

GOVERNANCE REVIEW GROUP OF THE COUNCIL

Final Report

This paper sets out the report and recommendations of the Governance Review Group of the Council.

The Council is asked **to approve** the recommendations 1 – 32.

EXECUTIVE SUMMARY

1. This paper presents the findings and recommendations of the Governance Review Group drawn up over the period November 2009 – June 2010. The Group was set up by the Council in May 2009 and the following members were subsequently appointed: Mr Steve Barnett (Chair), Mr Edward Briffa, Ms Tina McEwan, Dr Christina Lloyd, and Mrs Kate Signorini. The overarching focus for the Group, and the key term of reference, was to review the effectiveness and performance of the Council and its sub-committees.
2. The Review Group considered material appropriate to good practice in governance in the higher education (HE) sector, including the results of some desktop benchmarking with other HE institutions, and an analysis of the feedback provided by members of the Council and by the University community.
3. The Group was also mindful of recent examples of the failure of governance in HE, recognising that there were two main causes: the first when the governing body is unaware or does not know about the issues; the second when the governing body is in possession of the necessary information, but fails to act. In approaching its task, therefore, the Review Group has endeavoured to ensure that the University's governance procedures prevent the former and that an appropriate culture is developed that makes the latter less likely.
4. Whilst, in general, the governance structures are perceived to be operating satisfactorily and to require no major improvements, the Review Group is making some recommendations that are intended to take OU governance from good towards excellent, and that aim to make The Open University an exemplar of good governance in the HE sector.
5. In particular, the Group has identified that the value added by members of the Council to the strategic development, debate and decision-making within The Open University can be improved. Primarily, the Group believes that this can be achieved by giving greater clarity and focus to the role of members, ensuring that members are more aware of their responsibilities and better informed about the University, and are thereby enabled to challenge the executive more rigorously and to make more effective contributions.

INTRODUCTION

6. The on-going review of the effectiveness and performance of the Council of The Open University and its Committees has a two-pronged approach. An annual effectiveness review (AER) appraises business and decision making against the terms of reference for the Council and each of its committees; a more detailed review of the Council's effectiveness and performance, benchmarked against the guidance and recommendations of the Combined Code and any other recommendations that might be issued by the Higher Education Funding Council for England (HEFCE) or the Committee of University Chairs (CUC), takes place every five years. This is the third quinquennial review of the Council and its committees. The last took place in 2004/05.
7. At its meeting on 13 May 2009, the Council agreed to establish a Governance Review Group to undertake the quinquennial review during 2009/10 and approved the composition of the Governance Review Group and its key term of reference.
8. The Membership Committee appointed members of the Council to the Governance Review Group at its meeting on 1 July 2009. The Governance Review Group began its work on 23 November 2009. Appendix 1 to this report provides the terms of reference, membership, scope and methodology for the review.
9. The Governance Review Group has undertaken its work by the analysis of material appropriate to good practice in governance in the higher education sector. The Group appointed a team from the University's Human Resources unit to conduct semi-structured interviews with members of and attendees at the Council. This ensured a 100% response rate, which was much improved on the previous governance review. It also invited feedback from the University community. From discussion, the Group has identified key issues, which are set out together with recommendations within the body of the report (paragraphs 11 to 102).

INFORMATION CONSIDERED BY THE GOVERNANCE REVIEW GROUP

10. The following lists the main documents that were considered by the Review Group:
 - a) Constitution, membership and standing orders for the Council and the Council Committees
 - b) Governance Review Report 2005
 - c) Governance Review Report 1999
 - d) Guide for members of Higher Education Governing Bodies in the UK (CUC, February 2009)
 - e) What is an Effective and High Performing Governing Body in UK Higher Education (CUC/Leadership Foundation for Higher Education (LFHE), January 2009)
 - f) Model Financial Memorandum between HEFCE and institutions
 - g) A comparison of the CUC Governance Code of Practice and the General Principles of Governance with the governance of The Open University
 - h) Governance in other Higher Education Institutions
 - i) A report on semi-structured interviews conducted with members of the Council
 - j) Feedback from the University community
 - k) CUC guide for Audit Committee self evaluation questionnaire

KEY ISSUES CONSIDERED BY THE GOVERNANCE REVIEW GROUP

Legal/regulatory compliance

11. Recent events at a number of higher education institutions, where there have been failures of both management and governance, have highlighted the responsibilities of the Council in assuring the effective operation of the institution. The Group recognised that there were two main causes for the failure of governance: the first where the governing body was unaware of or did not know about the issues; the second when the governing body was in possession of the necessary information, but failed to act. In approaching its task, therefore, the Review Group has endeavoured to ensure that the University's governance procedures prevent the former and that an appropriate culture is encouraged that makes the latter less likely.
12. In order to ensure that the responsibilities of the subcommittees are being met, the Review Group believes that the current system of self-assurance should be strengthened. As part of its Annual Effectiveness Review (AER), all members of each Council committee should complete a self-assessment questionnaire, in the style of that prepared by the CUC for audit committees in the higher education sector, to evaluate the committee's effectiveness. The results of this assessment and any action plans arising as a consequence should be reported to the Council.
13. The Review Group believes that more explicit reporting to the Council from the Staff Strategy Committee on diversity and equality and health and safety would strengthen assurance in this area.

Recommendation 1

14. All members of each Council committee should complete a self-assessment questionnaire as part of the committee's Annual Effectiveness Review to assure itself and the Council that it is fulfilling its role and responsibilities. The results of this assessment and any action plans arising as a consequence should be reported to the Council.

Recommendation 2

15. The Staff Strategy Committee should report annually on diversity and equality, and on health and safety.

Function, role and responsibilities of the Council

16. Overall, the Review Group believes that the terms of reference for the Council are clearly and appropriately defined and that the Council is effective in fulfilling its role and meeting its responsibilities with openness and integrity. However, the value that the Council adds to strategic development, debate and decision-making within the University could be significantly increased.
17. The Group believes that substantial improvements could be made by providing more focus on and clarity to the role of members, as well as making some adjustments to the agenda, structure and location of meetings. These issues are explored further elsewhere in this document (paragraphs 35-39, 62-66 and 70-77).

Size, nature and composition of membership

18. The current CUC recommendation is that:

There should be a balance of skills and experience among members sufficient to enable the governing body to meet its primary responsibilities and to ensure stakeholder confidence. A governing body of no more than 25 members represents a benchmark of good practice.¹

There is a slight trend towards smaller governing bodies, with some higher education institutions having a Council of around 17 members.

19. The previous two reviews had reduced the number of members on the Council from 45 to 35, and then to 25. The Review Group considered the current size of the Council, with regard to the balance between stakeholder involvement and the effectiveness of discussion and decision-making.
20. The Review Group does not believe that a further reduction in the size of the Council would improve University governance. A small Council would imply a company board model with non executive members who were much more engaged with University business and with executive members. Staff and student representation would be lost in such a model. A medium-sized Council with less than 25 members would reduce the diversity of lay, and of staff and student membership, without significantly improving the effectiveness of meetings.
21. However, the number of people attending the Council meetings is still perceived to be large and may obstruct substantial debate. There should be a distinction between members and non-members, and a clear rationale for those in attendance to be present.
22. The balance of skills and experience is seen to be a key issue. There is particular concern about the level of experience on the Council in European and international matters, and with regard to regional and national issues. The Open University should also lead the way in setting sector standards for equal and diverse representation on its governing body.
23. The Review Group believes that these issues should be addressed through a more effective process for recruiting and selecting members, either through the Membership Committee or through the Senate elections to the Council, as proposed in Recommendation 5.

Recommendation 3

24. The current size of the Council should be maintained.

Recommendation 4

25. There should be a clear distinction at the Council meetings between members of the Council and those in attendance.

Appointment of members

26. Whilst the current mechanism for finding potential candidates to serve on the Council and its subcommittees has produced some skilled and experienced members who have made an exceptional contribution to the OU, the Review Group believes that the process for the recruitment and selection of external members should be more structured, rigorous and transparent in order to ensure that the University attracts the best talent and the greatest diversity to its Council.

¹ CUC Guide for members of Higher Education Governing Bodies in the UK (February 2009) Part 1, para 9
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27. In particular, the Review Group proposes that the University should consult widely and advertise openly, both internally and externally, for individuals that meet specific criteria, which correspond to the OU's strategic direction and business plan. It also believes that the additional member proposed for the Membership Committee in Recommendation 29, should be someone with recruitment experience to help ensure a more systematic approach.
28. In order to clarify the expertise required by members of particular Council subcommittees, specific criteria should be set down in the appropriate constitutions. This is detailed in Recommendation 31.
29. A new document describing the *Council Members – Appointment Procedure and Criteria for Nominations*, and incorporating these proposals, has been developed.

Recommendation 5

30. The Council should adopt the document regarding *Council Members – Appointment Procedure and Criteria for Nominations* (Appendix 2).

Remuneration and reward of members

31. Remuneration for governors is still rare in the sector, but was considered by the Group for external members of the Council with regard to issues of diversity and demographic representation.
32. The Review Group believes that remuneration would not be a significant incentive to the type of individual that the University wishes to attract as a member of the Council. It would change a member's relationship to the University in a way that would not necessarily be helpful and would culturally be in conflict with the values of the OU. The Charities Commission would, in any case, be unlikely to agree with the remuneration of members.
33. Greater emphasis should be given to the experience which lay members gain and the reasons that they might wish to join the Council of the OU. As well as a clear expectation of what is required of Council members, there should be recognition of the value of that experience in terms of the members' personal development and their participation in the success of a unique organisation that is part of the UK's social fabric.

Recommendation 6

34. The practice that external members are not remunerated should continue.

Recommendation 7

35. The value of the experience gained through Council membership should be given greater emphasis when recruiting Council members.

Role of members

36. The Group believes that the effectiveness and performance of the Council, particularly with regard to strategic development, debate and decision-making, would be improved by giving greater clarity and focus to the role of both external lay and internal staff members. It also believes that the Council should encourage a culture where challenges to the executive are both welcomed and encouraged.
37. Both external lay members and internal staff members should be better equipped for and supported in their role as a member of the Council, particularly with regard to participation

in strategic debate. A clearer role description, indicating the significance of and expectations from Council members, aligned with more robust induction, training and development, will provide the foundation for improved effectiveness.

38. As the quality of the contribution made by an external member can be related to their level of understanding of the University, lay members should be given every opportunity and encouragement to participate in and contribute to the life and discourse of the University. This would also support them in their role as ambassadors for the OU and is explored further elsewhere in the document (paragraphs 42-48).
39. A revised document describing and strengthening the *Role of Members of the Council and Council Committees* and a new document outlining *The Seven Principles of Public Life* have been developed.
40. The Review Group also proposes the introduction of an annual review process to facilitate the regular monitoring of members' performance against the role description. It is considered essential for the review to be a two way process and is therefore also discussed elsewhere in the document in respect of induction, support and training (paragraphs 49-51).

Recommendation 8

41. The Council should adopt the document *Role of Members of the Council and Council Committees* and *The Seven Principles of Public Life* (Appendices 3 and 4).

Recommendation 9

42. The Council should introduce an annual review process for members of the Council.

Induction, support and training of members, including performance monitoring

43. Feedback from members who had recently joined the Council was that induction was effective, the material provided was of high quality, and the support provided by the secretariat was excellent. However, alongside the revised role description, the Group believes that the effectiveness and performance of the Council could be improved by reinforcing the induction and on-going support and development of both internal and external members, and by operating an annual review process.
44. Induction should be extended to external members of Council committees. A targeted induction should also be provided for internal members and repeated at the start of each election cycle. It should clarify the strategic role of all Council members, who do not carry a mandate for a particular constituency, but individually should consider the best interests of the University as a whole.
45. Following induction, external members should be given every opportunity and encouragement to improve their understanding of the University, through participation in unit links, graduation ceremonies, and training and developmental events.
46. A new document on *Council Members – Induction and Development* has been developed to establish what should be expected from the induction and the opportunities that will be provided for on-going development.
47. The Review Group considers unit links to be an important mechanism for facilitating stronger engagement with OU, but acknowledges that they have not always been effective. A new document providing *Guidelines for the Assignment of Council Members to University Faculties and Units* has been developed, which gives clear expectations of what is required on both sides and when. Each link would be for a 2-year period. Those members in office

for two terms would each experience four different units during their time with the University.

48. The Review Group also acknowledges the importance of networking and building relationships both at and between Council meetings. This should be facilitated by changes to the format and location of meetings. The structure of the day and the layout of the room should enable discussion and networking between members. Moving the venue for Council meetings from London to Milton Keynes would have the advantage of facilitating better and more regular communication between members and their link unit, of providing more opportunities for member training and development, and of making the member more visible in the University community. This is considered further in the section concerning operation and conduct of business (paragraphs 73-80).
49. The Group supports the idea of an annual appraisal to assess and support both internal and external members of the Council and believes that this is a role that should be undertaken by the Vice-Chair, with support from another Council member. The appraisal should not just be about the individual, but should also provide a regular opportunity for the members to evaluate the way in which the Council and the secretariat operate. The outcomes of this appraisal process should be considered by the Chair, Vice-Chair, Vice-Chancellor and University Secretary, and then reviewed by the Council.
50. A new document on *Council Members – Annual Review Process* has been developed outlining the process and expectations of the annual review.
51. In addition to an individual annual appraisal and the Council's Annual Effectiveness Review (AER), the Review Group believes that it would be useful for the Council to conduct a collective review of its performance at the end of each Council meeting. It proposes that an item should be added to the end of each agenda to enable the Council to consider whether items had been properly addressed and whether members had been suitably briefed.

Recommendation 10

52. Induction should be extended to internal members, and external members of Council committees.

Recommendation 11

53. The Council should adopt the document *Council Members – Induction and Development* (Appendix 5).

Recommendation 12

54. The Council should adopt the *Guidelines for the Assignment of Council Members to University Faculties and Units* (Appendix 6).

Recommendation 13

55. The Council should adopt the document *Council Members – Annual Review Process* (Appendix 7).

Recommendation 14

56. The Council Agenda should include an item to review its effectiveness at the end of each Council meeting to consider whether items had been properly addressed and whether members had been suitably briefed.

Role of Chair, Vice-Chair and Treasurer

57. Just as the role description of a Council member requires strengthening, so the descriptions for the posts of Chair, Vice-Chair and Treasurer should place emphasis on the expectations of the role, key duties and activities, and information on the essential and desirable skills and experience required.
58. Specifically, the importance and national significance of the role of Pro-Chancellor should be emphasised, together with the requirements of the post.
59. The role of the Vice-Chair should be expanded to include the member support and development aspect of the role. The Vice-Chair would conduct the annual review with members, together with another Council member nominated to support this process, as well as lead the quinquennial effectiveness review. The Vice-Chair would also support the Pro-Chancellor in attending high profile events, liaising with senior officials and other activities.
60. The role description for the Treasurer should emphasise the need for a senior figure in financial management at board level who is capable of challenging the University's executive on financial matters.
61. Role descriptions for each of the Pro-Chancellor, Vice-Chair and Treasurer have been drafted or updated as appropriate in a consistent format to reflect the recommendations made by the Review Group. Role descriptions for the Chairs of Council Committees have also been developed.

Recommendation 15

62. The Council should adopt the role descriptions for the Pro-Chancellor, Vice-Chair and Treasurer and the Chairs of Council Committees (Appendices 8 - 11).

Effectiveness of meetings, member contributions and decision making

63. The Review Group acknowledges that, in general, the Council engages appropriately with issues around strategic planning, finance, audit, monitoring effectiveness and performance, estates and human resource management. It is also effective in bringing a diverse range of views to the meeting and in building consensus. However, the Council has often been encumbered with the formal approval of papers that have already been developed and debated elsewhere, with routine business and with parochial issues that would have been better dealt with in another forum.
64. The Review Group believes that arrangements should be made to support the Council in delivering its strategic responsibilities, together with its fiduciary obligations, by providing more opportunities for early engagement in strategic debate. The Council Residential Weekend is perceived to have real value in terms of allowing the Council to contribute to strategic development, as well as providing an opportunity for members to get to know more about the University. The provision of further opportunities to shape strategy should be valued and encouraged.
65. Council meeting agendas should be constructed to ensure that practical and statutory business is dealt with quickly, with more time available to allow for a proper debate on strategic issues. A possible structure might be a two hour session, with a break for lunch, followed by a further hour of discussion.
66. Clearer role descriptions, together with improved induction, support and review will ensure that all members have an improved understanding of their role in ensuring that the debate

at the Council is of a strategic nature. The Chair is responsible for ensuring that individual views are heard, but do not prevent the strategic debate from moving forward.

67. Appropriate briefing and a greater knowledge of the OU would enable members to ask more incisive, challenging questions, which would in turn lead to more constructive and rigorous debate. When the agenda allows, it is proposed that time at Council meetings be given to presentations on key issues, work in faculties and other aspects of the University.
68. The Review Group considered the challenge of monitoring and reviewing the performance of the University at the right level across all areas of concern. By simply noting the minutes of the meetings of its subcommittees, the Council was not necessarily being alerted to changes in risk profile. Senior management should review what can be done to alert the Council to changes in risk profile to supplement its consideration of the risk register.

Recommendation 16

69. The University should provide more opportunities for the early engagement of Council members in strategic debate and development.

Recommendation 17

70. The Council Agendas should be structured so as to allow more time for strategic debate and/or briefings.

Recommendation 18

71. Senior management should review what can be done to alert the Council to changes in risk profile to supplement its consideration of the risk register.

Operation and conduct of business, including quality and provision of information and communication of decisions

72. Whilst the papers presented to the Council are considered to be of a high standard and extremely comprehensive, the amount of information provided can be overwhelming. The Review Group believes that papers could be improved by highlighting the key issues in the introduction and then signposting to the relevant detail, which should be provided as background or appendices. Papers should always be clear in indicating what the Council is being asked to do.
73. The Review Group proposes that Council papers should either be circulated electronically or provided via a link to the Council website, unless individual members specifically request hard copy. Papers should be distributed in a single mailing. Papers received after the submission date should not be considered except with the permission of the meeting.
74. The Council should also take advantage of available and developing technology, such as video conferencing and e-rooms, to facilitate meetings and discussion as and when appropriate.
75. The acoustics and layout of the meeting room used at BMA House are not considered to be conducive to good debate or to networking. When considering this issue, the Review Group agreed that, as the OU's headquarters, Walton Hall would be a more appropriate place for the Council to meet. It would not only save costs, but also improve the visibility of the Council amongst the OU community, and allow networking and developmental activities for Council members to be scheduled on the same day. Individual members would gain greater prominence through effective links with University faculties and units, as well as through their presence on campus.

76. The Group also agreed that meetings should occasionally be held in Scotland, Wales and Northern Ireland, so that the Council is visible in all four nations of the UK, and to provide an opportunity for those nations to give a presentation on their work to the Council.
77. The review raised several issues regarding the visibility of the Council as a governing body and of its individual members. The University community should be confident that the OU has a strong and effective Council. It should be aware of the Council's consideration of issues and of the rationale for any difficult decisions that it may have to make.
78. Although Council papers are currently published on the intranet, the function, operation and composition of the governing body would be more transparent if the Council website was open to the University and to the public. A summary of the items on each Council agenda and a précis of the decisions reached could also be placed on the OU intranet (OU Life).
79. The Review Group also proposes that, in line with good corporate governance practice, there should be a standing agenda item at the beginning of each meeting to prompt all members to declare any conflict of interest.

Recommendation 19

80. The structure of the papers presented to the Council should be reviewed to ensure that they highlight the key issues and the decision required.

Recommendation 20

81. The Council papers should be distributed as a single electronic mailing. Papers received after the submission date should not be considered except with the permission of the meeting.

Recommendation 21

82. The Council should make greater use of technology to facilitate meetings and networking.

Recommendation 22

83. The Council meetings should normally take place at the OU's headquarters at Walton Hall, Milton Keynes and should take place in a room better suited for debate and networking.

Recommendation 23

84. One Council meeting each year should take place in either Scotland, Wales or Northern Ireland.

Recommendation 24

85. The visibility of the Council as a governing body should be improved by opening access to the Council website to the University and the public, and by notifying the University community of the topics for and outcomes of the meetings.

Recommendation 25

86. A standing agenda item should be introduced at the beginning of each meeting to allow Council members to declare any conflict of interest.

Sub-committee structure and relationship to the Council; schedule of delegation

87. The Council depends heavily on the sub-committee structure, which is seen to work well and to provide a more effective forum for members to engage with issues and add value through rigorous and detailed debate. It is important to ensure that where possible, matters are delegated to the subcommittees and are not replayed at the Council, to ensure the Council remained focussed on strategic matters.
88. The Review Group believes that the prominence of the work of some of the subcommittees should be raised. For example, the Staff Strategy Committee should lead a discussion about the workforce from a strategic perspective at least once per year, as it is significant to the success or failure of the organisation.
89. The significant and strategic role of the Strategic Planning and Resources Committee (SPRC) was reaffirmed. It is a joint committee of both the Council and the Senate and one of the ways in which both governing bodies can contribute to strategic debate. In this context, the Review Group proposes that SPRC should be chaired by the Chair of the Council (Pro-Vice-Chancellor). This recommendation will also have to be approved by the Senate.
90. The CUC Guide recommends that membership of the Remuneration Committee:

Should include the chair of the governing body, at least three other lay/independent members (not necessarily members of the governing body) and the lay treasurer if such an office exists, from among whom a committee chair should be appointed.

Currently, the Remuneration Committee has only two other lay/independent members. The Review Group proposes that an additional person be added to the membership of the committee:

One external co-opted member with remuneration experience in a commercial organisation or similar, appointed by the Council on the recommendation of the Membership Committee.

91.

92. The CUC Guide recommends that membership of the Nominations Committee:

Should include the chair of the governing body (who should normally chair it), at least three other lay/independent/co-opted members, the head of institutions and at least one senior member of the academic staff.

Currently, the Membership Committee has only two other lay/independent/co-opted members. The Review Group proposes that an additional person be added to the membership of the committee:

One external co-opted member with experience of recruitment at a senior level, appointed by the Council on the recommendation of the Committee.

93. The Review Group proposes that Membership Committee should meet a minimum of twice per year in order to reflect the greater openness in recruiting members to the Council.

94. The Review Group proposes that, as members of the Council subcommittees should have particular expertise, the specific criteria required by members of the Audit, Estates, Finance and Staff Strategy Committees should be added to the constitutions for these committees.

Recommendation 26

95. The Staff Strategy Committee should lead a strategic discussion on the OU work force at least once per year. This should include reports on equality and diversity and health and safety.

Recommendation 27

96. The Strategic Planning and Resources Committee (SPRC) should be chaired by the Pro-Chancellor. This recommendation will also have to be approved by the Senate.

Recommendation 28

97. An additional external member with particular expertise (remuneration) should be added to the membership of the Remuneration Committee.

Recommendation 29

98. An additional external member with particular expertise (senior level recruitment) should be added to the membership of the Membership Committee.

Recommendation 30

99. The Membership Committee should meet at least twice per year.

Recommendation 31

100. The specific experience required by members of the Audit, Estates, Finance and Staff Strategy Committees should be added to the constitutions for these committees, as set out below:

Audit

External members should have experience in audit, finance and/or senior management.

Estates

External members should have experience in estates or facilities management.

Finance

External members should have experience in finance.

Staff Strategy

External members should have experience in human resources or employment law.

CHANGES TO THE STATUTES AND STANDING ORDERS

101. None of the changes proposed require changes to the Statutes.
102. Further to the recommendations made in this report, amendments have been made to the Standing Orders and the Statement of Role and Primary Responsibilities.

Recommendation 32

103. The Council should adopt the revisions to the Standing Orders and Statement of Role and Primary Responsibilities (Appendices 12 and 13). These are:

Standing Orders*Amendments*

- 4.1 c) External co-opted members join the Council through the Council's approval of recommendations submitted by the Membership Committee. A procedure for selection is followed by the Membership Committee; The appointment procedure and criteria for nominations is set out in Annex 2 to the Standing Orders.
- 4.2 All Council members should be available to sit on Council committees if required. External members are expected to become a member of at least one of the Council's committees, as part of their role. The Membership Committee shall recommend members to the Council to undertake these roles.

*Insertions*6.1 Conflict of Interests

The agenda for each meeting will include an initial item that will invite members to declare any interest in the items for discussion. Further details are provided in paragraph 7.

6.9 Effectiveness of meetings

The agenda for each meeting will include a final item that will allow the Council to collectively reflect on its effectiveness at that meeting.

Attachments

Annex 1 Statement of Role and Primary Responsibilities
Annex 2 Council Members – Appointment Procedure and Criteria for Nominations
 Annex 32 Role of Council Members
 Annex 43 Schedule of Delegation

Statement of Role and Primary Responsibilities*Insertions*

- ~~6.4 The Council receives reports and assurances regularly and annually from its specialist committees.~~ **7. Council Committees**
- 7.1 The Council delegates some of its powers and allocates some of its work to specialist committees, namely Audit, Estates, Membership, Remuneration and Staff Strategy (which reviews equality and diversity, and health and safety).
- 7.2 The Council receives reports and assurances regularly and annually from its specialist committees.

The full versions of these documents are available on the Council Website
<http://www.open.ac.uk/council/index.htm>

TIMETABLE FOR IMPLEMENTATION

104. The Governance Review Group will monitor how successful the recommendations are in practice and will meet at specific milestones throughout the next year to review progress. It will then be stood down until the next quinquennial review in 2014/15.

Steve Barnett
Vice-Chair of the Council, and
Chair, Governance Review Group of the Council

LIST OF RECOMMENDATIONS

Legal/regulatory compliance

Recommendation 1

105. All members of each Council committee should complete a self-assessment questionnaire as part of the committee's Annual Effectiveness Review to assure itself and the Council that it is fulfilling its role and responsibilities. The results of this assessment and any action plans arising as a consequence should be reported to the Council.

Recommendation 2

106. The Staff Strategy Committee should report annually on diversity and equality, and on health and safety.

Size, nature and composition of membership

Recommendation 3

107. The current size of the Council should be maintained.

Recommendation 4

108. There should be a clear distinction at the Council meetings between members of the Council and those in attendance.

Selection of members

Recommendation 5

109. The Council should adopt the document regarding *Council Members – Appointment Procedure and Criteria for Nominations* (Appendix 2).

Remuneration of members

Recommendation 6

110. The practice that external members are not remunerated should continue.

Recommendation 7

111. The value of the experience gained through Council membership should be given greater emphasis when recruiting Council members.

Role of members

Recommendation 8

112. The Council should adopt the document *Role of Members of the Council and Council Committees and the Seven Principles of Public Life* (Appendices 3 and 4).

Recommendation 9

113. The Council should introduce an annual review process for members of the Council.

Induction, support and training of members including performance monitoring*Recommendation 10*

114. Induction should be extended to internal members, and external members of Council committees.

Recommendation 11

115. The Council should adopt the document *Council Members – Induction and Development* (Appendix 5).

Recommendation 12

116. The Council should adopt the *Guidelines for the Assignment of Council Members to University Faculties and Units* (Appendix 6).

Recommendation 13

117. The Council should adopt the document *Council Members – Annual Review Process* (Appendix 7)

Recommendation 14

118. The Council Agenda should include an item to review its effectiveness at the end of each Council meeting to consider whether items had been properly addressed and whether members had been suitably briefed.

Role of Chair, Vice-Chair and Treasurer*Recommendation 15*

119. The Council should adopt the role descriptions for the Pro-Chancellor, Vice-Chair and Treasurer and the Chairs of Council Committees (Appendices 8 - 11).

Effectiveness of meetings, member contributions and decision making*Recommendation 16*

120. The University should provide more opportunities for the early engagement of Council members in strategic debate and development.

Recommendation 17

121. The Council Agendas should be structured so as to allow more time for strategic debate and/or briefings.

Recommendation 18

122. Senior management should review what can be done to alert the Council to changes in risk profile to supplement its consideration of the risk register.

Operation and Conduct of business, including quality and provision of information and communication of decisions*Recommendation 19*

123. The structure of the papers presented to the Council should be reviewed to ensure that they highlight the key issues and the decision required.

Recommendation 20

124. The Council papers should be distributed as a single electronic mailing. Papers received after the submission date should not be considered except with the permission of the meeting.

Recommendation 21

125. The Council should make greater use of technology to facilitate meetings and networking.

Recommendation 22

126. The Council meetings should normally take place at the OU's headquarters at Walton Hall, Milton Keynes and should take place in a room better suited for debate and networking.

Recommendation 23

127. One Council meeting each year should take place in either Scotland, Wales or Northern Ireland.

Recommendation 24

128. The visibility of the Council as a governing body should be improved by opening access to the Council website to the University and to the public, and by notifying the University community of the topics for and outcomes of the meetings.

Recommendation 25

129. A standing agenda item should be introduced at the beginning of each meeting to allow Council members to declare any conflict of interest.

Subcommittee structure and relationship to the Council; schedule of delegation*Recommendation 26*

130. The Staff Strategy Committee should lead a strategic discussion on the OU work force at least once per year. This should include reports on equality and diversity and health and safety.

Recommendation 27

131. The Strategic Planning and Resources Committee (SPRC) should be chaired by the Pro-Chancellor. This recommendation will also have to be approved by the Senate.

Recommendation 28

132. An additional external member with particular expertise (remuneration) should be added to the membership of the Remuneration Committee.

Recommendation 29

133. An additional external member with particular expertise (senior level recruitment) should be added to the membership of the Membership Committee.

Recommendation 30

134. The Membership Committee should meet at least twice per year.

Recommendation 31

135. The specific experience required by members of the Audit, Estates, Finance and Staff Strategy Committees should be added to the constitutions for these committees, as set out below:

Audit

External members should have experience in audit, finance and/or senior management.

Estates

External members should have experience in estates or facilities management.

Finance

External members should have experience in finance.

Staff Strategy

External members should have experience in human resources or employment law.

Recommendation 32

136. The Council should adopt the revisions to the Standing Orders and Statement of Role and Primary Responsibilities (Appendices 12 and 13). These are

Standing Orders*Amendments*

- 4.1 c) External co-opted members join the Council through the Council's approval of recommendations submitted by the Membership Committee. ~~A procedure for selection is followed by the Membership Committee;~~ The appointment procedure and criteria for nominations is set out in Annex 2 to the Standing Orders.
- 4.2 All Council members should be available to sit on Council committees if required. External members are expected to become a member of at least one of the Council's committees, as part of their role. The Membership Committee shall recommend members to the Council to undertake these roles.

*Insertions*6.1 Conflict of Interests

The agenda for each meeting will include an initial item that will invite members to declare any interest in the items for discussion. Further details are provided in paragraph 7.

6.9 Effectiveness of meetings

The agenda for each meeting will include a final item that will allow the Council to collectively reflect on its effectiveness at that meeting.

Attachments

Annex 1 Statement of Role and Primary Responsibilities

Annex 2 Council Members – Appointment Procedure and Criteria for Nominations

Annex 32 Role of Council Members

Annex 43 Schedule of Delegation

Statement of Role and Primary Responsibilities

Insertions

~~6.4 The Council receives reports and assurances regularly and annually from its specialist committees.~~ **7. Council Committees**

7.1 The Council delegates some of its powers and allocates some of its work to specialist committees, namely Audit, Estates, Membership, Remuneration and Staff Strategy (which reviews equality and diversity, and health and safety).

7.2 The Council receives reports and assurances regularly and annually from its specialist committees.

The full versions of these documents are available on the Council Website
<http://www.open.ac.uk/council/index.htm>

LIST OF APPENDICES

- Appendix 1: Terms of Reference, Membership, Scope and Methodology
- Appendix 2: Council Members – Appointment Procedure and Criteria for Nominations
- Appendix 3: Role of Members of the Council and the Council Committees
- Appendix 4: Seven Principles of Public Life
- Appendix 5: Council Members - Induction and Development
- Appendix 6: Guidelines for the Assignment of Council Members to University Faculties and Units
- Appendix 7: Council Members – Annual Review Process
- Appendix 8: Role description for Pro-Chancellor
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- Appendix 10: Role descriptions for Treasurer
- Appendix 11: Role description for Chairs of Council Committees

Julie Tayler
Assistant Secretary
Central Secretariat
June 2010

GOVERNANCE REVIEW GROUP OF THE COUNCIL

Terms of Reference, Membership, Scope and Methodology

1 TERMS OF REFERENCE

The overarching focus for the Governance Review Group, and the key term of reference, is to review the effectiveness and performance of the Council and its sub-committees.

2 MEMBERSHIP

2.1 The Governance Review Group is composed of:

- A Chair who is the Vice-Chair of the Council
- Two external members of the Council
- Two appointed members of the Council (University staff and students) of which one is a Senate appointed member

2.2 The group also has the power to seek advice/guidance from a suitably experienced external assessor, prior to finalising its proposals.

2.3 The following members of the Council have been appointed to the Governance Review Group:

Chair: Steve Barnett (Vice-Chair of the Council)

External members of the Council: Edward Briffa
Tina McEwan

Appointed staff/student members of the Council: Christina Lloyd (Senate)
Kate Signorini

Administrative support will be provided by:

The University Secretary: Fraser Woodburn
Senior Assistant Secretary: Jane Duffield
Assistant Secretary: Julie Tayler (Secretary to the Group)

3 SCOPE OF THE REVIEW

The scope of the review may include some of the following key elements:

- Legal/regulatory compliance
- Function, role and responsibilities
- Size, nature and composition of membership
- Selection of members

- Remuneration of members
- Induction, support and training of members
- Role of and interaction between Vice-Chancellor, Secretary and Chair
- Effectiveness of meetings, member contributions, decision making – ie value added
- Operation and conduct of business, including quality and provision of information and communication of decisions
- Sub-committee structure and relationship to the Council; schedule of delegation
- Relationship with the Senate and academic governance
- Operation of annual effectiveness review

4 METHODOLOGY

4.1 The Group may wish to use some of the following methods and processes for conducting the review and testing effectiveness:

- Review of last review and outcomes
- Review of current literature – codes and guidance; assessment against current best practice
- Questionnaire to Council members, with both specific and open questions
- Meetings with Chairs of Council sub-committees
- Input from outgoing and incoming Vice-Chancellors
- Input from members of the Vice-Chancellor's Executive
- Canvass University community
- Review Group to review all feedback
- Audit Committee
- Benchmarking – HEIs or other institutions
- External assessor

Julie Tayler
Assistant Secretary
Central Secretariat
May 2010

THE COUNCIL

COUNCIL MEMBERS – APPOINTMENT PROCEDURE AND CRITERIA FOR NOMINATIONS

1. The Council of The Open University has established a Membership Committee to seek out and recommend the appointment of new external/lay/independent and co-opted members to the Council and its subcommittees. The Committee, which is a committee of the Council, will meet at least twice per year to decide upon recommendations for appointment to membership of the Council or its committees or for Council members to be appointed to other University committees, as vacancies arise or are anticipated.
2. The Membership Committee will follow a structured process for the recruitment and selection of members to the Council and its subcommittees.
3. It is important that the Membership Committee attracts high-calibre individuals with Four Nation, UK and international skills, experience and perspectives that enhance the effectiveness of the Council.
4. In seeking to find prospective candidates, the Committee will consult widely and vacancies for external/lay/independent and co-opted members will be publicised within and outside the University. Opportunities for membership of the Council will be openly advertised in the national press and the Membership Committee may also consider using a recruitment agency or the Register of Public Appointments. Council members, staff, students and alumni will be invited to bring forward names for consideration by the Committee.
5. A clear description of the role, details of the nomination criteria and a specification of the skills, knowledge, experience and qualities required for any particular vacancy will be provided by the Membership Committee (in consultation with the relevant committee Chairs). This will include an assessment of the time commitment required. Candidates will be considered against the role description and criteria.
6. Members of the Council subcommittees requiring particular expertise will be expected to meet specific criteria as set down in the relevant constitutions:
 - a) Audit Committee
Audit, finance and/or senior management experience
 - b) Finance Committee
Finance and/or senior management experience
 - c) Estates Committee
Estates, facilities and/or senior management experience
 - d) Staff Strategy Committee
Human resources, employment and/or senior management experience

7. The Membership Committee will pay regard to the balance of membership on the Council. It will consider candidates from a wide range of backgrounds and take particular note of the importance of achieving a diverse membership in terms of gender, ethnicity, disability, approach, thinking and opinion.
8. On appointment to the Council, all Council members (external and internal) will be sent a formal letter of appointment, together with an induction pack, which will include detailed information on the role and the University's expectations of members. A personal induction programme will also be prepared for all new members.

THE COUNCIL

ROLE OF MEMBERS OF THE COUNCIL AND THE COUNCIL COMMITTEES

1. Summary of Responsibilities of Members of the Council

- 1.1 Higher education institutions (HEIs) are legally independent corporate institutions that have a common purpose of providing learning and teaching and undertaking research. They also have an important role in contributing to economic growth through research and developing links with industry and the community (so-called 'third leg' or 'third mission' activities). The governing body, which in the case of The Open University is the Council, is responsible for ensuring the effective management of the University and for planning its future development. It has ultimate responsibility for all the affairs of the University.
- 1.2 The main responsibilities of the Council, and thereby the primary duties of a member, are set out in its Statement of Role and Primary Responsibilities, which is Annex 1 to the Standing Orders. They may be summarised as follows:
- Proper Conduct of Public Business
 - Strategic Planning
 - Monitoring Effectiveness and Performance
 - Finance
 - Audit
 - Estate Management
 - Human Resource Management
 - Equality and Diversity
 - Health and Safety
 - Student's Union
- 1.3 All persons appointed to the Council are expected to be committed to the University's values and to bring particular behaviours to the Council. They should consider issues from a strategic perspective, question intelligently, debate constructively, challenge rigorously and decide dispassionately. Members should also listen sensitively to the views of others, both inside and outside meetings of the Council.
- 1.4 Individual members of the Council, members of Council committees and the Council as a whole should at all times observe the highest standards of corporate governance in the exercising of their responsibilities. In particular, they should conduct themselves in accordance with the accepted Seven Principles of Public Life drawn up by the Committee on Standards in Public Life, which embrace selflessness, integrity, objectivity, accountability, openness, honesty and leadership (Appendix 1). The governance practices of the University are consistent with the revised CUC "Guide for Members of Higher Education Governing Bodies in the UK"

2. Membership of the Council

- 2.1 The appointment of external members is overseen on behalf of the Council by the Membership Committee. The appointment procedure and criteria for nominations are set out in Annex 2 to the Standing Orders.
- 2.2 The appointment of staff and student members is subject to procedures laid down by ordinance.

3. Corporate Decision Making

- 3.1 All members should exercise their responsibilities in the interests of the institution as a whole rather than in a personal or individual capacity, or as a representative of any constituency. Members nominated or appointed by particular constituencies should not act as if delegated by the group they represent. No member may be bound, when speaking or voting, by mandates given to him/her by others.

- 3.2 The Council and its committees exercise their responsibilities in a corporate manner; that is to say, decisions are taken collectively by all of the members acting as a body. Members should not act individually, or as representatives of a constituency or in informal groups, to take decisions on governing body business on an ad hoc basis outside the constitutional framework of the meetings of the Council and its committees.
- 3.3 The Council has given powers to the Chair to take action on behalf of the Council between meetings. This is incorporated into the Standing Orders (para 8).

4. Conflict of Interests

- 4.1 Upon commencing appointment, members of the Council are required to declare any pecuniary, family or other personal interest, direct or indirect, and this is noted in the Register of Members' Interests. Any individual who is considering becoming a member of the Council, and is unsure whether they may have a conflict of interest, should contact the University Secretary for advice. Council members are expected to update their entry at any time as and when their circumstances change.
- 4.2 Members are expected to make a declaration of interest in any matter on the Agenda at the beginning of each meeting of the Council. The Standing Orders provide guidance on the management of any conflict of interest that may arise at a meeting of the Council or of a Council Committee (paragraph 7).

EXPECTATIONS OF COUNCIL MEMBERS

5. Meetings of the Council

- 5.1 The Council meets at least 4 times each year, in March, May, July and November, but will call additional meetings if business dictates. Meetings are normally held in Milton Keynes, commencing at 10.00am, and normally last approximately 2.5 hours. One meeting each year takes place in either Scotland, Wales or Northern Ireland. In addition, the Council has an annual strategic event in September, with an overnight stay.
- 5.2 Members are expected to attend scheduled meetings and events of the Council, or the appropriate Council committees. A record of attendance is maintained and monitored by the Membership Committee and poor attendance will be discussed at the annual review. Annual attendance figures are also published in the University's Financial Statements. This is part of the Council's effectiveness review process.
- 5.3 Members should be able to apportion sufficient time to prepare for the meetings by reading the papers and noting points to raise.

6. Committees of the Council

- 6.1 The Council has 6 formal Committees that have delegated responsibility in the following areas:
- Audit (meets a minimum of 2 times per year, normally 3)
 - Estates (meets a minimum of 3 times per year)
 - Finance (meets a minimum of 4 times per year)
 - Membership (meets a minimum of once per year)
 - Nominating Advisory Committee for Statute 21 Procedures (meets as and when required)
 - Remuneration Committee (meets once per year)
 - Staff Strategy (meets a minimum of 3 times per year)
 - Strategic Planning and Resources Committee (meets a minimum of 3 times per year)
- 6.2 All Council members should be available to sit on Council committees if required. External members are expected to become a member of at least one of the Council's committees, as part of their role. The Council will endeavour to appoint a member to a Committee where their skills and experience can make the most positive contribution. Members may also have an opportunity to contribute specific expertise by serving on working groups established by the Council for specific purposes.

7. Briefing

- 7.1 Members are expected to develop a good working knowledge of the University, including its mission and core values, and to understand the key issues facing higher education in the UK and/or elsewhere. They should have sufficient awareness to make appropriate decisions on Council and Council committee business.

The University is committed to providing

- an initial induction;
- Council and/or other committee papers in a timely manner;
- a Council website
- visits within the University;
- links with University units;
- access to CUC¹ / LFHE² seminars and other relevant conferences, workshops and seminars;
- other topical information as appropriate.

There is an onus on members to keep themselves informed and to take advantage of appropriate development opportunities

- 7.2 Following initial induction, members will regularly receive copies of the University's newsletters and the CUC newsletter (which is published three times a year), as well as appropriate publicity material about the University to help them stay up-to-date with developments.

8. Involvement in University Affairs

- 8.1 Members are expected to engage with the University, not only through meetings and committees, but also by taking advantage of other opportunities to foster understanding of the University's business, functions and departments.
- 8.2 In order to enable external members to become familiar with the work of the University, they may be linked to one or more units of the University and be involved in appropriate events, briefings and visits. To broaden expertise and avoid over-commitment to a particular area, each link will be for a maximum period of two years. The Membership Committee proposes the assignments of external members to University units. External members will be encouraged to engage at an early stage with key issues for the University, to build up their knowledge over a wider area than their own experience and expertise.
- 8.3 The Council will appoint an external member with special responsibility for each of Northern Ireland, Scotland and Wales. These members may also be asked to become members of an External Advisory Group (EAG) where one has been established.
- 8.4 Council and co-opted committee members must attend at least one award ceremony each year and are strongly encouraged to attend other University functions, such as open days, lectures, etc. Details of such events will be circulated as appropriate.
- 8.5 Council and co-opted committee members are strongly encouraged to undertake an Open University course in order that they may have first hand experience of the student journey with the University.
- 8.6 However, external members should also take care not to become involved in the day-to-day executive management of the institution. This also applies to the staff and student members (except that in the course of their employment or in their activities as students, they may have executive responsibilities within the institution). Members should consider issues from a strategic perspective.

¹ Committee of University Chairs

² Leadership Foundation for Higher Education

9. Ambassadorial Function

Members of the Council and its committees are expected to promote the interests of the University. They can work on behalf of the University in many ways, including:

- a) As ambassadors outside the University, especially in commercial, business and political/national spheres.
- b) Within the University by communicating with different groups of staff and students, explaining the work of the Council and gathering opinions.
- c) On behalf of the University on formal occasions and in other national University/HE for a

The University will brief members as appropriate.

UNIVERSITY SUPPORT FOR COUNCIL MEMBERS

10. Induction and Development Programme

The University will provide a personal induction for each new member of the Council. It will also provide internal and external training and development opportunities as appropriate. Further details are provided in Appendix 2 to this document.

The annual review process will consider whether an appropriate induction and development programme has been made available by the university and whether the member has taken advantage of such opportunities. It will also provide an opportunity to consider any future development needs.

11. Annual Review

All members of the Council will be expected to participate in an annual review. Members will be given an opportunity to provide feedback, in conversation with the Vice-Chair of the Council (and/or another Council member nominated to support this process), on their experience of the Council and whether they feel that they have been able to make an effective contribution. This occasion will provide an opportunity to raise any concerns and to identify any future developmental needs. Further details of the review process can be found in Appendix 3 to this document.

12. Website

The University will provide access to a dedicated Council website, open to the public, which will contain information for Council and about Council. The website will include:

- Key governance documents and information for new members
- Current strategy papers, annual reports, etc.
- Easy access to the calendar of meetings, agendas, papers and minutes, etc
- Biographical information about members of Council
- Links to relevant internal and external web pages, eg LFHE, Government Departments, the funding councils, etc

13. Publications

The University will provide members with copies of internal publications, as well as the CUC and other HE newsletters.

14. Expenses

14.1 The Open University does not remunerate members of the Council.

14.2 The University will pay the travelling and subsistence expenses of external, associate lecturer and student members of the Council on request. Expense forms are available from Central Secretariat.

15. Secretariat

The University's Central Secretariat manages the day to day operation of the Council, including the provision of administrative services. It can provide assistance in setting up visits to units and other areas of the University as required, and in booking places on relevant internal or external events.

Appendix 1: The Seven Principle of Public Life

Appendix 2: Council Members – Induction and Development

Appendix 2: Addendum – Guidelines for the Assignment of Council Members to University Faculties and Units

Appendix 3: Council Members – Annual Review Process

THE COUNCIL

THE SEVEN PRINCIPLES OF PUBLIC LIFE

Selflessness

Holders of public office should take decisions solely in terms of the public interest. They should not do so in order to gain financial or other material benefits for themselves, their family, or their friends.

Integrity

Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might influence them in the performance of their official duties.

Objectivity

In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.

Accountability

Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.

Openness

Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands.

Honesty

Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.

Leadership

Holders of public office should promote and support these principles by leadership and example.

THE COUNCIL**COUNCIL MEMBERS – INDUCTION AND DEVELOPMENT**

INDUCTION

All new members of the Council and Council committees will receive an induction pack, which contains an introduction to Council meetings, governance and constitutional documents, including information on the role of members, key strategy documents and reports, and the most recent financial statements. A copy of the CUC Guide for Members of HE Governing Bodies in the UK is also provided, together with forms for biographical details, declaration of interests and claiming expenses. The member will also receive a copy of the papers and minutes of the last meeting.

Other relevant information, including useful links to external sites, is posted on the dedicated Council website.

The University will provide an individually tailored induction programme that will meet the varied needs of each new member of the Council.

External members

Where possible, an induction visit of a day and a half duration will be arranged to coincide with the Council Residential Weekend held in September. This will allow new members of the Council to meet with relevant OU staff and to visit areas of the University that will be both interesting and useful to them, as well as to be introduced to their Council colleagues in a relatively informal atmosphere.

Internal and Student Members

A bespoke programme focusing on the role and responsibilities of Council members will also be designed for internal and student members.

DEVELOPMENT**Training Opportunities**

The University will provide briefing opportunities as appropriate. These may include presentations on topics of interest on the morning/afternoon of the Council meeting, visits to parts of the University, or one-to-one sessions with key University personnel. Individual development needs may be identified at the Council members' annual review.

In addition, Council members will have access to external learning and developmental opportunities from specialists such as the Leadership Foundation for Higher Education, and from the national funding bodies and other interested agencies. New members will be particularly encouraged to attend the following:

- Key Challenges for New Governors
- Ensuring Financial Health – the Role of Governors
- Strategy and measuring Performance – the Role of Governors

In addition, staff and student members of the Council will be encouraged to attend any external seminars specifically aimed at them.

Addendum: Guidelines for the Assignment of Council Members to University Faculties and Units

THE COUNCIL

COUNCIL MEMBERS – INDUCTION AND DEVELOPMENT

GUIDELINES FOR THE ASSIGNMENT OF COUNCIL MEMBERS TO UNIVERSITY FACULTIES AND UNITS

The assignment of external Council members to University units is intended to provide members with the opportunity to learn more about the University's activities, and how the strategies discussed at a governance level cascade through the University. These links are intended to increase members' understanding of how the OU works in practice and enable members to speak with authority when undertaking their ambassadorial role on behalf of the Council.

The links are also an opportunity for the unit or faculty to draw on the experience of the Council member as appropriate, whether by being introduced to useful external contacts or by using them as a sounding board for ideas at a strategic level.

Members should not become involved in the day-to-day management of the unit, nor are they expected to provide specialist advice. Members of the Council are not necessarily placed with a unit within their area of expertise.

The relationship between the Council member and the unit will vary according to individual preferences, and it is helpful to agree the time and commitment available at an early stage. These guidelines are intended to provide some broad terms of reference and examples of best practice to ensure that both parties benefit from the assignment.

Induction

It is expected that the head of the relevant unit will be the key point of contact for the Council member, and that the onus will be on the unit to contact the Council member.

The unit head will be provided with contact details for the Council member, together with a brief biography and information on the member's involvement with other University committees. Information on the role of Council members will also be provided to ensure that the unit understands what the University and the governance system expect of the Council members.

Prior to any visit, the host should provide information on the unit, together with the names and contact details of key contacts.

An initial induction meeting should be arranged for the Council member, which introduces the key personnel in the unit, the main areas of its work, any special projects and partnerships, etc. The induction visit also provides an opportunity for the unit and the member to agree what each party wishes to achieve and the amount of time that can be committed during the assignment.

Subsequent visits

Council members should consider at least one other visit to the unit during the period of the assignment.

The unit head should be proactive in encouraging their member to visit the unit at times when it is convenient, such as the Council Residential Weekend (normally the last weekend in September).

A programme of activity might be arranged that also involves other members of the unit team. Council members could be invited to attend a unit executive committee meeting, as well as any special events, such as seminars and conferences. Some Council members have valued the opportunity to attend summer schools in order to engage with the range of OU students and experience their enthusiasm. Briefings on how strategies, such as widening participation, impact on curriculum decisions, teaching design and issues of course/tuition costs would be very helpful. Members may find it useful to spend time with course teams.

On-going

Units are encouraged to foster an on-going relationship with the Council member. The Dean/Director should keep in regular contact with the member with news and details of events and activities in the unit. Email may be the most convenient method for engaging the member, who could also be added to the circulation list for regular information and mailings.

Units may consider giving members access to their websites.

Council members have previously found it useful and interesting to be provided with course materials to read. They might even be encouraged to take a course!

Feedback

Half way through the assignment, the Council member and the unit will be sent a review form to indicate the extent to which there has been any engagement.

Council members will be encouraged to give a short annual report to the Council on their liaison with the unit and to reflect on the value of the assignment.

Duration

Members are linked with units for a period of 2 years.

General

Council members can claim expenses for the visit(s) to their host faculties/units via Central Secretariat.

THE COUNCIL

COUNCIL MEMBERS – ANNUAL REVIEW PROCESS

The performance review of individual members of the Council strengthens the effectiveness of the Council as a whole, by enabling members to understand and evaluate their own performance and contribution, and to identify any development needs.

Each Council member will have different strengths, interests and methods of working and, consequently, their contributions as members will be made in different ways. The review process acknowledges that Council members are either voluntary, with relative limitations on the time that they can allocate to their duties as a Council member due to other professional and personal commitments, or that they are elected by the staff or students of the University.

After their first meeting of the Council, each new member will meet with the Vice-Chair to clarify their understanding of their role and duties.

Review Process

All members will complete a self evaluation questionnaire during July/August each year, which will enable them to reflect on their contribution to the Council and may be used as the basis of a discussion with the Vice-Chair of the Council (/ and/or another Council member nominated to support this process) during September/October.

Members will be encouraged to consider how well they have fulfilled their role and duties and to reflect on the extent to which they have satisfied the University's expectations of Council members. This will include their attendance at and contributions to meetings of the Council and/or Council Committees; their engagement with the University; and their promotion of the University's interests. Members will also be invited to consider whether there had been occasions when they had challenged the executive, but nothing had been done; or when they had chosen not to challenge and why. Members will be asked if they have had the opportunity to make use of their skills and experience during the year and whether there have been any constraints inhibiting their performance. Individuals will also be encouraged to provide feedback on whether the Council as a whole is performing effectively. The review process will consider whether an appropriate development programme has been made available by the University and whether the member has taken advantage of such opportunities. It will also provide an opportunity to identify any future development needs.

Following the review discussion, the Vice-Chair will share any major concerns with the Chair of the Membership Committee. The anonymised results of the questionnaires and interviews will be presented in a summary report to the November meeting of the Council, as part of the Annual Effectiveness Review.

Individual members may raise any issues of concern that they may have in fulfilling the role of Council members with the Chair/Vice-Chair/Committee Chair/University Secretary at any time.

Note: The Council will collectively reflect on its effectiveness at the end of each meeting.



THE COUNCIL

The Pro-Chancellor

DUTIES AND EXPECTATIONS OF ROLE

1 Formal Role

a) The Council

The Pro-Chancellor is Chair of the OU Council, the University's governing body.

As Chair, the Pro-Chancellor is responsible for the leadership of the Council and for ensuring that the necessary business of the Council is carried on efficiently, effectively and in a manner appropriate for the proper conduct of public business.

The Chair should also ensure that the Council acts in accordance with the Charter and Statutes of the University and with the University's internal rules and regulations, and should seek advice from the University Secretary in any case of uncertainty.

The Chair should ensure that the Council exercises corporate responsibility, that is to say, that decisions are taken collectively by all members acting as a body. The Chair will encourage all members to work together effectively, contributing their skills and expertise as appropriate, and will seek to build consensus among them.

The Council meets at least 4 times per year and also holds an annual residential strategic event.

The Chair will also attend a pre-Council briefing meeting.

b) Remuneration Committee

The Pro-Chancellor is Chair of the Remuneration Committee, which is responsible for the annual review of senior staff salaries.

Remuneration Committee usually holds one meeting per year.

The Pro-Chancellor should contribute to the work and decision making process of the Remuneration Committee through discussion, advice and guidance on issues and policies relating to the determination of remuneration of senior staff of the University.

c) Membership Committee

The Pro-Chancellor is Chair of the Membership Committee, which is responsible for recommending to the Council external members of the Council and of Council Committees.

Membership Committee meets at least twice per year.

d) Strategic Planning and Resources Committee (SPRC)

The Pro-Chancellor is Chair of the Strategic Planning and Resources Committee.

SPRC normally meets 4 times per year.

e) Finance Committee

The Pro-Chancellor is a member of the Finance Committee, which is chaired by the Treasurer.

Finance Committee normally meets 3 times per year.

f) Other Council Committees

The Chair should ensure, inter alia through a good working relationship with the Chairs of the Audit, Estates and Staff Strategy Committees, that Committee business is carried on in a proper manner, efficiently and effectively, and that regular and satisfactory reports are presented to the Council.

2 Public Relations/External Role

a) Ceremonial activities

Degree ceremonies

The Pro-Chancellor is an Officer of the University and is entitled and strongly encouraged to take the role of Presiding Officer at the University's degree ceremonies. As such, he/she has a principal role in opening the proceedings, in the conferment of academic qualifications on the day, in the presentation of graduates and making a closing address to the graduates.

The Pro-Chancellor's attendance is especially important where an honorary degree is being conferred on a person whose background is in the area of the Council's remit and with whom the University has had a significant relationship.

A specific academic gown is held and worn on such occasions.

High profile events

The Pro-Chancellor is also expected to preside at high profile events such as major public lectures and other official occasions where appropriate.

b) Ambassadorial/Promotional activities

The Pro-Chancellor may be asked to use personal influence and networking skills on behalf of the University, for example in lobbying government ministers and funding bodies, or in fund raising.

c) Representational activities

The Pro-Chancellor will be a member of the Committee of University Chairman, and similar bodies, and will be invited to attend its biannual meetings.

The Pro-Chancellor may also represent the University formally and informally at special events or conferences.

3 Consultative/Advisory Role

The Pro-Chancellor should endeavour to establish a constructive and supportive, but challenging working relationship with the Vice-Chancellor, advising on strategic and policy issues whilst recognising the proper separation between governance and executive management, and avoiding involvement in the day-to-day executive management of the University.

4 Managerial Role

The Pro-Chancellor will be responsible for the appraisal/review of the performance of the Vice-Chancellor, and will make recommendations to the Remuneration Committee accordingly.

TERM AND TIME COMMITMENT

The initial appointment as Pro-Chancellor is for four years. The Pro-Chancellor is eligible for re-appointment for a second term and the maximum period of office is eight years.

The role of Pro-Chancellor is an important one in The Open University and will require a significant time commitment for the effective conduct of the duties of the post. This commitment will normally be fairly evenly spread through the year.

The Council residential weekend meeting is held in September at Walton Hall (Friday and Saturday) with the Remuneration Committee meeting held during that time. The meetings of the Council, the Membership Committee, the Finance and the Strategic Planning and Resources Committee will amount to approximately 12 days over the year. Time is also needed to keep up with the Council and other committee papers, and with other significant University documents; to deal with routine matters; and to provide advice and guidance. Such time is unpredictable and is to some extent self-determined, but in normal circumstances an average of 2 days a month is likely to be needed.

The Pro-Chancellor might also be expected to officiate at one or more degree ceremonies during the year, and there might perhaps be 4 other occasions in the year where the Pro-Chancellor would be expected to represent the University. These would be more of a social nature and in the evening or at lunch time.

STATUS/EXPERIENCE REQUIRED

The Pro-Chancellor of the University should demonstrate the following qualities, skills and experience:

- a) enthusiasm for and commitment to the mission of the Open University, and its values, aims and objectives, particularly diversity and widening participation;

- b) broad experience, a high profile within their sphere of endeavour and the ability to command respect;
- c) access to a network of contacts;
- d) experience of chairing meetings at board level for major/international institutions and ensuring the smooth conduct of their business;
- e) ability to challenge the executive when it is necessary and appropriate to do so;
- f) Good analytical and communication skills and the ability to identify key issues and command the respect of Council.
- g) ability to act fairly and impartially in the interests of the University as a whole, using independent judgement and maintaining confidentiality as appropriate;
- h) good interpersonal/communication skills at all levels;
- i) not overtly party political;
- j) ability to establish a good working relationship with the Vice-Chancellor.



THE COUNCIL

The Vice-Chair of the Council

DUTIES AND EXPECTATIONS OF ROLE

1 Formal Role

a) The Council

The Vice-Chair is an external member of the Council.

The Vice-Chair will chair meetings of the Council in the absence of the Pro-Chancellor.

The Council meets at least 4 times per year and also hold an annual residential strategic event.

The Vice-Chair will also attend a pre-Council briefing meeting.

The Vice-Chair should also contribute to the work and decision making process of the Council through discussion, advice and guidance on issues, strategy and policies brought to the Council for its consideration and through membership of the committees of Council as determined from time to time. He/she should identify and raise issues pertinent to the remit of the Council, and the policies of the University.

b) Remuneration Committee

The Vice-Chair is an ex officio member of the Remuneration Committee.

Remuneration Committee usually holds one meeting per year.

The Vice-Chair should contribute to the work and decision making process of the Remuneration Committee through discussion, advice and guidance on issues and policies relating to the determination of remuneration of senior staff of the University.

c) Membership Committee

The Vice-Chair is normally one of *two external co-opted members of the Council appointed by the Council* as a member of the Membership Committee, which is responsible for recommending to the Council external members of the Council and of Council Committees.

Membership Committee meets at least twice per year.

d) Strategic Planning and Resources Committee (SPRC)

The Vice-Chair is normally one of *two members of the Council, who shall not be members of staff or students of the University, appointed by the Council as a member of SPRC.*

SPRC normally meets 4 times per year.

e) Council Members - Annual Review Process

The Vice-Chair, with the support of another member of the Council, will conduct the annual review process to assess and support the performance of both internal and external members of the Council. The appraisal will not only be about the individual, but will also provide an opportunity for the members to evaluate the way in which the Council and the secretariat operate.

The Vice-Chair will also encourage members to participate in appropriate training and development events.

f) Council Governance Reviews

The Vice-Chair will lead the quinquennial review of the Council's effectiveness and performance, benchmarking it against the guidance and recommendations of the Combined Code and any other recommendations that might be issued by the Higher Education Funding Council for England (HEFCE) or the Committee of University Chairs (CUC).

2 Public Relations/External Role

The Vice-Chair will support the Pro-Chancellor in acting as an ambassador or representative for the University, attending high profile events and promoting the University's interests as appropriate.

The Vice-Chair is strongly encouraged to attend one or more degree ceremonies of the University. A specific academic gown is held and worn on such occasions.

3 Consultative/Advisory Role

The Vice-Chair should support the Pro-Chancellor in advising the Vice-Chancellor on strategic and policy issues whilst recognising the proper separation between governance and executive management, and avoiding involvement in the day-to-day executive management of the University.

TERM AND TIME COMMITMENT

As a member of the Council the Vice-Chair may serve for a period of four years and is eligible for re-appointment for a second term. The maximum period of office as a member of the Council is eight years.

The Vice-Chair shall hold office for three years, subject to their continued membership of the Council.

The role of Vice-Chair will require a significant time commitment for the effective conduct of the duties of the post. This commitment will normally be fairly evenly spread through the year.

The Council residential weekend meeting is held in September at Walton Hall (Friday and Saturday) with the Remuneration Committee meeting held during that time. The meetings of the Council, the Membership Committee, and the Strategic Planning and Resources Committee will amount to approximately 12 days over the year. The Annual Review process is likely to require another 3-4 days, and the Council Governance Review Group holds around 5 meetings requiring a time commitment of 5 days. Time is also needed to keep up with the Council and other committee papers, and with other significant University documents; and to support the Pro-Chancellor in providing advice and guidance. Such time is unpredictable and is to some extent self-determined, but in normal circumstances an average of 1 day a month is likely to be needed.

There might perhaps be 4 other occasions in the year where the Vice-Chair, in support of the Pro-Chancellor, would be expected to represent the University. These would be more of a social nature and in the evening or at lunch time.

STATUS/EXPERIENCE REQUIRED

The Vice-Chair should demonstrate the following qualities, skills and experience:

- a) enthusiasm for and commitment to the mission of the Open University, and its values, aims and objectives, particularly diversity and widening participation.
- b) experience at board level for major/international institutions and experience of chairing high profile meetings.
- c) ability to challenge the executive when it is necessary and appropriate to do so;
- d) good analytical and communication skills and the ability to identify key issues and command the respect of Council.
- e) knowledge of higher education in the UK and national and international issues that would affect the operation of the University.



THE COUNCIL

The Treasurer

DUTIES AND EXPECTATIONS OF ROLE

1 Formal Role

a) The Council

The Treasurer is an ex officio member of the Council.

The Council meets at least 4 times per year and also holds an annual residential strategic event.

The Treasurer will also attend a pre-Council briefing meeting.

At the Council, the Treasurer should introduce and comment upon the written reports of the Finance Committee to the Council.

The Treasurer should also contribute to the work and decision making process of the Council through discussion, advice and guidance on issues, strategy and policies brought to the Council for its consideration. He/she should identify and raise issues pertinent to the remit of the Council, and the policies of the University.

b) Finance Committee

The Treasurer is Chair of the Finance Committee and informs the Council on the considerations and discussions of the Finance Committee.

Finance Committee usually meets 4 times per year.

The Treasurer should work with the University's Finance Director to ensure that the financial position of the University and other financial issues are presented to the Finance Committee, and thence to the Council, in an appropriate and timely manner.

c) Strategic Planning and Resources Committee (SPRC)

The Treasurer is an ex-officio member of SPRC.

SPRC normally meets 4 times per year.

d) Remuneration Committee

The Treasurer is an ex officio member of the Remuneration Committee.

Remuneration Committee usually holds one meeting per year.

The Treasurer should contribute to the work and decision making process of the Remuneration Committee through discussion, advice and guidance on issues and policies relating to the determination of remuneration of senior staff of the University.

2 Public Relations/External Role**Degree Ceremonies**

The Treasurer is an Officer of the University and is entitled and strongly encouraged to attend degree ceremonies of the University. The Treasurer would be part of the academic procession and would occupy a prominent seat on the platform. He/she would not, however, be expected to have a principal role in the conferment of any academic qualifications or in the presentation of graduates.

The Treasurer's attendance would be especially welcome on occasions where an honorary degree is being conferred on a person whose background is in the area of finance and with whom the University has had a significant relationship.

A specific academic gown is held and worn on such occasions.

TERM AND TIME COMMITMENT

The initial appointment as Treasurer is for four years. The Treasurer is eligible for reappointment for a second term and the maximum period of office is eight years.

The role of Treasurer will require a significant time commitment for the effective conduct of the duties of the post. This commitment will normally be fairly evenly spread through the year.

This will normally require 4 meetings each year in advance of Finance Committee, plus telephone and face-to-face briefings at other times as necessary, giving a total time commitment of around 6 full days per year.

The Council residential weekend meeting is held in September at Walton Hall (Friday and Saturday) with the Remuneration Committee meeting held during that time. The meetings of the Council, the Finance and the Strategic Planning and Resources Committee will amount to approximately 12 days over the year, plus a further 6 days as mentioned above to liaise with the Finance Director. Time is also needed to keep up with the Council and other committee papers, and with other significant University documents.

The Treasurer might also be expected to attend one or more degree ceremonies during the year.

STATUS/EXPERIENCE REQUIRED

The Treasurer should demonstrate the following qualities, skills and experience.

- a) enthusiasm for and commitment to the mission of the Open University, and its values, aims and objectives, particularly diversity and widening participation;
- b) experience at board level for major/international commercial or public benefit institutions.
- c) a background encompassing a mix of financial and commercial experience at a senior level.
- d) ability to challenge the executive when it is necessary and appropriate to do so.
- e) knowledge of higher education in the UK and of national and international issues that would affect the operation of the University.



The Open
University

THE COUNCIL

Council Committee Chair

DUTIES AND EXPECTATIONS OF ROLE

All chairs of Council committees are external members of the Council. Chairs are appointed by the Council on the recommendation of the Membership Committee.

The chair should ensure that the committee acts in accordance with its terms of reference and should seek advice from the committee secretary in any case of uncertainty.

The chair should ensure that the committee exercises corporate responsibility, that is to say, that decisions are taken collectively by all of the members acting as a body. The chair will encourage all members to work together effectively, contributing their skills and expertise as appropriate, and will seek to build consensus among them.

The chair shall have executive authority to act on its behalf (in consultation as appropriate) with University Officers, the director of the specialist area if appropriate, and the committee secretary.

The chair should also contribute to the work and decision making process of the Council through discussion, advice and guidance on issues, strategy and policies brought to the Council for its consideration. He/she should identify and raise issues pertinent to the remit of the Council, and the policies of the University.

The chair should work with the director of the specialist area if appropriate to ensure that pertinent issues within the remit of the committee are presented to the committee, and thence to the Council, in an appropriate and timely manner.

TERM AND TIME COMMITMENT

The initial appointment as a Council Committee Chair is for four years. The chair is eligible for reappointment for a second term, subject to their continued membership of the Council, and the maximum period of office is eight years.

The role of the chair will require a significant time commitment for the effective conduct of the duties of the post. This commitment will normally be fairly evenly spread through the year.

The chair will be expected to work with the committee secretary regularly and be briefed on an ongoing basis on any key developments and in advance of committee meetings.

STATUS/EXPERIENCE REQUIRED

A Council committee chair should demonstrate the following qualities, skills and experience:

- a) enthusiasm for and commitment to the mission of the Open University, and its values, aims and objectives, particularly diversity and widening participation;
- b) experience at board level for major/international commercial or public benefit institutions
- c) a background in the specialist area of the work of the committee.