



The  
University  
Of  
Sheffield.

# Faculty of Science

13 July 2009

# FORUM



# What we will cover today

- The prospects for UK HE
- The University of Sheffield's position
- The Faculty of Science's position
- Research position – report from PVC R & I
- How we will respond to the challenges
- Budgets for 09/10 and VSS
- The planning statement
- Good news and achievements



# The prospects for UK higher education

- 'Golden age' of recent investment is over!
- UK HE highly regarded across the world
- Expansion has meant adapting
- Big public sector funding cuts ahead
- Our values and UK's competitive edge are at risk



# The University's position

- Excellent results in RAE2008: world leading research in all faculties
- Buoyant student recruitment
- Overall very good NSS scores
- Impact of our people – students, graduates, staff

We are a successful faculty  
in a successful university, but.....



# The University's position

- External factors affecting higher education
- We face a large gap between income and costs
- We must make savings in order to invest and thrive
- Students want value for money and we all like 'The Sheffield Graduate'
- We need to explain what academics do review of 'The Sheffield Academic'
- Competition is increasing
- **We will have to respond**



# The Faculty's position

- Excellent RAE results meant virtually no growth in QR
- Research income (& RNC) down compared to our competitors
- PGR fee income down
- Overseas & PGT fee income is the lowest
- **GOOD NEWS** – lots of room to improve!



# The Research Environment

- Presentation by the Pro Vice Chancellor  
for Research & Innovation

Richard Jones FRS



# The Planning Statement

- Reflects early stage in formation of faculties and new structures.
- Further iterations will include more specific targets, and also the views of staff as captured in these types of discussions.



# Faculty Plan

- The Faculty intends to ‘understand ourselves, our world and our place in the universe’ and to achieve this vision it will build on its position in the front rank of UK science, aligning its ability to attract research income from major income sources, and setting the agenda for science.
- This means that it will maintain core disciplines through teaching whilst growing research through multidisciplinary activities.



# Further strengthening our research profile

- Develop Chemistry, Physics and Mathematics to be internationally competitive.
- Nurture strong and extensive links with Engineering and the Life Sciences interface
- Increase Biologies focus on translational research agenda



# Integration of research, scholarship and education

- “To enable students to work alongside researchers and move across disciplinary boundaries “
- Visibility of high profile researchers.
- New programmes and modules, eg MSc Science Communication, MSTAR, Global & Sunshine Science.



# Improving the student experience

- “Simplifying the teaching portfolio to enable students to cross disciplinary boundaries as they study”
- “Enhancing support for PGR students”
- “Investing in facilities and equipment”



# Investment in PGRs

- Request to prioritise expansion of scheme to attract PGRs.
- Innovative support structures
- Cross boundary working will ensure we:
  - generate graduates with a higher level of skills to go out into society.
  - Increase our chances of success in terms of large scale applications for doctoral training grants.



# Growth in income

- Research Grant income – interdisciplinary opportunities, review workload allocation.
- Overseas students – further portfolio development needed in all departments, steps to improve marketing underway.
- PGT – further portfolio development needed in all departments.



# How will we respond to the challenges ahead?

- stick to our purpose and our values
- develop our ambitions as outlined in the Planning Statement
- continue to invest in academic developments
- we must generate more income and cut costs
- everyone has a role to play
- **things will not stay the same**



# Budgets for 09/10

- Start with historical position – ‘ADC model’
- Look at income growth opportunities
- Reductions to all budgets to align expenditure to income
- University strategic ‘top slice’ – for academic growth, and to make budgets manageable
- RAM with costs drivers – so costs informing decisions
- Cannot move too rapidly to new RAM as too much turbulence – but the principle is important
- A ‘stability’ budget for difficult times



# Our financial forecasts

- Initial forecasts for 2009/10 to 2012/13 show:
  - Reductions in HEFCE grant income
  - Flat Research Net Contribution
  - Rising pay and pension costs
  - Uncertainties in additional student income (Home and Overseas)
- The prospect for 2011/12 of:
  - Significant deficits (4% to 5% of income - ~£17m to £20m)
  - Probability of further cuts in publicly funded revenue and capital streams



# Our financial forecasts

- A response now (ahead of 2011/12) to improve our recurring annual position by £25m:
  - Generate extra £5m pa in income
  - Cut shared costs by £5m pa
  - Reduce staff costs by £15m pa



# Cutting costs

- 'shared costs' (more later)
- savings in operating costs in professional services and in faculties
- reducing complexity: e.g. reviewing course structures and regulations
- considering carbon reduction measures and more intensive use of our buildings
- reducing staffing costs - doing everything we can to protect jobs – VSS scheme



# Shared costs

- Represent the costs of supporting the University's infrastructure and operations
- c.£93m in 2009/10
- Costs are fixed in the short term – invariant with activity

## Some of the bigger items:

- £24m depreciation on buildings
- £9m on utilities
- £5m maintenance
- £5m debt servicing
- Other shared costs – scholarships, CiCs services, insurance, library, student recruitment activities, external examiners

# Strategies for reducing shared costs

- Use our estate more effectively
  - Disposal of buildings
  - Use of remaining space
  - Energy efficiency
- Review our approach toward scholarships to ensure vfm
- Reduce spend on consultancies



# What do we have to do

- **INCOME**
- Overseas UG
- PGT both home and overseas
- PGR
- Research from sources other than EPSRC & BBSRC
- **COSTS**
- Staff costs via VSS
- Reducing non-staff core spend



# Good news and achievements

- New Fellows of the Royal Society:  
Professor Neil Hunter (MBB) and  
Professor Maurice Skolnick (Physics and Astronomy)
- Prizes (Tabor Medal from IoP, Gold Medal SDC .....)
- EPSRC KTA (£5.7 m) and DTCs
- BBSRC LOLA
- EPSRC Nanotechnology Grand Challenge