Date of submission: 31 October 2018

Financial Challenges

1. As a University, we face significant financial pressures in the coming months and years that have arisen out of an increasingly competitive student recruitment environment, the uncertainties of Brexit, the funding review and the increased pension’s costs. The impact of these pressures on the financial sustainability of the University in 2018/19 is being actively managed.

2. In the context of the demographic dip, it is very likely that the University will need to consider a severance scheme for staff in Schools and Functions to ensure that the University remains financially sustainable and is able to deliver on a number of key strategic projects, such as ECMWF, TVSP and the medical school, in the period ahead.

3. The University Executive Board has also started to consider some of the strategic/structural changes we will need to introduce to meet our financial targets while still meeting our strategic aims of academic excellence in teaching and research and that we remain an attractive institution in terms of our domestic league table position when the number of 18-year-old applicants increases from 2020/21.

4. In such challenging times, the University Executive Board is committed to being open and transparent with all colleagues and our students. The senior Leadership Group has been fully briefed and involved in this process and following several all-staff messages, all-staff talks will take place next months.

USS Pensions Update

5. The University Executive Board and the Strategy & Finance Committee (on behalf of Council) have responded to the UUK consultation on the Joint Expert Panel (JEP) report. The JEP expressed a view that greater weight should be given to the unique features and strengths of the higher education sector and recommended a number of ways in which adjustments to the 2017 valuation could be considered. If adopted these would, in its view, achieve total required contributions estimated at 29.2% (split 9.1% from members and 20.1% from employers), significantly lower than the current proposal from USS of total contributions of 36.6% by April 2020.

6. Overall, we support the JEP proposals, whilst acknowledging that further work is required to make the scheme financially viable, the potential consequences of the increased contribution required from both employer and employee, the higher level of risk that employers would have to adopt, and the possible greater variance in future contribution levels for both employer and employee.
National Pay Bargaining

7. Following the failure of the national pay bargaining process to reach full agreement, UCU balloted its members with a view to taking strike action and/or action short of strike. At our institution, 64%, of those that voted, voted in favour of taking industrial action consisting of strike action. Similarly, 78%, of those that voted, voted in favour short of action short of a strike including marking and assessment boycott. However, as the 50% threshold for voter turnout was not reached (turnout was 48.3%), UCU do not have a mandate for industrial action here at the University of Reading. Across the sector, a small number of institutions did reach the threshold for strike action. This includes the Universities of Sheffield and Nottingham, amongst others.

Brexit: EU settlement scheme pilot

8. On 11 October the government announced that all EU staff at all higher education institutions (as defined on the Tier 4 list of sponsor institutions) would be eligible to participate in the second phase of the EU settlement scheme pilot, launching in mid-November 2018 and running until the end of December 2018. We welcome the news that the vital contribution of EU nationals working in the higher education sector has been recognised in this way. Further details on the pilot will be sent to all institutions shortly.

Engagement with Reading Borough Council

9. In a time when universities are increasingly expected to act as engaged anchor institutions for their places, it is important for the University of Reading to work in partnership with the local councils, businesses, third sector and indeed the broader community. We have commissioned an independent study of the economic and social contribution of the University of Reading and this will be shared with the university as soon as it is published. As acting Vice-Chancellor, I have started meeting with the Chief Executive and Leaders of Reading Borough Council to explore areas of mutual benefit and similarly, we are hoping to set up an operational group to address issues and opportunities as they arise.

10. We continue to experience higher levels of complaints about poor student behaviour. We are also piloting the Street Support Team (street wardens) was launched in April and is being piloted until June 2019. The wardens work in three areas around the University including the Northcourt Avenue and Christchurch Road area. In the Summer Term we had a lot of positive feedback about these wardens and many residents said they felt the wardens had made significant difference – this included during the busy time of end of year exams, when students typically socialise. I am writing to all students in the Northcourt Halls group and also those in Wessex and Bridges Halls to remind them of their obligations under the student regulations and that disciplinary action will be taken against students who fail to comply.

PROFESSOR ROBERT VAN DE NOORT, October 2018