SENATE
VICE-CHANCELLOR’S REMARKS
8 MARCH 2017

As I just arrived back at 5am this morning from a visit to our Malaysia campus, I hope that Senate may show me a degree of tolerance if I am slightly slower-witted this afternoon. Of course, you might not notice any difference from usual.....

I will, if I can, avoid duplication with colleagues and focus my remarks on matters not covered elsewhere in the papers for today’s meeting.

First, we recently received information from HEFCE as part of the Annual Provider Review - APR - process which is, in turn, part of the new overarching quality assurance system. The APR considered us in two areas (i) quality and standards and (ii) financial sustainability, good management and governance.

In the former, the preliminary assessment is 'no concerns' and on the latter 'no concerns'. We have also been told that the final risk categorisation for the institution, is, in that phrase dripping with exuberance and praise, 'not at higher risk'.

Seriously though, this is a crucial validation of what we do as a university and we should not underestimate the significance of the judgement.

Second, we are at that point in the year when we are able to provide an update on undergraduate applicant numbers, following the passing of the UCAS deadline in January. I can also provide you with the latest data on postgraduate numbers.

Both domestic UK and EU applications independently are 7% lower than this point last year, whilst overseas applications are 5% lower than last year. To date, the University has issued decisions on 96% of the undergraduate applications received, as compared to the sector where the comparable figure is 43%.
We are doing more this year with the applications we have received, with our current offer rate standing at 91% compared to 88% at this point last year. As is typical at this point in the year, 76% of our offers remain without a reply from applicants (with most firm, insurance and decline responses being received during late April and May).

However, of the 4200 replies received to date, 32% have placed us as their firm choice as compared to 28% at a similar point last year. Whilst I would suggest using some caution in assuming that this trend will continue throughout the lead up to May and June’s deadline for replies, the first quarter replying to our offers certainly indicates stronger conversion than last year.

Although year-on-year application numbers are down, Senate will, I am sure, be aware that we have recently been identified as a ‘winner’ when it comes to growth of undergraduate numbers since 2012. I think this is highly commendable, and a tribute to everyone across the University, if you reflect on just how competitive the last five years have been.

On the postgraduate taught front, domestic UK applications are at almost exactly the same level as seen at this point last year. Overseas applications though are showing a very encouraging 26% increase, with nearly 2000 more applications having been received to date than in early March 2016. To date, the University has issued decisions on 90% of applications received.

Currently 82% of offers remain without a reply, but of the 1240 responses received from applicants, 56% of these have been firm acceptances. This compares to a firm acceptance rate of 63% at this point last year. However, given the proportionately small volume of replies so far, coupled with the substantial increase in applicants and over 850 more offers made than last year, the difference in acceptance rates at this stage presents little concern.

On postgraduate research, domestic UK and EU applications currently show a 64 application/31% increase on this point last year and for overseas, a 13%/101 application increase compared to early March 2016.

Given that competition for funding can often produce spikes in application volumes which do not produce firm applicants, firm acceptances are perhaps a better measure even at this stage of
the cycle of our successes in recruitment. To date, a total of 172 firm acceptances have been received, as compared to just 136 firm acceptances received at this point last year, which equates to a 26% increase.

Third, current projects. Building on the success of previous discipline-level projects, we have currently one running in Law, led by University Secretary, Dr Richard Messer. I am grateful to colleagues in the Law School for their active engagement in this work which is due to report before the summer.

Although of a different type, we have recently established a small group to conduct a farms strategy. This is designed, among other things, to ensure that we continue to retain our world-leading role in Agriculture, whilst ensuring that we make the best use of valuable strategic assets.

More generally on projects, and perhaps inevitably, we are doing quite a lot of major work across a number of areas simultaneously. UEB has been very mindful of the need to ensure that these projects are well-run and subject to proper project disciplines, recognising that they are at different stages of development.

Recently, we have agreed new or revised arrangements for large-scale projects such as the Electronic Management of Assessment, the Thames Valley Science Park, Degree Apprenticeships and Malaysia. In doing so, we are seeking to adopt some of the best practice we have in estates and facilities and research planning.

Fourth, and turning now to the wider context, I will begin with Brexit and other international-related issues. Even though the Prime Minister made her long-awaited Brexit speech in early January, it is fair to say that it did not add much to our knowledge of the detail. It was though encouraging to hear science and research given due prominence.

I know that colleagues are concerned to know that the sector as a whole is pushing for the right things in the period ahead. I can reassure Senate that this is very much the approach being adopted by Universities UK. The strategy has a number of elements, encompassing actions required now, key negotiating points when Article 50 is triggered and domestic changes that can and should be made in the post-Brexit world.
I hope that Senate will be encouraged to know that even in this post-Brexit world, our international endeavours continue. As I mentioned, I am just back from Malaysia where I celebrated the first anniversary of our official opening. While the operating environment is tougher than we expected, we are working hard to establish our presence as part of a long term endeavour. In that context, it was very interesting yesterday to visit the University of Nottingham’s campus just outside Kuala Lumpur and see the outstandingly positive impact it has had on their institution, both in Malaysia and the UK, after 17 years in operation.

Enzo Raimo, our Pro-Vice-Chancellor for Global Engagement, has stayed on in Malaysia for a Board meeting but I know that if he had been here he would have wanted me to highlight another forthcoming visit to the United Staes of America. There, our delegation, will be hoping to develop our alumni base and develop partnership opportunities with Rhode Island, Rochester and Mary Washington universities.

At the NUIST-Reading Academy in China, we have just had approval from the Ministry of Education for a BSc Atmospheric Science programme, with 40 students per year, starting this September.

Fifth, industrial strategy. To state the obvious, this is not for the first time that a government has issued one. The latest version was launched in January with the stated, and unimpeachable, aim ‘.....to improve living standards and economic growth by increasing productivity and driving growth across the whole country.’

The strategy identifies ten pillars of success. Echoing the Prime Minister’s Brexit speech, science, research and innovation is the first pillar of success. Other pillars of direct relevance to us include upgrading skills, developing infrastructure, supporting business to start and grow, encouraging trade and investment, cultivating world-leading sectors and creating institutions to bring together sectors and places. Again we await more detail but there are genuine opportunities for us to exploit.

Finally, the Higher Education and Research Bill where the government recently announced a series of amendments as the Bill reached its final stages in the House of Lords. A number of important changes were made that are, in my view, material to what we do as a university now and in the future.
The key changes are:

- On institutional autonomy, the Office for Students - the regulator - having regard in everything it does to promoting autonomy

- On standards, these should be set by the sector. Also no 'at will' power on revocation of degree awarding powers. Much greater clarity on conditions of revocation and limits on removal of a Royal Charter

- More flexible fee structures being allowed but only for accelerated degrees (and what counts as an accelerated programme will be tightly defined on the face of the HE and Research Bill) Also worth noting that accelerated courses will never be more expensive than a standard degree, and are likely to be cheaper

- Much easier movement for students between courses and universities, with a power conferred on the Office for Students (OfS) to promote and facilitate such transfers

- More detailed requirements on reporting requirements on student diversity

- New providers - effectively new universities - will still be encouraged but there will be no compromise on the standards they must achieve before being approved. As part of the process, the OfS must take 'expert advice' in making decisions

- The OfS should also take account of collaboration between institutions and not simply be there to promote competition

- All registered providers will be subject to the freedom of speech duty as set out in the Education (No 2) Act 1986

- New requirement for a joint report to Parliament by OfS and UK Research and Investment - UKRI - which, among other things, should highlight how they have collaborated with other institutions and organisations as well as how they have worked together
- The Haldane Principle to be enshrined in legislation for the first time (this is the principle that decisions on individual research proposals are best taken following an evaluation of the quality and likely impact of the proposals (e.g. a peer review process))

- Separate budgets to be published for the component parts of UKRI, and requirements for legislative input to changes of structures

- Strengthening of Innovate UK's responsibility to promote HE/business links will also be secured by new and additional powers to UKRI

In addition, in his speech to Universities UK a course of weeks ago, the Minister for Higher Education restated his commitment to a genuine ‘lessons learned’ exercise on the back of this year’s TEF. He also said that subject-level TEF will not be introduced until TEF Year 5 - two full years of piloting with volunteer institutions taking part and no public reporting or impact on tuition fees.

Senate may have noted a vote in the House of Lords the other night when the government was defeated on an amendment to de-couple TEF outcomes from fee increases. Although we do not know what the government's response will be, I would not be surprised if it sought to overcome the vote in the House of Commons when the Bill goes back there. Whether it will garner a majority of votes to do so is another question.

We have already made a decision regarding fees for 2017-18. We will have to do likewise for 2018-19 very soon, certainly before the summer, if we are to give prospective students for September 2018 entry adequate notice. Based on our decision this year, we will be strongly minded to take the opportunity for a further increase in 2108-19, should the Bill allow it, our TEF outcome enable us to do so and we understand properly the formula that will be applied. That way, we will continue to be able to invest in our university’s further success.

Clearly, we will discuss this matter in more detail with RUSU when further information is available. However, what I can say with certainty is that any fee increase from 2018-19 will only apply to new starters and will not be applied retrospectively. In making that commitment, we
stand out from a number of other competitor universities who, even for 2017-18 increases, are indeed applying them retrospectively.

Leaving aside the TEF issue, I believe that the amendments I described a few moments go a long way to securing the autonomy and independence of universities including, in effect, their Senates. Of course, the responsibility falls on us to ensure that we use our autonomy wisely, not least in academic matters. For that reason, the work being done on the review of the Senate seems very timely.

It seems only right that I should conclude with the words of our recently installed Chancellor, Lord Waldegrave of North Hill, who campaigned tirelessly for the changes to the Bill that have now come to pass. As he said when speaking in a debate on the Bill in the Lords:

*In the very year when one of our universities has been graded the very best in the world—with, as noble Lords have said, many others not far behind—we in Britain choose not to celebrate our sector but to move it towards the sort of state governance structures that produce depressingly second-rate systems.....The success of our autonomous universities should be the model, and surely it is perverse to challenge it just as its success is recognised worldwide.*

And so, I imagine, say all of us.