The Open University in Scotland
The Open University in Scotland is the leading provider of flexible learning and embraces a core set of values, which make it the most distinctive Scottish higher education institution.

The Open University in Scotland is open to people, places, methods and ideas, and promotes educational opportunity and social justice by providing high quality university education to all who wish to realise their ambitions and fulfil their potential.

**Key facts about The Open University in Scotland:**

- Ranked first for overall satisfaction for the past six years by the National Student Survey;
- For every £1 of public funding received, we generate £5 for the Scottish economy;
- Around 25% of our students do not have standard university entrance level qualifications;
- Over 30% of our students live in households with an income below £16,000;
- Our students live in every postal district in Scotland;
- The median age of our students is 32;
- In 2009/10 we granted 1,780 applications to transfer credit from other institutions.

The Open University is the leading provider of part-time higher education in Scotland, and currently offers more than 700 modules to over 16,000 students.

The Open University in Scotland receives teaching funding from the Scottish Funding Council and is a member of Universities Scotland.

**Introduction**

1. The Open University in Scotland welcomes the opportunity to submit a response to the Scottish Government’s review of Higher Education governance. Governance arrangements at The Open University are taken very seriously, primarily to ensure legal and regulatory compliance, but also to support informed and transparent decision-making. Governance structures at The Open University reflect the fact that the university operates across all four nations of the UK.

2. The Open University strives to be an exemplar of good governance in the HE sector and will draw on the recommendations from this consultation to inform future reviews of the university’s governance arrangements.

3. Our response sets out a summary of the current governance arrangements at The Open University in Scotland, followed by comments on the issues that have been raised in the Call for Evidence.

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1 Economic Impact of The Open University in Scotland, Biggar Economics 2011
Section 1 - Governance arrangements at The Open University in Scotland

4. The Open University's mission is to be open to people, places, methods and ideas, and these ideals are reflected in our governance arrangements. The Open University (OU) was established by Charter in 1969 and is governed by two statutory bodies: the Council, the Senate.

5. The Chancellor is the most senior officer of the University, and is the University's ambassador, presiding over degree ceremonies and attending University events. The Pro-Chancellor chairs the OU's Council, assists in promoting the university externally and reviews the performance of the Vice Chancellor. The process for appointing these officers in set out in statute.

The Council
6. The Open University's governing body is the Council, which is supported by a number of sub-committees. Council has a membership of 25, as recommended by the Chairs of University Councils (CUC) Code of Practice, which includes members of Senate (academic or non-academic), associate lecturers\(^2\), non-academic staff, students and a number of external co-opted members. These external members, appointed for their experience and expertise, hold a majority of places on Council, as recommended by the CUC.

7. In addition to the Pro-Chancellor and the Vice-Chancellor, the Treasurer and the President of the OU Students' Association (OUSA) are ex officio members of Council. The Treasurer is externally appointed and the student body elects the President of OUSA.

8. The Council has the ultimate authority within the OU, but it has to respect the views of the Senate in academic matters. It is particularly concerned with finances, strategic planning, monitoring institutional effectiveness and performance, estate management, property, staff matters, equality and diversity, health and safety, and the Students' Association.

The Senate
9. The Senate, chaired by the Vice Chancellor, is the academic authority of the University, which, subject to the powers of the Council, is responsible for promoting the academic work of the University, both in teaching and research. It oversees the University’s academic management, including curriculum and all aspects of quality and standards associated with the University as a degree-awarding body. Senate meetings concentrate on major issues of academic strategy, policy, priority and performance.

10. Membership of the Senate consists of ex-officio members, elected representatives including academic and research staff representing the central academic units, associate lecturers appointed from the Associate Lecturers Executive, Open University students appointed by The Open University Students Association and representatives of academic related staff of the university. There are, in addition, a number of co-opted places, one of which is held by the Director of The Open University in Scotland.

\(^2\) The term ‘Associate Lecturer’ is used at The OU for a tutor.
11. A diagram outlining the Council structure at The Open University is attached as Appendix 1 and the Senate sub-structure is attached as Appendix 2.

**Representation of Associate Lecturers**

12. A representative structure operates for the University’s tutors (‘associate lecturers’) to enable these employees to contribute through representation on University committees, to policy and strategy around enhancing the student experience. The structure aims to create mechanisms to involve and consult associate lecturers.

13. An assembly of around 80 associate lecturers, elected on a faculty and region/nation basis, provides the main focus for the gathering and synthesis of associate lecturer opinion on University-wide issues, in order to inform representatives on University committees and the Associate Lecturers Executive. The day to day work of the structure is undertaken by the Associate Lecturers Executive which consists of 12 people elected from the Assembly, who are paid a small honorarium.

**The Open University in Scotland.**

14. The Open University is a unique institution, which delivers teaching in all four nations of the UK and is funded by the governments in Scotland, England and Wales. As such, it has governance structures which recognise and work within the increasingly diverse policy contexts of each nation. The Director of The Open University in Scotland is designated Vice-Chancellor’s Delegate in Scotland and is responsible for the provision of services to students and Associate Lecturers based in Scotland.

15. In line with the rest of the Higher Education sector in Scotland, the teaching of Open University students in Scotland is funded by the Scottish Funding Council (SFC). The Open University is accountable to SFC for this funding, however, as the university is a UK wide institution, formal accounting is through the Higher Education Council for England (HEFCE).

16. The Director of The Open University in Scotland, along with the other Nation Directors, is co-opted onto Senate to represent the academic interests of staff and students based in Scotland, Wales and Northern Ireland. In addition, one member of Council is assigned to take a specific interest in the OU in Scotland, just as other members are assigned to other nations or to faculties.

17. In addition to the above representation, The Open University in Scotland convenes two committees as part of its consultative structure: the Scottish Committee and the Scottish Working Committee. Both committees are chaired by the Director of The Open University in Scotland, and include representation from students and academics, as well as non academic staff representatives. The Scottish Committee meets once a year and the Scottish Working Committee meets three times a year.

18. The remit of both committees is:
   - To determine OU in Scotland policy and practice in a manner which is consistent with University policy;
   - To comment to the appropriate University policy committees on any matters of concern to the committee and on any matters referred to it by the policy committees.
19. The following four sub-groups report directly to the Scottish Committee and the Scottish Working Committee: Planning and Budget Group; Student Services Group; Learning, Teaching and Associate Lecturer Staff Development Group; Curriculum Development Group Scotland.

20. The Open University in Scotland also convenes an External Advisory Group regularly to take advice on how the university should respond to the external environment.

Section 2 - The Scottish Government's Review of Higher Education Governance

21. The Open University in Scotland welcomes the debate prompted by the Scottish Government’s review of governance at higher education institutions in Scotland. The views of The Open University on the key issues raised in the consultation paper are outlined below, alongside further details of our governance arrangements, to illustrate points, where relevant. The Open University regularly reviews its governance arrangements, and we would welcome the opportunity to hear from the review further examples of good practice, and suggestions on how we might improve our existing structures and procedures.

Student representation

22. The Open University in Scotland strongly recognises that the student body, as a key stakeholder, must be represented formally on university governing bodies and that its views and concerns must be acknowledged.

23. It is enshrined in The Open University’s charter (paragraph 18) that, “There shall be an organisation of students of the University”, and that the President of The Open University Students’ Association (OUSA), will be an ex-officio member of Council (Statute 11(1)). In addition to representation through this post, OUSA elects a further member to Council. OUSA also appoints six students to Senate.

24. OUSA has its own governance arrangements and has, from inception, been a separate organisation from the University. Until recently, like many other students unions, it was an exempt charity but recently adopted a new constitution which has the twin aims of satisfying the new legal requirements for independent registration under the Charities Act and providing a framework to reflect the interests of students in the four nations. It is OUSA’s intention to apply also for registration with OSCR and OUSA has already received guidance directly from them on this.

25. OUSA in Scotland has an Assembly with the power to act autonomously in relation to those issues affecting students in Scotland. OU students in Scotland also elect a member to OUSA’s Central Executive Committee to represent the interests of Scottish domiciled students and to participate in central decision-making. OUSA in Scotland is allotted funding to support the activities of students in Scotland.

26. OUSA contributes representatives to committees across the board of the University; see Appendix 3 for the full list of committees on which students are represented.
27. In addition to these formal arrangements, regular informal discussions have generated a strong relationship between OUSA and the University. The Director, Students regularly meets with representatives from OUSA at a UK level. In addition, senior members of staff from The OU in Scotland often contribute to meetings of OUSA, including outlining the university’s governance structures to encourage students to put themselves forward for committees.

28. These formal and informal channels of communication between the university and the student body have undoubtedly been a factor in The Open University in Scotland being ranked first among Scottish institutions in The National Student Satisfaction Survey by its students every year since the survey’s inception six years ago.

Additional supervisory council

29. The Open University in Scotland recognises the need for universities to engage with a range of different communities, both to share the work being taken forward by the institution and to be alert to relevant changes in the external environment.

30. In addition to the formal governance structures outlined in Section 1, The Open University in Scotland convenes an External Advisory Group to take advice on how the university should respond to the external environment. Its membership is drawn from a wide range of stakeholders; two members of Council are currently members of SEAG.

31. The Open University in Scotland recognises the importance of effective consultation with our key stakeholders and we are open to further suggestions on how such communication could be strengthened.

Appointment of Principals/Vice Chancellors

32. The Principal/Vice Chancellor is one of the key posts at a university and, as such, the process of appointment should be open and transparent in line with good recruitment practice.

33. At the Open University, the post of Vice Chancellor is openly advertised and the appointment is made by Council, following recommendations from a joint committee made up of external members of Council and members of Senate. The OUSA president has been one of the members elected by the Senate to serve on the VC appointment committee for the appointment of the last two Vice Chancellors.

University rectors

34. The Open University acknowledges the value of the roles performed by the post of rectors at some universities i.e. representing the interests of the student body; chairing the university court; and more recently providing a figurehead or ambassadorial role. However, we believe that many universities have other mechanisms in place that are equally effective in ensuring these roles are undertaken effectively.

35. The roles performed by a rector at some universities are shared across three posts at The Open University: the Pro-Chancellor chairs the Council; the Pro-Chancellor and the Chancellor act as ambassadors for the university; while
the elected President of OUSA represents the interests of the student body as an ex officio member of Council.

Effectiveness reviews
36. The Open University in Scotland believes it is good practice for any university to regularly review its structures to improve governance effectiveness. We anticipate drawing on the recommendations from this consultation to review arrangements in Scotland, as well as using the recommendation to inform The OU’s next review of the governing body.

37. Governance arrangements at the Open University are kept under continual review to respond to internal and external changes. Thorough reviews of Council and Senate are undertaken on a five yearly basis. Reviews of Council are undertaken by a Governance Review Group, consisting of two external members of Council and two appointed members of Council (one of which is a Senate appointed member), and chaired by the Vice Chair of Council. In addition to reviewing recommendations and outcomes from the previous review, the Governance Review Group surveys Council members, meets with Chairs of Council sub-committees, canvasses views from the University community, and reviews relevant literature, such as codes and guidance.

38. Council was last reviewed in 2009/10, when Council sought specifically to guard against perceived failures of governance elsewhere that appeared to result from the governing bodies being unaware of an issue and/or the governing body failing to act on an issue. One of the key recommendations from the review was for each Council committee to complete a self-assessment questionnaire to assure itself and Council that it is fulfilling its role and responsibilities.

39. In the previous review (2004/05) the following recommendations were taken on board from the CUC Code of Practice: no members of staff automatically have membership on Council, except the Vice Chancellor; and membership was reduced from 36 to 25.

40. In addition to the quinquennial reviews of Senate and Council, annual effectiveness reviews are undertaken of the committees. These reviews act as a health check on the committees’ operations to assess their effectiveness against their terms of reference with changes implemented where appropriate.

Governing bodies
41. Given the breadth of interests that universities cover, it is important that a range of stakeholders is represented on the governing body of a university. Membership must include persons with the right mix of skills and experience to enable the Court or Council to fulfil its responsibilities. However, the governing body needs to be able to act quickly and with flexibility. It therefore needs to be relatively small in number.

42. The Council of The Open University has a Membership Committee with a remit to seek out and recommend the appointment of new external co-opted members to the Council through consulting widely and openly advertising vacancies. The size of the Open University’s Council, at 25 members, meets the recommendation of the CUC’s Code of Practice.
43. As part of the university’s policy to involve a wide range of stakeholders in the governance of the university, there are, in addition to a majority of external members, other stakeholders represented on Council.

44. The Senate elects six members of the Senate to Council. In addition, a member of the non-academic staff serves as a representative of that group of staff and the university’s tutors elect two of their number. OUSA elects a student member who serves in addition to the President.

45. All members of the Council are bound by the same expectations of behaviour and commitment to the University’s values, and are required at all times to 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.

46. The Open University believes members of governing bodies must be in a position to have an influence over the items that are brought to Council and have sufficient information to make informed decisions about Council business.

47. At The Open University, the business of Council generally comes up from the substructure of committees. The Vice Chancellor’s executive agrees the agenda for Council meetings and the Pro-Chancellor has input on the key strategy items. All Council committees are chaired by an external member of Council which adds an additional check on the business that is brought to Council. It is the job of the University Secretary to ensure that all members have the relevant information they need ahead of Council meetings.

48. Members of Council are expected to participate in an annual review to provide feedback on their experience of Council and whether they feel that they have been able to make an effective contribution.

Accountability
49. The Open University in Scotland fully recognises that universities need to be accountable for their financial decisions, particularly the funding that comes from the public purse. However, each institution is distinct, with its own mission and strategy, and accountability for public funding must acknowledge and encourage this diversity across the sector.

50. The Open University publishes audited accounts annually which are available on its website, and is accountable to a number of bodies, particularly in relation to its use of public funds. The Financial Agreement between The OU in Scotland and the Scottish Funding Council (SFC) sets out terms and conditions of funding for the university and a statement setting out how the university has complied with the SFC’s Condition of Grant is included in its annual audited financial returns.

51. As the main funder of The Open University, HEFCE is responsible for The OU’s use of public funds made available by the UK funding councils through requirements set out in the Financial Memorandum between HEFCE and The Open University.
52. The OU in Scotland also participates in strategic dialogue meetings with the SFC, which offer an additional opportunity for the SFC to scrutinise the university’s use of public funds.

53. In addition to SFC and HEFCE, The OU is accountable to the Charities Commission, the Information Commissioner’s Office, QAA and Research Councils UK, and as a charity registered in Scotland, The Open University in Scotland is accountable to the Office of the Scottish Charities Regulator.

54. The Open University promotes transparency in other matters through publishing minutes of Council and Senate meetings on its website along with details of members.

Training arrangements for members of governing bodies
55. The Open University believes that members of governing bodies must be given adequate training to ensure that they are able to undertake their role to the best of their ability and to contribute to holding the executive to account for implementing decisions.

56. The Open University provides a personal induction for each new member of Council. Each member is given an induction pack, which outlines information on the governance structures, their role and the most recent financial statements, and a copy of the CUC Guide for Members of HE Governing Bodies. An induction visit is arranged to meet with relevant staff.

57. In addition to internal briefings, Council members have access to and are encouraged to attend external learning and developmental opportunities from specialists such as the Leadership Foundation for Higher Education.

58. The annual reviews that members of Council participate in also provide an opportunity to identify any further developmental needs for that particular member.

Further information

The Open University in Scotland is happy to expand or clarify any of the points in its response.

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