

11.8 The University of New England

Summary of Impact

In a summary, the impact of VSU at UNE is assessed as moderate to severe overall with impacts on the individual campus services organisations assessed as follows:

- moderate to severe for Sport UNE with an 84 per cent drop in membership income, a 37 per cent reduction in staff numbers, and a significant reduction in the range and quality of services offered, particularly to sporting clubs and in support of inter-university sport and games;
- severe for Services UNE which, in addition to providing a range of outlets on and off campus, took over the provision of some of the services formerly provided by the UNE Students' Association (UNESA). In the process, the number of staff providing these services was reduced by 55 per cent, the range and quality of services were reduced, and some services were discontinued or closed;
- severe for UNESA which no longer exists as a separate association.

Overview of the Campus Services Organisations at UNE

The UNE was the first Australian university established outside a capital city with its beginnings going back to 1938, as the New England University College, a College of the University of Sydney. It became fully independent in 1954 and took on its present form in 1993 with the establishment of the UNE at Armidale, and a new university, Southern Cross University, with campuses in Lismore and Coffs Harbour.

UNE has total enrolments of approximately 17,000 students, with more than 12,500 studying via the Internet, and around 1,400 staff. Its on shore EFTSL in 2005 was 8,899. It has almost 2,100 residential places on campus.²⁰⁵

The impending introduction of VSU resulted in a move to merge the student organisations at UNE into a guild structure. In September 2005, the UNE Union,

²⁰⁵ As at 18 February 2008 further background concerning The University of New England could be obtained from the UNE web site at:

<http://www.une.edu.au>

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which had gone into receivership in May 2005, became Services UNE Ltd, a company limited by guarantee and a controlled entity of UNE.²⁰⁶

On 9 February 2006, UNESA signed an agreement with Services UNE to transfer all its student services and ceased to exist as a separate entity. Sport UNE, an unincorporated association, became a services division of the University and is in the process of becoming an incorporated association.²⁰⁷

Overview of Impact on Amenities Fees and Subsequent Support Measures

Total income from compulsory amenities and services fees in first semester 2006 was \$1,517,820. In first semester 2007 0.41 per cent of students opted to pay the voluntary ASF contributing a total of \$6,140.

Following the introduction of the VSU:

- Sport UNE continued with a membership model with various categories (student, community, senior, staff, etc), levels and payment plans, with students receiving discounts. Membership fees have not increased significantly due, no doubt, to the relatively inflexible market. Its revenue base fell from \$2.055 million in 2004 to \$1.438 million in 2006. It reduced staff numbers by 37 per cent and in the process the number of students employed fell from 65 per cent to 45 per cent. Staff remain concerned about job security and hours, particularly during university breaks. It also reduced its hours of opening and levels of service and largely discontinued support for clubs and other activities, such as inter-university sport/university games. It is seeking other methods of generating income with limited success. It received \$5 million from the VSU Transition Fund First Round which it will use for a new multipurpose hall and for refurbishment of the gym.
- Services UNE, as a controlled entity of the university, has a Board of Directors comprised of one person from the University and four from the local business community with appropriate skill sets. It has a number of advisory committees including an Undergraduate Advisory and Representative Committee, and the Postgraduate Advisory and Representative Committee. At electronic elections held at the end of 2006, 497 votes were cast for the former and 141 votes for the latter. It is receiving funding from the University of \$270,000 per annum for three years. It has reduced staff, reduced the range and quality of services offered, and is attempting to attract commercial operators and to outsource services, where possible.

²⁰⁶ As at 18 February 2008 further background on Services UNE Ltd could be obtained from the Services UNE web site at:

<http://www.servicesune.com.au>

²⁰⁷ As at 18 February 2008 further background on Sport UNE could be obtained from the Sport UNE web site at:

<http://www.une.edu.au/sportune>

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Detailed Impact on Sport UNE

Sport UNE is now a services division of the UNE. As such it has received in 2007 some \$400,000 and a general statement that it will be included in the University's capital programme where it will compete for funds.

Its main facilities include approximately 7,000m² of indoor spaces containing:

- 25 metre heated six lane indoor pool which is 26 years old;
- six squash courts;
- weights gym with cardio zone;
- climbing wall;
- indoor stadium (housing netball, basketball, volleyball, badminton, etc);
- group fitness rooms;
- meeting rooms;
- balcony lounge;
- change rooms;
- office space;
- eight tennis courts, lit (three synthetic grass, three plexipave, and two clay ~ 5,500m²);
- playing fields incorporating (15 hectares):
 - three rugby fields,
 - five soccer fields,
 - Bellevue cricket ground (turf wicket) and 4 synthetic cricket wickets,
 - two plexipave outdoor netball courts,
 - one AFL ground,
 - Brian Seppelt Playing Field (touch football and softball),
 - BBQ and picnic facilities,
 - parking areas,
 - Bellevue Pavilion, and
 - Consett Davis amenities block; and
- the New England Hockey Centre (controlled by Hockey New England).

The main negative impacts of VSU have been:

- income dropped from \$2.055 million in 2004 to \$1.438 million in 2006;

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- membership income dropped from \$1.63 million in first semester 2006 to \$267,000 in the first semester of 2007;
- membership dropped to 17 per cent of on-campus population and nil for off-campus students;
- financial support of inter-university sport/university games fell from \$200,000 to nil and the numbers of athletes competing from 370 to 250;
- staff numbers fell 37 per cent, from a total of 51 to 32, and the percentage of students employed fell from 65 per cent to 45 per cent;
- support for sporting clubs dropped from \$150,000 in 2005 to nil;
- membership of clubs has dropped from 1,000 in 2005 to 650 in 2007;
- operating hours have been reduced in almost all areas;
- fewer group exercise classes are conducted;
- sports scholarships now only supported through fund raising;
- only commercial community programmes are conducted; and
- lowering of staff morale.

The main positive impacts of VSU have been:

- it forced the organisation to conduct a critical review of its operations;
- while its operations have always been commercial it now only conducts viable programmes;
- it has become more commercial (for example St Albert's Rugby used to pay \$1,000 pa for field hire, they now pay close to \$5,000 and its use has not dropped);
- \$5 million was received from the VSU Transition Fund for a new multi-purpose gym and other improvements; and
- as a service division of the University it has a direct line of communication and receives some in-kind support.

Considerations for the Future:

- it is hard to attract local clubs at commercial rates and there is a community expectation that the UNE will contribute to the community by providing facilities;
- local competition has increased in some areas with three other gyms opening in town at the time VSU was introduced and one of the local schools has built a swimming pool;
- maintenance is an on-going problem;
- working with the residential colleges to conduct camps (at present the colleges' accommodation charge of \$77 per day does not compete with local

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schools which only charge \$60 per day – this means Sport UNE does not get the business);

- now that Sport UNE is a services division of the University it hopes to obtain on-going funding for its operation and for capital works; however, at this stage levels are still to be negotiated. It is also receiving increasing in-kind support in areas such as HR and finance;
- Sport UNE is presently surviving but facing competition from a growing town. Isolation is a problem in attracting other business, including from local TAFE students, and students generally have less to spend. Many students come from a rural background and are acutely aware of the downturn in the rural economy and its effect on their parents' incomes. Their main focus has become gaining their academic qualification and joining the workforce;
- Sport UNE is already engaged with the local community which in turn has expectations that the university will continue to contribute to the community in various ways, including the provision of facilities and services.

Detailed Impact on Services UNE

Services UNE was established as a company limited by guarantee and a controlled entity of the UNE in September 2005. It took over the functions of the old UNESA and continues to provide those services considered to be essential, such as welfare and advocacy, and assistance in finding off campus accommodation, and as well as other general services.

The Union buildings were taken over by the University without any financial compensation for sale of equitable rights, although, through the revised governance arrangements, it has assumed some financial responsibility for services, maintenance and on-going capital works. The University is presently providing \$270,000 per annum for three years for essential services; what will happen at the expiration of this period is not yet known.

Staff numbers were reduced from a total of 130 to 55, a drop of some 47 per cent, and the percentage of students employed fell from about 55 to 10 per cent. Services UNE has outsourced food outlets and tried to attract commercial tenants. It also sold the Tattersalls Hotel in town and invested \$1 million. It has taken steps to secure staff entitlements.

Services UNE's main facilities/services include:

- a downsized version of the campus radio station, Tune FM;
- advocacy;
- taxation guidance and referral;
- The Breather (a meeting space);
- computer lab;

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- two food and beverage outlets (brasserie, and a coffee shop in term);
- retail shop and post office (making a small profit);
- secondhand bookshop (subsidised by the University);
- hairdresser (breaking even);
- cinema in town (run at a loss, three years remaining lease); and
- graduations (souvenirs, gown hire, photos, etc).

It is estimated that Services UNE's offices, shops, etc occupy an area under roof of approximately 1,500m² and outdoor areas of 700m².

The main negative impacts of VSU have been:

- staff reductions;
- cultural and social aspects have disappeared;
- loss of the dentist services;
- loss of legal advice;
- loss of the on-campus bar/bistro (this often attracted 500 students on a Wednesday night and provided a safe place for them to hold parties);
- loss of big-band events and other major functions;
- loss of funding for clubs and societies (some funding is still provided through faculties);
- loss of information publications;
- loss of the student newspaper;
- loss of queer rooms;
- reduction in the on-campus security services;
- orientation week activities reduced;
- the arts are being ignored;
- photocopying and printing were taken over by the University; and
- as services have been reduced fewer people use the remaining facilities and services, which then makes them less viable.

The main positive impacts of VSU have been:

- it forced the organisation to conduct a critical review of its operations
- it has resulted in a better-targetted use of the available funds
- some economies of scale have been achieved through the merger of organisations

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- more use has been made of technology to reduce overheads (e.g. online elections reduced the cost from \$40,000 to \$5,000, and the website, which costs about \$4,000 is widely accessed)

Considerations for the future:

- staff morale is very low due to reduction in numbers, longer working hours and uncertainty about future employment as indicated by the recent resignation of the casual IT person and staff feelings such as:
- not being part of the University
- being asked to do more with less
- there being no depth in the organisation
- loss of history and corporate knowledge
- no succession planning
- concern about student dissatisfaction
- "just too hard" and "enough is enough"
- the services provided by UoN Services cannot be readily accessed by other than students and staff due to the physical location of the campus, and students are spending less time on campus.
- efforts are being made to find commercial tenants however this is not proving to be easy
- uncertainty about any future funding from the University means existing staffing and services are under review
- capital is needed for maintenance and upgrading
- relations with UoN are considered to be good. (The Vice-Chancellor broadcasts on Tune FM and is supportive of the services provided by Services UNE.)
- Services UNE has been hit hard by many changes it believes are a direct consequence of the introduction of VSU. It is struggling to maintain staff morale and to provide core services. Much will depend upon its continuing reorganisation and negotiations with the University.