THE COUNCIL

Minutes

This paper details the confirmed Minutes of the last meeting of the Council held on Tuesday 27 September 2016.

The Council approved these Minutes as a correct record of the meeting at its meeting on Wednesday 23 November 2016.

Keith Zimmerman
University Secretary

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Attachments:

C-2016-04-M Confirmed Minutes of the meeting of the Council held on 27 September 2016
THE COUNCIL

Minutes of the meeting of the Council held on 27 September 2016.

Present: Mr R Gillingwater (Chair), Mr P Horrocks (Vice-Chancellor), Mr H Brown (Treasurer), Mr C Pane (OUSA President), Dr J Baxter, Mrs F Chetwynd, Mr J D’Arcy, Prof J Draper, Dr S Dutton, Ms R Girardet, Mr P Greenwood, Mr J Newman, Dr T O’Neil, Mr R Spedding, Mrs R Spellman, Dr C Spencer, Prof W Stevely, Dr B Tarling, Ms S Unerman, Dr G Walker, Prof J Wolffe

In Attendance: University Secretary, Director of External Engagement, Head of Governance, Senior Manager, Governance (Working Secretary), Pro-Vice-Chancellor (Research and Academic Strategy), Executive Dean, Faculty of Business and Law

Apologies: Mr S Begbie, Mrs R Lock, Mr W Monk

1 DECLARATIONS OF INTEREST

There were no declarations of interest.

2 MINUTES OF THE LAST MEETING C-2016-03-M

The minutes of the meeting of the Council held on 12 July 2016 were approved as a true record.

3 MATTERS ARISING

The Council noted the responses to the matters arising from the minutes of the last meeting.

4 CHAIRS BUSINESS

The Chair had no business to report that was not covered elsewhere on the agenda.

5 VICE-CHANCELLOR’S REPORT

5.1 The Vice-Chancellor introduced his report by showing the Open Up The Future video for the University’s 50th Anniversary campaign.

5.2 The Vice-Chancellor reminded the Council that, in the face of lower than expected registrations, the University had decided to extend Final Enrolment Date by one week. This had resulted in a significant improvement in student numbers, with 56,190 full-time-equivalent (FTE) students registered; however, the University was still 3.7% short of its ambitious target and -1.5% down on last year. These figures were likely to change over the following month, as students completed their reservations or changed their study plans. There had been some notable successes: the University had surpassed the targets for new postgraduate students (+38%), and the numbers of new undergraduate students in Scotland (+9.3%), in Wales (+7.9%) and internationally (+14.7%) were strong.
The marketing campaign had generated a significant number of enquiries (170,000); and the University would maintain contact with those who had not registered on this occasion. The main challenge continued to be in England, where there had been a larger than expected drop-off in old regime students at later stages of study. Taking all geographies into account, the new undergraduate numbers were 1.4% below target and continuing students 4.8% below target. The University would be examining this year’s performance closely and learning from it to help improve its plans for the future.

5.3 There were a significant number of activities ongoing across the University to support the required improvement in student numbers and the numbers of students qualifying, including: the introduction of the new Student Recruitment and Support Centres (SRSCs); the roll out of the Group Tuition Policy; and the development of the Academic Strategy, which would be presented to the Council once it had been discussed and approved by the Senate.

5.4 The Vice-Chancellor reported that Government and External Affairs team were currently engaging with the political party conferences. There had been an encouraging meeting with the Education Minister, Jo Johnson, who had been open to discussion on matters such as a further relaxation of the equivalent and lower qualifications (ELQ) policy and next step loans, although it was unlikely that there would be any further changes to policy in the autumn. In Wales, the Diamond Review had recommended a shift to loans for tuition fees and means-tested maintenance grants. The Director of the OU in Wales, Rob Humphreys, had played a significant role in protecting part-time provision.

5.5 The launch of the new faculties and schools was enabling the Executive Deans to become established in their roles on the Vice-Chancellor’s Executive (VCE) and to spend more time on strategic development. The recruitment process for a new Group Finance Director had now been completed and an announcement on the appointment would be made in due course.

6. COUNCIL GOVERNANCE REVIEW

6.1 The Chair introduced the paper, thanking members for submitting their feedback outside of the meeting on the Council Governance Review report first presented to the Council in July 2016. This further report and its recommendations presented a way forward by asking the Council to agree to some useful proposals immediately, whilst providing an opportunity to give additional consideration to more difficult issues through a newly constituted Governance and Nominations Committee (formerly the Membership Committee).

6.2 The University Secretary, Keith Zimmerman, explained that, on the basis of member feedback, two groups of recommendations had been identified: those that were widely supported and those that required further discussion. Members would find that some of the suggestions raised in the Council Development Workshop prior to the meeting were reflected in these recommendations.

Core Governance

6.3 With regard to the proposed constitution for the Governance and Nominations Committee (para 5a) and in the light of the Council Governance Review (CGR), a member cautioned against creating a committee that did too much on behalf of the Council. It was important to ensure that the right mix of people were on the committee and that there was time to discuss the issues at a meeting of the full Council. Mr Zimmerman assured members that the Governance and Nominations Committee would be responsible for making recommendations to the Council; it would not make any decisions. The Chair said that the membership and representation on the Committee would be given further
consideration, but that further nominations would be agreed by Chair’s Action in order to avoid delay.

Action: Gov Team

6.4 A member suggested that the Council should not be asked to agree that the size of the Council be reduced (para 5b) at this meeting, but should pass the issue to the Governance and Nominations Committee for further consideration. Another member observed that the CGR report had indicated unanimous agreement with the need to reduce the membership in order for the Council to be more effective. A member said that it would be appropriate to make a modest reduction in the number of members; however, a large reduction would make it difficult to maintain the confidence of the Senate and other internal constituencies. A member added that the student membership should remain the same, as student involvement in the University’s decision-making processes was becoming increasingly important. Members also commented that the inclusive values of the OU should be reflected in the diversity of the Council and that this would be more difficult to achieve with a smaller Council. Several members indicated that they were content for the matter to be reviewed by the Governance and Nominations Committee. The Chair assured members that the issue would be considered sensitively.

6.5 Members expressed concern at the timescale within which the Governance and Nominations Committee was being asked to report, and suggested that an interim report might be necessary in November 2016. The Chair agreed that the Committee must have time to take a considered view of the issues and make its recommendations accordingly.

6.6 Mr Zimmerman said that a review of the structure and roles of the Council’s committees should also be undertaken by the Governance and Nominations Committee (para 5c). The CGR report had confirmed that University governance was effective, so the University could afford to take its time to review the Council structure. A member welcomed this proposal, which would ensure that the review process maintained the confidence of the Senate. In particular, the Strategic Planning and Resources Committee (SPRC) was seen to be an important means for the Senate to make an input to important institutional decisions and should not be disestablished until an alternative was in place. The Chair of the Staff Strategy Committee (SSC), Ruth Spellman, said that committees such as SSC played a role in examining the detail of key issues, such as the People Strategy, before any recommendations were put to the Council. This allowed the experience and expertise of external members to be utilised effectively. The way in which this role was undertaken in future should also be reviewed before such committees were disestablished. Mr Zimmerman confirmed that there would be no alteration to the current structure until the Council had agreed any recommendations to change it.

Governance Support

6.7 Mr Zimmerman observed that some of the proposed innovations around governance support had also been raised in the Council Development Workshop prior to the meeting, together with other matters that would require further consideration. A new member particularly welcomed the proposals concerning the development of Council members.

6.8 The Chair proposed in addition that Council members, without the Executive, should meet half an hour before each Council meeting to provide an opportunity for members to raise issues, share thoughts and prioritise concerns. He also suggested that external members should be provided with periodic briefings from the Executive on key topics.

6.9 Mr Zimmerman said that a consolidated report on all the proposals around governance support would be presented to the next meeting of the Council.
Core Governance

6.10 The Council agreed:

a) the revised terms of reference for the Membership Committee, to be renamed the Governance and Nominations Committee, subject to the review of the membership;

b) to refer the matter of the size and the balance of membership on the Council to Governance and Nominations Committee for report back to the Council;

c) to refer the matter of the Council’s committee structure to the Governance and Nominations Committee for report back to the Council. The introduction of Strategic Advisory and Stakeholder Groups to be put on hold pending a decision on committee structure.

[The University Secretary and Director, Academic Services to meet with the OU Students Association to progress ideas for increasing opportunities for Council to engage with students and to bring recommendations to the Governance and Nominations Committee on this in due course.]

d) that the Academic, Quality and Governance Committee and the Senate be asked:

i) to advise the Governance and Nominations Committee on the balance of Senate’s membership of the Council;

ii) to comment on the recommendations relating to Joint Committees of the Council and the Senate, namely the suggested disestablishment of the Strategic Planning and Resources Committee (SPRC) and the establishment of a new Joint Business Committee; these comments to inform the Governance and Nominations Committee report to the Council on committee structure;

ii) to consider the Good Governance Institute (GGI) report as a whole and report back to the Council on the implications for its own effectiveness and relationship with the Council;

e) to adopt an integrated assurance model in order to consolidate formal governance principles, process, standards and practices into a single framework across the University;

f) to introduce an annual assessment of risk appetite in full Council;

g) to refer to the University Secretary for report back to the Council in March 2017 the proposal to develop an OU Impact and Performance Report to strengthen public accounting and openness.

Governance Support

6.10 The Council also agreed:

a) to review the roles and processes for the appointment, induction and performance review of members of the Council and its committees, including Chairs;
b) to introduce a governance development programme to grow confidence, capacity and the effectiveness of members over time;

c) to introduce a single code of conduct for everyone engaged in governance activities;

d) to consider opportunities to increase the value of the time the Council is together through alternative delivery of information updates and presentations to ensure time is available to focus on the implications rather than collective ‘listening’;

e) to introduce regular rotation of Council meetings in one of each of the four UK nations and one English region annually to increase visibility;

f) to introduce a new fifth joint meeting of the Council with the Senate to consider business of joint concern;

g) that support to all Council committees be the responsibility of the Governance Team to ensure greater consistency;

h) to introduce a monthly Action log combined with other more informal briefing material to be shared more regularly with members to engage members between meetings;

i) to undertake a review of the University’s Charter and Statutes and supporting regulations, including senior staff appointment procedures, to ensure their fitness for purpose;

j) to increase the visibility of governance and connectivity between the Council and stakeholders by developing a communications strategy, including a stronger website presence for Council and its members.

7 BUILDING BETTER COMMUNICATIONS WITH COUNCIL MEMBERS

7.1 The Director of Communications, Lucian Hudson, introduced the paper, which was the outcome of a review of the opportunities available to Council members to engage more closely with the University. The proposed approach to building more effective communications with the membership included some firm principles regarding the timeliness and quality of information on a range of activities, and a clear indication of the level of engagement expected. It responded to the recommendations of the Council Governance Review (minute 6.10 j above) and aimed to support members in their ambassadorial role. The plan was work in progress; information would become more targeted once the University had refreshed its knowledge of the skills and interests of individual members.

7.2 The Chair welcomed the paper and suggested that Council members should participate in two particular activities at their earliest opportunity: to attend an OU degree ceremony; and to go to a Development event, such as one held recently for OU alumni.

8 COUNCIL DIVERSITY POLICY

8.1 The University Secretary, Keith Zimmerman, introduced the paper, which sought approval for the proposed revisions to the Council Diversity Policy highlighted in Appendix 2 of the paper.

8.2 Referring to paragraph 10 of the Policy, which stated that ‘at least one-third of the Council will always be comprised of members aged 55 or under’, a member suggested that the wording be reviewed in order to avoid the unintended consequence of a member having to leave mid-term. Mr Zimmerman suggested that a footnote be added to ensure that this did not happen.
8.3 The Council approved the revised Council Diversity Policy, subject to the amendment outlined in minute 8.2 above.

9 CHAIR’S ACTION

The Council noted the action taken by the Chair on behalf of the Council since the last meeting held on 12 July 2016 regarding the:

a) co-option of Dr Shonaig Macpherson and Jake Yeo to the Council Governance Review Group;

b) appointment of Dr John Baxter and Professor John Wolfe as Senate members of the Council to the Nominating Advisory Committee for Statute 21 Procedures;

c) appointment of Carolyn Buckby as a member on the University side (management) of the OU / OU Universities and Colleges Union (UCU) Joint Negotiating Committee.

10 DECLASSIFICATION OF PAPERS

There had been no confidential papers at the meeting.

11 DATE OF NEXT MEETING

11.1 The Chair said that the next scheduled business meeting of the Council would be held on Wednesday 23 November 2016. This would be an extended day, to include a development session.

11.2 The University Secretary said that a full outline for the day would be provided in due course. He acknowledged that there had been little notice on this occasion, so members would be approached to confirm their availability on an individual basis. However, the Council should be aware that the intention was to provide additional sessions alongside all future business meetings.

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12 REVIEW OF MEETING

12.1 The Chair commented that the Council Induction sessions and particularly the Workshop on the Role and Responsibilities of the Council held that day had been excellent and he thanked everyone for their contribution.

12.2 The University Secretary added his appreciation for the engagement of Council members in the induction and development events and requested that any feedback be directed to himself, the Chair or the Head of Governance.
Appendix 1: Revised constitution for the Governance and Nominations Committee
Appendix 2: Revised Council Diversity Policy
GOVERNANCE AND NOMINATIONS COMMITTEE


Purpose

The Governance and Nominations Committee is responsible for recommending to the Council external co-opted members of the Council, and Council membership of Council’s committees. It monitors the effectiveness of Council membership and advises the Council on matters relating to the role of Council members. It is also responsible to the Council for assuring the effectiveness of the University’s Council’s governance arrangements.

Terms of Reference

Membership

1. To recommend the appointment or re-appointment of external co-opted members of the Council, including recommendations on periods of office in accordance with Council Standing Orders.

2. To recommend the appointment of Council members to committees of the Council and to other committees of the University, including University Officer and senior staff appointment committees where Council members are to be appointed.

3. To recommend the appointment of externally co-opted members of Council committees where appropriate, after discussion with the relevant Committee Chair.

4. To advise on, monitor and review the processes for appointment and election to the Council, including succession planning processes, ensuring that they match or exceed best practice in the sector for openness, transparency, diversity and equality standards.

5. To monitor and review the Council members’ skills register as an active tool which supports the best use of the skills, expertise and contribution of all Council members.

6. To maintain role specifications for chairs and members.

Balance and Diversity

7. To review and assess the composition of the Council, and its committees taking into consideration the balance of knowledge, experience and skills required, diversity and other factors relevant to its effectiveness, and to advise the Council accordingly.

8. To conduct an annual review of the Council Diversity Policy, to assess its effectiveness and the continuing relevance of the objectives, and to recommend any revisions that may be required.

Induction and Development

9. To monitor and review the processes for induction and development in relation to membership of the Council and its committees.
Performance

10. To monitor and review the contribution and performance of Council members and chairs of Council committees, and report the outcomes of the assessment of their effectiveness to the Council.

Governance

11. To develop, monitor and review the University’s integrated governance assurance model comprising Council’s Statement of Role and Primary responsibilities, Standing Orders and Schedule of Delegation.

12. To review arrangements for annual reviews of Council’s effectiveness and to recommend to the Council arrangements for major reviews of Council governance.

13. To approve amendments to constitutions of Council committees.

14. To review annually external developments in Higher Education Governance and report to the Council.

Membership

1. The Chair of the Committee shall be the Chair of the Council, Pro-Chancellor, \textit{ex officio}.

2. Vice-Chair Council, \textit{ex officio}

3. Vice-Chancellor, \textit{ex officio}.

4. Two-Three external co-opted members of Council appointed by the Council.

5. One-Two members from the staff categories of Council membership appointed by the Council.

6. One member from the student categories of Council membership appointed by the Council.

In attendance: University Secretary, Head of Governance

Secretary: Member of the Governance Team

Mode of Operation

1. The Committee, which is a committee of the Council, should meet at least twice a year, more often if required and as appropriate at other times specified.

2. The Committee shall be quorate if three-five members, of whom at least two-three are from categories 1, 3-2 and 4, are present.

3. The Committee will report to the Council after each meeting (via minutes of the meeting).

4. The Chair will have the discretion to establish short-life working groups as required.
THE COUNCIL

Diversity Policy

Purpose

1. The Council Diversity Policy sets out the approach to diversity on the Council of the OU, and seeks to ensure that equality and diversity in its broadest sense is a significant feature of the Council.

2. The Policy is approved by the Council on the recommendation of the Membership Committee.

Scope of Application

3. The Policy applies to the membership of the Council and its Committees. Equality and diversity in relation to staff and students of the OU is covered by the OU's Equality Scheme.

Policy Statement

4. The Council recognises the benefits of having a diverse governing body, and sees increasing diversity and breadth of experience on the Council as an essential element in delivering the OU's mission and its strategic plan.

5. A diverse governing body will include and make good use of differences in the skills, knowledge, experience and other distinctions between governors, including protected characteristics\(^1\), socio-economic background and geographical location. The Council respects the rights of individuals to hold different beliefs and views, and to express them through appropriate contribution to discussion. A diversity of perspectives will promote more constructive and challenging debate at Council meetings, thereby helping to avoid ‘groupthink’ and improving governance outcomes.

6. As far as is possible and practicable, the Council will make every effort to recruit and maintain within its composition an appropriate balance of all protected characteristics. All applicants for vacancies on the Council will be treated solely on the basis of their abilities and potential. All appointments will be made on merit, in the context of the skills, experience and independence that the Council as a whole requires to be effective.

Objectives

7. To ensure that the Council will always comprise at least 30% women and 30% men, in line with the OU’s membership of the 30% Club.

8. To aim to achieve a minimum of 40% of both men and women on the Council, in line with the commitment made by the Committee of Scottish Chairs in April 2015.

9. To ensure that the Council will always include at least two people with a declared minority characteristic (disabled, ethnic minority, religious minority, or lesbian, gay, bisexual) by 2020.

\(^1\) age, caring and dependency, disability, gender reassignment, marriage and civil partnership, political opinion, pregnancy and maternity, race, religion or belief, sex, sexual orientation
10. To ensure that at least one-third of the Council will always be comprised of members aged 55 or under.\(^2\)

11. To only engage recruitment agencies who have signed up to the Voluntary Code of Conduct for Executive Search Firms on gender diversity and best practice.

12. To ensure that candidate briefs give significant weight to relevant skills, underlying competencies and personal capabilities, and not just proven career experience.

**Review**

13. The Membership Committee will review the Policy annually, which will include an assessment of the effectiveness of the Policy and the continuing relevance of the objectives, and recommend any revisions to the Council for approval.

\(^2\) To confirm that members will not be required to step down during their term of office in order to accommodate this objective.