



**Interim Principal & Vice-Chancellor**

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31 March 2025

Dear Convener,

Thank you for your continuing interest in the financial sustainability of the University of Dundee. During the meeting of the Committee that took place on Wednesday 19 March, colleagues and I committed to providing further information on various issues raised during our appearance.

A full copy of our draft Recovery Plan has been shared with the Committee by my office, and I have addressed points below to ensure the Committee has timely access to this information.

**The 632 figure is FTE, to confirm how many people this level of reduction in FTE could affect?**

We cannot confirm the headcount impact of the 632 FTE because we do not know which individuals will be selected from redundancy pools, but we estimate that around 700 individuals would be impacted.

**Examples of module options which could/will be reduced**

We will not change modules within the degree programmes for the regulated professions as these are prescribed through accreditation processes. Examples of these include Medicine, Dentistry, Nursing, Education and Social Work.

Subject areas with a greater scope for reducing modules at undergraduate and taught postgraduate levels include Business, Life Sciences, Humanities, Geography, Art and Design, Computing, Mathematics, and Physics. In these subject areas we are aiming to reduce module optionality by 15%, with a 20% stretch target, so that we can better manage staff workloads going forward. We will ensure that the coherence and quality of all programmes will be maintained.



We have established a method for evaluating module sustainability and are using this data to inform decision making. As highlighted in evidence provided by Professor Blair Grubb, Vice Principal (Education), we will always seek to teach out programmes which have already begun.

**Could savings on wages during the strike be used to fund the student pantry (and possibly breakfast club)?**

We are still collating returns from the first phase of strike action and only at that point will we know the scale of the funds available, and we will then decide on how this is used. The campus pantry has already been reinstated with philanthropic support from our alumni community.

**When was Professor Grubb told that he was to no longer attend Court on a regular basis?**

Professor Grubb notes that he was told on 9 October 2023 that Vice Principals were no longer required as permanent attendees at Court and would only be required to attend in instances such as when agenda items related to their portfolios.

**Information on the equalities impact of the recruitment freeze**

The recruitment freeze was implemented in November 2024. Some of these posts were unfilled for a significant period before the freeze, including those which had previously been approved but had never actually been filled. We cannot complete an EIA on roles not filled as we cannot attribute characteristics.

I can however confirm that vacancies were held from every department in the University. Of these, 79 FTE were academic roles in grades 7-10, 34 FTE were from professional services in Schools, covering a broad range of technical and administrative roles, and 158 FTE were from Directorates with a wide range of roles from Grade 2-10.

A Stage One EIA of the Recovery Plan was completed and shared with the campus unions on Tuesday 11 March along with the Financial Recovery Plan document. A Stage Two business case will be available for each school and directorate at the next phase of consultation.

For context, I include details of FTE staff numbers and salaries for the past four years, as reported in our financial statements:

	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>
Staff Costs (excluding USS pensions accounting adjustments and excluding restructuring costs) £'000	161,317	167,521	173,477	184,098
Staff FTE	3,025	3,008	3,051	3,259



### Information about capital expenditure write-offs from previous financial years

Excluding software, the University has written down/impaired assets in the last eight years as shown below:

Financial Year	Impairment £'000	Details
2022/23	5,885	Impairment due to the identification of Reinforced Autoclaved Aerated Concrete (RAAC) in three buildings as follows: <ul style="list-style-type: none"> <li>- Fulton Building, Science and Engineering - £3,310k</li> <li>- Students Association Building - £2,452k</li> <li>- Crawford Building - minor impact only - £123k</li> </ul>
2020/21	689	Impairment of a building earmarked for demolition (16-18 Airlie Place)
2017/18	446	Impairment of a demolished building (Microcentre)
<b>Total</b>	<b>7,020</b>	

### Information on the value of IT write-offs and details of the previous IT contract

Between 2016/17 and 2023/24 a total of £7,832,000 was written down/impaired on aborted software implementation projects. This equates to 38% of the capital expenditure on software projects over the same period. A breakdown is shown below:

Description	Impairment £'000
Implementation of a new student system (OneUniversity)	5,980
Enhancements to the current student system (SITS)	898
Implementation of student placement system (In Place)	85
Implementation of research pre-award system (OneUniversity)	869
<b>Total</b>	<b>7,832</b>

In addition to the £7.8m above, there were further impairments during implementation phases of projects that did subsequently go live. These have not been included above but detail can be provided if required.

### To share the financial analysis of the deficit

The structural deficit is the gap between our ongoing anticipated levels of income and our recurrent costs. Challenges around international recruitment, increasing staff costs, high costs of research intensity and inflationary pressures on other operating costs are all contributing factors to the stated position.



The structural deficit within our costs was sharply exposed by the rapid decline in international tuition fee income early in the 2024/25 academic year.

The University has taken urgent action to control costs in 2024/25, for example a recruitment freeze and tight controls on all operating expenses.

Although not impacting on our operating position the University has protected the cash position by reducing capital expenditure and through the sale of assets.

**More information on the amount that could be saved by reducing the number of faculties, particularly in regard to the salaries of leadership roles**

55 FTE have been included in the recovery plan specifically in relation to the proposed Faculties restructure, amounting to £3.2m.

**Update on the external investigation**

I would also like to bring you up to date on the external investigation. It had been previously proposed that the University would co-sponsor the investigation with the Scottish Funding Council; however, having reflected on the points made by the Committee, we feel there will be greater acceptance of the independence and impartiality of any findings if the Funding Council alone acts as sponsor. We are still fully committed to ensuring that everyone who is invited to engage with the investigation will do so openly and fully.

I hope that this information is sufficient, and we are of course happy to provide further detail on any of the points above if required.

Your sincerely,

**Professor Shane O'Neill**  
Interim Principal and Vice-Chancellor