

18 August 2025

Dr Ian Mair

Acting Chair of Court

University of Dundee

By email - imair001@dundee.ac.uk

Dear Ian,

UNIVERSITY OF DUNDEE: STRATEGIC RECOVERY

Thank you for your letter of 11 August 2025 enclosing the University's proposed recovery plan. I'm also grateful for the various discussions between the University's senior leadership team and the SFC on the proposed approach.

The SFC's view is that it is not appropriate that such fundamental decisions on shape and structure, as posited by the current University Recovery Plan, which will bind the University for decades, should be taken by an interim leadership team. Currently, the University leadership lacks permanence both at Court and Executive levels.

Furthermore, it is the strongly held view of the SFC that fundamental decisions cannot and should not be taken without the existence of an approved, and properly consulted upon, University Strategic Plan. In this respect, both staff and students have a legitimate interest in the future shape and direction of their university. That interest extends to the University having reasonable assurance that decisions on the levels and deployment of staff priorities have been fully considered in a strategic context before further redundancies.

It has previously been suggested that a Strategic Plan will take 12 to 15 months to create. Given that a lot of the groundwork will have been put in place in the creation of the current Recovery Plan, the University should develop a robust Strategic Plan over the next 12 months with full staff, student and wider stakeholder engagement in its development.

The University's Strategic Plan should be informed by engagement with staff and students. I expect it to include a bottom-up review of faculties / schools including analysis of cashflow and contribution. The Strategic Plan should set a clear pathway to maintain Dundee's position as an attractive and leading university.

This detailed Strategic Plan, approved by Court and through the University's own wider governance procedures and owned by the University, should also set out proposals to address the needs of lenders and measures to build their confidence. SFC recognises that the Strategic Plan will need to have a keen focus on driving towards a positive cashflow position which may include further cost reduction and further restructuring.

As you will know from various discussions, the Scottish Government has agreed in principle to provide SFC with additional funding to support the University whilst it resolves the future shape and structure required to ensure a sustainable and effective university delivering world leading education and research.

In providing this support, the SFC is clear that job reductions should be restricted to a minimum and only as a voluntary measure, whilst that Strategic Plan is developed and until such time as staff and students have been consulted.

Therefore, the SFC requires, as a condition of further future funding, the production of a short-term plan for a period of 12 months that will set out, as a minimum, steps to:

- a) Identify an accelerated plan to create stable long-term permanent leadership for the university.
- b) Identify, quantify and deliver immediate no regrets efficiencies.
- c) Develop and execute a plan to deliver a University Strategy which can demonstrate appropriate and concrete engagement with staff and students to properly understand and consider their input into the University's vision.

SFC recognises that this 12-month period will require support and funding to stabilise and support the University during this period of strategic planning.

Therefore, the University is invited to submit to the SFC, its estimate of the funding required, for that 12-month period, to restrict further job losses (over and beyond the current Voluntary Severance Scheme) and to provide sufficient liquidity over that period.

To aid the University's liquidity, SFC will explore making a £12m resource grant available now to replace the offered £12m Financial Transactions funding. This will be utilised at a later stage as a part of any future funding package to support the University.

I hope that you will find this helpful and pragmatic and I look forward to your early response.

Yours sincerely,



Francesca Osowska OBE FRSE

Chief Executive