

Vice-Chancellor's address

It is a great pleasure to be here for what is my ninth presentation to you at this reunion weekend. Over the years I have come before you and described a variety of challenges. They have all been about developing the University, about building it up. We now have to face new challenges, about which more later.

However, before articulating those challenges, I want to recap on just how far this University has developed in the last 10 to 15 years. Before analysing those last 15 years, it is important that we reiterate that this was a university that had a superb reputation for teaching and research stretching back over the whole 100 years of its existence. What has happened recently was built on the shoulders of our past students and staff. The scale of change, however, is quite breathtaking. Our student numbers have increased by 49% from 10,866 in 1995 to 16,204 in 2009. In 1999 the University's turnover was £130 million; last year it was £373 million. Our research contracts have increased in the same time from £43 million to £101 million. During this period the asset value of our University had risen from £300 million to £540 million. Essentially in the period I am describing, this University has doubled in size.

Let's look at the Estate in more detail. Since 1995, I have calculated that we have spent about £500 million on improving our estate either through refurbishment or new build. We have new Engineering buildings, basically created a whole new Chemistry Department and invested hugely in the facilities in the Medical School. Recently, we have extended that to new facilities in the Social Sciences and in Arts and Humanities. There's a new Sports Centre and new facilities at Coombe Dingle and our Nanoscience building is absolutely state of the art. We have invested heavily in super computing. There are numerous other smaller improvements, such as the ground floor of the Arts and Social Sciences library, which have made a real difference to the experience of both staff and students.

It is important to compare this with previous 20 years 1975 – 1995. I have checked the records and during those 20 years because of Government policy we did not build a significant new building. Furthermore, our Estate was becoming more and more rundown because we had no money for refurbishment. In summary, we have made unprecedented investment in our Estate which has rolled back the consequences of years of chronic underinvestment.

Let's move onto the academic enterprise. We remain the most popular full-service university in applications per place and get fantastic students – as we have always done. The average A level grades on entry are 3 grade As. Our graduates are highly desirable to employers and we remain on every recruiter's shortlist. Our academics have always been top rank and they take their teaching seriously. We have become more sensitive to our students' needs and work closely with them to fulfil those. Bristol has always strived to do that and of course it's never perfect, but we are committed to making it as good as possible and to keep up our historically high standards.

We are highly placed in both global league tables. Our academics continue to perform ground breaking research. Every year for the last 10 years we have had at least one new FRS and in one year we had three. I know of no provincial university that gets anywhere near such consistent verification of individual scientific excellence. Much of our work has global impact – look at the transplanted trachea derived from stem cells, look at our work in Public Policy, at our Quantum Information group, at the work on developing a low cost mechanism to discover if water is polluted – to name but a few. This underlines a very important truth – you always get rewarded by doing your core business well i.e. teaching and research in this case.

But a university isn't an academic environment alone. The support services are unrecognisable from those in 1995. As a generalisation they have moved from a civil service model of provision to a highly professional, customer-orientated set of services. Consider the

work that has been needed to support that building and refurbishment programme. Our libraries are being transformed and the provision of IT is moving apace after years of underinvestment. We have a very successful fund raising campaign and our Public Relations is unrecognisable from 10 years ago. Alongside all of that we have continued our excellence in teaching support and in student support in its many manifestations.

I am now going to be describing a different set of challenges and a different world going forward and I thought it was very important to remind ourselves just how well set the University is after the last 15 years or so and just how much change there has been inside it which, I would argue, means we have not only sustained our recognised excellence but increased it.

I feel it is important to stress one very important point now. Whilst I will be describing challenges to you; the central strategy of the University remains unchanged. We remain committed to being a globally recognised centre of excellence in teaching and research that runs itself effectively. Our fundamental ambitions remain unchanged and undimmed – challenges may slow down our journey but they do not deflect us from our path. We are not going to change into some entirely different institution and I'm absolutely clear that the very strongest position we can take is to remain true to our central values and ambitions. To exemplify that, let me mention future investment in our Estate. We had planned approximately £600 million over the next 10 years and have had to rein that in to about £420 million – but it is still £420 million, a very significant amount and we have the money in the bank to help us do that.

So what are the challenges? We have already seen approximately £1 billion cut from government support for Higher Education and there will be further cuts which could take us up to or beyond 25% of the budget for Higher Education i.e. above and beyond £2 million. Furthermore, other sources of income such as research contracts and industrial income are subject to the same recessionary bite. This has been combined with recent high cost

inflation through salary settlements and additional pension payments. After years of plenty we are going to face five or so years of famine. We may be a little clearer on the amount of cuts by the middle of July, but we will not be clear about the details until the Comprehensive Spending Review (CSR) is published on October the 20th. I will be delighted when we are certain because then we can really plan how to address them.

However we cannot just wait until October the 20th. We need to do those things that will benefit us whatever the outcome of the CSR.

1. We need to look at additional income streams. We have done this and clearly increasing our percentage of overseas students is a major potential. Current estimates report that we will have over 250 more overseas students next year than last.
2. We need to cut our costs. Between March 2007 and March 2009, our core staff numbers increased by 2% and the cost of employing them including pension payments increased by 19%. That is simply unsustainable, even in the short term. We have a target of £15 million of cost savings
3. We need to run our business as efficiently as possible. We have an institution-wide review of administration and that is combined with efficiency reviews in academic provision as well.
4. Finally, we must scenario plan actions that would need to be taken if we are faced with acute and deep cuts. That we have done and we feel we could manage a very difficult cut but again that would not be without pain.

Until we know for sure the nature, timing and placing of the cuts, it is essential that we push on with the actions I have described and maximise their impact.

So where do you, our alumni and our biggest supporters, figure in this. We will continue to keep you informed on what is going on and we will continue to engage you with your alma mater. We need your help all the time but it is at times like this that you can really support us. You are our greatest asset – you are the living embodiment of what being at Bristol as a student means. You reflect our values and our education. So firstly please continue to do that – loudly and proudly. At every opportunity, please tell people how much you gained from being here and how proud you are of this University. Seek out your fellow alumni – there's many more than you think. Wear your Bristol badge with pride. And if someone attacks universities, defend them not only as places of light and enlightenment, but as vital forces in modern society driving our cultural, social and economic life.

Many of you have skills and networks that can benefit the University. Many alumni contribute by being members of our committees or on Council or through Convocation. Tania Jane would be delighted to hear from those of you who feel you may have an opportunity to help the University.

Finally, you have already shown your support in philanthropy. Our Centenary Campaign is motoring along – we are already at £53 million of our £100 million target. Still a way to go but increasing numbers of you are coming on board. We now have the highest percentage of alumni giving in the UK outside of the Oxbridge colleges. More of you are supporting us every year. Last year this increased by 23% and is increasing again this year and that is in spite of a recession. This support has never been more vital than it is now, enabling us to be more excellent, more quickly. In so many ways you, our alumni play a vital role in sustaining the excellence and reputation of the University from which you graduated.

So is it all doom and gloom. No. I repeat we are well set to face these challenges. Firstly, we know where we are going. We are not changing our strategy. We are a high quality university to which students want to come. We are already addressing our cost issues and are preparing for the future. Responding to these threats means that we can think of ways to

improve not only the student and staff experience but also how we run the business in ways that we may have thought of as off limits before. By not shirking from the challenges, I am clear we will be in a strong position to benefit from the upturn when it comes, which it inevitably will. I am also absolutely clear that changing ourselves so as to continue to provide the financial headroom to continue to invest will have the most powerful effect. We are not having another 20 years of no investment.

Someone recently pointed out to me that:

“The first action for successful survival is to abandon all hope of rescue”

There's a lot of truth in that. The future is in our hands – I know we have the staff and the commitment to seize that challenge and, with them, and with your help, we will emerge stronger. We will emerge as a university that you will continue to be proud to say you belong to.