

Vice-Chancellor's Report



Dr Rod Carr

The University of Canterbury has made significant progress in its major remediation and rebuild projects in 2014.

Staff and students have welcomed these developments and borne the inevitable disruption with great professionalism. Throughout, UC has continued to deliver a high-quality education to all students, and research productivity and excellence remain key priorities.

Transformation

It is an exciting time to be at UC as we transform the University into a modern, sustainable learning and working environment that is innovative and engaging for both staff and students. Overall, \$1.2 billion of capital expenditure is planned over the next 10 years and will cover 80% of campus.

In September, UC reached a milestone with the receipt of \$100 million of UC Futures Government funding as part of up to \$260 million in capital funding that is being invested in the \$357 million state-of-the-art science and engineering facilities. The Prime Minister and UC alumnus the Rt. Honourable John Key was on campus to make the announcement.

The University Council and management continue to engage with the Government,

Treasury and the Tertiary Education Commission to give effect to the Government's investment in UC and fulfil the responsibilities required when using public funds. We have continued to manage a challenging financial position prudently, preserving capability while aligning spending with sustainable revenue.

We will also enhance our connections with central Christchurch, leasing the Chemistry Building at the Christchurch Arts Centre from April 2015. This will provide student learning space for classics and music, and increased opportunities for music performances. It will also allow the University to make its James Logie Memorial Collection of more than 350 Greek and Roman artefacts more accessible to the public.

The return to the Arts Centre — the original home of the University — is also an opportunity to renew our historic links to the central city and support the renewal of Christchurch's cultural heart. It also highlights UC's recognition of the value of a strong College of Arts, both on and off campus.

As well as advancing new projects, 2014 saw the completion of others. Following redesign and remediation, the College of Business and Law moved permanently to the former Law building, with the formal opening conducted by Christchurch Mayor and UC alumna, Lianne Dalziel, in May.

In July, the University's distinctive Butterfly Building re-opened as the Angus Tait building and now houses the University's BlueFern supercomputer team. The History building, renamed Karl Popper, and Matariki (formerly known as Registry) are also now re-occupied. Matariki is now the hub for frontline services to all students and home to the University Council and the Vice-Chancellor's Office.

To ease pressure on the Christchurch rental market, and boost student accommodation, UC opened two new student accommodation villages. Waimairi Village, comprising of 15 four bedroomed houses that can accommodate up to 60 students close to campus, was officially opened by Deputy Prime Minister Bill English. UC also secured the 80-bed Waitakiri Village complex in Mairehau.

Resources

The University continues to deliver a satisfactory financial performance while managing the issues arising from major remediation and redevelopment.

In late December, the University Council adopted my recommendation to settle our insurance claim under the Universities NZ insurance collective agreement for business interruption and material damage arising from the 2010 and 2011 earthquakes for \$550 million (exclusive of GST). Of this, some \$281 million had been paid or agreed to be paid, and a further \$269 million was paid to the University on 28 January 2015. While uncertainty is resolved, along with the cash certain significant risks are transferred to the University. The settlement, in line with expectations, is considered acceptable and does not represent any windfall gain to the University.

There is still some risk with the true costs of some remediation projects still to be confirmed. We continue to monitor our operations for earnings potential and cost savings, balancing the need to maintain world-class teaching and research with efficient use of resources.

The University's consolidated audited annual surplus for 2014 was \$433.3 million. This result includes insurance proceeds of \$370.3 million. More importantly, the University estimates that its revenue from business as usual less business as usual operating costs resulted in a deficit of \$3.3 million compared to a budgeted deficit of \$10.5 million. This is another positive step towards the return to sustainable operating surpluses, although with some way still to go.

The University's working capital has increased significantly to \$390.7 million, compared to \$29.0 million in 2013. This is due to the negotiated insurance settlement agreed by Council in December 2014, which is included in current assets at year end. The University received the cash in January 2015, and has already invested it over a range of periods to meet the University's earthquake repair commitments, including budgeted capital expenditure of \$224.4 million in 2015 alone.

Total consolidated equity of the University has increased to \$1.165 billion from \$604.2 million, reflecting the insurance settlement, property revaluations, and the receipt of \$100 million capital contribution from the government under the funding agreement contract, which was signed in September 2014.

While the auditors have issued an unmodified opinion, they have drawn attention to one issue of note, involving the estimates of building damage and cost of reinstatements, due to the scale of work programmed and some remaining uncertainty of final costs. This is consistent with previous years.

Our students

The success of our students is always pleasing, and in 2014 there were a number of highlights to celebrate.

Second-year natural resources engineering student Rebecca Forgeson was the only New Zealander, and one of five students from Australasia, to be awarded the Engineers Without Borders Australia Challenge Scholarship.

Mechanical engineering students Scott Paulin, Sean Bayley, Thomas Gilbert and George Wareing were awarded the national Ray Meyer Medal by the Institution of Professional Engineers New Zealand for designing a robot that can move from tree to tree. The project aims to improve forestry safety and efficiency.

Student success remains a strong focus. In 2014, the University launched the UC Pathways programme to assist first year students' transition to tertiary study. The programme assists students to develop the essential skills they need to succeed at university, while also providing an enhanced student experience and encouraging them to continue with their studies.

Increasing student numbers is a key element of the Government's UC Futures investment and includes both recruitment and retention initiatives. Efforts to increase the number of international students has seen a rise in "new to UC" students in comparison with 2013, and a rise in "new to UC" domestic and full fee paying students. 2014 saw the largest engineering intermediate class in the

University's history and a record number of new to UC students from Auckland. About 14,500 students studied at UC in 2014, of which nearly 2000 were postgraduates, giving UC one of the highest proportions of postgraduate students of any New Zealand university.

To make enrolling as easy as possible, the University launched the first stage of a new student management system in October. Called myUC, the system allows students to apply to enrol online. Students are able to upload their supporting documents and track the progress of their application.

Growing the University's profile is key to increasing enrolment figures so in 2014 we progressed plans to have a presence in Auckland and Wellington. This will be a joint initiative with other partners to support student recruitment and alumni engagement, and will commence in 2015.

The University has also committed to a range of graduate attributes to guide our teaching and learning programmes. The aim is to produce graduates who are:

- Critically competent in a core academic discipline of their degree;
- Employable, innovative and enterprising;
- Biculturally competent and confident;
- Engaged with the community;
- Globally aware.

To achieve these goals, UC is enhancing the relationships it already has with a wide range of organisations as well as establishing new connections. These will drive exciting student learning opportunities that will include time in the workplace and community engagement, putting them ahead of the pack as they start their careers.

UC strives to provide a learning environment that encourages the participation and educational success of all students in all areas of study. With this in mind, Te Rautaki Whakawhanake Kaupapa Māori — UC's Strategy for Māori Development — is being implemented across the institution and connections with Ngāi Tahu remain vibrant and collaborative. In response to this strategy, the University has appointed three Kaiarahi who work with each of the Colleges to

support the delivery and development of the University's vision. The Kaiarahi are based within the Office of the Assistant Vice-Chancellor (Māori), Darryn Russell, who was appointed in 2011.

We have also increased funding for the Ngāi Tahu Research Centre (NTRC), which was established in 2011 as a joint initiative between UC and Ngāi Tahu. Its founding intention was to be a leader in indigenous scholarship and to provide a centre for the intellectual capital and development of Ngāi Tahu. The NTRC has a strong postgraduate research focus and it now offers five scholarships, valued at \$12,000–\$16,000, to diploma, honours and masters students, as well as three doctoral scholarships valued at \$21,000 a year for three years, to students whose research is facilitated by the centre.

The University this year adopted the UC Pasifika Strategy 2014–2018. This strategy, launched in November, was developed in consultation with the Pasifika community and outlines the University's approach to supporting the educational needs of Pasifika learners, who have been identified by the Tertiary Education Commission as a priority learner group. Our goal is to be recognised nationally for our innovation in advancing the educational aspirations of Pasifika people, and create an innovative Pasifika-inspired learning environment.

The University was also pleased to confirm the appointment of Dr Steven Ratuva to the full-time continuing role of Director of the Macmillan Brown Research Centre for Pacific Studies.

The UC Pasifika Strategy and Te Rautaki Whakawhanake Kaupapa Māori are among the key initiatives in the UC Futures programme and cement the University's commitment to supporting and graduating the next generation of leaders of Māori and Pasifika descent. They reinforce our vision of a campus community that is culturally inclusive and responsive, and in which students and staff value diversity and respect individual differences.

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Our staff

I would like to acknowledge and thank UC staff for their continued commitment and support during 2014. It has been a busy and challenging year, particularly as the remediation, recovery and rebuild of campus took major steps forward.

There have been some changes to the Senior Management Team. Professor Wendy Lawson was appointed Pro-Vice-Chancellor (Science) after we farewelled Professor Paul Fleming, who had been in the role since November 2009. During his time at UC, Professor Fleming worked tirelessly to advance the College of Science and played a significant role in the development of the science component of the UC Futures project.

The University's Registrar, Jeff Field, was appointed Assistant Vice-Chancellor (Strategic Risk Management) in November. It became clear that the University needed a dedicated strategic risk management capability and this appointment will allow Mr Field to make best use of his considerable knowledge of UC's insurance claims and deal with any other strategic risk issues that may arise. The role of Acting Registrar has been taken up by Bruce White.

Our staff have also received acclaim and recognition both nationally and internationally.

The University was awarded more than \$4.4 million in funding from the Marsden Fund. This funding will support research that includes an investigation into the primary deficit in stuttering and a study of the movement of Antarctic ice at the ice sheet-ice shelf boundary using satellite data.

Associate Professor Brendon Bradley was named New Zealand Young Engineer of the Year by the Institution of Professional Engineers in December, and UC geologist Associate Professor Mark Quigley was the first scientist outside North America to win the Geological Society of America's annual Public Service Award.

Professor Anne-Marie Brady became the first New Zealander to be appointed a Global Fellow at the Wilson Center in Washington

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DC, and biological scientist Professor Jason Tylianakis won the New Zealand Ecological Society's Te Tohu Taiao Award for his research into how communities of interacting species respond to environmental changes. Head of the School of Music, Associate Professor Glenda Keam, was the first New Zealander to be appointed to the Executive Committee of the International Society of Contemporary Music.

Teaching excellence at UC was also recognised with the awarding of a national Tertiary Teaching Medal to civil engineer Professor Charles Fleischmann. He is the tenth teacher from UC to receive a national teaching award from Ako Aotearoa, the National Centre for Tertiary Teaching Excellence, since the awards were established in 2001.

How others see us

The University has retained its position among the top three per cent of the world's universities. It has retained the five-star rating from the international university ranking research company QS, which ranks civil and structural engineering at UC at 19th in the world.

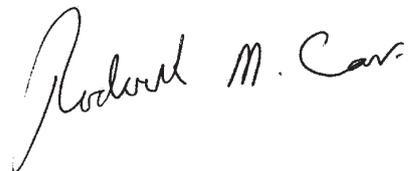
According to the Tertiary Education Commission, the University of Canterbury has the highest proportion of students completing qualifications and the highest proportion of students progressing to higher levels of study of any New Zealand university.

Times Higher Education ranked UC as the most international of New Zealand's universities, the third most international in Australasia and the 22nd most international in the world based on the composition of its student body, staff and research collaborations.

The University was also named one of the top universities worth travelling abroad for by the website FlipKey.com, an offshoot of leading travel site TripAdvisor. The website noted that the top universities in its list not only had academic interests, but also featured flawless grounds, interesting architecture and must-see attractions.

The year ahead

The University is about to commence an extremely busy building programme over the next two to three years, signalling a major increase in investment in University property. We are moving forward as a community and are firmly on the path to recovery, sustainability and transformation. The University has a history of some 140 years of valuable contribution to the city of Christchurch, and is investing significantly in its future, the city and the wider Canterbury region.



Dr Rod Carr
Vice-Chancellor