

UNIVERSITEIT TWENTE.

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Aan het College van Bestuur

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bijlage(n)			
cc.			
onderwerp	Concept-Budget 2020-2024.		

Dear Executive Board,

Below you will find the state of the opinion of the UC at this moment in the ongoing discussion on the budget 2020-2024, which has to be finalized in the UC-EB meeting of December 11, 2019.

General observations

In the upcoming budget year the university as a whole and its faculties receive large extra budgets: the multi-annual budget allows a large increase in tenured scientific staff, in temporary personnel such as PhD's and in support staff as to relieve the scientific staff from their administrative burden. But also the real estate has to be extended to house the extra activities. Whether the extra capacity is proportional to the increase of tasks during the last 6 years (the start coincides with the introduction of the TOM-model) is a question which is difficult to answer.

First of all the university (on central or decentral level) is not able to quantify the required capacity in relation to the increased tasks, to make the effects of growth on the workload visible. We want to repeat here that working on a capacity model for our activities is a major tool to get grips on the workload problem, but also would allow us to use a desirable measure as the teacher-student proportion.

Second, filling vacancies has not been an overall success over the previous years. If the labour market does not allow the university to fill all positions and if staff leaves the UT in the meantime (retirement or unexpectedly), it can have a negative effect on the workload development (and the quality of our work), although it will have a positive effect on the budget's result.

Nevertheless, diminishing the workload remains an important condition to enable the personnel to contribute to new goals as to be determined in the new "Shaping 2030" strategy.

Remaining issues in the discussion about next year's and the multiannual budget are the following:

1. Our university has to cope with **increasing student numbers** in terms of teaching capacity, teaching facilities, corresponding research tasks, student facilities, support and real estate. An important condition for the necessary review of our student recruitment strategy is the substantial lower marginal budget per extra student (-18%), especially if we accomplish our shared goals: maintaining our small scale teaching style and quality of education and balanced proportions of student groups, such as international and Dutch students. This calls for selective growth with eye for societal needs (labour market), more emphasis on delivering students and researchers for the regional and Dutch economy and tools to influence the inflow. Also the goals and the budget for scholarships, paid from the 1st stream budget, has to be reconsidered.

How can this university get grips on the number of (different groups of) students that enrol and are we able to adapt the capacity for teaching and facilities sufficiently quick to the current changes?

2. The executive board proposes to deviate from the rule that around New Year the (positive) difference between estimated and actual **tuition fee budget** will be allocated to the programmes/faculties, that welcome the extra students. As soon as accurate information is available, the EB intends to use this budget, in 2020 only, for new policy goals, without specifying a plan.

If this would be a substantial budget, this implies that the new budgeting method lacks accuracy. But, more importantly, since for these extra students only tuition fee is available ($t - 2$ financing) for the welcoming programmes, it seems fair to allocate the budget to the faculties, as usual. The reasoning why this is not required is at this moment lacking.

For what goal does the Executive Board reserve this extra budget and, if there is a plan, isn't there another way to find this investment?

3. **Strategic collaborations in the budget and annual plan 2020.**
Extending the VU-UT collaboration with e.g. EE seems premature: a proper evaluation of at least one full year of the new activity and a review of the current business plan are in the opinion of the UC necessary conditions as starting points for a serious approach of such an extension.

Does the Executive Board agree that further investment on this kind of collaborations should be based on a meaningful evaluation and business plan?

4. **Proportions of the scientific categories.**
The increase in scientific staff is mainly in the category of assistant professors. Within 5 years their ratio with respect to associate and full professors increases from 0.97 to 1.50. This change in ratio will require a different approach to the career paths of this category.

A similar remark can be made on the increase of the category of (100%) teaching staff. This issue does not seem to be of immediate consequence as first the positions have to be filled. However, especially these categories are now subject to a 180 degree policy change of education and research positions compared to six years ago as a result of the implementation of the tenure track system, which is the main focus of the current HR strategy.

What does this rapidly changing reality mean for the career paths of the scientific staff, and, moreover, what is the ideal profile of new employees in relation to the newly defined strategy?

5. Sector plan and research policy

The 30% strategic supplement on the sector plan budgets of the faculties. The condition (interfaculty collaboration) seems not reasonable and the need for strategic budget for the new strategy is another consideration to spend it otherwise.

The argument of the EB was that the deans initially drew up sector plans for a 130% budget, based on the call by the minister, focussing on fundamental and disciplinary research positions: collaborating faculties was not a starting point. Imposing such an extra condition is understandable from the point of view of a HTHT strategy, but not in terms of the decision process. Another reason why the proposed distribution of the M€ 2.5 central steering budget during 6 years is not reasonable or effective is the following consideration: the UC expects that finalizing new strategy discussion will end up in plans for which investments are desirable (or inevitable), in the eyes of the board. Since the board is spending all the central budget for the years to come and wants to continue many stimulating projects, the demand for more strategic budget or a proposal to spend the university's reserves are a probable outcome of this discussion. The council is (at least) sceptic towards this proces.

Related to this topic is the delay in the presentation of a clear research strategy. The UC requested repeatedly renewal of the more than 10 years old current strategy and the EB announced it several times without delivering. Contrary to what the UC and EB agreed, the budget 2020-2024 only states that the distribution of the main research budget contains remains fixed until 2024 (as to ensure stability for the faculties). At the same time research strategy is implicitly changed and implemented by the sector plans on one hand and on the other by multiannual allocation of additional budgets from central university budgets. The quick changes inside and outside the university make the combination of the multi-annual policy free distribution of research budget and the informal decentral research policy making via sector plan non-sustainable.

All in all it seems a logical decision to postpone the conditions for distributing this CSB budget, that is, **we could agree with the intention of distributing extra research budgets, if:**

- **during the current academic year the overall research strategy is finalized,**
- **a review of the university wide distribution of research budgets and**
- **a new strategy based distribution of the M€ 2.5 budget is presented.**

Since the latter budget for 2020 is only 25% of M€ 2.5, postponement with half a year has hardly any negative consequences, but many advantages.

Is the renewal of the research policy and the review of the current budget distribution and stimulation budgets a priority of the executive board and can the board commit to an effort to complete the policy making within half a year?

6. The **sector plan Education** has to be qualified as a rush job. At the same time the implications of this plan are quite large.

How will participating bodies be involved in the development and finalization of these plans?

The foregoing considerations lead to the following draft-decision which we send to you for further discussion on the 11th of December.

Draft decision:

The University Council,

seen:

- the Concept-budget 2020-2024 (UR 19 204);

heard:

- the FPB committee meetings on November 20th, 25th and 27th, 2019;

considering:

- the current rules to distribute the money on services, central budgets and faculties;
- the extra budgets from increasing student numbers, quality plans, sector plans research and education and the unknown expected extra research budget (van Rijn);
- the current multiannual policy-free (fixed) distribution of the research budgets of the former research institutes and the upcoming design of a new university strategy;

Considering the commitments of the Executive Board:

- 1) *Identify instruments that can be used to influence increasing student numbers and safe guard a well balanced student population related to the UT mission and vision;*
- 2) *To encourage faculties to identify first steps in implementing Shaping 2030 and use additional tuition fees to implement this;*
- 3) *When starting new strategic partnerships we take lessons learned from former strategic partnerships into account;*
- 4) *The M€ 2.5 strategic budget will be allocated to the faculties according to the proposal. The way it should be spend will be discussed during the first half year of 2020, when we agree upon a concrete and overall research strategy;*
- 5) *The VSNU position paper 'erkennen en waarderen' on talent management of scientific staff, which aligns well with Shaping 2030, will be taken as starting point of formulating a personell policy. This policy will be ready before May 2021;*

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6) *Participation bodies will be involved in translating the sector plan education to the University of Twente.*

The University council decides to give his consent to the main features of the Budget 2020-2024 and advices positively on the other topics.

Regards,
on behalf of the University Council,


dr ir H. Wormeester,
Chairman

