

OPEN LETTER TO THE GOVERNORS
UNIVERSITY OF CHESTER

Dear Governors,

University of Chester, Redundancies and Financial Probity.

We are writing to you all in order to request that you take some action to rescue the University from what appears to a worsening crisis.

On February 15th 2021 the University Senior Management issued a statutory redundancy notice listing 86 posts that will be deleted from the establishment and has no plans to replace them. In addition the management have twice now refused an agreement with the recognised trade unions (UNISON and UCU) to rule out the use of compulsory redundancy of staff. At the moment the estimate is that 22.5 staff will need to be dismissed to meet this target of the loss of 86 posts.

However there is concern about the style and substance of the management of this process and we would like to set out why the staff, the trade unions and the students overwhelmingly reject the proposals from the Senior Management Team.

The main reason is that the University has no clear need to make staff compulsory redundant and no evidence has been submitted to the staff, the students or the trade unions that would justify such a drastic approach.

What is apparent is that there appears to be questions of possible financial mismanagement arising from this process that effectively leaves the staff and students paying for the reckless spending habits of the past few years.

These in our view are

1. The loss of £814,000 in legal fees over the planning application appeals for the Thornton Science Park. This represents a significant amount of public money and there is no evidence that the University has taken any action over this disaster other than to issue redundancy notices to its staff. There has been no investigation, no disciplinary or capability action, no meaningful explanation as to how a University that pays for professional legal advice can be left at the most obvious legal risk. To apparently start building without the appropriate planning permission and then to appeal against the outcome with no reasonable prospect of success suggests that there is need for an investigation into who did what. Furthermore to lose

the appeal so badly that costs are awarded against the University is potentially an act of gross misconduct. This is taxpayer's money and it is money paid by students through the loan system. There is a need for public accountability.

2. The decision to award a salary of £284,533 to the Vice Chancellor is an insult to the public and to the staff and students. If that is the market rate then you have to ask – can you afford it? The loss of 86 posts, 47 of which are teaching posts, whilst paying one individual these sums is a waste of public money. This decision needs to be revisited. If you are telling staff that you cannot afford to keep them it seems disproportionate when you are paying out such a salary, in addition to the other 8 annual salaries of over £100,000.
3. Especially when it is now obvious that the Vice Chancellor was not expected to live in Chester and in fact lives some distance away. To further compound the perceived largesse of the salary costs it is now claimed that a total of £68,000 has been paid to refurbish a flat for the VC to live in. In addition it is reported that the VC will only be paying £552 a month rent. In the context of staff being put at risk of redundancy is this an absolutely necessary expense?
4. Another issue of concern is the recent abandoned planning works in the University Car Park site at Exton Park. Councillors rejected a planning application but there appears to be evidence that the work started before the application was considered. The site is now a car park rather than a laboratory and engineering design suite. Given the university's track record on Thornton Science Park it is not unreasonable to express concern that this is another example of what appears to be a disinterest in proper planning applications or in financial efficiency. All at a time, of course, when the University is issuing redundancy notices.
5. A further concern is the Virtual Learning platform *Aula*, which in 2020 (just last year), was trialled in several departments. UCU has seen documents with charge rates at £7,500 per module and the ability of *Aula* to charge a 'discretionary one-time fee of £500,000 where *Aula* is required to commit additional resources'. UCU has been told the *Aula* project has involved expenditure or commitments of approximately £3million and we would like to know exactly what the figure is.
6. The Financial Report signed off on 24th February 2021 for the period up to July 2020 presents a very different picture of the University Finances and even ends with statement 'We have had a very good year'. Signed off by Governors and Auditors KPMG it presents a picture of stability and progress, noting that student enrolments are expected to increase and that apart from the costs of Brexit and the growing costs associated with Teaching Staff Pensions there are no financial issues that require any immediate action. This report is dated the week after the University issued the statutory redundancy notices on 15th February 2021.

We have limited access to information and to detail about the true state of the University and its dealings and finances. Although it is a publicly funded body with charitable status it is extremely difficult for a tax payer or member of staff or a student to easily track down what is happening to the money. However you as Governors have a duty to the public to hold the Management up to scrutiny and to ensure that public money is used wisely and appropriately, that things are not just fair but are also seen to be fair. We are asking you to undertake this duty.

We are further asking that the University

- Suspend the redundancy process and withdraw the notices or at least guarantee there will be no compulsory dismissals through redundancy
- Investigate thoroughly the Thornton Science Park issue
- Reassess the employment costs of the VC post including both salary and the additional benefits
- Recommit to a transparent student centred University
- Stand by those staff who are currently on the one hand being thanked for all their hard work through the pandemic but some of who are now facing dismissal

Yours faithfully,

Nigel Flanagan
Regional Support Official