

THE COUNCIL

Minutes

This paper presents the unconfirmed Minutes of the last meeting of the Council held on 5 March 2019 at The Open University in Nottingham.

The Council is asked to **approve** the Minutes as a correct record at its meeting on 14 May 2019.

Dr Jonathan Nicholls
University Secretary

Julie Tayler
Working Secretary to the Council
Email: julie.tayler@open.ac.uk
Tel: +44 (0) 1908 3 32729

Attachments:

C-2019-02-M Minutes of the meeting of the Council held on 5 March 2019

THE COUNCIL

Minutes of the meeting of the Council held on Tuesday 5 March 2019
at The Open University in Nottingham.

Present: Mr Malcolm Sweeting (Chair), Professor Mary Kellett (Vice-Chancellor), Ms Cath Brown (President, OU Students Association), Professor John Brooks (Vice-Chair), Dr Jovan Byford, Mrs Frances Chetwynd, Mrs Mary Curnock Cook (to Minute 11), Mr John D'Arcy, Ms Maggie Galliers, Ms Ruth Girardet, Dr Richard Heffernan, Ms Anna Henderson, Mr Robert McCracken, Mr Tim Parry, Mr Bob Spedding, Dr Barbara Tarling, Dr Greg Walker (to Minute 10), Professor John Wolfe,

Attending via Skype: Mr Paul Greenwood, Mrs Rachel Lock

In Attendance: University Secretary, Head of Governance, Senior Manager, Governance (Working Secretary), Group Finance Director

Also: Director of Strategy (for Minutes 1 – 9 only); Chief Information Officer and Programme Director, Core Systems Replacement (for Minute 11 only)

Apologies: Mr Sandy Begbie

Proxy voting instructions were received from Mr Sandy Begbie, Mrs Mary Curnock-Cook and Dr Greg Walker

1 WELCOME

1.1 The Chair welcomed everyone to the meeting, particularly Robert McCracken, who was attending his first meeting as an external co-opted member of the Council.

1.2 The Chair thanked those who had contributed to the development session prior to the formal meeting: Linzi Morris, Head of Student Support (Faculty of Wellbeing, Education and Language Studies) and Andy Greatbatch, Senior Manager, Student Recruitment Operations for the presentation on the work of the OU in Nottingham Centre; and also Professor Mary Kellett, Vice-Chancellor (VC), Anna Barber, Director of Strategy, Michelle Smyth, Acting Head of Government and External Affairs, and Stephen Webb, Acting Director of Communications for their presentation on the external environment.

2 DECLARATIONS OF INTEREST

Dr Greg Walker said that it might be perceived that he had a conflict of interest with regard to the item on FutureLearn (C-2019-02-08). The Council was content that Dr Walker could participate in the discussion on this item. There were no other declarations of interest.

3 MINUTES **C-2018-06-M, C-2018-07-M, C-2019-01-M**

3.1 The Council **approved** the minutes of the ordinary business meeting of the Council held on 23 November 2018, and the meetings held by correspondence between 11-18 December 2018 and 18-25 February 2019 as correct records of the meetings.

3.2 Members expressed concern about the use of correspondence meetings to deal with substantive items of business. The University Secretary said that the way in which the Council was asked to deal with urgent issues that arose between meetings should be referred to the review of governance processes being led by John D’Arcy. In the meantime, the default position should be to convene a special face-to-face meeting, with the facility for remote access. However, there may be occasions where this was not an option due to the urgency of the business. In such cases, the Pro-Chancellor, as Chair of the Council, should use his authority to decide whether to take Chair’s Action or to ask the Council to deal with the business via correspondence.

Action: John D’Arcy

3.3 In response to a member’s query, the University Secretary said that an action plan was required that set out the timeline for the conclusion of the review.

Action: John D’Arcy

3.4 The University Secretary reported that, following the recent meeting of the Joint Committee for the Appointment of the Vice-Chancellor, the approval of a recommendation regarding the appointment of the next VC was likely to require a special meeting at the beginning of May 2019.

4 CHAIR’S BUSINESS

4.1 The Chair reported that, since his appointment, he had spent considerable time on a comprehensive induction; and had already attended several meetings on behalf of the OU, particularly in respect of FutureLearn.

4.2 The Chair acknowledged members’ comments about the efficiency and effectiveness of the Council, and suggested that the University might benchmark its processes against those of other institutions.

Action: John D’Arcy

5 VICE-CHANCELLOR’S REGULAR REPORT **C-2019-01-01**

5.1 The VC updated the Council on the following matters:

- a) the long-awaited Augur report was likely to be further delayed, with potential publication in May 2019;
- b) Chris Skidmore, the new Universities minister, would be visiting the OU in Milton Keynes on 15 March 2019;
- c) Jeremy Corbyn had officially launched the Labour Party’s Lifelong Learning Commission on 19 February 2019. The independent advisory panel, which had already held one meeting, brought together 14 individuals with a wide range of expertise across the post-18 education sector, including other Vice-Chancellors;

- d) the Scottish Funding Council (SFC) had announced their indicative funding for higher education (HE) and the University's allocation was identical to the amount received in 2018/19. This was a relatively good outcome for the OU and was broadly in line with the overall settlement for the sector as a whole;
- e) further to the Registration Decision letter from the Office for Students (OfS), the University had completed two actions required, namely to publish the OU's Student Protection Plan and the Access and Participation plan. There would be some enhanced monitoring, particularly around student outcomes, but overall it was a good outcome for the University;
- f) the Office for Standards in Education, Children's Services and Skills (Ofsted) had recently visited the Faculty of Wellbeing, Education and Language Studies (WELS) to inspect the Health Care Practitioner Higher Apprenticeship programme. The formal written report had not yet been received, but the lead inspector had indicated in his oral feedback at the end of the visit that the University would receive a '**good**' grade overall, and he had commended on the programme's high retention and achievement levels.
- g) Professor Nick Braithwaite had been appointed as Executive Dean, Faculty of Science, Technology, Engineering and Mathematics (STEM) on a fixed term until end of 2019 to match the Deputy Vice-Chancellor's (DVC) fixed term of office. If the new Vice-Chancellor wanted to continue with the position of DVC, a full appointment process for the substantive role would be required;
- h) Laurence Holden, Group Finance Director (GFD), had announced his intention to retire in December 2019. Recruitment was underway for the repositioned role of Chief Finance Officer (CFO), which reflected a broader remit, including external stakeholder engagement, commercial development and income diversification. The Commercial Director would report directly to the CFO; and
- i) further progress had been made with events and activities to celebrate the OU's 50th Anniversary:
 - i) the President of Ireland, Michael D. Higgins, had confirmed that he would attend the degree ceremony in Dublin as an honoured guest and speaker;
 - ii) the "Tree of Learning" alumni fundraising campaign was proving to be the most successful fundraising appeal from alumni to date, and had reached over 5,000 donations, raising over £200k, in just 4 weeks. Council members were welcome to donate and add their personalised shield to the tree with the year of their association with the OU;
 - iii) the OU 50 logo would be rainbow coloured throughout the month of June to coincide with the 50th anniversary of the Stonewall Riots, reflecting the University's commitment to inclusivity and supporting the LGBT community;
 - iv) the Pan-Commonwealth Forum would be formally launched at the Canadian High Commission later on 12 March, in advance of the conference itself which would be hosted on the Milton Keynes campus in September;
 - v) a BBC event, hosted by Tony Hall, Director General, was being held on 13 March to celebrate the unique partnership between the BBC and OU; and

- vi) the OU's "official" birthday, Charter Day on 23 April 2019, would include the release of the University's 50th Anniversary photography collection, including 10 unseen archive images and 10 new images demonstrating the OU's continued relevance.

- 5.2 Responding to a member's enquiry, the VC confirmed that recruitment was underway for the critical role of Director of People Services. The process was likely to conclude at the end of April 2019.
- 5.3 A member observed that the practice tutor role was significant to the success of apprenticeships; whilst it would be too expensive to scale-up, it would be worth investigating whether elements of the role might be taken forward into other areas of the University's provision. The VC responded that consideration was already being given as the cost of introducing the equivalent of practice tutors to Level 1 provision.
- 5.4 An external co-opted member congratulated the University on the improvements indicated by the staff survey results, which had been circulated separately to Council members. Additional information, provided on request, had indicated that the input from ALs skewed the results positively; it was important to be mindful of the impact on staff satisfaction when implementing the new AL contract. The outcomes by department had also highlighted significant variations across the University community, and assurance was sought that problems were rigorously followed up. The VC responded that every unit was required to produce an action plan and to address any issues. The action plans were received by HR managers and escalated to the executive level as appropriate. The University considered trends across 3- to 5-year period and treated surveys as an important barometer of staff satisfaction.
- 5.5 In response to a query from a staff member of the Council, whose request for additional information had been declined, the VC and the University Secretary confirmed that all categories of members had the same rights and the same responsibilities and obligations and were therefore entitled to receive the same information.
- 5.6 Another member expressed concern that HR did not appear to be responding to the outcomes of the survey until September 2019, which was just a month before the next survey. It was important to act and react in real time to stay ahead of the curve. The VC assured members that at unit level the response was much more immediate, and that HR followed up on any outstanding matters later.

6 REFRESHED OU STRATEGIC PLAN

C-2019-02-02

- 6.1 The VC introduced the next four papers, commending the work of the Director of Strategy and the Strategy Office team to pull together the best elements of the previous strategy and rework them to produce reshaped objectives and carefully considered measures of success.
- 6.2 The Council welcomed the visual representation of the refreshed strategy and the single sheet summary of the strategic objective success measures, as well as the overall flow of the four documents. Together, they addressed the Council's request for a clear and consistent view of both the strategic plan and the key success measures, against which the governing body could more effectively review institutional performance, requesting further detail as appropriate.

- 6.3 A member agreed that the tone of the refreshed strategy was important, and suggested that the current version might present a more realistic scenario if it signposted those areas where tough action might still be necessary. The VC agreed that it was important to be clear to staff about the challenges facing the University and the commitment and determination needed to succeed. This will be emphasised in the internal communications.
- 6.4 A member observed that an external audience would not necessarily understand the context for what was, in essence, a holding strategy, rather than a vision for change of which the OU could be proud. The Director of Strategy agreed that the current circumstances were challenging: a post- Students First era, with the prospect of a new Vice-Chancellor; consequently, the timespan for the refreshed strategy was only three years. The strategy would be made available publicly, but there would not be a high-profile launch.
- 6.5 In response to a query from the Chair, the University Secretary confirmed that the candidates for the role of the Vice-Chancellor would be made aware of the refreshed strategy.
- 6.6 The Council **approved** the content of the Strategic Plan to 2021/22.

7 STRATEGIC SUCCESS MEASURES

C-2019-02-03

- 7.1 Responding to members' questions the Vice-Chancellor confirmed that the Pro-Vice-Chancellor (Students) [PVC Students] had overall accountability for delivering Student Success, but responsibility for executing individual elements would be devolved as appropriate. Performance management, including training and development, would be necessary in order to support progress against each measure. The challenge for individuals already trying to make improvements would be to consider their actions, for example to increase the proportion of modules passed at first attempt, in the wider context, and to aim to develop best practice and consistency across the University. If the objectives were to be meaningful, managers would have to be held to account. The Director of Strategy added that the success measures would be actively used as part of the University's annual unit business planning process.
- 7.2 A member observed that there was a significant amount of information within the metrics against the objective to increase the proportion of students succeeding in OU study: ensuring fewer students left without achieving credit, more students successfully progressed, and more students achieved a qualification. This was a key objective, which the Council should consider at every meeting, as a relatively low increase could represent a significant improvement in income.
- 7.3 A student member commented that a key element to student success and a high-quality student experience was academic support, and suggested that the bank of questions on academic support within the National Student Survey (NSS) should be included alongside the other NSS questions within the teaching metric as they were also part of the Teaching Excellence Framework:
- a) I have been able to contact staff when I needed to;
 - b) I have received sufficient advice and guidance in relation to my course; and
 - c) Good advice was available when I needed to make study choices on my course."

The Vice-Chancellor agreed that these would be a useful addition to the Strategic Success Measures.

Action: Director of Strategy

- 7.4 A member commented that the paper provided no context for the level of ambition and whether these targets were easy to achieve or challenging, nor was there any information about the objectives that had been removed. There did not appear to be any metrics concerning the University's corporate responsibilities, for example, with regard to environmental performance. The VC responded that a judgement had been made about how much information to provide in the papers; however, the Council could be provided with whatever data it required. The targets were challenging, but achievable and should not negatively impact staff morale.
- 7.5 Responding to a member's query as to whether the 2021/22 target for the proportion students satisfied with their OU study experience was sufficiently ambitious, the VC explained that student satisfaction had fallen consistently over the past 5 years. It was increasingly difficult to maintain a top 20 place in the National Student Survey (NSS), particularly when many other higher education institutions (HEI) engaged in significant tactical activity to achieve their results. The University's level of ambition was realistic, but achieving it would be challenging. The President, OU Students Association, agreed that the targets were demanding, particularly in England. The Group Finance Director added that the Council should be mindful of any comparison between current students and those who commenced their studies in 2012, as they represented a completely different profile and proposition.
- 7.6 In response to a member's query regarding the operating surplus identified in the Financial Strategy, ie 2%, the Group Finance Director (GFD) said that the current financial projections agreed with Finance Committee included a target for 2012/22 of 5.4% following a period of lower financial surpluses or deficit. Ultimately, the aim was to achieve a regular operating surplus of 2%. The member observed that signs of a positive surplus might result in a relaxation of the level of effort being undertaken across the OU. The GFD responded that it was important for the University community to understand that the key to financial success was the growth of student numbers.
- 7.7 A member observed that the target for an increase in directly registered student numbers at all levels (new and continuing) was particularly ambitious within a model of supported open entry. It was essential to balance the wish to increase the total number of students with ensuring that the right students were recruited to the right course at the right level. Retention was a key issue for the Office for Students.
- 7.8 Responding to a member's query about the objective to increase the proportion of students succeeding in OU study, the Director of Strategy said that the year-3 measure had been used in order to align with the metric used by the Higher Education Statistics Agency (HESA). However, it had been adapted to take account of all groups of students, not just those aiming for a degree. It was a lagging measure so focussing on increases to module pass rate and module return rate were the key leading indicators for the OU. The Vice-Chancellor added that the focus should not be on the headline number of students, but on how many succeeded.
- 7.9 A member commented that the target for increased income through diversification seemed particularly demanding, as such targets had not been achieved in the past. Further clarification on what the objective meant in terms of the University's sustainability and financial health would be helpful. The VC said that it was disappointing that the University had not achieved the 2018/19 target of £46.2 million; the OU had missed opportunities to generate a higher income. However, the interim Commercial Director was already making a significant difference. The Chair observed that the diversification of income was an important issue that would be tested with the candidates for the role of VC.
- 7.10 The Group Finance Director observed that the apprenticeships programme represented a significant opportunity and its success was fundamental to the University's income growth.

Consideration of the way in which such activity impacted the institution's financial sustainability was a key function of Finance Committee. In response to a member's comment, the VC acknowledged that there was considerable focus on apprenticeships as an alternative source of income, but there was also a high level of confidence in the success of the programme. Growth projections were ahead of target and the OU was set to be a significant player in the apprenticeships market. However, this had meant that the University had overlooked other potential opportunities.

- 7.11 A member noted that Core Systems Replacement had not been highlighted as an operational risk in the Strategic Success Measures paper, although it had been noted in the Strategic Risk Register.
- 7.12 The Council **approved** the strategic success measures and associated levels of ambition, subject to the comments noted above.

8 INSTITUTIONAL PERFORMANCE - UPDATE C-2019-02-04

- 8.1 The Vice-Chancellor observed that this document was likely to evolve over time. The current version would be updated to include the additional metrics on academic support as requested by the Council during the earlier discussion.

Action: Director of Strategy

- 8.2 The Council **approved** the format of the regular institutional performance update.

9 RISK MANAGEMENT AND STRATEGIC RISK - UPDATE C-2019-02-05

- 9.1 The Vice-Chancellor commented that the paper focussed on the University's key priorities and risks. The number of key risks had been expanded to include what was now the most significant risk for the University: the potential failure to recruit successfully to the Vice-Chancellor role.
- 9.2 A member observed that the potential failure to effectively recruit to all senior roles, including the Group HR Director, should also be included within this risk. The University Secretary confirmed that, whilst these appointments had not been highlighted in the paper, they were included in the Risk Register.
- 9.3 The Council **approved** the updated Strategic Risk Register.

10 FUTURELEARN INVESTMENT UPDATE C-2019-02-08

Minute items 10.1 to 10.22 are presented in C-2019-02-CM (Confidential Minutes).

11 CORE SYSTEMS REPLACEMENT C-2019-02-06

- 11.1 The Chief Information Officer informed the Council that the formal contract negotiations with itelligence Business Solutions were now complete, and the design phase had commenced as scheduled. A series of workshops across the relevant functional areas would explore current processes, relate them to the SAP approach, and identify significant gaps and differences. The University's process owners, subject matter and IT experts were supported on campus by an itelligence team of 40 people.
- 11.2 There was a significant focus on assurance around the Core Systems Replacement (CSR) programme, details of which would be fed in to the next Audit Committee meeting. An external assurance partner, PA Consulting, had been engaged to undertake formal audit assessments. Internal Audit and the internal assurance function associated with Major Change Board would also have formal governance roles, and further informal

assurance was being sought through external advisors with prior experience of implementing similar change.

- 11.3 At its meeting in May, the Council would receive an update on the design phase, business change requirements and the proposed way forward in respect of those functional areas not covered by the SAP technology, such as the Electronic Tutor-Marked Assignment (ETMA) system. It would also report on other dependencies and impacts; for example, the University's customer relationship management software, VOICE, which was a primary tool for the Student Recruitment and Support Centres (SRSCs), might have to be added to the list of requirements.
- 11.4 A member commented that CSR was an intrinsically high-risk project; the CIO was alert to the dangers, but it was important to be particularly mindful of any increase to the scope of the programme. The CIO responded that the non-SAP requirements were in scope, although they were not included within the current budget. It had been necessary to identify those functional areas that might need to be added as part of the procurement process.
- 11.5 Referring to the Strategic Success Measures (C-2019-02-03) discussed earlier in the meeting, a member observed that the targets for CSR had yet to be determined. Further clarity was required regarding the objectives and key performance indicators, and how these would be monitored. The University Secretary suggested that a single page dashboard which had been developed by the CIO and which included performance against budget and timetable as well as updated risks might be the principal means for the regular reports to the Council. The Finance and Audit Committees would also receive similar information at their meetings.

Action: CIO

- 11.6 A member observed that the risk assessment had identified a high level of risk around the inability of functional areas of the business to make decisions at pace; however, the risks associated with culture change had not been captured. The University had now clarified its strategic priorities: CSR was one piece of work, but there were interdependencies with the delivery of the AL contract and the student success criteria which needed to be identified in the risk assessment. The CIO responded that this would be made clearer in the next report to the Council.
- 11.7 A member commented that the University achieved its highest NSS score in respect of its feedback on assessment, and that this was made possible by the ETMA system. However, the significance of this system was given little prominence in the paper. The CIO said that the recommendation concerning a replacement for ETMA or its development would not be known until the design phase had been completed. However, the options would be included in the Council report in May, together with an assessment of the University's capacity to undertake the work.
- 11.8 The Council **noted** the progress undertaken to complete a transition from the procurement phase to the delivery phase of the CSR programme.

12 ASSOCIATE LECTURER CONTRACT

C-2019-02-07

- 12.1 A revised version of Appendix 3 was tabled at the meeting, incorporating amendments made following the Associate Lecturer Negotiating Team meeting on 28 February 2019.
- 12.2 The University Secretary said that although the Universities and Colleges Union (UCU) ballot had indicated a clear approval for the new permanent contract for ALs, it was just the beginning of a long process. The importance of implementing the new contract well and on time, and being clear about the benefits and risks, should not be underestimated.

The implementation programme would be led by the Deputy Vice-Chancellor (Acting) as Sponsor and the Associate Dean, Student Experience (Faculty of Business and Law) as the Senior Accountable Executive (SAE), providing senior level resource attached to VCE-Academic and VCE. It was important that the Council was satisfied with the process and that the implementation was in the best interests of the University, its students and its staff.

- 12.3 The VC assured members that the SAE, who had significant experience of strategic change, would be totally focussed on the AL contract implementation and was fully aware of the challenges. An indicative timeline had been provided as an appendix. The University now had the opportunity to demonstrate its ability to learn lessons from previous projects, such as Group Tuition, and prove it could implement change successfully.
- 12.4 Staff members expressed their confidence in the programme leadership and focus. However, there were a number of concerns regarding the programme risks, and it was important to scan the horizon and consider how issues would be dealt with as they arose.
- 12.5 The impact on staff tutors was a significant issue: it was essential to ensure that they were well supported and that the demands of the role did not become excessive. The capacity of staff tutors was already stretched, and many were leaving the OU at a time when it was difficult to recruit and develop good people for the role. The proposed mitigation was unlikely to have a positive impact. The VC responded that the intention was to have more staff tutors, rather than fewer. The risk response action would be reviewed.

Action: AL Contract Programme SAE

- 12.6 The number of ALs who might leave or retire during the implementation phase and the inability to recruit a younger AL workforce were also matters for concern. More focus was needed on workforce planning and ways in which the AL age and diversity profile could be improved.
- 12.7 The integration of ALs into schools and faculties, and the impact that this would have, should be considered. This should include a review of the way in which ALs interfaced with University governance. The VC agreed that integration was key: absorbing and celebrating a large additional number of staff into a faculty would be challenging, but previous experience had shown that it would be possible. Planning was at an early stage, as it had not been possible to commence before the outcome of the ballot was known.
- 12.8 The President, OU Students Association suggested that there were also risks to students which were not highlighted. For example, notwithstanding the skills audit, there was a risk that ALs might be redeployed to teach on modules of which they had insufficient knowledge and understanding.
- 12.9 In response to a member's query about the role of the Council regarding issues of implementation, which should be the responsibility of management rather than governance, the Chair observed that there were significant risks associated with this implementation and it was important for the Council to understand the potential impact on the University. Other members commented that the implementation programme was fundamental to achieving the OU's strategic objectives, particularly student success and a dynamic and inclusive culture, and had been identified as one of the three main areas of work that would be the particular focus of attention. The implementation of the new AL contract would require significant changes in culture and ways of working, and had the potential to impact the University's relationship with its students and its reputation.

12.10 The VC said that the paper aimed to provide an update at an appropriate level for the Council, rather than a detailed implementation plan. ALs were the largest staff group in the OU and the implementation of the new contract would impact every aspect of OU life, including other major projects such as CSR. It was appropriate, therefore, that the Council should receive regular updates.

12.11 The Council **noted**:

- a) the appointment of the Sponsor and the Senior Accountable Executive for the programme;
- b) the indicative high-level timeline; and
- c) the proposed governance arrangements.

13 THE OU IN WALES ANNUAL REPORT TO HEFCW: STRATEGIC PLANNING AND ENGAGEMENT DOCUMENT 2018 REVIEW **C-2019-02-09**

The Council **approved** the submission to Higher Education Funding Council for Wales (HEFCW) of the Strategic Planning and Engagement Document 2018 Review.

14 FORECAST OUTTURN **C-2019-02-10**

14.1 The GFD reported that Finance Committee had been provided with an update to the October forecast at its meeting in January, informed by the refreshed Strategic Plan.

14.2 The favourable variance from budget of £45.8m had been influenced by the more focussed approach of the Strategic Change programme, with some cost of change activity now being absorbed into existing unit budgets as part of the units' prioritisation of activities. There had also been encouraging increases in tuition fee income due to higher student numbers than anticipated.

14.3 In response to a member's query, the GFD said that the most current forecast was indicating a reduced level of deficit outturn for 2018/19. However, it was still too early to be confident about the increase in student numbers and therefore income growth being sustained, so the targeted level of savings to be able to assure the move to financial sustainability should remain at £30m. There was also considerable uncertainty about projections of investment performance and the accounting provisions required for the USS deficit re-valuation.

14.4 The presentation of the forecast outturn reflected the more streamlined and focused approach that Finance Committee was encouraging, in part to see more clearly the link to strategy target outcomes.

14.5 The Council **noted** the 2018/19 forecast consolidated outturn deficit of £33.8 million.

15 FINANCE COMMITTEE **C-2019-02-11A&B**

The Council **noted** the confirmed Confidential Minutes of the meeting of Finance Committee held on 20 December 2018, and the unconfirmed Minutes and Confidential Minutes of the meeting held on 28 January 2019.

16 REMUNERATION COMMITTEE **C-2019-02-14**

The Council **noted** the confirmed Confidential Minutes of the meeting of Remuneration Committee held on 15 January 2019 by Skype.

17 THE SENATE C-2019-02-18A&B

- 17.1 The VC observed that it was unfortunate that both she and the University Secretary had been unable to attend the Senate meeting in January 2019, at which a late paper on the appointment process for Heads of School was presented and rejected for discussion. Senate members had expressed concern that the executive was attempting to push decisions through the Senate without adequate pre-discussion and engagement.
- 17.2 The VC had since reassured Senate members that due process would always be respected and that VCE would work with the Senate and the executive to ensure better levels of pre-engagement and full discussion at Senate on such topics. The incident was unfortunate, as good progress had been made with Senate relations.
- 17.3 Senate members of the Council and the President of the OU Students Association, commented that whilst concerns had been expressed at the way in which the paper had been presented to the Senate, the discussion had been conducted constructively and in a spirit of goodwill.
- 17.4 The Council **noted** the unconfirmed minutes of the Senate meeting held on 24 January 2019.

18 GOVERNANCE AND NOMINATIONS COMMITTEE C-2019-02-19

The Council

- a) **approved** the appointment or reappointment of:
- i) Robert McCracken as one of up to three members appointed by the Council from outside its membership on Finance Committee for a further term of 4 years to 31 July 2023 [notwithstanding the outcome of the recommendation to appoint him as a member of the Council and a Council member on Finance Committee dealt with by correspondence (C-2019-01-01)];
 - ii) Brian Larkman as one of at least two and up to four external members appointed by the Council from outside its membership on Investment Committee for a further term of 4 years to 31 July 2023, subject to his agreement;
 - iii) Rachel Lock as the external co-opted member of the Council, with the appropriate expertise, appointed by the Council (Chair) on Remuneration Committee for a further term of 4 years to 31 July 2023; and
 - iv) Maggie Galliers as a Council member on the Strategic Planning and Resources Committee, with immediate effect until 31 July 2022.
- b) **noted** the unconfirmed Minutes of the GNC meeting held on 6 February 2019.

19 OU STUDENT ASSOCIATION INCORPORATION - ARTICLES OF ASSOCIATION C-2019-02-15

- 19.1 The President, OU Students Association explained that the Students Association was currently unincorporated, which meant that the trustees might be personally exposed to any liabilities incurred by the association. The new articles of association were aligned to the current constitution, so no fundamental changes were being made; and they had been subject to a thorough process of review, consultation and approval through the Students Association's governance structures. VCE had been satisfied with the document, subject to some minor drafting changes.

19.2 The Council **approved** the OU Student Association Articles of Association.

20 OU-OU STUDENTS ASSOCIATION RELATIONSHIP AGREEMENT ANNUAL REVIEW C-2019-02-16

20.1 The President, OU Students Association remarked that the amendments being proposed had been highlighted in the paper. The changes included clarification about student expenses and about access to and sharing of confidential committee papers.

20.2 The Council **approved** amendments to the OU-OU Students Association Relationship Agreement arising from the annual review.

21 ANNUAL STATEMENT TO THE COUNCIL ON RESEARCH INTEGRITY AT THE OPEN UNIVERSITY C-2019-02-17

The Council **noted** the statement on research integrity at The Open University.

22 CHAIRS ACTION C-2019-02-18

The Council **noted** the action taken by the Chair on its behalf since the last meeting held on 23 November 2018.

23 DECLASSIFICATION OF COUNCIL PAPERS

23.1 The University Secretary confirmed that the following papers should remain confidential:

C-2019-02-01 Vice-Chancellor's Regular Report – Appendix only
C-2019-02-08 FutureLearn Investment Update
C-2019-02-11B Finance Committee – Confidential Minutes only
C-2019-02-12 Remuneration Committee

23.2 The following papers could be declassified immediately:

C-2019-02-01 Vice-Chancellor's Regular Report, except Appendix
C-2019-02-06 Core Systems Replacement
C-2019-02-14B Governance and Nominations Committee

24 NEXT MEETING

24.1 The Council will attend the meeting of the Senate to be held on Wednesday 3 April 2019 in Milton Keynes.

24.2 The next ordinary business meeting of the Council will be held on Tuesday 14 May 2019 in Milton Keynes.

25 REVIEW OF MEETING

25.1 The Chair invited members to provide constructive feedback on his first meeting.

25.2 The Chair suggested that the work on improving governance processes should be completed within the next 6-8 months, with a view to introducing any new ways of working in 2020.

- 25.3 The interaction with local staff, associate lecturers and students over lunch had been useful and interesting, and opportunities for similar sessions in Milton Keynes should be explored. The President, OU Students Association said that members would be invited to join the Students Association Senate Reference Group for lunch prior to the Senate on 3 April. Another member remarked that the AL Senate Reference Group also met that day, and arrangements might be made for some Council members to meet ALs before the Senate meeting. Members agreed that such events were a positive way to raise the profile of the Council within the University community.

Dr Jonathan Nicholls
University Secretary

Julie Tayler
Working Secretary to the Council
Email: julie.tayler@open.ac.uk
Tel: +44 (0)1908 3 32729