total of 19,480 Home/EU applications for 2015 entry, this compares to 19,806 applications being received at the same point last year, representing a 2% decrease. Taken as a whole across Home/EU and overseas applications, the decrease equates to -
4% as compared to the volume of applications received at this point last year.

However, there are important positives that we should highlight. For example, the Admissions team has now issued decisions to 94% of the applications received to date working to an average turnaround time of 12 working days for applications assessed by the Admissions Office (8 days faster than this point last year) and 15 days for those assessed by departments through interview or portfolio assessment. This compares to the University’s six most significant competitors, which UCAS indicates have processed just 76% of their decisions against the same timetable.

To date just 23% (4207 applicants) have replied to offers and 73% (13,970) are still yet to provide a response. Of the 4207 responses, 28% (1161 applicants) are firm, 12% insurance (495) and 60% (2551) have declined us. This compares favourably to this point last year where the University had received 25% of responses being firm and 17% insurance.

Turning to the 1500 offers through this year’s Academic Excellence (unconditional offer) Scheme (AES), to date, 388 applicants (25%) have responded to AES offers, with 182
(47%) making a firm acceptance, 48 (12%) insurance (and therefore retaining a conditional offer) and 158 (41%) declining both our unconditional and conditional offers.

Applications made to the University for full-time PGT courses starting in September 2016 show a 2% greater comparative increase in volume than reported last month, with a total of 8653 applications being received to date (+6% on March 2015). This includes 810 Home/EU applications as compared to 852 at the same point last year, a 5% decrease / 42 fewer applications. Overseas applications received to date total 7843, as compared to 7335 at the beginning of March 2015, a 7% / 508 application increase.

The Admissions team have so far assessed and issued decisions on 92% of the applications received to date with an average turnaround time of 14 days for a decision from the date of receipt of application, as compared to 91% of applications having been assessed as at the same point in the previous cycle with an average turnaround time of 13 days. Offer ratios for PGT applications currently stand at 78%, as compared to 74% last year, leaving the University with 737 more offers made to applicants than in early March 2015.
On PGR, applications across both Home/EU and Overseas candidates totalling 983, as compared to 1153 as at the same point last year, which equates to a 15% decrease in volume. To date, the Admissions Office has issued decisions on 67% of applications received, with an average turnaround time of 22 days, as compared to 61% decisions being issued in an average of 20 days at this point last cycle.

Senate will be aware that the University Council agreed in January to make funding available for major capital projects; the Library, the URS building and the Thames Valley Science and Innovation Park. It will be asked to consider further projects later in July including a Health and Life Sciences building, an extension to the Henley Business School and additional teaching space on the Whiteknights campus and improvements to residential accommodation on the Business School's Greenlands campus.

Taken together, these projects represent a very significant investment in academic facilities for the University. We are only able to do this, because the Council has confidence that we can afford them through a combination of the disposal of our surplus land and buildings assets and the generation of regular, annual operating surpluses. Clearly, that is related entirely to
what I said earlier about the financial position and the changes that we have made.

But we should not be afraid to say that these projects, coming in a major anniversary year, are a strong signal for the future and in our confidence to succeed. We should not lose sight of that in the midst of the current concerns.

To draw out that point, in my presentation to the last Council and in my all-staff talks in late January and early February, I did a stocktake of where I thought we had got to against our 2026 Strategy. That analysis was supported by reporting against our key performance indicators and major projects. Not everything has gone exactly to plan, that would be too much to ask. But we are making substantial progress against our 2026 aspiration to be counted amongst the best universities, nationally and internationally.

Gavin and Steve will report on teaching and learning and research respectively so I will not say much at this point about these areas. I have though enjoyed a number of visits to our Research Divisions, including one just this morning to Affective Neuroscience and Psychopathology. I am very grateful to the
many colleagues involved who have made these discussions informative and useful.

With some other colleagues, it was a pleasure to be present at the official opening of our new campus in Malaysia. The work we are doing there is widely recognised in-country and that augurs well as we continue to push very hard on student recruitment.

I would note that after a flurry of national activity, much of which I reported to Senate in December, we appear to be in something of a quiet period as decisions are made. There might be much more to say at the summer term meeting of Senate.

One issue that has caused concern is the future funding arrangements of national sector-wide bodies such as the Higher Education Academy, the Equality Challenge Unit, JISC etc. As HEFCE reduces its funding, most of the sector bodies are having to look at new methods of charging. Taken singly and together, this is likely to mean substantial rises in subscription fees for individual universities.
I have been asked by Universities UK to chair a small working group to see if we can find a way through this difficulty. The group hopes to be able to report in the summer so that its conclusions can inform subscription levels and payments in 2016-17 and 2017-18.

Let me now say a word about the EU referendum that will take place on 23 June this year. There cannot, of course, be a University of Reading 'position'. The thousands of members of our community, staff and students alike, who are eligible to vote will each make their own decision.

However, as Vice-Chancellor with my Executive colleagues, it is legitimate for us to express a view on what we see, from our perspective, as being in the University's best interest. And on this we are unanimous: we believe that Britain should remain a member of the European Union.

The free movement of people - staff and students alike - our access to European research funding and the ability to collaborate easily across national boundaries are all crucial arguments in favour.
Including exchange students, around 7% of our students here in the UK are from the rest of Europe. Likewise staff, 13% of whom come from Europe, representing over two-thirds of our total international staff. In research, around 13% of our income - £23m - over the past five years has come from the European Union.

Those on the other side of the argument claim that a similar state of affairs would pertain even if we left the EU. But that is, in my view, both uncertain and unlikely. Uncertain because we just do not know and unlikely because it is hard to believe that our erstwhile European partners would behave as if nothing had changed.

It is also uncertain for another reason. Many of those campaigning for Leave would see restricting free movement of labour as a desirable policy outcome, a view I most certainly do not share.

The EU supports collaboration and the removal of international barriers and, as a result, enhances the UK’s global influence in higher education. From the perspective of members of the Executive Board, these are hard-won benefits, built up over many years of collaboration with our European neighbours.
Giving them up now, with all the uncertainties that would follow, feels like a risk too far.

Senate will indulge me if at this, of all meetings, I end where I began with reference to WM Childs. In the Epilogue to *Making a University*, Childs concludes with words that remind us of our origins and provide inspiration for the future:

*The University of Reading was the outcome of a movement which never in any of its stages owed its driving power to merely utilitarian motives. From first to last it drew its energy from ideas which, taken together, stood for a coherent university gospel.*

And that ‘gospel’ is best encapsulated in the words of the University's Bidding Prayer from our earliest days which reflects on the traditions of a liberal education;

*........that a university is a place where mind clashes with mind and knowledge with knowledge; where truth is sought and where tolerance is learnt; friendships are formed and young people are trained to independence and citizenship.*