

The Rt Hon Bridget Phillipson MP
Secretary of State for Education
Department for Education
Sanctuary Buildings
20 Great Smith Street
London SW1P 3BT

7th November 2024

Dear Secretary of State,

Thank you for your letter of 4 November, and your statement to the House of Commons, in which you indicated your support for higher education.

I welcome the government's positive approach towards our universities and the acknowledgement of their value to society as a whole. As you described, well managed and resourced universities offer unique benefits to our country and to the communities we serve, and help us to respond to some of the greatest challenges facing humanity.

The decision to increase the cap on tuition fees and maintenance loans for students for 2025/26, in line with inflation, is a helpful first step.

The erosion in the true value of maintenance loans, in particular, has been a source of hardship and anxiety for many of our students. Cost of living increases have impacted everyone; but for many students, particularly those from lower-income backgrounds, the squeeze on their already tight budgets has led to significant financial pressure. For students in Reading, while we benefit in many ways from our geographical proximity to London, our students consequently face some higher costs than those in other parts of the UK.

I welcome your decision to move away from the long-term freeze on tuition fees, our largest source of income. Of course, this potential increase does not even begin to cover the additional costs we will face due the increase in employers' National Insurance contributions. Our early calculations show that the £285 uplift to standard undergraduate tuition fees could increase our income by around £1 million per year. Yet we face increased costs due to the NI increase of £1.3 million in the first year, rising to £4 million. The combined effect of the government's policies announced over the past week put the University of Reading at greater financial stress, rather than easing it.

While this means we will have to continue to do more with less, I am grateful to you for setting out your priorities for higher education reform. This provides us with some useful forward guidance to which we can align our plans. I am gratified to note that your five priorities link strongly with areas that already make up much of the University of Reading's strategy:

Improving outcomes for disadvantage students: I share your concerns about the recent widening of the gap in outcomes between students from disadvantaged backgrounds and others. Reading's Access and Participation Strategy has a longstanding record of



guiding our innovative work with schools, colleges, employers and others to improve access to higher education in our region, and the outcomes for those undertaking it. This has been recently updated to focus more support to those who need it most.

Contributing to economic growth: Expanding Reading's contribution to the UK and regional economy has been a key part of our current strategy. I am happy to highlight that, at our most recent assessment, the University had achieved its target of increasing our GVA contribution to more than £1 billion per year to the UK economy, through its direct and indirect activities. Most of this contribution remains in our region, and we work hard to support those caught in pockets of educational and economic deprivation in particular.

One example is through the University's Thames Valley Science Park, where our latest tenants include Shinfield Studios, the UK's largest purpose-built film and TV studio complex, which will generate direct foreign investment of £600 m a year. This is supporting Britain's booming film and media industry, and through partnerships with colleges and businesses, our students and graduates are benefiting alongside many others in securing work experience and jobs in the creative industries.

Reading already plays an important role on the global stage – for example, through our world-leading research on climate and sustainability – and I look forward to working with the government on a refreshed International Education Strategy.

Playing a civic role: I am very pleased to see this among your priorities. We are continuously reminded of the risks created when civic institutions lose touch with the communities they serve. We have set the task of being 'an engaged university' among our core priorities. The 'University For Reading' initiative brings together a wide range of projects and partnerships that our students, graduates and colleagues lead on. As we approach our centenary as a University in 2026, I am proud to remind people that our roots come from the progressive movement to expand access to higher education in years past. We were then, and we are now, a University of and for the people of Reading, Berkshire and the Thames Valley.

Raising teaching standards: I understand your commitment to raise standards in teaching and learning, along with the additional focus of the Office for Students on standards. At Reading we have recently concluded a multi-year review of our portfolio, leading to fundamental reform of what, when, where and how we teach our students. For example, we are now delivering assessments and exams more closely to when we teach course modules, and have reviewed our curriculums to align the knowledge and skills gained more closely with those wanted by graduates, and demanded by employers. Our Centre for Quality, Support and Development is providing a long-term focus on continuous improvement of the student experience.

Financial sustainability and reform: You are correct that we are already having to make difficult decisions to ensure our financial sustainability. Reading is known globally as a world-leader in sustainability research and education – a position recently confirmed by the Times and Sunday Times Good University Guide, naming us Sustainable University of the Year 2025 – but our 2020-26 strategy puts equal weight on our need to be financially, as well as environmentally, sustainable. My colleagues have shown great forbearance and generosity of spirit in recent years in helping us to overcome financial challenges, created by events beyond our own control. I agree that transparency and

openness are vital tools in bringing about change. Our experience at Reading is that it is only through mutual trust and respect that it is possible to make otherwise difficult changes to become more efficient, while also looking to improve provision. I would welcome support to find ways to help us to access resources that might otherwise not be available to us.

I look forward to your promise of partnership working to set out your detailed agenda for reform over the next few months. I hope that your previous visits to the University of Reading, including to our Institute of Education last year, have helped you to shape your vision for excellent education and higher education. I would be pleased to welcome you back to Reading again in the future.

Yours sincerely

A handwritten signature in black ink, appearing to read 'R. van de Noort', with a large, stylized initial 'R' and a horizontal line underneath.

Professor Robert Van de Noort CBE
Vice-Chancellor