A Place for You

Hertford College Donor Report 2020
Looking back over 9 years

By Will Hutton

By the time many of you read this I will be a former Principal; I was the future once, as David Cameron said of his departing self. The future is now Tom Fletcher’s, who I have got to know well over the last few months as I have tried to pass on all I have learned about Hertford and Oxford. He is a great appointment. Hertford is fortunate to have him.

Talking to Tom has made me realise how far we have come. The college I walked into on the morning of 1 September 2011 was certainly friendly, inclusive and a tightly-run ship. I hope nobody will take umbrage but for all that, it was a ship that creaked at the seams. It was uncertain who it was and above all lacked self-confidence. It did, though, perform pretty well academically. The college that Tom takes over has got a much better infrastructure, hard and soft, than it had then. It has more sense of itself and takes justified pride in its achievements, especially over access and its new professionalism, while I hope having lost none of its friendliness and inclusivity. Over the next decades — the disastrous impact of COVID aside — Hertford promises to do very well indeed, and even improve on its already strong academic standing.
I should acknowledge immediately that there is always a certain amount of luck involved in running any organisation, and I have been lucky. The fellowship has had a wholesale and strengthening makeover while I have been Principal – it is younger, more ambitious, research and teaching hungry, and more diverse, with the number of women fellows doubled from nine to eighteen.

There has also been a transformation in the capacity and reach of our academic office, which after all is the hub of any college. It is what we are all about. Many colleges have decided to relieve the Senior Tutor role (in effect Academic Director) from a tutorial fellow who has direct experience of teaching challenges, and instead turn to a professional administrator who might hold the post, sometimes, for ossifying decades. We have opted for a hybrid model: to retain a fellow as Senior Tutor who still teaches at the tutorial coalface, but to support him or her with a professional registrar and director of admissions (a role now held by the indefatigable and dynamic Lynn Featherstone) – thus combining the best of both worlds.

The office has been further strengthened on two dimensions very important to me. We have steadily built up our access and communications capacity, with an additional focus on STEM subjects. Dr Kathryn Boast, a new appointment made possible thanks to the generous support of Pip Wilson (1993), specialises in recruiting candidates in STEM subjects, particularly trying to interest women. Another new appointment, Nathan Stazicker, combines schools outreach work with great social media and communications content. They are steadily increasing student interest in Hertford and making innovative waves – take a glance at Unsung Heroes of Science on our website for example. I’m grateful to all of our alumni who have supported our outreach work; I hope you feel proud of what you have helped us achieve.

Ever since the launch of the Tanner Scheme, Hertford has been an Oxford leader in admitting state school students. But now we have made the reputation really live: this year over 80% of our offers were to state school candidates, the second highest in Oxford, up from just over 60% when I arrived. But this must not be done with any sacrifice in academic quality. So in parallel we have strengthened the support we give to students by offering additional advice and coaching on how to approach learning, provided by the new Porter Fellow for Academic Skills Dr Catherine Sloan, a post made possible by the Porter Foundation. The demand is high and growing.

We’ve also strengthened our ties with our 60-strong lecturers, giving them a role in academic committee, meeting and briefing them regularly and holding an annual dinner, so there is a growing sense of a teaching community that shares common goals and high aims. The library has been revitalised under Alice Roques and our academic results are sharply improving, as is the collective mood. Our chaplain Mia Smith is the liveliest of Anglican live-wires, and the choir – with no auditions – makes the sweetest of sounds. Even the agnostic irreligious find the chapel’s music sometimes jaw-droppingly good. Overall, Hertford is a community at ease with itself, working hard and having fun.

The online videos the students and fellows made for the 2020 Virtual Open Day, edited with stunning professionalism, showed real love of Hertford. It was, they concluded, the perfect college. I was very proud. I shall apply myself!

Financially we have managed all this while posting financial surpluses for eight consecutive years (which would have been nine if COVID had not intervened). Here another decision that might have gone wrong turned out well: when the outgoing (and outstanding) director of our international conference business left after my second year, I decided to nominate two co-directors to succeed her. It might have been a fraught relationship as many predict job share at this level to be, but Caroline Rice and Andrew Hemingway have increased the turnover by more than a half. Its profits, along with a great increase in our donations from you, dear Reader – as Jane Eyre might have said had she been Principal – have together underpinned Hertford’s growth under my Principalship.

I think a turning point in the college’s relationship with our alumni was the 2014 Bridge to Bridge bike ride – from the Hertford Bridge to the Bridge of Sighs in Venice. It was certainly enjoyable in its own right, even if slightly bonkers (14 days dedicated to cycling?), and raised a more than useful quarter of a million pounds. But one of the unexpected by-products was people taking notice that Hertford was now the kind of college that did things like biking 700 miles to Venice to raise money for student support. And they liked it. Julia Thaxton, the then incoming Development Director, was a bit bemused, but she and I bonded

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over the exigencies of organising and then riding on it together with a number of our alumni (including Tom Fletcher).

That first bike ride became the springboard for a sense that Hertford was on the move, and was followed by more bike rides and other challenges. Alumni smiled on us, and our Development Office became ever more professional with some outstanding events, posts and publications, reaching a pinnacle with their efforts over lockdown. Gradually donations began to rise. Many thanks to all of you.

With greater self-confidence has come a willingness to strengthen our existing estate and build anew. Two major initiatives are in train: doubling the study spaces in a made over, modernised library, and increasing our accommodation by nearly 100 beds in what will become a Hertford graduate campus between Winchester Road and Banbury Road. Planning permission will be sought over the next twelve months for both. We raised a £20 million bond with the financing in mind and, again with the support of our donors, we will make Hertford one of the best equipped colleges in both bedrooms and study space in the university. We are deeply grateful to those who have already supported the early stages of our estates strategy.

I am leaving a six figure sum to Hertford in my declaration of wishes in my will – and I urge you, if you haven’t, to please do the same. Hertford is a great institution that deserves all of our support. Those of us who have ridden the wave of the near 50-year rise in property prices find ourselves better off than we ever expected and, frankly, we were lucky. Let’s give something back to those who follow. There is an old Greek proverb that society grows great when old men and women plant trees under whose shade they know they will never sit. Let’s plant some trees!

And once again many thanks for all the support and fun over the last nine years. I have enjoyed it enormously. Must write my application form to come back as a fresher!

The question posed most often to Bursars, and consuming most of their attention right now, is how COVID impacts their college finances. So, while there are more interesting and imaginative matters that I could choose to report on this year, none seem quite so urgent, or relevant, to focus on here.

If there is one lesson from the extraordinary events of this year, it is that our world can change very rapidly around us. I’m conscious that as I write - part way through the long vac, with a good couple of months left before we hit next term - I may be reflecting a context that is no longer relevant. Our current assumption is the return of students and staff by October, albeit with various distancing and other measures in place. Looking slightly further, we assume that we may be back to running events and conference business at some point in 2021. All of these assumptions may have been revised by the time you read this.

Key to understanding the financial “hit” for college is appreciating how we typically balance the books; in particular, that our core teaching and student domestic services come at a net cost. Take undergraduate tuition as an example. We receive under half of all tuition fees charged (the majority goes to the University), and spend on average an additional £3,000+ per undergraduate to provide tutorial and other academic services. Similarly, an additional cost is incurred providing
heavily subsidised accommodation and catering services. The average undergraduate is a net cost to the college of about £6,000 every year, and we have over 400 of them. We rely upon a combination of endowment income, donations and conference business to support this.

And then came COVID. The single biggest problem is that it has brought domestic service provision to an abrupt halt, which affects both sides of our equation. We have lost student rental income for a whole term (so far), which increases our domestic subsidy requirements. At the same time, one of our largest sources of balancing income – conference trade – has dried up entirely. Clearly we have been able to save in some areas, and have also chosen, as have other colleges, to make use of government assistance where we can (e.g. by furloughing staff). Even with this, our net loss up until the end of July is around £2.7m.

Looking ahead to the next academic (and financial) year, we expect a further loss of around £2m. Some of this is certain, as it relates to the late summer conference business this year, which we know is not going to be possible. Some is based on our working assumptions outlined above. This is of course subject to revision.

There is a widely held view that all Oxford colleges are wealthy and must be well able to withstand this sort of heavy blow. To an extent this is reasonable, when we take the long view. Some colleges have reasonably substantial endowments that do provide a broad base of financial security. However, such assets are not much help in the short term. For the most part, endowments are permanent: colleges can spend the income but must preserve the capital. The income generated is generally fairly stable, and cannot be dialled up or down at short notice. The current challenges are that our income has diminished, but most expenditure remains. The problem right now is not about assets, but about cashflow. (Our endowment funds did suffer a significant decline in value, reflecting the movement in financial markets. Although much ground has already been recovered, reductions in dividend levels are reducing the income we receive from investments.)

Colleges seek to use their resources as fully as possible, to maximise benefit in accordance with their charitable objectives. Income and expenditure, as well as cashflow, are finely balanced. From most colleges, COVID could not have chosen a worse part of
Taking the helm in turbulent times

By Frances Wheare, Director of Development

I joined Hertford halfway through what has turned out to be an extraordinary academic year, taking over from Julia Thaxton. Over the last six years, under Julia’s leadership, Hertford’s Development office became a force to be reckoned with: donations have risen, engagement has flourished, and Julia has brought together a fantastic team. I arrived at the Lodge on my first day with no small amount of trepidation, considering what big shoes I had to fill, but excited and ready to get stuck in.

We all know what happened next. If there’s one thing COVID-19 has taught us, it’s that you can’t predict the future, but you can prepare for it. The financial effects of COVID-19 will continue to be felt for some time but, as our Bursar writes, we are fortunate to be in a relatively resilient position for the foreseeable future.

the financial year to happen. Just as cash is at a low point (a quirk of how tuition fee reconciliations work across the calendar) and colleges are relying upon Easter and then summer conference trade to replenish bank accounts, the tap is switched off. To make matters worse, the usual Trinity Term domestic income is also lost. An endowment offers no immediate help.

To put some numbers on this: in Hertford’s case, by this time next year, we predict that we will have consumed around £5m more cash than we generate from day to day operations AND endowment income combined. That needs to come from somewhere.

In this respect we are lucky enough to have a range of options. While allocated in the long term for estates strategy purposes, we have access to relatively liquid funds from the proceeds of the Bond Placement (£20m) we arranged in 2017, as a temporary source of cash. We also have some element of expendable endowment and unrestricted funds invested in financial assets that have not suffered in value, and would thus not crystallise a loss if liquidated. Finally, we have arranged short term bank financing at very favourable rates, should we need it. This puts us in a relatively fortunate position, and provides a significant buffer against cashflow demands for the time being, and for some time ahead.

However, the loss is real, and by effectively reducing our free reserves has clear consequences for our ability to fund all that we would wish. Most immediately, we have scaled back our capital projects to only the priority investments. We are continuing with the initial planning phases for both the Library and Winchester Road projects, as well as some of the more critical remediation items. In some areas we have been able to revise our plans by postponing certain requirements to reduce the overall cost over the next few years. Other projects have been put on hold for now, pending a re-plan of our funding strategy.

In summary, although the financial impacts are significant, we have responded satisfactorily to the immediate challenges. We hope for a better financial outcome next year, but are reasonably positioned to deal with an extended period of downturn, should that be the case. Beyond this, we need to adjust and revise our plans and ambitions for investment, and consider our funding options carefully. By next year’s report, I hope to be able to share details of how we have done that.
This is thanks in no small part to the loyalty and generosity of our supporters. We know that with your continued support we will be in the best possible position to face whatever challenges may follow.

Indeed, the year had got off to a flying start with a generous donation from alumnus Nick Carn (1976) in support of the redevelopment of the Catte Street site, in particular the library. Nick has also included a bequest to Hertford in his will. We are enormously grateful to Nick, who becomes our second Foundation Fellow, and to all those who have supported our capital works so far.

Having started my career in Oxford in the Department of Computer Science, I’m happy to see how generously our alumni and friends support both this subject and the areas it intersects with Philosophy. We are grateful for the continued support of the Finistère Charitable Foundation for Peter Millican’s outreach work, including the BEBRAS and Turtle projects. We are also delighted to announce that the law firm Clifford Chance has funded Hertford’s second Philosophy Fellow, Carissa Véliz, who specialises in AI and Ethics, as well as supporting outreach activity and undergraduate bursaries.

Outreach, access and student support have always been at the heart of everything we do, and we’re grateful to everyone who supports this work. I’d particularly like to highlight the Drapers’ Company – who, at 20 years and counting, are amongst Hertford’s longest standing donors – for continuing their support of graduate scholarships. You can read about the experiences of a Drapers’ Scholar on lockdown on our dedicated Donor Report website.

One regret in joining Hertford when I did is that I had just six months working with Will Hutton (of which five have been conducted through a computer screen). The respect and high regard in which Will is held by the Hertford community has been wonderful to see, and I have been told on many occasions that his leadership is the reason for alumni involvement. Elsewhere in this publication, Will has expressed his intention to leave a legacy to the college, and I’m delighted that his relationship with Hertford will continue as a member of the Warnock Society.

Will is going to be greatly missed, not just in Hertford but across the Oxford community. However, we are excited to have welcomed Tom Fletcher as our new Principal. I know how much he is looking forward to getting to know our alumni and friends, and leading Hertford into a new era.

Lockdown notwithstanding, life at Hertford carried on, albeit with some significant modifications. We all quickly adapted to much-mentioned ‘new normal’ of online living. Zoom has become the indispensable sixth member of our team, and during the past six months we have held eight online events; from the first virtual John Donne lecture to a Philosophy reunion evening hosted by Peter Millican, with webinars by four of our Fellows addressing different areas of the current crisis. At the time of writing we are planning a series of online events for Michaelmas Term and beyond, so do let us know if you have any suggestions.

In his farewell webinar, Will Hutton said that the thing he would miss most about Hertford was the camaraderie. We’ve tried to maintain that sense of community in an age of social distancing, and we hope you’ve enjoyed what we’ve been doing. That said, it hasn’t escaped our notice that much of our communications recently have been somewhat one sided, and that’s why our telethon this year will be slightly different, with an emphasis on hearing your views on our plans for the future. We’d love to hear from you though so don’t wait for a phone call – you can find our contact details, as well as our social media channels, within this publication.

I often think about what would be dominating the headlines this year if it weren’t for COVID-19. Climate change, surely, would have greater prominence. I know that this is an issue many of you care deeply about, and we are committed to doing everything in our power to reduce our footprint. As a first step you may have noticed that our publications are now being sent to you in compostable wraps, printed on FSC-certified paper. We will also work with the catering team to ensure that when we are able to hold events again, our menus will be sustainably and ethically sourced, and our Estates Strategy will continue to follow sustainability standards.
Had it not been for COVID-19 you would doubtless be reading a very different piece by now, sharing plans for the new Graduate Centre in Winchester Road and the Library renovation project. We are fortunate that these two projects have been funded until planning permission is submitted, and our intention is to proceed. As Will reflects earlier in this magazine, Hertford continues to improve its standing in the Norrington table, and we are one of the leaders in outreach and improving the diversity of our student body. Our estates strategy means that our buildings will match and facilitate our ambitions, providing an environment for our students to thrive.

Last year, in these pages, Julia asked the question, ‘What next?’ In an increasingly uncertain world, with the threat of second waves, further lockdowns and recession looming over us, this becomes a difficult question to answer. What I can say is that, although Hertford must, and will, adapt to the realities of a post-COVID world, our essence and our core values must, and will, remain the same. We will continue to prioritise accessibility and inclusivity, providing a welcoming environment for our students to thrive, regardless of background and circumstance. And we will continue to invest in everything that makes an Oxford, and Hertford, education so special, from the quality of teaching and resources to our infrastructure and surroundings – not forgetting our countless societies and groups.

We are enormously grateful to every single one of you for your ongoing support. From the smallest gift to the largest, every single donation helps – and I look forward to thanking you in person one day.

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We are enormously grateful to those who made a gift to college between 1 August 2019 and 31 July 2020.