

# A Russell Group University for Wales: Embracing Cynefin for a sustainable future

## The University Executive Board's (UEB) proposal Academic Futures

'Our Future, together', Cardiff University's vision for 2035, was produced as part of a collective listening exercise called the Big Conversation/Y Sgwrs Fawr. It sets out a vision for a "diverse, inclusive and international university, capable of achieving significant economic and social impact on and for Cardiff, Wales and the world". It envisions an institution focused on "researching and solving global challenges, financially sustainable through a diversified income, with a network of reciprocal transnational education partnerships, from a high-quality civic campus closely connected with and co-created by its community; an embodiment of *cynefin* that nurtures a sense of identity and belonging".<sup>1</sup>

The University Executive Board's (UEB) proposal *Academic Futures* undermines this vision of achieving 'academic and financial sustainability' by chasing higher league table places through "higher quality cohorts" of students with higher Student:Staff Ratios (SSRs) and by entirely cutting Nursing, Music, Religion, Ancient History and Modern Languages and many other schools by 10% or more – a total reduction in academic staff by at least 400 FTE.

Rather than making the university sustainable, these changes are highly risky to the university's future and its ability to deliver on its own strategy and strategic goals. Serious short to medium term risks include:

- Undermining international and national reputation;<sup>2</sup>
- Irrecoverable loss of highly skilled staff;
- Long-term damage of good-will and morale among the workforce;
- Damaging the quality of education by increasing Student:Staff Ratios (SSRs);
- Further decrease in the global QS rankings (that consider SSRs more than tariffs);
- Increasing workloads for remaining staff;
- Missing Quality Assurance Agency (QAA) benchmarks;
- Making the university inaccessible and unwelcoming to local students and those from disadvantaged backgrounds.

A key driver of these plans is the goal "of delivering an operating surplus before investment income and depreciation in excess of 12% of income" over the next 3 years.<sup>3</sup> Independent financial analysis commissioned by UCU and outlined below shows that such a high surplus is unnecessary to eliminate the operating deficit. A slower series of reforms, aiming for smaller surpluses, would preserve programmes, academic knowledge, and access.

*The first step must be for management to rule out compulsory redundancies as part of the transformation process. Without this step this vision is not achievable.*

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<sup>1</sup> <https://www.cardiff.ac.uk/about/our-profile/strategy/our-future-together>

<sup>2</sup> Senior academics, business leaders, and Members of Parliament and Senedd have all expressed concerns over the scale of proposals, the lack of detail in the UEB business case, and the speed with which changes are being implemented.

<sup>3</sup> Cardiff University Annual Report 2024, p. 24.

[https://www.cardiff.ac.uk/\\_data/assets/pdf\\_file/0007/2894974/CU\\_AnnualReport2024\\_Final.pdf](https://www.cardiff.ac.uk/_data/assets/pdf_file/0007/2894974/CU_AnnualReport2024_Final.pdf)

## Trade unions counterproposal: Delivering on ‘Our Future, Together’

Our proposal is structured in two steps that focus on delivering, rather than undermining, the three strategic priorities set out in ‘Our Future Together’. The HE landscape is changing and its funding model requires structural reform. As the Vice Chancellor herself repeated during The Big Conversation / Y Sgwrs Fawr, however, ‘no university ever cut its way to excellence.’<sup>4</sup>

Instead, the future of Cardiff University must be shaped by its unique history as a university founded with money raised by public appeal in Wales to serve the people of Wales. The university is dedicated to work for the public good in Wales and beyond through life-long education programmes, training of professionals, high quality research and impact, and engagement with communities.

The UEB’s *Academic Futures* proposals undermine the three Strategic Priorities outlined in Cardiff University’s ‘Our Future, together’ 2035 strategy. We understand ‘academic sustainability’ to be active engagement in the creation and nurturing over time of communities of expertise able to generate innovation through knowledge, and to identify new intellectual and financial opportunities. This is inseparable from financial sustainability.

Our proposal takes six years to achieve academic and financial sustainability through a careful and measured restructure that will lead to a more prosperous university for students and staff. We see this happening in two interconnected steps:

- First, securing the short to mid-term financial sustainability of Cardiff University, grounded in evidence-based and realistic projections.
- Second, achieving its [three strategic priorities](#) through widening access to higher education; transnational education and lifelong learning; structural and governmental reform; and technological modernisation.

These strategic priorities will deliver the academic sustainability needed to underpin longer term financial sustainability, feeding a virtuous cycle that reinforces Cardiff University’s place as “an anchor institution in our city-region, delivering cultural, social, economic and environmental benefit for Cardiff, Wales and the world”.<sup>5</sup>

### Step 1: Secure short to mid-term financial sustainability whilst maintaining quality and reputation

Our proposal to achieve financial sustainability has been developed in consultation with an independent financial expert, commissioned by the University and Colleges Union (UCU). Findings are based on Cardiff University’s financial report from Financial Year 2023/2024, which showed an operating deficit of about £31 million.

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<sup>4</sup> Said to staff during consultative seminars, for example:

<https://cardiff.cloud.panopto.eu/Panopto/Pages/Viewer.aspx?id=0597428e-cfa6-4501-8a8a-b14601648091>

<sup>5</sup> <https://www.cardiff.ac.uk/about/our-profile/strategy/our-future-together>

However, this included £50m of non-cash depreciation costs and excluded a £37m gain on short term investments, so the level of cash and financial assets remained stable at over £400m.<sup>6</sup> Independent advice concluded that:

- The scale of proposed cuts is an over-reaction driven by inappropriate KFI metrics: if these expectations were to be scaled back, there would be no need for compulsory redundancies;
- Cardiff already has what appear to be “excess” reserves on the Charity Commission definition and so an EBIDA in excess of 12% of income is inappropriate: Cardiff does not need to generate a further £80-90 million per year in cash surpluses.
- Whilst repeated operating deficits are unsustainable, the target income level set goes far beyond what is necessary to close the operating deficit.
- The university does not need to run surpluses to generate significant new cash given the existing cash pile (over £400m in reserves of which at least £180m is readily available cash and liquid assets with no allocated purpose).

Rooted in this independent guidance alongside realistic financial projections,<sup>7</sup> we propose:

- The university does not chase an operating surplus within a 1- or 2-year cycle and instead adopts a six-year timeframe for transformation.
- Harnessing staff expertise to explore diverse avenues of income generation, including greater integration in local community initiatives and the public and private sector in Wales.
- Benchmarking against realistic projections for international student numbers.<sup>8</sup>
- Taking into account the immediate savings through VSS and Voluntary Redundancy which will come into effect FY25/26.<sup>9</sup>
- A reset of senior management salaries, with bonuses and privileges voted on by Senate based on individual and collective performance.
- Reducing the institution pay gap between highest and lowest paid staff by capping highest salaries at 100k.

The University’s available funds of £426m include £79m in endowment and capital commitments. Thus £354m are available to be used to promote the mission of the University. Independent analysis suggests this is one of the highest levels in the UK. Clearly, setting aside from these reserves a bond repayment fund as well as additional long-term reserves of £100m is right and prudent. These guarantee the long-term stability of the University. This leaves a remaining £184m of uncommitted funds in excess of Council’s target and without a clearly articulated purpose, potentially in breach of the rules of the Charity Commission. We do not believe that decisions about how these funds are used should be dependent on the source of the money (i.e. bond vs accrued surplus).

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<sup>6</sup> A further reason why Cardiff is returning an operating deficit is that figures include a depreciation figure of approximately £50 million annually. Depreciation is a non-cash element of expenditure. While it appears as a cost in financial statements, it does not directly affect the university’s cash flow. With operating deficits below £50 million, Cardiff would still generate cash.

<sup>7</sup> UEB have not provided any financial data, projections, or evidenced arguments that shows their proposals are financially and academically sustainable or provides a baseline for counterproposals.

<sup>8</sup> The projected 1500-1600 international taught postgraduate students p.a. is very low; similarly, the projection for all overseas students (4310) is lower than all intakes since at least 2018, and this significantly reduced baseline is unjustified in the proposals.

<sup>9</sup> The university is already making savings for next year through staff departures under the two Voluntary Severance and now Voluntary Redundancy, which will not be felt in this FY but should be in FY 2025-26. Attrition, recruitment and promotion freezes, while not ideal, will also add to staff savings.

The goal of an EBIDA in excess of 12% is to generate substantial operating surpluses.<sup>10</sup> Such operating surpluses would yield even more substantial cash surpluses. In other institutions, these may be necessary to fund future capital expenditure (e.g., replacing end-of-life buildings). However, the university already has significant amounts of unallocated cash. The purpose of accumulating more cash additional to the large amounts of cash already held and yet to find a purpose is unclear. We suggest instead that it would be entirely appropriate to use a portion of the £184m financial cushion to support restrained capital expenditure over a six-year period and a portion to allow a more measured restructuring of the university.

## **Step 2: Deliver on Cardiff University's three strategic priorities to unlock long term financial sustainability**

### **Strategic priority 1: Culture, cynefin and community**

*"We value diversity and will take the necessary steps to be a genuinely inclusive, positively bilingual and anti-racist university."*

As a Welsh university, staff and students recognise themselves in the concept of *cynefin*: the idea of belonging to a specific context—of having a place, an anchor. To many in Cardiff and in the wider world, *cynefin* also speaks of Wales and of the principles and values this country has been weaving into its history: of solidarity, equality, support and engagement with each other; and of making long-lasting, positive change for current and future generations.

Widening participation in Higher Education is not only a means to develop culture, cynefin and community at Cardiff University but also to deliver on Welsh Government's strategic duty to "promote equality of opportunity" (Tertiary Education and Research Act). UEB's proposed maintaining of tariffs and reducing volume in undergraduate home numbers, and higher SSRs, risk threatening widening access initiatives for Wales.

The UEB have also proposed that Cardiff will be a smaller university. With A-level results in Wales trailing those in other home nations, a smaller university achieved simply through stricter tariff controls will exclude a larger proportion of Welsh students. This will have profound implications on social mobility, retention of graduates in Wales, and the servicing of our public and private sectors.

Instead, we propose a commitment to widening access to higher education to sustain Cardiff University's stature as the premier choice for Welsh students, and an anchor institution in the economy of our city-region. This could be achieved through:

- Working creatively and collaboratively with key civil and industry partners. This includes mutually beneficial funding models that aim to improve retention by setting up direct lines of employment for graduates, supporting financial sustainability whilst appealing to a wider pool of students. This could use the model of Degree Apprenticeships and draw on postgraduate models of co-funding such as Nottingham University.<sup>11</sup>

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<sup>10</sup> It has been suggested by UEB members that this reflects a sector benchmark, but given the stress in sector it seems unlikely that this represents an accurate benchmark at this point in time.

<sup>11</sup> <https://www.nottingham.ac.uk/workingwithbusiness/collaborativefunding.aspx>

- The development of contextual offers, taking into account a variety of candidates' characteristics and experiences. Strongly focused on bringing diversity in the classroom, this would amplify the teaching and learning experience at Cardiff and enable us to show the 'added value' provided by the university and its staff.
- Through study flexibility developed under Strategic Priority 2.

## **Strategic priority 2: A vibrant and thriving place**

*"We will be more visible and present in diverse communities, allowing knowledge to flow in both directions, sharing our spaces and resources... We will connect Cardiff and Wales to the world through mutually beneficial connections and global relationships."*

We want to provide a more diverse portfolio of options for Higher Education, Transnational Education (TNE), and lifelong learning that draw on the expertise and resources of Cardiff University. We support three core approaches from *Our Future, Together*:

1. *Flexible degree and module pathways: "tailored, lifelong learning [for] our students that gives them choices, agency and a voice."*
  - Undergraduate (UG) and post-graduate (PGT) students to create tailored diplomas or degrees that meet individual needs, whilst also meeting QAA and professional accreditation requirements. This would be supported by a whole-university Graduate School.
  - Open module offers at both UG and post-graduate (PGT) levels to support lifelong education and Continuous Professional Development (CPD) in Wales and internationally and effectively diversify incomes over the full calendar year by targeting a variety of different interests and markets.
  - Programme awards would allow students to build credits and micro credentials, and to pause their studies more flexibly, responding to personal and global financial pressures as well as independently developing their educational and professional profiles. Cardiff's award-winning Pathways to a Degree programme demonstrates the financial possibilities of a sustained commitment to this model, including high conversion rates to PGT degrees, benefiting both the university and underrepresented student communities.
2. *Judicious use of technology: "We will invest in world class approaches – physical and digital – for research and innovation, education, and operations."*
  - Expand student reach and enhance student reach by integrating emerging technologies with in-person teaching. Utilize advanced technology for immersive remote and hybrid learning. Enabling international students to study remotely.
  - Build on existing expertise with existing initiatives include FutureLearn courses, Business School's Health Planners Diploma, and HIVE Unit in Medicine while also modelling our approach after Oxford's Saïd Business School.
3. *A long-term commitment to collaborative TNE: "high quality, reciprocal, transnational education initiatives."*
  - Cardiff University's risk taxonomy for TNE lists overseas campuses as 'Red Risk' for QAA and staff engagement.<sup>12</sup> In line with its baseline of TNE requirements: an

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<sup>12</sup> Publicly available at [https://www.cardiff.ac.uk/data/assets/pdf\\_file/0003/2794170/Risk-Management-Policy.pdf](https://www.cardiff.ac.uk/data/assets/pdf_file/0003/2794170/Risk-Management-Policy.pdf)

honest business case, long-term commitment, broad staff support, and clear alignment with core objectives.

- Any TNE development carried out in collaboration with academic staff to design cutting-edge programmes. Our TNE should focus on partnering with international colleagues to generate mutually beneficial returns financially and in terms of academic innovation and research opportunities.

### **Strategic priority 3: Co-creating futures**

*"We will streamline governance processes, reduce workload, bureaucracy and duplication, and focus on outcomes. We will be transparent about the decisions we make and the reasons we make them."*

These structural reforms will rebalance decision-making powers across the university's existing governance structures including the elected Senate and Committees. This will minimise the need for duplication or personalisation of leadership at college and Dean levels.

We propose structural reform that generates cutting-edge interdisciplinary teaching and research programmes, offers practical, responsive support for working with external partners on translational research and commercialisation, provides cost-cutting across the system, and (re)builds our "culture of trust, transparency and accountability". We propose:

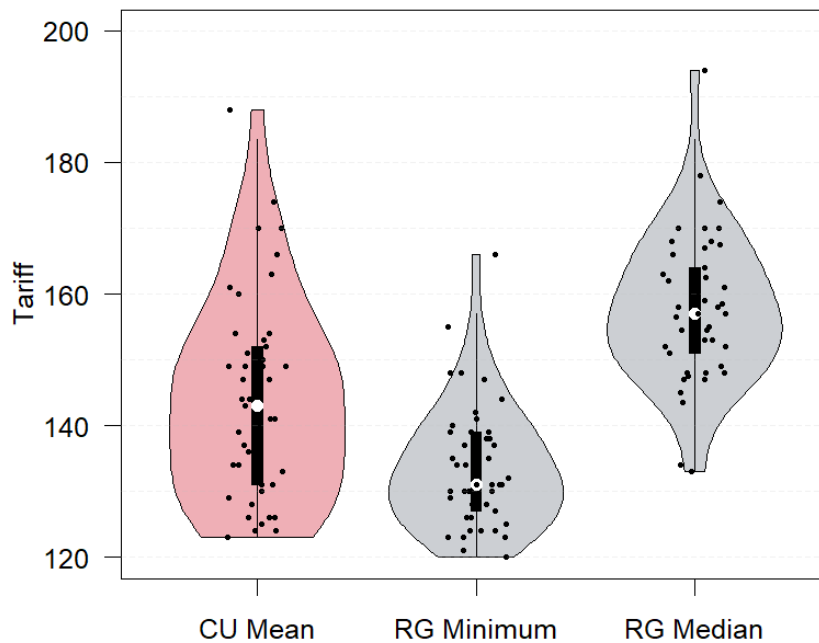
- A change from a 3 to a two-tier university, removing the college structure that limits interdisciplinarity and collaboration. The Research Service will coordinate interdisciplinary collaborations.
- A more strategic use of the university estates for the university community and beyond (e.g. more use of opportunities for renting university spaces to the wider community).
- Modernise programme delivery, supporting Teaching and Scholarship staff pathways.
- Schools will work in closer partnership with central marketing to highlight 'flagship' research, identify academic spokespeople, and (re)build CU's international reputation.
- A change in research culture with more centralized pockets of funding via the Research Service allowing research grants to be used more effectively. This will tackle precarity among research staff, themselves supported by project managers, lab technicians, and statisticians who are an integral part of the workforce, avoiding the constant loss of institutional knowledge and expertise and the waste of time and resources dismissing and hiring researchers and research-support staff. Many research institutions in the UK operate with models like this, which increases job satisfaction, productivity and success in funding applications.
- Support school-specific initiatives to integrate with public and private sector organisations, such as the Business School's Welsh Government-funded Diploma for Health Planners and the School of Medicine initiative with *Public Health Wales* (PHW) and *Health Education and Improvement Wales* (HEIW).
- Allowing schools the choice over whether to consolidate as wider multidisciplinary units, and trusting its own academics' internationally recognised skills and qualifications in teaching, research, and scholarship in this process.

# Appendix 1: Independent analysis of (limited) data provided by the UEB

## 1. Review of data on tariffs

In considering the claim in the UEB’s proposal that Cardiff University urgently needs to reconsider tariffs and entrance requirements (which will subsequently influence SSRs), data made available by UEB was analysed in relation to how Cardiff University’s tariffs compare across subject areas with the Russell Group of universities. The analyses conducted have made use of the limited and often incorrect data provided by the UEB, with robust attempts to ensure accuracy in transcribing data for statistical analysis.

When comparing the existing Cardiff University (CU) tariffs with the Russell Group (RG) (minimum and median tariffs by Times Good University Guide (TGUG) subject grouping), we find that CU’s mean tariffs sit suitably between the RG minimum and median. Specifically, on average, CU mean tariffs are 9.16% higher than RG minimum tariffs and 8.61% lower than RG median tariffs (Fig. 1).



*Figure 1: Cardiff University mean tariff distribution compared to Russell Group minimum and median tariffs*

Despite concerns with the nature of the data that trade unions have been restricted to in performing this analysis, the data provided does not support the notion that CU tariffs are inferior to the RG, especially in the context of supporting widening participation in Wales. Figure 2 below illustrates how CU mean tariffs compare with RG minimum and median tariffs on a subject-by-subject basis.



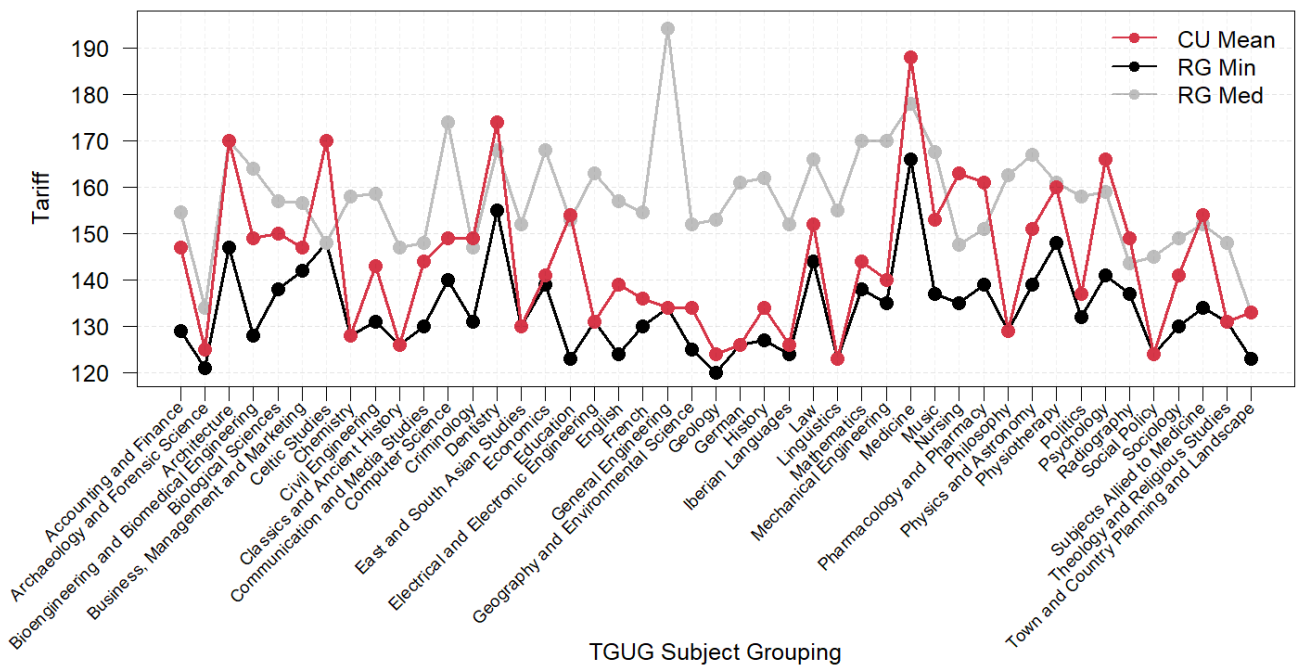


Figure 2: Cardiff University mean tariff compared to Russell Group minimum and median tariffs by TGUG subject grouping

**Cardiff University’s tariffs are broadly on par with the Russell Group median, and on average 9.16% higher than the Russell Group minimum tariffs. More stringent controls on tariffs may run the risk of impacting recruitment to key programmes.**

## 2. Review of data on Student:Staff Ratios (SSRs)

An increase in SSRs is outlined in the *Academic Futures* proposal as being necessary to ensure alignment with RG SSRs. Once again, using the data at our disposal, an analysis of CU’s SSRs compared to RG SSRs as well as SSRs of the sector (as per the Higher Education Statistics Agency; HESA) was undertaken. The CU internal “Operational” SSRs are currently, on average, 13.93% higher than the RG and 9.62% higher than the sector, however they do not differ in their variability (Fig. 3).



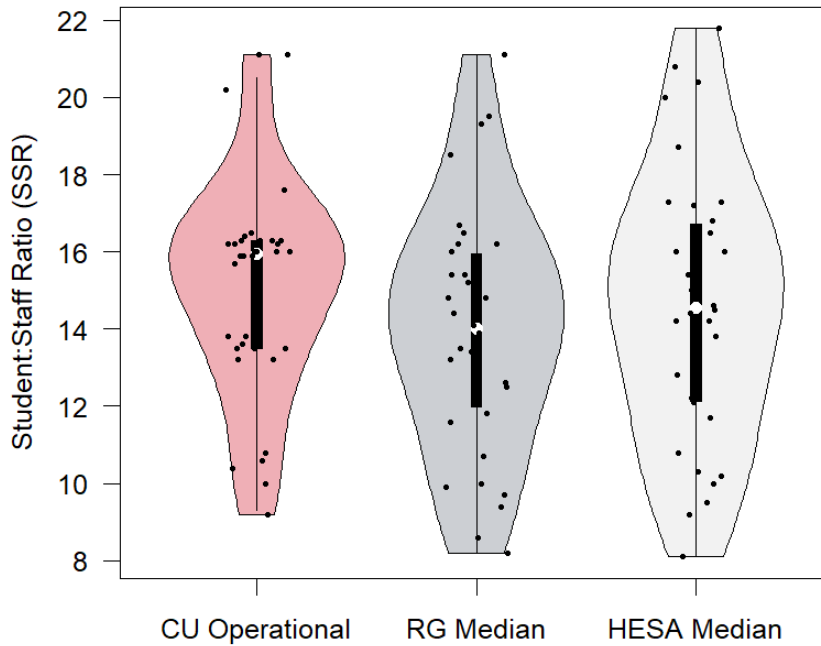


Figure 3: Cardiff University operational SSRs compared to Russell Group and HESA median SSRs

On a subject-by-subject basis, except for a few schools within CU, the SSRs are consistent with that observed in the RG and the sector. These findings are consistent with the figures reported by the Times Higher Education (THE) as part of their 2025 rankings. Figure 4 illustrates the how CU SSRs compare to those of the RG and the sector on a subject-by-subject basis.

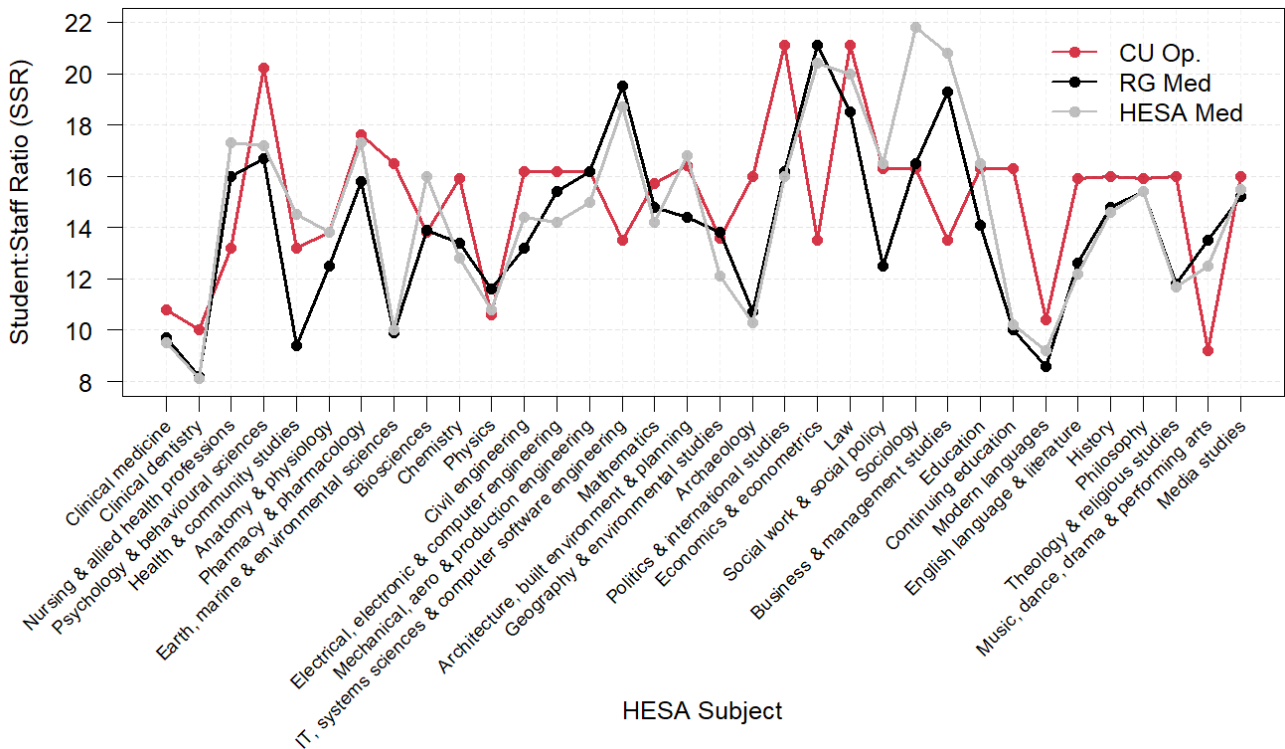


Figure 4: Cardiff University operational SSRs compared to Russell Group and HESA median SSRs

The AF Proposed Target SSRs would be exorbitantly higher than RG and sector SSRs (Fig. 5). Specifically, on average, the AF target SSRs would be 35.7%, 30.6%, 17.7% and 7.3% higher than the RG median, sector median, RG upper quartile, and sector upper quartile SSRs, respectively.

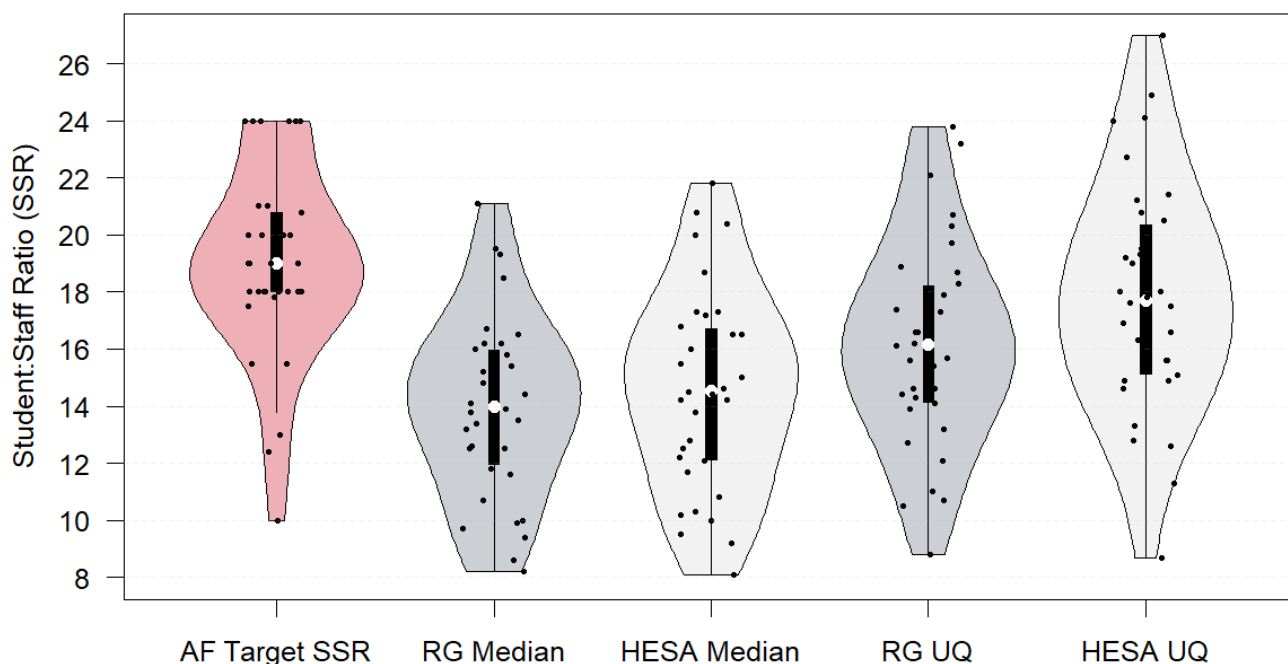


Figure 5: AF Proposed Target SSRs compared to Russell Group and HESA median and upper quartile SSRs

**Reviewing of SSRs on targeted programmes may be reasonable, but CU’s SSRs already align with the RG and sector. No urgent action is recommended; smaller SSRs have been identified as being an important metric that prospective international students consider when expressing an interest in studying in the UK.**

In addition, we would like to stress that the choice of tariffs and SSRs as indicators for the learning and teaching experience has its limitations. Tariffs alone speak of educational attainment but we also know that these are strongly correlated to socio economic conditions. Any proposal looking at the creation of a university inspired by *cynefin* would consider tariffs only as one of the possible criteria to select entry and consider contextual criteria for admission to achieve positive discrimination (e.g., as the University of Bristol does). Such approaches also enable institutions to demonstrate their ‘added value’ (by comparing entry grades with degree classifications upon graduation). Also, SSRs alone can tell only a limited story regarding the quality of the learning and teaching experience as contact time variations can substantially alter them. In our proposal, we see schools developing a much deeper understanding of the learning and teaching experience based on SSRs, contact time and staff workloads.

### 3. Review of data on Research Income

Data available on research income by HESA subject (per T&R FTE) was analysed to consider CU’s performance in relation to RG universities and the wider sector. CU continues to attract significantly more research income per T&R FTE than the sector on average and performs on par with research income reported by RG universities (Fig. 6).

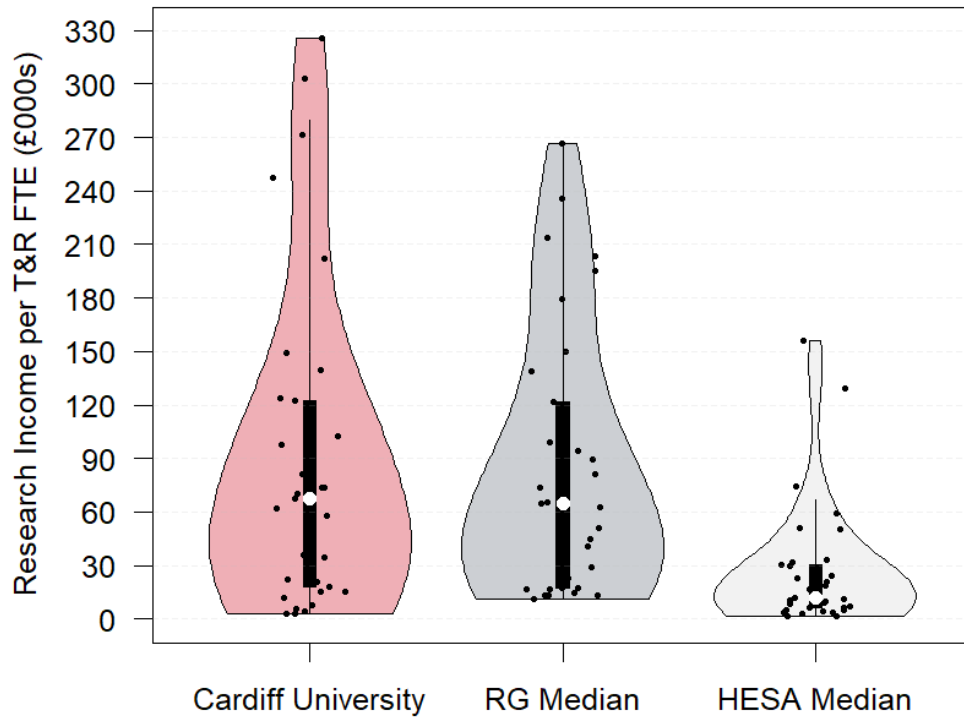


Figure 6: Research income per T&R FTE (£000s) at Cardiff University compared to the Russell Group and sector medians

Figure 7 (below) illustrates the performance of CU on this metric in relation to the RG and sector on a subject-by-subject basis.

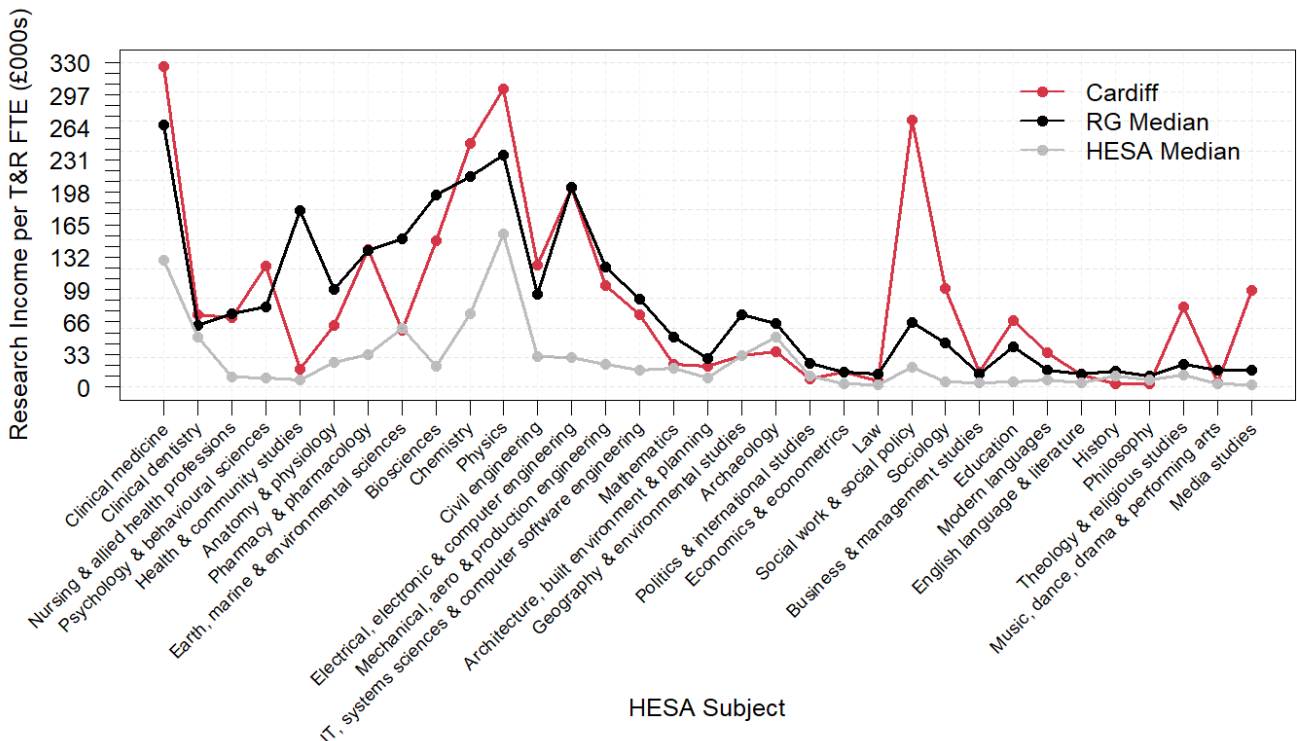


Figure 7: Cardiff University reported research income by HESA subject (£000s per T&R FTE) compared to that reported by the RG and the sector.

**Research income per T&R FTE aligns with RG universities and is superior in a number of HESA subject areas within the RG.** A review of workload allocations that will facilitate additional time to the writing of grants, proposals, and research projects will ensure continued excellence in these areas.

## **Appendix 2 – What is Cynefin to us**

As a Welsh university, we staff and students recognise ourselves in the concept of cynefin: the idea of belonging to a specific context—of having a place, an anchor. Cynefin speaks to the emotional and intellectual connections we form with the places we inhabit, the communities we belong to, and the work that we do. In a university, it suggests an environment that is not only a place for academic and personal growth, but also a space that nurtures its members and its partners across the world, providing them with a sense of stability, purpose, and collective identity, and enabling them to invest their passions, expertise, and time in return. To many of us in Cardiff and in the wider world, cynefin also speaks of Wales and of the principles and values this country has been weaving into its history: of survival against all odds; of solidarity, equality, support and engagement with each other; of living in tune with nature and of making long-lasting, positive change for current and future generations.