



## PRESS RELEASE

### UNIVERSITIES RISE TO THE EFFICIENCY CHALLENGE

Universities are saving billions by sharing high-value resources and using innovative technologies, Minister for Universities and Science David Willetts revealed today.

Major efficiency drives by the UK's higher education institutions have contributed to savings of £1.38 billion between 2005 and 2011, with millions of pounds reinvested in the sector.

The 'Making the Best Better' report, commissioned by the Department of Business, Innovation and Skills (BIS) and produced by Sarah Jackson, while seconded from the N8 Partnership of research-intensive universities, highlights a range of efficiency programmes, including:

- At The University of Manchester a £460,000 lecture recording scheme now allows students to listen to tutors through podcasts, with a large increase in student satisfaction and attainment.
- The University of Leeds saved almost £1m a year on energy costs by joining forces with Leeds Teaching Hospitals NHS Trust to build their own combined heat and power plant.
- The University of Oxford careers service is serving more students, advertising increased numbers of job vacancies and internship opportunities all from the same baseline budget.
- And a £3.25 million world-leading High Performance Computing facility shared across the N8 universities is giving scientists access to a larger and higher specification machine that would not be affordable for one institution.

Minister of State for Universities and Science David Willetts said: "This interesting report shows the UK's universities at their best; innovating and pushing boundaries.

"By working together with other institutions and businesses, universities not only benefit from cost efficiencies, but greatly improve student experiences, from offering lectures as podcasts, to giving them the chance to work with high-performance equipment."

The report also makes the case that institutional autonomy allows for efficiency savings to be reinvested in the creation of knowledge and to improve to the student experience and shows that the ring-fencing of the science budget within BIS as one of the incentives for universities to make efficiencies in other areas, for example in procurement.

*The N8 Research Partnership is a consortium of the Universities of  
Durham, Lancaster, Leeds, Liverpool, Manchester, Newcastle, Sheffield and York*

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Sarah Jackson, Director of the N8 and author of the report for the Department of Business, Innovation and Skills (BIS) said: "UK universities are tremendous drivers of the economy and our success is crucial to the nation as a whole – the sector is spending £8bn capital on research and teaching facilities over the next 3 years, and helping to get the economy moving.

"But we know we need to use our resources in better ways to deliver maximum efficiency. One key innovation detailed in the report is the emergence of asset-sharing arrangements within groups of universities, such as the N8 and M5. These schemes allow institutions access to research equipment across the groups, maximising their usage and also opening up university facilities to industry"

The asset-sharing approach has resulted in the creation of a High Performance Computing Centre managed by the University of Manchester and hosted by University of Leeds, used by industry partners including IBM and Unilever. Other examples in the report include a new joint facility between the BBC and UCL for digital content, equipped with a shared virtual studio and virtual reality facilities, and the Midlands Physics Alliance between Birmingham, Nottingham and Warwick.

The report also highlights the increasing demands on university finances, for example in key areas such as widening participation, co-investment with business and industry, and capital infrastructure.

Professor Chris Brink is Vice-Chancellor of Newcastle University and Chair of the N8. He said: "The report demonstrates how, over the past decade, the sector has been focused on improving effectiveness at the same time as realising significant efficiencies. For example, at Newcastle University we introduced a new approach to procurement which has generated £1.7m of savings in its first year. This has allowed us to invest in improvements to our estate including lecture room upgrades and IT improvements, library opening times of 24 hours a day, 7 days a week, developing personal tutoring and increased the amount of extra-curricular activities we can offer to our students."

"We are also working in collaboration as the N8 to share research assets and combine research strengths. For example, pooling resource to support the N8 High Performance Computing facility means we have access to state of the art kit, which supports new and better science and is better for business."

The 'Making the Best Better' report recognises the progress made by the sector in the wake of the Diamond Report of 2010. The UUK established taskforce, led by Professor Sir Ian Diamond Vice-Chancellor of the University of Aberdeen, focussed on university core operational functions, for example ICT, finance and estates and made a series of recommendations including development of shared services and increased use of collaborative procurement.

Professor Sir Ian Diamond said: "This report provides another example of how our universities place efficiency and value-for-money at the heart of their activities. We do this while delivering world class teaching for our students and the research that makes us competitive on the global stage. As a sector, we have worked hard to ensure that we can

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continue to invest in the future, even in these challenging economic times. While we are not complacent, the efforts of our institutions should be applauded.”

The ‘Making the Best Better’ report will help inform the next Spending Review in 2013 and help share best practice across the sector. To view the report go to <http://www.n8research.org.uk/assets/files/EfficiencyReportFinal.pdf>

## ENDS

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### Notes to Editors

- 1) The report was produced by Sarah Jackson, N8 Director, working on part time secondment to the Department for Business, Innovation and Skills from October 2012-March 2013. The full report can be accessed here <http://www.n8research.org.uk/assets/files/EfficiencyReportFinal.pdf>
- 2) The N8 Research Partnership is a group of eight research-intensive universities: Durham • Lancaster • Leeds • Liverpool • Manchester • Newcastle • Sheffield • York. Working with industry, N8 aims to maximise the impact of this research base by coordinating powerful research collaborations, supporting innovation and growth.
- 3) The M5 universities are Aston, Birmingham, Leicester, Loughborough, Nottingham and Warwick.
- 4) The savings figure of £1.38bn is detailed in a report published by Universities UK: *Efficiency and effectiveness in higher education: A report by the Universities UK Efficiency and Modernisation Task Group* Universities UK 2011. p.16  
Available at:  
<http://www.universitiesuk.ac.uk/highereducation/Pages/EfficiencyinHigherEducation.aspx>
- 5) Professor Sir Ian Diamond is Principal and Vice-Chancellor at the University of Aberdeen, chair of the Universities UK Efficiency and Modernisation Task Group (2010-2012) and current chair of the Universities UK Efficiency Monitoring and Oversight Panel.

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