

Joint University/UCU Committee

24/22 A meeting of the Joint University/UCU Committee was held on Thursday 19 September 2024 at 11.00 in Committee Room 2, Whiteknights House/remotely via Microsoft Teams.

Present:

Dr Deepa Driver, President of Reading UCU [Chair]
Rita Balestrini, Reading UCU Workload and Health & Safety Officer
Dr Simon Clarke, Senate Representative
Dr Richard Messer, Chief Strategy Officer & University Secretary
Anne O'Sullivan, UCU Regional Official
Ellen Owens, Reading UCU Treasurer
Claire Rolstone, Director of HR
Professor Robert Van de Noort, Vice Chancellor
Professor Parveen Yaqoob, Deputy Vice Chancellor
Katie Smith, Senior Governance Officer [Secretary]

Apologies were received from:

Colette Maxfield, UCU Branch Administrator
Moray McAulay, UCU Regional Official

24/23 Memorandum on Disclosure of Interests and Terms of Reference

The Committee received the memorandum on disclosure of interests and terms of reference.

24/24 Membership and Terms of Reference 2024/25

The membership and terms of reference for 2024/25 were approved, subject to one change to the membership being updated.

24/25 Minutes of the meeting held on 22 May 2024

The President of Reading UCU intended to provide the Secretary with minor comments on the minutes of the meeting held on 22 May 2024.

24/26 Matters Arising

- a) Minute 24/12 d) (24/03 c, 23/24) - Report of the President of Reading UCU

It was confirmed that the Director of HR had responded to the questions UCU had raised regarding the Lecture Capture policy.

- b) Minute 24/12 h) (24/03 j, 23/24) - Report of the President of Reading UCU

The Director of HR had provided UCU with an update on minor changes to the Rewards Committee process agreed at Staffing Committee. It was confirmed that Staffing Committee was now the People and Culture Committee and that diversity and inclusion would sit within its remit. The President of Reading UCU noted that there had been a UCU representative on the Diversity and Inclusion Advisory Board previously and requested UCU representation on any future iterations of the committee. The Director of HR agreed to consider how best to reflect UCU's contribution to EDI activities.

Action: Director of HR

- c) Minute 24/12 k) (24/04) - Report of the Vice Chancellor

The action to share data with the President of Reading UCU showing that the University currently had no more students and no less staff than in 2014 (including the data split between front-line teaching staff, research staff and Professional Services staff) was ongoing. The Vice Chancellor advised that this was currently being considered in the context of the latest recruitment round and agreed to ask the Pro-Vice Chancellor (Academic Planning and Resource) to share this data with UCU, although this might not necessarily be split into the detail requested at this time.

Action: Vice Chancellor

- d) Minute 24/14 - Report of the President of Reading UCU

The action for any University communications to be clear that UCU were, at the time, still seeking agreement regarding the proposed changes to University pay scales, and for UCU to confirm this following the AGM, was considered complete.

- e) Minute 24/14 - Report of the President of Reading UCU

It was confirmed that the President of Reading UCU had sent details regarding their request for increased facilities time to the Director of HR.

- f) Minute 24/17 - Update on student recruitment

Further to their action to consider how the President of Reading UCU could receive

regular updates regarding student recruitment, the Vice Chancellor noted that the Pro-Vice Chancellor (Academic Planning and Resource) had recently provided an update on student numbers in a joint meeting with UCU and the Staff Forum.

Action: Pro-Vice Chancellor (Academic Planning and Resource)

g) Minute 24/19 - Matters from Staffing Committee

The Director of HR advised that the University continued to consider the impact of the skilled worker visa salary thresholds on staff.

h) Minute 24/20 - Any other business

This was the additional meeting of JUUC which UCU had requested for September.

24/27 Report of the Vice Chancellor

The Committee received and noted the Vice Chancellor's June report to Senate.

The Vice Chancellor noted that the Pro-Vice Chancellor (Academic Planning and Resource) had recently met with UCU and the Staff Forum to provide an update on student recruitment vis a vis management targets. The outcome, as presented at the time, was a very significant shortfall in student recruitment. As always, there was still a degree of uncertainty, particularly around international students. The shortfall was expected to be approximately £20m in terms of income from student recruitment, on top of the existing circa £20m deficit budget – resulting in a total deficit budget of circa £40m. There were a number of actions proposed to mitigate, as far as possible, the impact of this additional shortfall. Council would be asked, at its meeting the following week, if it would be acceptable to bring the deficit budget to the same level as the previous year, meaning that mitigations would need to be sought in the order of £10-11m.

As a result of this, the University was considering a deferral of the nationally negotiated pay increase for an 11-month period for all members of staff; this would achieve a total saving of £5.5m. The negotiated pay award was staged and included a £900 uplift backdated to 1 August and another element not due to be paid until March 2025. A full deferral would mean that no amount of the pay award would be paid until 1 July 2025. There is a deferral clause in the national agreement which allowed institutions with extenuating circumstances to consider deferral. The President of Reading UCU sought, and received, confirmation that there would be no compensation or back-pay, meaning that members would lose the full additional amount between August 2024 and July 2025, including the associated pension contributions. Alternative options included only deferring until March 2025, which would save just under £3m, or only deferring the pay award for staff above grade 8,

which would save less than £1m. The Vice Chancellor noted that even a full deferral of the pay increase would only provide roughly half of the savings needed to reach the level of deficit proposed; therefore, in addition to this, the University would be looking to implement a series of other cost saving measures. The Vice Chancellor did not rule out the use of targeted redundancies, starting with voluntary redundancies (which may, or may not, generate sufficient income alone) but may need compulsory redundancies, they also noted that non staff related savings would also be sought. It was highlighted that any reductions in the savings made from deferral of the pay award would increase the amount that needed to be saved through other means, including redundancies (voluntary or otherwise).

The following was noted in particular during the subsequent wide-ranging discussion:

- The Vice Chancellor provided a brief update on student numbers since the recent meeting. Continuation figures were not yet known and postgraduate students were typically accepted up until week six, so the final figure would not be available until then. A best-case scenario of an additional deficit of £18.5m had previously been communicated, with a worst-case scenario of £25m; mitigations of £10-11m had been predicated on a mid-point scenario.
- The UCU Regional Official suggested that the predicted student growth appeared to have been very ambitious predicated on growth of 33.5% till 2028/29 and asked whether the University was planning to review its budget in light of this year's student recruitment. The Vice Chancellor advised that the increased number of applications and offers made before the summer had shown the University to be on track to deliver that growth; however, recent changes in behaviour seen in the sector (e.g. high-tariff universities accepting students with significantly lower grades) would require the University to rethink its student growth targets. The President of Reading UCU advised that they had received feedback from Heads of Department that during the target setting process senior management were advised that the original targets were wholly unrealistic and clearly unachievable. The problem has happened because it was created and members were likely to consider this shortfall as being self-inflicted. The Vice Chancellor noted that the University had sought to address its financial deficit through 50% growth and 50% savings; if the targets had been subject to any optimism bias, this had been with the intention of avoiding the need to make greater savings and to protect jobs as far as possible. The result of having not secured increased income through growth was that savings would now need to be increased.
- It was confirmed that the apportionment of the £7m of mitigation to be borne by Directorate and School budget holders would not be decided using

an algorithm based on staff costs; consideration was being given to various options and consequences in terms of delivery of service, taking into account elements such as the student/staff ratio, the potential for future student recruitment and the impact of different Professional Services on activities. The UCU Regional Official noted that putting money aside for redundancies would mean that limited savings could be made in-year and suggested that this was not a sustainable long-term strategy.

- The UCU Regional Official noted that the budget referenced the possibility of liquidating assets and asked which assets were readily convertible into cash. The Vice Chancellor advised that the University's assets were held mainly in equity; some were owned by Trusts, meaning that spending was restricted to the capital objectives of that Trust. The UCU Regional Official asked that, if the University was considering liquidating assets, which assets this would include (in what order) and what impact this would have on the University's ability to generate sufficient cash in-year to cover its net service costs. The Vice Chancellor advised that such decisions would sit with Investments Committee and there were other levers which the University might consider before deciding to liquidate assets, such as slowing down capital expenditure. The Vice Chancellor agreed to refer UCU's questions to Investments Committee.

Action: Vice Chancellor

- The President of Reading UCU requested that in the light of savings targets a particular planned loan overpayment could be deferred to contribute to the savings required. The Vice Chancellor clarified that this overpayment was in order to avoid two loan repayments occurring concurrently and that deferral of this payment would have no impact on the underlying deficit.
- The President of Reading UCU suggested that not all UCU representatives had access to Council papers and that some papers provided directly to Reading UCU appeared to have had certain sections excluded when compared with the original Council papers. The President of Reading UCU asked that this be rectified in order to enable meaningful discussions and reiterated their previous request to attend Council as an observer, emphasising that this would help UCU to better understand and scrutinise the figures provided. The Vice Chancellor confirmed that Council papers were available to all colleagues on request and that sections were only ever not published if there were clear commercial reasons/conflicts (e.g. relating to negotiations) or personal reasons relating to individuals. The finance team can clarify if Reading UCU provide the specific details.

Actions: Reading UCU and Finance Team

- When asked regarding the possibility of factoring the £10-11m mitigation into the existing revolving credit facility, the Vice Chancellor advised that the revolving system was to help manage cashflow rather than to deal with operational shortfall/deficits. The President of Reading UCU requested that the University take a commensurate position on staffing i.e. that there be no reliance on compulsory redundancies to deal with operational deficits. The Vice Chancellor could not give that guarantee, noting that the scale of change needed may, at some point, involve compulsory redundancies. If a voluntary redundancy scheme was well-subscribed, and the savings could be delivered through that, that would of course be preferable. However, if Council considered a £30m deficit to be unacceptable, the Vice Chancellor would have to deliver further reductions. Compulsory redundancies were always a last resort but could not be excluded, as it was not yet known what savings other levers would bring. The President of Reading UCU raised concerns over recurring shortfalls against targets that UCU had considered to be unrealistic and the lack of control that staff had in terms of expenditure in certain areas (such as UoRM). It was asserted that certain safeguards and assurances were needed for staff; the Vice Chancellor reiterated that they were unfortunately not in a position to give meaningful guarantees at this stage.
- When asked what a voluntary redundancy package might look like, and whether this would be restricted to target areas, the Director of HR advised that no decisions had yet been made. Recent consultation work undertaken with UCU and the Staff Forum to agree a framework for a voluntary redundancy scheme, including how this would be approached if any restructuring was to become necessary, would now be revisited. It might involve restructuring teams, different roles, changes in terms and conditions as part of restructuring resources for more efficiency.
- The President of Reading UCU asked if there were any TUPE plans. The Director of HR confirmed that they were not currently aware of any.
- The UCU Regional Official asked whether the University had any plans for reviewing its involvement in UoRM and/or TVSP. The Vice Chancellor advised that UoRM had undergone a restructure in 2019 and was currently running at a very small deficit and expected to hit its targets this year for the first time. There was a brief discussion regarding TVSP and the management of an onerous lease. The UCU Regional Official sought, and received, confirmation that both UoRM and TVSP were on the radar in terms of reviewing finances to minimise the effect of the shortfall on income this year and that the £40m in

the budget for the capital programme related solely to the University.

- The UCU Regional Official queried whether the situation would be stabilised once the additional mitigation had been managed this year. The Vice Chancellor advised that the student growth elements of the plan were still progressing; if it was decided to change this formally in the planning process, there would be multi-year impacts on the University before it could be brought back into financial sustainability. The overall deficit still needed to be reduced. When asked whether downsizing was expected to extend into future years, the Vice Chancellor suggested that it would be a number of years before the University could be brought back to a zero-deficit position.
- UCU representatives raised a number of queries and requests which were considered best addressed to colleagues in Finance, including the following:
 - Further information was requested regarding the University's assets in equity.
 - Further information was requested in relation to investment property, an investment fund and an intercompany loan referenced.
 - Perceived discrepancies in different versions of the same documents were queried (whilst acknowledging that this could have arisen from a misunderstanding of the figures - linked to UCU's request for observer status on Council and unredacted Council papers).
 - A perceived reduction in investments income over the last few years was queried (while noting confirmation from the Vice Chancellor that the University had not lost half of its assets over that period, as well as an explanation of the need to review assets on a year-by-year basis).
 - The last two quarters of monthly/quarterly management accounts and draft end-of-year accounts for Schools and Directorates were requested.
 - Further information was requested in relation to the revolving credit facility of £50m and what room for manoeuvre there is within it.
 - It was queried whether the majority of current assets were owned by NIRD.
 - It was queried whether the majority of negative assets were due to debts to the University (with reference to losses relating to UoRM and TVSP) and confirmation of number of years left involving the onerous lease at Reading Enterprise.

- Information was requested on the use of consultants and the number of staff earning in excess of £90k, particularly those on short-term contracts.

The Director of HR agreed to organise a meeting for the President of Reading UCU and the UCU Regional Official with the Director and Deputy Director of Finance, so that they could respond to the points above, and asked that the President of Reading UCU provide a full list of high-level questions in advance.

Action: Director of HR and President of Reading UCU

[Post-meeting note: the meeting above took place on 4 October 2024].

- In terms of timescales, the University hoped to inform staff regarding the potential deferral of the pay award as soon as possible, recognising the impact on staff and noting that some colleagues would be aware of the advice from UCEA to implement the pay uplifts. It was clarified that, while UCEA would need to be informed of any deferral (following consultation with UCU and the Staff Forum), permission would not need to be sought as this would be an institutional decision. The President of Reading UCU reiterated that although the Vice Chancellor had made it clear that they wished to consult but not necessarily seek agreement from RUCU, a meaningful consultation required greater transparency and accountability. Having previously queried the difference in savings between the 7-month and 11-month deferral options, the President of Reading UCU also asked the Director of HR to share the high-level modelling they had undertaken to calculate the savings for each option.

Action: Director of HR

- As there remained a degree of uncertainty regarding the recruitment figures, the President of Reading UCU requested weekly updates. The Vice Chancellor agreed to liaise with the Pro-Vice Chancellor (Academic Planning and Resource) on providing the President of Reading UCU with updated figures.

Action: Vice Chancellor

- The Vice Chancellor highlighted that the University continued to do well in various rankings, which was a positive development in terms of the ability to recruit students going forward.
- The President of Reading UCU indicated their desire to continue to work with the University to avoid all forms of redundancies (compulsory or voluntary) and emphasised the importance of constant dialogue. They suggested that the next meeting of JUUC, scheduled for 31 October, might be too far away

and also too close to the subsequent meeting of Council. The Director of HR agreed to consider the timeline of upcoming meetings.

Action: Director of HR

24/28 Report of the President of Reading UCU

The President of Reading UCU raised the following further matters:

- The President of Reading UCU acknowledged receipt of the University's position on performance management and advised that UCU continued to have concerns regarding some aspects. The Director of HR agreed to liaise with the President of Reading UCU regarding this outside of the meeting.

Action: Director of HR

- The President of Reading UCU highlighted that a number of office moves and a current temporary space were making day-to-day life more difficult for colleagues in Recruitment in what was already a challenging time.
- The President of Reading UCU was concerned that the University appeared to have issued a GTA policy without discussing this with UCU. The Director of HR clarified that the University had already had a GTA scheme and had made several amendments to improve terms and conditions for GTAs. The President of Reading UCU noted potential dissonance between this policy and the collective agreement for grades 6 and above; however, the Director of HR advised that the improvements meant that the policy was now better aligned with other agreements. The Director of HR agreed to discuss this further with the President of Reading UCU outside of the meeting.

Action: Director of HR

- The President of Reading UCU advised that workload remained an area of concern; they would discuss this with the Director of HR separately.

Action: Director of HR

Items brought forward by the University

24/29 Updates to Academic Probation and Personal Titles Procedures

The Committee noted the paper regarding updates to Academic Probation and Personal Titles procedures. It was suggested that a small group of relevant colleagues would be established to enable detailed discussions to take place outside of JUUC but due to timing was not fully discussed.

Action: carry forward to next meeting

Items brought forward by Reading UCU

Covered previously in the meeting.

Routine items

24/30 Matters from Staffing Committee

The Committee received and noted a report from the most recent Staffing Committee held in June.

24/31 Any other business

No other business was raised.

24/32 Dates of next meeting

Thursday 31 October 2024 at 14.00