

Our Ref: 16/29220

9 March 2016

Academic Staff Association
The University of Western Australia
M004, 35 Stirling Highway
Crawley WA 6009

To the Governing Committee of the Academic Staff Association

Thank you for your open letter to myself and the Chancellor dated 29 February 2016 and received on Friday 4 March. I am replying on behalf of both myself and Dr Chaney.

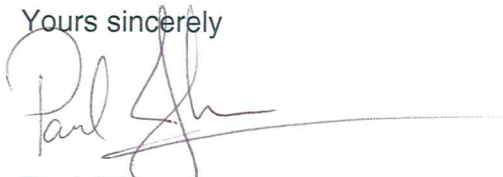
I would like to acknowledge the participation of the Academic Staff Association in the broad consultation of the Renewal proposals first presented to the University community on 2 February. Since that date the Senior Deputy Vice-Chancellor and I have conducted 11 staff forums in which we have presented information and responded to questions about the proposals to more than 1300 colleagues. More than 300 individual and collective submissions and comments on the proposals have been sent to the Renewal site. It is apparent from the scale of this response that there has been deep and broad engagement with the proposals from both academic and professional staff, and I am very appreciative of the careful thought and analysis that colleagues have directed to these proposals.

You raise four specific points, to which I will respond in turn.

1. Budget reports. In the University's Annual Report for both 2013 and 2014 the underlying operating result has been presented in a table which explains why and how this result differed from the statutory operating result reported in the Annual Accounts. The major variation is driven by movements (up and down) in the book value of investments, capital grants received in a financial year which must be expensed for specific purposes in future years, donations which provide a capital sum to support future expenditure on academic positions, scholarships, and research initiatives, and the value of gifts in kind such as works of art. I have provided further verbal explanations at a number of Academic Board meetings of the method and reason for reporting the underlying operating position, and I am very happy to do so again if it is felt that would be useful.
2. Functional Review. Academic Board received a report from the Senior Deputy Vice-Chancellor on the Functional Review at its meeting on 18 March 2015. The functional reviews analysed the nature and performance of the University's administrative functions, and so were only indirectly relevant to the remit of the Academic Board. The full series of functional review reports (more than 1000 pages), was provided to the executive and the relevant sections and the 61 page executive summary have been shared with the divisional directors, Heads of School, Faculty Managers and Deans.

3. The renewal proposals draw on the following elements:
- a requirement set by the Strategic Resources Committee and Senate to reduce the recurrent operating costs of the University by \$35-\$40 million within the current financial year;
 - Uniform data indicating that professional staffing levels at UWA are around 350 greater than benchmarked peer institutions;
 - Functional review analysis that indicates that, summing across functional areas, UWA has 370 professional staff greater than benchmark;
 - Functional review analysis that indicates many areas of duplication and inefficient and ineffective process design and operation across administrative areas;
 - ERA data collection that demonstrates that there are some dozens of academic staff in teaching and research positions, and some in research-only positions, who have produced little or no published research in the period 2009-14. It is noted in the proposal that this research data is one of four indicators to be taken into account when the methodology for evaluating academic roles is developed,
 - The establishment of Service Delivery Centres (an elaboration of the hub and spoke services model developed as part of the Functional Review) serving four consolidated academic units will address the excessive costs of the University's administrative structure and to improve service to students and staff.
 - The proposals relating to the redundancy of 100 academic staff, with 50 new academic positions in 2017 are designed to raise the overall and the average performance capability of academic staff, thereby enhancing the ability of the University to achieve its academic goals as set out in the 2014-20 strategic plan.
4. As I have noted above, there has been very extensive staff engagement with the renewal proposals. The consultation has not produced any alternative proposals that would be able to meet the necessary conditions of: reducing the annual recurrent cost base of the University by \$35-40 million; growing the revenue base of the University by \$60 million; significantly improving the efficiency and effectiveness of internal administration; improve service delivery to students and staff; provide scope for significant recruitment of new academic staff. There has, however, been significant support for immediately moving ahead with the renewal proposals in order to provide clarity and certainty to staff. This clarity and certainty cannot be provided until consultation has been concluded and decisions have been taken. In addition, this consultation period was extended to a period of over a month for staff to seek information and provide feedback to the proposal and represents the first phase of the proposal for change.
5. I share your pride in the achievements of the University's staff over many decades, and I am very pleased that the current consultation exercise has given staff unprecedented opportunity to develop and share their ideas about the future shape and operation of the University. All these ideas are being carefully and actively considered, and will inform any actions for renewal that may be agreed in due course.

Yours sincerely



Paul Johnson
Vice-Chancellor