Oration by the Vice-Chancellor

Colleagues, Members of Congregation, thank you for joining me in Convocation House today. On previous occasions when I have stood here to deliver the annual oration of the Vice-Chancellor to the University, my focus has been pretty remorselessly outward looking. And rightly so, I would argue, given the scale and rate of the changes that have swept through the world of higher education in this country and beyond.

But today I want to do something a little different. I want to turn the lens round and focus more on ourselves. To hold a mirror up, if you will, to the University and see what emerges; to take a calm, reflective look – neither vain nor cynical – at how we are doing; at how we can protect, preserve and nourish where appropriate – but also develop and change, where both opportunity and necessity point.

As we know, we never see ourselves in the mirror as others see us. But that doesn’t mean that we are rendered incapable of sound or self-judgement. Calm, intelligent scrutiny of the evidence is one of the defining hallmarks of outstanding scholarship, the kind of scholarship that has stood this ancient institution in such good stead for so many centuries, and continues to do so today.

My intention to hold up a mirror to Oxford is not, you will be pleased to hear, a random nor, I hope, a quixotic one. Though I am alive to the admonition of Jean Cocteau that ‘mirrors should think longer before they reflect’.

No, my intention corresponds to the moment in which we find ourselves. While it would be fatuous to claim that the winds of change in higher education have faded to a dead calm, they have certainly not changed direction radically in recent months. Whatever you may think of the way in which higher education is now being funded in this country, it seems highly unlikely that any government is going to tear it all up in the foreseeable future and start again. We are still more than 18 months away from a general election in which, whatever the prevailing political rhetoric, the state of the economy will continue to dictate some hard facts. In that sense the higher education policy landscape is set for the time being. The right moment, I would contend, to take a breath and get out that mirror.

I also have a more personal reason for choosing this moment for a little institutional self-scrutiny. I am today embarking on my fifth year as Vice-Chancellor and, while you will never hear me claim that I know all about the University of Oxford, I hope I have enough accumulated knowledge, and certainly enough real affection, for my thoughts to have a modicum of substance.

In one sense, of course, the University has been engaged in a process of self-scrutiny for some months, with the careful development of our newly published strategic plan. It is a document that provides an important guide both to where we are and where we wish to be. Rather than rehearse it here I want to focus on three key areas. These are Funding Oxford, Diversifying Oxford, and Digitising Oxford.

First let me focus on funding. I’ve already mentioned that most contentious aspect of HE finance: the funding of undergraduate education. Oxford’s approach is pretty straightforward: to provide the most talented students, regardless of personal circumstance, with the best education – teaching and facilities, study and support – anywhere in the world.

So how are we doing? Well, our students are outstanding and the education we provide is recognised to be world class. What do not compute for Oxford are the finances. Like most universities in the country – old and new, small and large – we have set tuition charges at the maximum permissible: £9,000 a year.

I have read that some universities are doing very nicely, thank you, on that basis: comfortably covering the cost of what they provide to their students. That may or may not be the case for them, but one thing I am quite sure about is that it doesn’t add up for Oxford, where the new regime of increased tuition charges for students, but greatly reduced government spending on teaching, have done little to change the basic financial equation.

How can they, when the real cost of an Oxford education is at least £16,000 per undergraduate every year? That represents a funding shortfall of more than £7,000 a year per student. Or put another way, a University-wide gap – more of a chasm really – of over £70m a year that Oxford has to plug.

Is that possible? In one sense yes, or we wouldn’t be here today. Is it sustainable? That is a critical question.

The generosity of our benefactors remains vital, and we have been blessed in that regard by visionary programmes like the Moritz-Heyman scholarships. Certainly, endowments and other gifts matter a great deal. But that should not obscure the painful fact that money which the collegiate University spends on subsidising undergraduate education is money that can’t be spent in other places. Places where it is badly needed: on our physical infrastructure, on stronger support for graduate students, on educational resources and renewal, and the many other things required to sustain a world-leading centre of learning and research in the 21st century.

Of course, an observer peering at the image in our Oxford mirror might say, well, cut deeper into your cost base. Narrow the gap that way. Do you really need that labour-intensive tutorial system and all those colleges? Get rid of some of the books and sell off the historic collections? In other words, make Oxford something other than Oxford. Well, perhaps I exaggerate. And we certainly do need to be sure that we are using our resources to maximum effect in the service of that deceptively simple formula: the best possible education for the most talented young minds.

As others have observed, excellence in most walks of life does not come cheap. And unless we can offer the best we can’t expect to get the best. Oxford has an outstanding reputation but that will not endure over time unless it continues to be underpinned by outstanding quality.

At the time of the Browne Review of Higher Education Funding three years ago, Oxford put forward a proposal that a university should be able to vary tuition charges over time in order to bring them closer to the real cost of the education it was providing for its students – always with the absolute proviso of robust arrangements to ensure student affordability. It is not a new idea, but it is one whose time will surely come.

It seems increasingly inevitable that government – any government in future – is going to have to evolve a more sophisticated and indeed variegated approach to the
challenges of student funding. The idea of a market (and that is what is ostensibly being created) in which every item, virtually regardless of content and quality, is the same price seems, well, a little odd. On the other hand, given the great diversity of the institutions in our higher education system, the notion of different universities charging significantly different amounts doesn’t feel inherently unnatural. It is the current situation that seems out of kilter.

What matters surely is that an institution’s charges are clearly aligned with what it offers and that they are demonstrably not a barrier to student access. In other words, that robust and generous financial support remains readily available for students who most need it and, where that involves loans, that they remain repayable only after graduation and only in proportion to the ability to pay.

As we know, Oxford’s own track record on student support is already exceptional, thanks to the most generous financial package for low-income undergraduates of any university in the country. Of course, it is understandable that so much attention is focused on a student’s financial circumstances before university, but what happens after is also crucially important. And certainly, so far as Oxford is concerned, all the evidence indicates that the quality of the education a student receives here is overwhelmingly his or her best investment for the future. This surely is part of what we mean when we talk about the transformational potential of education, both for the individual and for their capacity to contribute to wider society. And that in turn means that support for our students in the form of loans from the public purse is also a pretty sound investment.

So a system of tuition charges more closely related to the true cost of the education provided, but with the strongest guarantees that price is also related to talent and that loan repayment is pegged to financial capacity, is something that I believe in the longer run will have to be considered.

Let me turn now more briefly to postgraduate funding. Oxford has been at the forefront of efforts to increase public awareness and government action about the serious consequences of the chronic underfunding of graduate study in this country. That is a major challenge of our future competitiveness. So it is welcome to see that our repeated warnings are being heeded, with government at least beginning to grasp the nettle. A downsized National Scholarship Programme will, in future, be targeted entirely at postgraduate students from poorer backgrounds. It isn’t enough, but it is a start. And, quite rightly, we are doing all that we can, with undergraduate funding, to address the issue ourselves. So when it comes to the financial conditions for prospective graduate students they now need only to show that they have funds sufficient to cover their fees for their first year, and provide assurances that living costs and fees can be met during the whole course.

For our own part, we are strengthening in every way that we can the support we offer graduate students; and yes, that includes the provision of affordable purpose-built housing in Oxford. Last year we launched the Oxford Graduate Student Matched Fund, which supports graduate scholarships for students from around the world. It has made an excellent start. Benefactors have already committed more than £21m, with matching funds of more than £14m from the University, creating approximately 50 scholarships. Our aim, through the scheme, is to create student funds equivalent to an endowment of £100m, supporting in the region of 130 graduate scholarships in perpetuity. Just a few weeks ago we were able to celebrate the magnificent gift of £75m from the McCall MacBain Foundation to support the prestigious Rhodes scholarship programme.

Of course, there is much more to funding a university like Oxford than students, vital though they are. There is also the huge task of maintaining and developing our infrastructure: the libraries, IT systems, seminar rooms, laboratories, research equipment and facilities that are essential to the conduct of our teaching, learning and research. Oxford’s greatest asset is its people. But good people need, deserve, and increasingly expect, good facilities. We have to be able to provide them. And that is becoming more and more challenging. Again, philanthropy makes an important contribution. Major projects like the refurbishment of the New Bodleian as the Weston Library have been made possible by hugely generous gifts. But there is a good deal of necessary work that the University needs to look after itself. In this context, we have been very fortunate in recent years that Oxford University Press has continued, as a result of its highly successful educational publishing mission round the world, to make major transfers of capital from its operating surplus. These transfers have been invaluable to the rest of the University and long may they continue. There is no reason to suppose they won’t but it would be foolhardy to take them for granted and it is surely sensible in any event that the major part of the transfer now goes straight into endowment.

In the past the University has also received substantial grants to support core infrastructure through the Higher Education Funding Council, HEFCE. But in the last few years things have changed dramatically, with Oxford’s grant being reduced by two-thirds: from more than £36m to around £12m.

Changes to the funding process make it much harder to plan and build strategically. But that is something we are determined to do, and that is why we are developing a long-term strategy for the renewal of Oxford’s world-class facilities in a ten-year capital investment programme. This programme aims to support outstanding research and teaching in a manner that is both sustainable and responsive to future developments, and is driven by the academic plans of our divisions.

As always, we need to ensure that we are using all the funds we receive, regardless of their source, effectively and efficiently. But that is never going to provide the full financial answer, which is why we are looking carefully at the operating surpluses the University might generate. In 2011/12 the figure was 5% of income, which we calculate to be the minimum required to sustain the current infrastructure of the University. That should be our baseline for a sustainable future for Oxford. But it is not sufficient to finance new capital investments in the longer term; the kinds of investment that are necessary to maintain our position as one of the world’s leading universities.

Many, indeed most, of our peer organisations internationally – confronted by broadly similar challenges – have opted to borrow. The favoured way of doing so has been to issue a bond. So, for example, if one looks at the latest Times Higher Education University Rankings, Oxford are the only one in the top seven not to have issued a bond. Most university bond issues are in the United States, but they’re certainly not unknown on this side of the Atlantic: Cambridge, de Montfort and, most recently, Manchester have gone down this route. None of this means that such a course of action is necessarily right for Oxford and any substantial policy of borrowing – whether as a bond or some other form of loan – would require careful reflection and planning in order to establish clarity about priorities and processes, including how interest payments would be structured and met.

Enough, for now at least, on funding the University. Let me turn to my second topic: Diversifying Oxford.

Over the course of 2014, we will be marking a significant anniversary: 40 years since women were first admitted to previously all-male undergraduate colleges. In 1974 a group of five colleges – Brasenose, Hertford, Jesus, St Catherine’s and Wadham – opened their doors to women, a process of co-education which was completed in 2008 when St Hilda’s admitted its first male undergraduates. Now 45% of our students are women – double the proportion of 1974 – a significant advance which will be marked in a series of special events and programmes over the coming year.

But that is not to say that there isn’t more to do on all fronts. The gender balance among our student population may be reflected at overall University staff level – in fact, our last published figures show slightly more women than men on the payroll. However, if one focusses specifically on academics, a different picture emerges: women account for 25% of academic staff and just 18% of professional staff.

We are serious about meeting the challenge of increasing the diversity of our staff. The University currently holds an Athena SWAN institutional Bronze Award, indicating our strong commitment to addressing the under-representation of women. Our published equality objectives and the new Strategic Plan include specific undertakings. I was delighted last term to announce a new £1m initiative – the Vice-Chancellor’s Diversity Fund – to promote
I have deliberately focused in the last few doing everything possible to attract and nurture that is simply undeliverable unless we are also entirely necessary for our own future as a regardless of ethnicity or any other factor. It is but you know, as do I, that oxford is totally difficult and potentially dangerous.

Sometimes the represented groups more likely to apply for subject choice, with those from some under-ethnic groups vary widely with better in terms of the offer of a place than those from an ethnic minority background, and the proportion of bME staff in professional and support posts.

Overall, more than 20% of our students are from an ethnic minority background, and the proportion of our UK undergraduates from ethnic minorities compares favourably to other selective Russell Group universities. So we are a much more diverse community than you may be encouraged to believe from media stereotypes.

But I do not claim that this deals with the challenge of under-representation in the context of student ethnicity. We are currently looking closely at our undergraduate admissions data. In general terms this indicates that white applicants with similar exam grades tend to fare better than non-white applicants. Why is this? Candidly, we aren't sure. But what we do know is that the more one delves into the detail, the less clear-cut the situation appears.

The devil may be in the detail, but the danger is that the more one delves into the detail, the dangerous – even this one. ‘Salutary words. Inevitably, virtual infrastructure has entirely revolution, it is viewed not as the enemy of its pre-eminence. So the new can hold few explanations the longevity of the institution and restless spirit of enquiry and exploration that explains the longevity of the institution and of its pre-eminence. So the new can hold few fears for us, especially when, as with the digital revolution, it is viewed not as the enemy of what has gone before but its ally and partner.

It is a revolution that affects not just how we record and store what we do, but is also increasingly central to our core academic life and mission, whether teaching, study or research. Inevitably, virtual infrastructure has entirely tangible costs, and these too must be funded. So overseeing the University’s digital investment has necessarily become a significant feature of how we now approach planning and resource allocation. A new IT Committee reports directly to Council, an indication of the priority being accorded to this area and a recognition of the importance of the digital challenge – especially in an institutional culture as decentralised and varied as ours.

We need to find ways of developing our IT provision that are efficient, effective and coherent, while respecting the creative diversity and autonomy of the constituent parts of our institution. It is a familiar challenge for Oxford and, as always when faced with such challenges, we need to find a way forward that works best for us.

That is true for the use of digital technology to ensure that core University operations and services run smoothly and well. But it is also true when we consider how digital technology affects the way we make our academic riches more widely accessible. It was this I had in mind a little earlier when I spoke of ‘access in a broader sense’.

It is a highly topical subject, especially with the intense – at times feverish – attention being devoted in the world of higher education to MOOCs, or massive open online courses. You can get a hint of this intensity from the fact that the New York Times described 2012 as the ‘Year of the MOOC’. And the acronym has now scaled the August heights of the Oxford English Dictionary, no less. Yet the exact nature of this phenomenon remains somewhat elusive. The term is used to describe everything from pedagogical material made freely available online to fully fledged online courses offering academic credits to registered fee-paying students.

So where is Oxford in the great MOOC debate? Well, we are certainly not rushing to judgement. Not least because the first and obvious point to make is that, as you would expect of a University whose alumni include the man credited with inventing the World Wide Web, we have a long and impressive record of sharing widely our rich and diverse academic capital. Let me offer a few examples.

Our Department for Continuing Education can trace its history back over 130 years to a movement called Oxford Extension. Today the department provides more than 800 courses a year, 80 of which are online, offering study across a range of disciplines from archaeology to electronic engineering.

Most are short courses of five to ten weeks in duration. Some longer courses result in Oxford qualifications at the undergraduate, advanced diploma and postgraduate levels, while others are designed to help in acquiring and updating skills for professional development.

In a less structured way, online users can also access a vast amount of Oxford scholarly material through a variety of digital platforms. For example, the University’s iTunes U site, which features more than 4,000 free audio and video podcasts, has seen over 20m downloads worldwide in just five years.

Digitisation has also opened up mass public access to our collections and treasures. The Bodleian Libraries, which have been digitising content for over 20 years, made a high-profile addition to their online collections in April 2013: a digital facsimile of their Shakespeare First Folio, a rarity as the volume has not been rebound or restored since it was first received by the library in 1623.

As a department of the University, Oxford University Press has a mission to further the shared objective of excellence in research, scholarship and education by publishing worldwide. It does so in more than 40 languages and in a variety of formats, increasingly these are digital. The number of downloads of online
articles across OUP’s 300 journals has reached one billion, its online academic products receive tens of millions of hits each year, while Oxford Scholarly Editions Online, a major digital publishing initiative which launched a year ago, brings its prestigious range of scholarly editions to audiences through a digital interface, breathing new life into important texts. OUP is currently working with our Education Committee to explore forms of online teaching and assessment, including English as a second language. It’s a collaboration likely to grow.

So whatever the future and fate of MOOCs, it is clear that Oxford will continue to have a great deal to offer online audiences of all types. Our challenge is to find the best way to build on it, to link more of it together, to improve its accessibility, and increasingly, I suspect, to make sure it fits the needs of very different types of users with very different needs and expectations about their engagement with academia.

One more thing: it must be true to Oxford. By which I mean we have a highly distinctive, and highly regarded teaching method in this University. It is called the tutorial system, and, though it has evolved over time to meet the needs of a changing curriculum, its essence - the close personal academic supervision of an individual student by a highly qualified academic - remains unaltered.

I’m not a great one for predictions. As Winston Churchill remarked: ‘I always avoid prophesying beforehand because it is much better to prophesy after the event has already taken place.’ However, I don’t think I’m sticking my neck out too far ahead of the great man’s cautionary words by saying that I don’t see our commitment to personal education changing greatly. Nor do I see us setting up a sort of parallel open University. the current one does an excellent job.

So overall, when I look at digital Oxford in the mirror, I see a figure beginning to take shape that must and will be recognisably our own.

In conclusion, and as I hope I have illustrated, whether we are talking about Funding Oxford, Diversifying Oxford or Digitising Oxford the key lies in being true to the core academic values and standards that have shaped this University’s long history. To do that we need to look into the mirror, as we have been doing a little today, and measure what we see calmly and without complacency against what we expect to see. It isn’t a perfect fit – it never will be. But by the very act of doing it, we can be a little better prepared to face the world and the high expectations it rightly has of us.

As we all know, a University is as strong as the people who make up its community and in that regard, as in so many others, Oxford has been and remains blessed by excellence. That excellence has received external recognition in a number of ways over the past year. Professors Harry Anderson, Judith Armitage, Gideon Henderson, Christopher Schofield, Andrew Wilkie and Julia Yeomans have been elected as Fellows of the Royal Society; Professors Mary Dalrymple, John Gardner, Vincent Gillespie, John Hawthorne, Julia Lee-Thorp, Colin Mayer, Kevin O’Rourke and Jenny Oza have been elected as Fellows of the British Academy; Professor Zhafeng Cui has been elected as a Fellow of the Royal Academy of Engineering; and the Academy of Medical Sciences has elected as Fellows Professors Barbara Casadei, Michael English, Russell Foster, Keith Hawton, Paul Klemener, Xin Lu and Lionel Tarassenko.

Since this time last year, Her Majesty The Queen has made the following awards to members of the University: knighthoods for Mr Andrew Dilnot and Professor Hew Strachan; DBEs for Professors Hermione Lee and Carol Robinson; CBs for Professors Terence Cave, David Clark, Raymond Dwek, Judith Freedman, Anthony Heath and Les Iversen; DBE for Professors Peter Dobson and Alison Noble; and an MBE for Dr Lucy Carpenter. In addition, Michael Moritz, whose Mortiz–Heyman scholarship programme I mentioned earlier in this Oration, received the KBE for services to promoting British economic interests and philanthropic work.

Other recognition has been received by Professor Sir Walter Bodmer, who has been awarded a Royal Society Medal for his seminal contributions to population genetics, gene mapping and understanding of familial genetic disease; by Professor Douglas Higgs, who was awarded the Royal Society’s Buchanan Medal for his outstanding work on the regulation of the human alpha-globin gene cluster; by Professor Frank Close, OBE, who was the winner of the Royal Society’s Michael Faraday Prize and Lecture; by Professor Gero Miesenböck, who won the Brain Prize 2013; and by Professor Steven Balbus, Savilian Professor of Astronomy, who won the Shaw Prize for Astronomy.

Two Heads of House who have made an enormous contribution to the life of the collegiate University, as well as to their own colleges, have retired within the last few months: Giles Henderson as Master of Pembroke and Sir Derek Morris as Provost of Oriel. I am immensely grateful to them both for their wise advice over the last four years. Dame Lynne Brindley has succeeded Mr Henderson and Ms Moira Wallace has succeeded Sir Derek.

In addition, The Revd Dr Simon Gaine OP has become Regent of Blackfriars and The Revd Dr Michael Lloyd has become Principal of Wycliffe Hall.

Over the summer we bade farewell to Dr Sarah Thomas, whose six years as Bodley’s Librarian have been utterly transformative, and whom we wish good luck in her new role of Vice-President of the Harvard Library. We wish good luck also to Mr Keith Zimmerman, Director of the University Development office; and Dr Daniel Isaacson; Dr Aaron Kwaasi; Professor Guy Stroumsa, Professor of the Study of the Abrahamic Religions; Dr Robert Visse; Dr Robin Wait; Professor Herman Waldmann, Professor of Pathology; Professor Helen Watanabe-O’Kelly, Professor of German Literature; and Professor Anne Watson, Professor of Mathematics Education.

I would also like to mention those colleagues who have retired from important library or service posts in the University: Mrs Jan Allen, Mrs Linda Atkinson, Ms Anneke Bamberly, Mr Keith Barney, Mr Christopher Burras, Mr Ian Campbell, Mr John Deller, Mrs Linda Frankland, Mr Colin Hayes, Mr Andrew Hobson, Mr Pete Hudson, Miss Jill Hughes, Mr Clive Hurst, Mr Ian Miller, Mr Rodney Patterson, Mrs Anne Pope, Mr David Price, Mr Clive Rickett, Mr Graham Roper, Mrs Jane Sullivan, Mrs Patricia Traynor, Mr Nigel Walker, and Mrs Amanda Wilcox.

This year the University community has lost valued colleagues whose early deaths have been a source of great sadness: Mr Stephen Bell, Facilities Manager at the Nuffield Department of Clinical Neurosciences; Mr Christopher Cooper, UNIX Systems Programmer in IT Services; Barbara Galanes-Alvarez, Capital Projects Administrator in Estates Services; Mr Mark Janes, Subject Consultant at the Social Sciences Library; Mrs Alison Parker, Head of Development for Social Sciences in the University Development Office; and Dr Christopher Scanlan, Research Lecturer at the Department of Biochemistry.

Finally, we pause to scan the contributions of those colleagues who have died in retirement over the past year: Mrs Belinda Allan, Mr Mathew Atwell, Miss Rachel Banister, Mr Ronald Burrows, Mrs Sally Colgan, Miss Christine Court, Professor Alan Cowey, Mr Robert Oliver Crow, Ms Susan Curran, Professor Robert Denning, Dr Lynn Erler, Dr Marianne Fillenz, Dr Irene Good, Dr Thomas Hall, Professor John Hunt, Dr Mary Kearsley, Mr Robert Key, Mr Godfrey le May, Mr Ian Lowe, Mr Jim Macmillan, Mrs Vera Magyar, Ms Marie-Anne Martin, Mrs Helen McArdle, Lord McArthur of Heaggan, Ms Gail Merrett, Mr Alistair Milne, Dr Brorjovik Minakovich, Mr Allan Moore, Professor Robin Nisbet, Mr Alan Ostler, Professor Malcolm Parkes, Mr Peter Patrick, Mr Harold Radford, Dr Alison Redmayne, Mr Peter James Royston, Professor Patrick Sandars, Dr Olive Sayce, Dr Geoffrey Smith, Mr Godfrey Stafford, Mr Clive Surman, Mr Ralph Targett, Professor Geri Vermund, Professor Ewart Vincent, Dr Charles Walshaw, and Dr Penny Williams.

The University of Oxford Gazette • Supplement (1) to No 5036 • 16 October 2013