

THE COUNCIL

Minutes

This paper details the confirmed Minutes of the last meeting of the Council held on Tuesday 28 November 2017 in the Christodoulou Meeting Room 15 (CMR15) at the Open University Milton Keynes.

The Council **approved** these Minutes as a correct record at its meeting on Tuesday 6 March 2018.

Keith Zimmerman
University Secretary

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

Attachments:

C-2017-04-M Minutes of the meeting of the Council held on 28 November 2017

THE COUNCIL

Minutes of the meeting of the Council held on 28 November 2017
in the Christodoulou Meeting Room 15 (CMR15) at the Open University Milton Keynes.

- Present:** Mr R Gillingwater (Chair), Mr H Brown (Treasurer), Mr P Horrocks (Vice-Chancellor) Ms N Simpson (OUSA President), Dr J Baxter, Mr S Begbie, Prof J Brooks, Mrs F Chetwynd, Mrs M Curnock Cook, Prof J Draper, Dr S Dutton (until item 6) Ms R Girardet, Mr P Greenwood, Mrs R Lock, Mr R Spedding, Dr C Spencer, Dr B Tarling, Dr G Walker, Prof J Wolffe
- In Attendance:** University Secretary, Group Finance Director, Head of Governance, Senior Manager, Governance (Working Secretary)
- Also:** Pro-Vice-Chancellor (Learning and Innovation), Executive Dean, Faculty of Wellbeing, Education and Language Studies (WELS)
- VCE members in attendance for specific items:**
- Mr Guy Mallison, Director of Strategy (Items 7 and 8), Mr Ian Fribbance, Executive Dean, Faculty of Arts and Social Sciences (FASS) and VCE Lead for 'More Students Qualifying' (Item 9), Mrs Fiona Roberts, Group HR Director (Item 10)
- Others in attendance for specific items:**
- Steve Clark, Director of Student Success and Senior Accountable Executive for MSQ (Item 9), Chris Youles, Chief Information Officer (Item 10), Tony Martin, Transformation Director (Item 10), Dr Sharon Ding, Director, Academic Engagement (Item 11)
- Observers:** Mrs Caroline Stockmann (Treasurer Elect) (until lunch break)
Ms Lisa French, Senior Manager Governance (full meeting)
Mr L Hudson, Director of Communications (full meeting)
- Apologies:** Ms Sue Unerman
Mr John D'Arcy
Dr Sue Dutton (left meeting after item 6)
Interim Chief Operating Officer and Director, External Engagement

1 WELCOME

- 1.1 The Chair welcomed everyone to the meeting, including Prof John Brooks (Vice-Chair) and Mary Curnock-Cook, who were attending their first business meeting as members of the Council; Mrs Caroline Stockmann (Treasurer Elect), who was attending as an observer; and Laurence Holden as Group Finance Director.

- 1.2 The Chair explained that, in light of the full agenda and the need to ensure that the time available was focussed on discussing the key items, the papers in Sections D (Regular Reports), E (Governance and Membership Items), F (Other Reports) and G (Formal Items) would be accepted as noted or approved, without introduction, unless members wished to 'star' them for discussion. Items D1 (Remuneration Committee), D2 (Finance Committee), D4 (Strategic Planning and Resources Committee), F2 (Prevent Annual report) and F3 (OU Students Association report) had already been starred. No other items were starred for discussion.
- 1.3 Following a workshop on Advocacy, the Chair thanked the facilitators Lucian Hudson, Director of Communications, Laura Burley, Head of Government and External Affairs and James Hardy, Head of External Communications; and proposed that the Council return to the topic during 2018.

2 DECLARATION OF INTERESTS

There were no declarations of interest raised.

3 MINUTES

C-2017-03-M/CM

The Council **approved** the unconfirmed Minutes and Confidential Minutes of the meeting of the Council held on 18 July 2017.

4 MATTERS ARISING AND ACTION TRACKER

C-2017-04-01

- 4.1 The Chair observed that the actions arising from the last Council meeting had all been completed.
- 4.2 The Council **noted** the Council Action Tracker at November 2017.

5 CHAIR'S BUSINESS

- 5.1 The Chair noted that Howard Brown, Treasurer, and Dr Sue Dutton, the elected member of non-academic staff, were both attending their last meeting of the Council. On behalf of the Council, he thanked them for their contribution and commitment to the University during their terms of office on the Council.
- 5.2 The Chair commented that, as a consequence of the reduction in the size of Council to 21, there was an increased risk of the Council not being quorate. There were now 11 independent members, and 10 staff and student members. Good governance in the sector required independent members to be in the majority, but the new balance of Council membership meant that if just one external member were to send apologies, the Council would not be quorate. This issue had been discussed at the Governance and Nominations Committee (GNC), and independent advice sought. Subsequently, Chair's action had been taken to approve a new ordinance that would allow external co-opted members to appoint the chair of the meeting as an alternate, which would ensure that meetings would always be quorate. These members had already been asked to complete an Appointment of Alternate form. If they wished to vote by proxy at any meeting, they would also have to fill in a proxy vote form to direct the alternate how to vote on specific resolutions.
- 5.3 A key responsibility of a Council member was to attend the business meetings. Remote attendance would be facilitated if necessary. The meeting dates for 2018 and 2019 were provided elsewhere on the agenda (C-2017-04-23), and members were urged to add these to their diaries.

- 5.4 The Council Induction and Development Day in September 2017 had been a very good event; and all members had found value in the day. In future, it would be re-positioned as a Development Day, and all members, whether new or experienced, were encouraged to attend.
- 5.5 The Chair reported that he had addressed the recent Associate Lecturer (AL) Assembly, and his speech had been circulated to members. Around 80-90 people had attended the event, and he had received good feedback.
- 5.6 The Vice-Chair provided a report on the Higher Education Funding Council for England (HEFCE) Annual Meeting, which he had attended on behalf of the Pro-Chancellor. The event had included presentations on high risk investment and funding after Brexit; the financial health of the sector; the vision for UK Research and Innovation; improving access and student success; and the consultation on the Office for Students (OfS) regulatory framework.

6 VICE-CHANCELLOR'S REGULAR REPORT

- 6.1 The Vice-Chancellor reported that the OU's submission to the Office for Students (OfS) consultation was underway, and was focussed on the broadest possible definition of 'student'. The recent budget had not adversely affected widening participation funding, which should now be safe for another year. The UK Government had also awarded the University a contribution of £500,000 from the LIBOR Fund to support the OU Disabled Veterans Fund. The Industrial Strategy had provided a greater focus on skills and career learning.
- 6.2 The University was seeing positive signs across the Nations, especially in Scotland where student numbers were growing and there were opportunities around early years and graduate level apprenticeships. The University was in the final stages of recruiting a new Nation Director for Wales from a strong field of candidates.
- 6.3 The Vice-Chancellor noted the recent media coverage on sexual harassment and bullying in many spheres. While there had been no cases raised at the OU, it was important to reflect on the responsibilities of the governing body in this area. The OU had robust processes in place, both to respond to any allegations of misconduct and to promote an environment where such behaviour is unacceptable. Any serious cases would be reported to the Council. Similarly, whilst the formal Health and Safety Committee had now been disestablished, in addition to an annual report on health and safety, the Vice-Chancellor's regular report would include any significant issues to take account of the Council's responsibilities in this area. There were no such issues to report at this time.
- 6.4 With reference to the Panorama investigation into student loan fraud, the Vice-Chancellor reported that the University had discussed the matter with the Chair of Audit Committee. A surprise visit to the college had been undertaken and it was expected that the University's investigations would be concluded shortly, with a decision on the future of the partnership being made during the following week. The Department for Education (DfE) and HEFCE were content with the University's proactive approach and communication on this matter. A review of validation processes and risks involved would be undertaken.
- 6.5 The Vice-Chancellor also confirmed that the problems experienced with the software platform used to deliver online tutorials had now been resolved. The difficulties had been with the third party supplier's platform, which was a risk to be considered in relation to the OU's future IT strategy.
- 6.6 Referring to the recent departures from the Vice-Chancellor's Executive (VCE) since the Council last met in July 2017, the Vice-Chancellor said that consideration had been given as to whether there had been any common underlying reasons for the departures; for

example, team culture, leadership, strategic disagreement, or workload. No connections had been identified, with the exception of the overall pressure on the institution with regard to organisational change and the high expectations on individuals in the leadership team. The overall leadership capability, together with an outline of some broad functional areas and roles within a new model, was considered elsewhere on the agenda (C-2017-04-05).

- 6.7 The Vice-Chancellor also reported that, following work with the UK Government and the US authorities, the University was now in a position to resume the supply of educational services by both the OU and FutureLearn into the countries affected by US sanctions, including Cuba.

Introduction to strategic discussion items

- 6.8 The Vice-Chancellor reported that, whilst the University was still in a planning and listening phase, and significant decisions were still to be made, the University was not waiting for a transformation moment. The recent Strategy Week had focussed on assessment of strategic progress, but had also identified 5 key deliverables over the next 12 months:
- a) First Digital-by-Design modules in presentation;
 - b) Open Create rolled out across the University;
 - c) Research plan and Curriculum Review completed and approved;
 - d) Completed IT procurement; and
 - e) Early operating model changes: centralisation of staff recruitment, and data and insight services.

Progress was already being made in these areas. Items d) and e) would be discussed later on the agenda.

- 6.9 The strategic performance report presented some stark scores, and reinforced the view that the University could not rely on incremental change to achieve its goals. However, it was encouraging to note that early results from the most recent staff survey indicated a score of 70% for staff motivation, up from 52% in 2014/15.
- 6.10 Student retention was considered to be the primary risk for the University, and would be set in context during the discussion of Risk Management (C-2017-04-03). The student retention presentation would showcase the success and early stages of key initiatives underway via the More Students Qualifying (MSQ) strategic objective.
- 6.11 The Student First Transformation (SFT) programme was currently rated amber overall. At the Council Induction and Development Day, some Senate members of the Council had reported some scepticism about the financial picture. Subsequently, work had been done to ensure that the numbers would withstand challenge. The next step would be to communicate the situation more widely, alongside an overall progress update, at an all staff Open Forum on 6 December 2017.
- 6.12 Work was also underway to ensure a consistent message regarding the SFT vision, so that the clear need for cost savings did not overshadow the need for student retention improvements and innovation. The intention to ensure positive academic benefits, despite reducing the total numbers, had been signalled in the announcement of 5 new professorships, which would be primarily cross-disciplinary.

6.13 In addition to the 12 month commitments, Strategy Week had also identified 5 deliverables over the next 36 months, which were:

- a) New student experience;
- b) New teaching model;
- c) New curriculum;
- d) New operating model; and
- e) New student management system

The Vice-Chancellor invited the Council to hold the executive to account for delivering these challenges.

7 STRATEGIC PERFORMANCE REPORT

C-2017-04-02

7.1 The Director of Strategy, Guy Mallison, introduced the annual paper, which reported the outcomes against the high level performance measures and targets agreed by the Council in July 2016. The paper highlighted the five priority measures, which all had stretch targets, and provided an assessment by the current VCE owner, endorsed by VCE as a whole, of the level of confidence in achieving these targets.

7.2 The University's performance over the past year had been mixed. The downward trend in student retention and satisfaction was of great concern and action plans were in place to address these issues. The targets relating to qualification completion rates were complex and the University's systems were not ideally suited to tracking student progress over a long period of time. Consequently, consideration had been given to lead indicators, which included in module retention (down), students moving from year one to year two (up), and credit accumulation (up).

7.3 A member observed that the levels of confidence in achieving 2019/20 priority targets conveyed a stark picture. The risk exposure for the 5 priority measures, and the other measures, were all red or amber. Given that some activities might be considered to be business as usual (BAU), the overall confidence levels were extremely challenging, and clear action plans were required to get back on track. The Vice-Chancellor replied that it was not sufficient to address the OU's issues through incremental modifications to BAU; SFT was the way to make the greatest impact. The work on student retention would feed into the strategic priority of More Students Qualifying (MSQ) and the future student experience, which had been integrated into the transformation plan.

7.4 Another member commented that the report clearly demonstrated that the University's current way of working was unsustainable. From one perspective, the changes appeared to be too ambitious, as the targets were not being achieved; from another, the urgent need for change was clear.

7.5 Several members remarked on the approach to target setting. It was important to have a range of targets; it was neither meaningful nor realistic for all targets to be 'stretch'. If it was clear that the organisation was not going to meet its target, there were two options: change the target or change the activity. The consequences of not meeting a stretch target should be understood, and clarity provided around the action required. Mr Mallison responded that these issues had been explored, but the University was committed to the targets, even if they were a stretch. Change would take time, but it was important that the University stayed focussed.

- 7.6 In response to a query from a member, Mr Mallison said that understanding student intent was difficult. Measuring against a single qualification level would distort the overall picture, so it was important to include module and Level 1 achievements, and to recognise that students changed their intent and planned exit point.
- 7.7 A member observed that the significant increase in total revenue from non-core sources appeared to be focussed on 50th anniversary campaign; it looked unlikely that the remaining £50m of the overall target would be achieved. Mr Mallison responded that most of the balance would come from apprenticeships, but there was also a significant amount from the development fund.
- 7.8 Another member commented that student experience was the sum of small parts, which the University could control. Student satisfaction as measured through the National Student Survey (NSS) had shown a linear decline over several years; however, it was not clear what the University was learning, as the actions being taken were not reversing the trend. The Pro-Vice-Chancellor (Learning and Teaching Innovation) [PVC (LTI)] responded that, with so many changes underway, it was difficult to understand the effects on any given metric. The intent was to align the NSS questions with the transformation work so that the impacts would be clearer. It was hoped that the introduction of interventions throughout the year would reverse the situation.
- 7.9 The President, OU Students Association said that the University did not have a culture of student engagement that would enable it to understand and address the issues behind the year on year decline in student satisfaction. A fundamental understanding of student needs was required before introducing new initiatives, such as 'digital by design'. A member noted that the NSS was a perception study; institutions were well advised to explain matters to students. Mr Mallison said that student satisfaction had been proposed as the focus for a future meeting. Several members said it would be helpful to understand the difference in the perception of student engagement between VCE and the students themselves.

Action: J Wylie

8 RISK MANAGEMENT

C-2017-04-03

- 8.1 The Director of Strategy, Guy Mallison, introduced the paper, which updated the Council on the University's progress with embedding risk appetite; as well as highlighting the current strategic risks and how they were being managed. The 11 principle risks illustrated the high risk environment in which the University was operating. Most of the risks were long standing, but a new risk had been identified in respect of the new General Data Protection Regulations (GDPR). As it was a matter of compliance, there was a low tolerance for this risk, which was a key issue for the University. The paper provided a focus for the consideration of institutional risk, but an evaluation of associated risk underpinned several other papers on the agenda.
- 8.2 The Chair observed that there had been a positive and significant shift in the University's approach to risk. The Council was clear on its risk appetite and were aware of the key risks. The Chair of Audit Committee, Bob Spedding, added that whilst Audit Committee was responsible for the process, the content of the paper was owned by the Council. At its last meeting, Audit Committee had discussed whether the risks were the right ones, but these could be adjusted accorded to performance. Good progress had been made on the process; however, it was crucial that VCE used the risk register as a management tool and designed key performance indicators (KPIs) to demonstrate that the process was working. This was a strategic risk register, but operational risk could change the picture. Mr Mallison thanked Audit Committee for its engagement with the risk register; and welcomed ideas from elsewhere.

- 8.3 Members agreed that good progress had been made and the strategic risk register was a useful document. However, the paper did not make plain that the KPIs were not being met, that transformational change was underway, or that there had been changes within VCE. It was not clear that big risks, such as single points of failure, were covered.
- 8.4 With reference to risk assessment, a member commented on the importance of VCE keeping the Council informed about the direction of travel. The Treasurer elect remarked that the availability of a top level picture, showing any movements, was key; and a deep dive should be undertaken at least annually. The Chair observed that, whilst the Council should continue to request deep dives into specific big risks, risk management was a living process and members were at liberty to raise issues with the Director of Strategy between meetings.
- 8.5 Observing that risk was concerned with managing outcomes, a member asked what was considered to be the key issue in respect of delivering the transformation. The Vice-Chancellor responded that it was the overall change capability of VCE, the Senior Management Team and the level below. However, despite the significant turnover in recent months, he was more confident in the executive as a team than he had been six months previously.
- 8.6 The Council **noted**:
- a) the progress in embedding risk appetite and increasing risk maturity; and
 - b) the approach to future risk discussions.

9 STUDENT RETENTION

C-2017-04-04

- 9.1 The Executive Dean, Faculty of Arts and Social Sciences and VCE Lead for 'More Students Qualifying' (MSQ), Ian Fribbance, introduced the item, outlining the relationship between the MSQ strategic priority and the Student Experience work stream of the Students First Transformation. MSQ was concerned with delivering quick-wins within the existing systems and processes, and addressing a number of specific activities. Student Experience was focussed on redesign, with the primary goal of increasing retention. The two processes would merge over a period of 24 months. A considerable level of consultation was taking place across the University with regard to Student Experience, both online and face-to-face, with a view to rethinking the interaction with students. The scale of the challenge was huge and fundamental, including regulatory and financial sustainability issues.
- 9.2 Steve Clark, Director of Student Success and Senior Accountable Executive for MSQ, outlined some of the work underway within the strategic priority. Strategy and Information Office had developed a set of interim module pass-level targets using a model to illustrate the current situation and indicate the improvement needed to final pass rates in order to achieve the 30% qualification completion target. This varied according to Level, but was not just about whole qualifications; the key was student goals.
- 9.3 VCE had approved a £5.85m spend envelope to support the MSQ priority, which was being invested in a mix of University-wide initiatives and faculty-based activities specific to particular curriculum areas, subject to there being a clear business case regarding need and opportunity. There were a number of themes, with considered interventions throughout the end-to-end student journey to provide support, including information and preparation, induction, curriculum design and assessment, student experience and enhanced student support and personalisation. The focus had been on the October 2017 presentations (17J), so it was too early to see any clear results.

- 9.4 Building on the significant changes to student support structures brought about by the introduction of Student Recruitment and Support Centres (SRSCs), more resource was now available and being used to identify students at risk. Staff were now in place to support recruitment and retention campaigns throughout the year, and the introduction of new initiatives such as SMS messaging. Work was underway to provide support and guidance to students embarking on OU study, to help find the right starting place for them and to offer additional learning for language and IT skills. A focus on student peer mentoring would help build a community and develop pastoral peer to peer support. A small scale pilot in FASS had showed positive results, with 15% improvement in pass rates and 10% improvement in retention.
- 9.5 The lessons from MSQ would inform and shape the Student Experience, which would be enabled by the wider transformation and which will design the future student experience to deliver a consistent, seamless student journey.
- 9.6 Members discussed the rationale of targeting different pass rates at different Levels. One member suggested that, if the University was confident that it could increase the Level 1 pass rate by 10%, it should aim for the same uplift at Level 3, where the target pass rate should be 100%. Mr Clark responded that this was an interim model, but agreed that higher pass rates should be apparent at higher Levels. Mr Fribbance observed that the University could have a greater impact at Level 1, by improving induction, choice and support. Other members agreed that the biggest opportunity was at Level 1, as the target group was bigger and a small percentage change would be more significant in terms of student numbers. One member suggested that it might be helpful to make comparisons across faculties. Nursing programmes were supported by employers, and it was possible that aspects of that model could be made mainstream.
- 9.7 In response to a member's query, Mr Clark said that the data did not reflect the reality of students' intentions: many students were happy to achieve Level 1, but the statistics made it appear as if they had withdrawn. The University needed to be better at identifying and reporting student intentions, building on the excellent partnership between student support and faculties, in order to provide a step-change in the approach to retention. Student contact time was not being reduced, and workload and assessment had to remain realistic for a part-time student.
- 9.8 Responding to another member's comment, the Chair suggested that a small data pack, indicating which students were most likely to drop out, might be prepared for circulation. Mr Fribbance added that there were significant differences across subject areas and student demographics.

Action: I Fribbance/S Clark

- 9.9 The President, OU Students Association, welcomed the recognition in the paper that isolation could be a real difficulty for some students. It would be useful to see evidence that students wanted to engage in learning anywhere, at any time and on any device, as feedback to the Association suggested that students still wanted paper copies of course materials. Student satisfaction levels were not simply declining because their expectations were increasing. A member acknowledged that many students were concerned about digital by design, but observed that there was evidence of successful on-line only modules.
- 9.10 A member asked how much of the budget was being spent on broad initiatives and how much was targeted at specific risk groups. Mr Clark replied that approximately two thirds of the expenditure to date had been spent across the board, and the remaining third had been targeted. A test and learn approach was being used, and any further investment was evidence based. The budget had not yet been exhausted.

9.11 The Council **noted** the paper on Student Retention.

10 STUDENTS FIRST TRANSFORMATION C-2017-04-05

- 10.1 The University Secretary, Keith Zimmerman, introduced the paper, highlighting some key points in the update on the Students First Transformation. Expenditure to date had been slower than anticipated, as some costs had been deferred. The revised conceptual operating model for the University was a significant development, and members were reminded that the fundamental underpinning driver for the new OU was a consistent student experience. Significant work had been undertaken with regard to engagement and communications across the University. The OU Students Association were represented at different levels, but it was acknowledged that there was more to be done to improve student engagement; a workshop was planned for 11 December 2018.
- 10.2 The Transformation: Summary Roadmap illustrated the high level activity to March 2018; thereafter, it was indicative only, as the Council would be required to make some key decisions. The issues would be challenging, including possible reductions in face-to-face tutorials, cuts to curriculum and research resulting in academic staff cuts, and staff cuts in professional services. There would be some hard decisions in respect of prioritising benefits for students and cost savings. The external environment, with uncertain government policy and expected industrial action regarding pensions, made the situation even more challenging.
- 10.3 The current programme delivery structure included 13 work streams. A business case for each was currently being developed; these would be prioritised at a later date. Focus was currently being given to two key areas, Human Resources (HR) and Information Technology (IT), which underpinned the rest of transformation. Both work streams had been accelerated since the start of the Adaptive Organisational Culture / OU Redesign initiatives because of the reliance of the whole transformation on these areas.

People Services Transformation

- 10.4 The Group HR Director, Fiona Roberts, provided an update on the progress of the People Services Transformation, and the People and Organisational Change aspects of the Students First Transformation. In this context, the focus was on management capability, succession planning and supporting the challenge of delivering the strategy.
- 10.5 The main strategic measure for the people agenda was “I feel motivated at work”. The early results from the most recent staff survey (2016/17) indicated that the strategic target of a score of 70% by 2019/20 had already been achieved, so the starting point was good. However, with bad news anticipated in the near future, ongoing engagement was key to ensure that staff felt positive about the whole employee experience. The vision was to inspire people to achieve their potential so that students could achieve theirs.
- 10.6 In order to ensure the organisation had an adaptive culture and its people had the capability to deliver its ambitions, HR would need to focus on five key areas of its strategic remit: resourcing, development, recognition and performance, organisation design, and staff engagement. The initial priorities would be capability, people services, listening and engagement, and delivering change.
- 10.7 In terms of the capability of the organisation to lead and deliver change, the focus was on developing the leadership journey at all levels and ensuring succession planning. A management practices framework was being developed, which would give managers a clear and pragmatic view of what was expected of them, and how they should do it, whether in professional support or academic leadership.

- 10.8 People Services was being transformed, with the focus on getting the team ready to help support the needs of the organisation. Linking institutional performance and the reward of senior executives was challenging, but it was important that the reward strategy was cognisant of political and market pressures. Work was taking place on a shared recruitment service across the University, but the move towards best practice was awaiting the IT transformation. Centralised oversight of recruitment and redundancy would ensure control and focus. The talent strategy would support recruitment and development.
- 10.9 The focus on listening and engagement would help the organisation to better understand its employees. Two-way dialogue around issues such as the change programme would become business as usual. The University was working with the trade unions on the approach to change, and was building a more open, trusting and collegiate relationship. The development of an adaptive organisation and culture, including equality and diversity, would be delivered through business as usual activity. It was necessary to understand the employee value proposition to ensure that the OU remained an attractive employer. The external and internal brand needed to be compatible with the work yet to begin.
- 10.10 HR would also enable the University to deliver change. The strategic area of focus was on the student experience, but there would be a significant reduction in roles and the curriculum review would affect staff numbers. HR were also committed to reviewing the AL contract. These matters would involve some difficult conversations and it would be crucial to understand the priorities with regard to organisational change.
- 10.11 Members thanked Ms Roberts for a clear and positive presentation. One member welcomed the focus on succession planning, but noted that the resilience of the organisation was a matter for concern. Uncertainty existed at every level, so the cascade of information was crucial. It would be a challenge to support change in an organisation that was not used to it. Ms Roberts responded that a more centralized HR should help provide greater support.
- 10.12 Several members commented on the need to provide support for staff at all levels, whether heads of school who were responsible for the well-being and development of their team, or middle academic managers whose primary focus was on students and programmes. Ms Roberts said that the University aimed to give principles and practices to support people at all levels through change.
- 10.13 An AL member said that it would be helpful to bring forward such development programmes, as staff tutors were already being asked by their reports about the implications of the curriculum review on their role. Ms Roberts responded that behavioural and technical training were not the focus at present, as the priority was on communication and engagement. The member observed that AL colleagues tended to hear about the changes to learning and teaching, and the curriculum, but not about the developments in other areas. Consequently, they did not have a broad perspective of the changes across the University.
- 10.14 The President, OU Students Association asked whether the University knew what motivated staff, and whether a different outcome would be apparent if the ALs were taken out of the data set. It might be appropriate to refer to the employer, rather than the employee, value proposition, to focus on what made the OU an attractive place to work. However, an understanding of the values the University wanted staff to have was also key, as it was important for the two to match.
- 10.15 A member observed that the 4 functional areas: Commercial and Strategy, Academic, Student and Digital, and Professional Services, were to be aligned with the 17 core services in the operating model. However, it was not apparent how the core services identified elsewhere would map onto these functional areas, or how the functional areas

would interface. For example, there needed to be a bridge between Academic and Student and Digital. Ms Roberts replied that the organisation design was still under review, but the core services would map onto the functional areas. The outputs of the SFT work streams would be matched to the operating model, and the outcomes of the review would be available next year. The Vice-Chancellor added that a high level view of the operational areas was being maintained, and consideration given as to how people could work effectively across the new functions and avoid silos.

- 10.16 In response to a query from the President, OU Students Association about the rationale for bringing together Student and Digital, the Vice-Chancellor said that it was intended to enable the delivery of a consistent student experience. Currently, different aspects of the student journey were dealt with in different places; by grouping all student facing activity in one place the overall student experience should improve.
- 10.17 Members commented that the scale of the organisational transformation was enormous and would involve some tough decisions. It would also need to be able to flex. Transformation was also needed in the area of Finance, as well as HR and IT.
- 10.18 A member asked whether there would be reductions within the HR function. Ms Roberts responded that HR staffing would be reviewed and there would be fewer roles over time, but this was largely dependent on the implementation of new IT systems. Another member observed that there was a significant level of operational work in HR, as well as preparation to be made for organisational change, and asked whether there was sufficient resource available in the short term. Ms Roberts replied that although HR was a large team, it did not currently have all of the necessary skills. Consequently, some support was being provided by external agencies, so at present HR was well resourced.

Technology Strategy for the Transformation

- 10.19 The Chief Information Officer (CIO), Chris Youles, provided an update on the future University systems strategy. It was necessary for the University to refresh a considerable part of its IT infrastructure, as the baseline technology estate was ageing and complex, and approximately 95% of the systems were bespoke. This created challenges whenever the University want to change something; for example, hard code changes were necessary to implement management decisions regarding fees. Upgrades were costly and risky, and were consequently often delayed.
- 10.20 When considering the options, an upgrade to existing systems was discounted. A configured Enterprise Resource Planning (ERP) tool was common across many sectors, but would be a complex option and require the addition of bespoke student management modules. A 'Best of Breed' approach would also be time consuming and costly. The 'University Systems in a Box' option would not necessarily provide 'Best of Breed', but it would provide the necessary functionality and allow the OU to customise where differentiation would add value.
- 10.21 A platform comparison, encompassing implementation and decommissioning timelines, indicative costs, complexity, and flexibility and risk, had resulted in the recommendation that the 'University Systems in a Box' solution should be explored in greater detail; together with the support of a technology partner to build those services that would differentiate the OU from the competition, manage risks, and provide implementation expertise. VCE had approved the recommendation, and an investigation of the options was now underway. A report, with further recommendations, would go to VCE in January 2018.
- 10.22 Several members observed that replacing the current systems was a massive undertaking and would be hugely complex, but acknowledged that it was the only practical solution. It was clear that the baseline technology could not sustain the University's operations, even

if the OU was not embarking on a transformational change programme. Execution would be crucial. The more the University was able to adapt itself to the system, the quicker it would be to implement; delays would be incurred if the University required the system to adapt to OU-specific processes.

- 10.23 Referring to the indicative technology timelines, and specifically the 'process, design, configure, load and test phase', a member commented that ERP systems had come a long way in terms of configuration, so it might be worth exploring this further. The Chair observed that the external Council members represented a number of organisations who had gone through a similar process, and suggested that the CIO talked to them about the lessons learned.
- 10.24 With reference to the complexity of the baseline technology estate, staff members commented that colleagues were living with it on a daily basis, and enquired how 'University Systems in a Box' would impact on the curriculum review and the approach to teaching. The CIO replied that it would provide constraints, both positive and negative, and it may be necessary to do some bespoke work around the curriculum systems and teaching model. Regarding business change, the approach was more complex than indicated by 'in a box'. Currently, business inputs were analogue, but needed to be digital. A massive change in approach was required.
- 10.25 The President, OU Students Association observed that internal and external perceptions of the change would vary, and it was important to communicate how it would improve the student experience.

Engagement and Communications

- 10.26 A member welcomed the efforts to ensure stronger engagement with the different internal communities. However, there was also an opportunity to engage external academic stakeholders, such as external examiners, to ensure that their perspectives were taken into account. The 'Think Tank' could play a valuable role and provide a framework to get externals involved.
- 10.27 The Chair said that the subject would return to the Council in March 2018.
- 10.28 The Council **noted** progress in other work streams.

11 APPRENTICESHIPS STRATEGY

C-2017-04-06

- 11.1 The University Secretary introduced the paper, noting that the development of apprenticeships was an important part of the Students First strategy. Growth had been slower than anticipated, but this was primarily a function of the national market. The University had achieved its anticipated market share, but the market itself was smaller. There were greater risks, but on balance VCE was of the view that the University's approach to apprenticeships remained a significant opportunity for growth. It was reasonable to expect that the market would reach its potential, so the University was seeking to accelerate its efforts to capture further market share. The OU was well placed to deliver this initiative, which was needed by the UK.
- 11.2 In response to a question from the Chair, the University Secretary said engagement with apprenticeships had been constrained primarily by the bolting together of two different funding approaches, for further education and higher education. This was problematic and there was a challenge around developing the definitions of particular standards. Many employers considered the levy to be a payroll tax and did not know how best to respond. The OU was exploring the idea of an enhanced value offer, which would help employers to address the barriers to entering the market.

11.3 A member observed that some large employers were declaring other forms of training as apprenticeships when they were not; whilst others did not understand how the levy system worked. There was a gap in the market for someone to support organisations through the process. However, it was possible that the market would not establish itself in the way it had been envisaged, so the University should be realistic in its expectations.

11.4 The Council **noted**:

- a) the current apprenticeship market dynamics;
- b) OU progress and performance to date, and the need to diversify from the consortium model strategy as a focus for achieving market share; and
- c) next steps to consider how we further capture share within the current market.

12 TEACHING EXCELLENCE FRAMEWORK

C-2017-04-07

12.1 The Pro-Vice-Chancellor (Learning and Teaching Innovation), Professor Hazel Rymer, reminded the Council that the University had decided not to enter the Teaching Excellence Framework (TEF) in 2017 due to concerns about the methodology and the metrics, which the University assumed would have placed the OU in the Bronze category. There had been no implications, although the University was not able to raise its fees as a result of achieving a TEF award.

12.2 The University had considered whether it should enter TEF3, but its analysis suggested that it would still be ranked Bronze and the incentive around fees had now been removed. Whilst the OU supported the concept of the TEF, the changes did not address the flaws in the metrics in respect of part-time distance learning providers. The University wished to remain engaged, and was active in its discussions around the subject level pilots. However, to participate in TEF3 would indicate that further development of the metrics was not necessary, and it was important that the University maintained some leverage in this area.

12.3 A student member agreed that the changes made to TEF3 did not help the OU, and fully endorsed the University's recommendation not to submit an application. Other higher education institutions (HEIs) were able to move from a Bronze to a Silver rating based on student outcomes and strong evidence of impact; however, the OU was not currently in a position to do this.

12.4 A member observed that care should be taken to ensure that communication to staff and students should emphasise the positive messages around the decision, and not just that there was no benefit to the OU in entering TEF3. Another member suggested that, in the same way as other HEI's compiled their application, the University should create a TEF narrative setting out positive arguments for its decision, which should be published on the OU website.

12.5 The Council **approved** the recommendation that the University should not submit an application for a TEF rating at this time.

13 ANNUAL QUALITY REPORT

C-2017-04-08

13.1 A member observed that the paper, which reported on the effectiveness of the University's management of quality and standards, was the output of a huge effort across the OU. Quality standards were good, but it was important that the University did not miss the key issue about retention. This should be the theme driving academic policy and standards.

- 13.2 The PVC LTI commented that improvements had been made to quality assurance and quality enhancement processes and procedures during the past year, but the impact had not been as significant as anticipated. More changes were planned for this year.
- 13.3 A member suggested that a separate narrative might fill the gaps and highlight the 'golden nuggets'. The PVC LTI said that such an account had already been prepared and used in the submission for the Higher Education Academy (HEA) Global Teaching Excellence Award 2017, for which the OU had been short-listed as a finalist. This work would be undertaken again in the future, and the University would engage individual academics.
- 13.4 The Council:
- a) **noted:**
- i) that the report had been used as the annual report on institution-led review submitted to the Scottish Funding Council;
 - ii) that the Senate had recommended to the Council that it endorse the statements of assurance required by the Scottish Funding Council and Higher Education Funding Council for England; and
- b) **endorsed:**
- i) the statement of assurance required by the Scottish Funding Council; and
 - ii) the statement of assurance required by the Higher Education Funding Council for England.

14 AUDIT COMMITTEE'S ANNUAL REPORT TO THE COUNCIL AND THE VICE-CHANCELLOR, FINANCIAL YEAR ENDED 31 JULY 2017 C-2017-04-09

- 14.1 The Chair of Audit Committee introduced the Audit Committee's Annual Report. The Committee had no hesitation in recommending the financial statements to the Council, although it was important to understand the figures beyond the headline surplus: the University had a negative operational cash flow of £15.5 million. PriceWaterhouseCoopers had done an excellent job as external auditors, as had the University's internal audit function.
- 14.2 The accounting systems were no longer adequate and currently required manual intervention to generate the figures; however, this could not be rectified before the implementation of the IT transformation. The Group Finance Director added that the current system had been introduced in 1999; a new system would bring huge opportunities for both operational and process change.
- 14.3 The addition to the strategic risk register of the General Data Protection Regulations (GDPR) presented a challenge to the University, as IT would not be sourcing a solution until 'University Systems in a Box' was implemented. A member observed that most organisations were currently in full project mode in respect of GDPR. The University Secretary clarified that work to implement GDPR was underway and said that an update would be provided at the next Audit Committee meeting.

Action: Governance Team

- 14.4 The Council and the Vice-Chancellor **noted** Audit Committee's Annual Report for 2016/17.

15 ANNUAL ACCOUNTABILITY RETURNS 2017, ANNUAL ASSURANCE RETURN (ANNEX A) C-2017-04-10

- 15.1 The University Secretary introduced the paper, which provided details of the accountability returns that the University had to submit to HEFCE each year, and highlighted any changes.
- 15.2 The Council **approved** the contents of, and **agreed** that the Vice-Chancellor should sign, Parts 2 and 3 of the Annual Assurance Return (Annex A) and the Statement of Academic Assurance: Scotland on its behalf.

16 2016/2017 CONSOLIDATED FINANCIAL STATEMENTS C-2017-04-11

- 16.1 The Group Finance Director introduced the document, which had two main sections. The first provided a review of year, with sections on strategy, risks, public value, and going concern; the second was a formal presentation of the financial outcomes for the year for the University group. The document covered the consolidated results for the Group, which included the University plus three active subsidiaries: FutureLearn, OU Worldwide and OU Student Budget Account.
- 16.2 The statements complied with relevant statutory and regulatory requirements, and had been subject to external audit review; and the disclosures followed best practice. The statements had been reviewed by both Audit and Finance Committees, and their comments and observations had been incorporated into final draft. The Council's responsibilities were summarised in the covering paper.
- 16.3 No issues had been raised in respect of the continued adoption of the 'going concern basis' in the context of SFT, where the outcomes would result in a net deficit. The audit report was unqualified.
- 16.4 The Statements of Comprehensive Income, formerly the income and expenditure account, showed a headline turnover of £426.7m which achieved a consolidated group surplus of £9.8m. Comparative figures for last year included the VAT refund of £53.3m, so this was an excellent achievement for University. The balance sheet reflected the strength of the University's financial position, which was extremely important in the context of SFT.
- 16.5 The outturn was essentially breakeven, with a small deficit against budget of £0.2m. This was a good result, but if the bottom line of £9.8m surplus was separated into that which resulted from the normal operations of the University as distinct from one-off, non-recurrent items, then it became clear that the underlying operating position in 2016/17 was a deficit of £2.4m. Whilst the operating deficit had been built into the initial planning, and indeed bettered the budgeted operating deficit of £5.6m, it was -0.6% and short of the 2% operating surplus set for sustainability.
- 16.6 The cash flow statement showed that overall the University had used £7.2m of its cash during last year, of which operational cash outflow had been £15.5m. Whilst there was no immediate cause for concern, this was a key measure to keep under review moving forward. HEFCE had noted the use of internal sources of funding in the sector; the situation would be more difficult if HEIs were having to use external borrowing.
- 16.7 The results also consolidated two commercial subsidiaries: OUW had contributed £3.2m, whilst FutureLearn had reported a loss of £6.5m. In line with good accounting practice, the University had provided an impairment view of FutureLearn for the auditors to test a prudent view of projected future surpluses. On this basis, it had been agreed that it was

reasonable to accept the current valuations and position into the consolidated financial statements.

- 16.8 Overall, the University's financial position was satisfactory and was compatible with the University's planned funding for SFT, without undermining the key rationale for the transformation.
- 16.9 Referring to the staff costs of the University, an AL member said that it did not make sense to include associate lecturers in the average monthly staff numbers. Whilst it might be correct in terms of the way the costs were calculated, it was misleading in terms of headcount. The Group Finance Director replied that the figures were correct, although their presentation might not be most appropriate for the University's context. However, the table had been constructed to respond to specific questions. The Chair of the Audit Committee observed that the presentation was consistent with the previous year; it was too late to change it this year, but the disclosure might be reviewed for future years.
- 16.10 The President, OU Students Association asked how the financial statements would be communicated to the wider University in a way that could be more easily understood, particularly in the light of SFT. The Group Finance Director agreed that the statements contained powerful information that described the OU's situation in a broad way. A member suggested that key points could be incorporated into a one page infographic. Mr Holden agreed to provide this for the next year's accounts.

Action: L Holden

- 16.11 The Council:
- a) **approved** the University's consolidated financial statements for the year ended 31 July 2017;
 - b) **authorised** the Chair of Audit Committee, Vice-Chancellor and Group Finance Director to sign on its behalf the University's consolidated financial statements for the year ended 31 July 2017; and
 - c) **noted** the audit representation letter that will be signed on its behalf by the Vice-Chancellor and Group Finance Director.

17 ANNUAL ACCOUNTABILITY RETURN 2017 – FINANCIAL RESULTS 2016/17 AND COMMENTARY C-2017-04-12

- 17.1 The Group Finance Director introduced the paper, which updated HEFCE) on any significant changes from the 2016/17 forecast submitted in July 2017 and the 2016/17 audited financial position. There had been a small degree of movement.
- 17.2 The Council **approved**, the recommendation of Finance Committee, the financial commentary for submission to HEFCE by 1 December 2017.

18 REMUNERATION COMMITTEE – ANNUAL REPORT C-2017-04-13

- 18.1 As reported elsewhere on the agenda (C-2017-04-22), the Chair said that a review of good practice in the sector had led to changes to the Remuneration Committee constitution, specifically to the role of the Chair. This position would no longer be undertaken by the Pro-Chancellor, but by another external member who was independent of the Vice-Chancellor appraisal process. Rachel Lock had been appointed to this role.
- 18.2 Ms Lock observed that the annual report covered the key items discussed at Remuneration Committee. The Committee had agreed that members of VCE, including

the Vice-Chancellor, should not receive an award in respect of 2016/17. In addition, acknowledging the pressures in the external environment, the Committee had concluded that the Vice-Chancellor should no longer be required to reside at Wednesden House so that the property could be sold. Consideration of this matter had been prompted by the Vice-Chancellor and the decision was supported by him.

- 18.3 The Committee had reviewed the schedule for the consideration and payment of performance related awards and agreed it should be aligned to the financial year under review. It was further agreed that the annual cost of living increase should be part of the discussion. A further meeting to discuss strengthening the link between remuneration and reward and the performance of the Vice-Chancellor and members of the executive had been scheduled for an additional meeting in Spring 2018.
- 18.4 The Group Finance Director commented that the remuneration of the Vice-Chancellor and other higher paid employees was disclosed in the notes to the financial statements. There had been a change of format to allow a backward and forward view.
- 18.5 The Chair thanked the Vice-Chancellor for supporting the material change to his terms and conditions, and acknowledged that it was an appropriate way forward. The Vice-Chancellor noted that VCE had been in complete agreement with the overall approach to merit awards.
- 18.6 The Council **noted** the report from the Remuneration Committee.

19 FINANCE COMMITTEE

C-2017-04-14

- 19.1 The Treasurer, Howard Brown, reported that the Finance Committee had had an extended discussion on the current financial position. It was essential that the University succeeded with SFT: it was not sufficient to address the annual operating deficit by simply cutting costs; it was necessary to do something different. The University had to work through the detail, but it should not lose sight of the goal.
- 19.2 With regard to FutureLearn, the Treasurer said that the Chief Executive of FutureLearn was providing the necessary focus, and the subsidiary was now moving in the right direction. MOOCs could be the future of higher education and, whilst any further investment might be a challenge, it could be worthwhile.
- 19.3 Mr Brown said he was passionate about the role of the OU in higher education, and was grateful to everyone for their support and encouragement during his time on the Council.
- 19.4 The Council **noted**:
- a) the recommendation that the Council approve the financial commentary for submission to HEFCE by 1 December 2017, had been dealt with elsewhere on the agenda (C-2017-04-12); and
 - b) the unconfirmed Minutes from this meeting.

20 AUDIT COMMITTEE

C-2017-04-15A&B

The Council **noted** the unconfirmed Audit Committee Minutes and confidential Minutes.

21 STRATEGIC PLANNING AND RESOURCES COMMITTEE

C-2017-04-16A&B

Minute items 21.1 to 21.2.a) are presented in C-2017-04-CM (Confidential Minutes).

21.2 The Council:

- b) **noted** the unconfirmed Minutes and Confidential Minutes from the meeting (SPRC-2017-02-M and SPRC-2017-02-CM); and
- c) **noted** that the Strategic Performance Report had been dealt with elsewhere on the Council agenda (C-2017-04-02).

22 THE SENATE

C-2017-04-17

The Council **noted**:

- a) the recommendation that the Council endorse the statement of assurance required by the Scottish Funding Council and the Higher Education Funding Council for England on the recommendation of the Senate is dealt with elsewhere on the agenda (Paragraph 24 and paper C-2017-04-08)
- b) the assurance statement set out in the report on the effectiveness of the University's academic governance arrangements in 2015/16 (Paragraph 28 and Appendix);
- c) the report of the following items discussed at the meeting of the Senate held on 18 October 2017:
 - i) Academic Performance Report
 - ii) National Students Survey: Report
 - iii) Academic Strategy: Implementation Update
 - iv) Annual Quality Report
 - v) Academic Governance Assurance Report
 - vi) Students First Transformation Programme: Approach to Governance
 - vii) Academic Model for Apprenticeships

23 GOVERNANCE AND NOMINATIONS COMMITTEE

C-2017-04-18A&B

The Council:

- a) **approved** on the recommendation of the Governance and Nominations Committee:
 - i) the disestablishment of Staff Strategy Committee with immediate effect;
 - ii) that, in future, the Council would meet outside of Milton Keynes once per year, in the Nations and English Regions; and
 - iii) that, in future, the University should follow the Higher Education Funding Council for England (HEFCE) Memorandum of Assurance and Accountability (MAA) rules for financial reporting, rather than those of the UK Corporate Governance Code;
- b) **approved** on the recommendation of the Governance and Nominations Committee:
 - i) the appointment of Mary Curnock Cook to Finance Committee as one of two members of the Council, appointed by the Council, with immediate effect until 31 July 2021;

- ii) the re-appointment of Erika Lewis as an external co-opted member of Audit Committee for a further two years from 1 August 2018 to 31 July 2020;

c) **noted** the unconfirmed Minutes and Confidential Minutes of the meeting.

24 ESTATES ANNUAL REPORT C-2017-04-19

The Council **noted** the Estates Annual Report.

25 PREVENT ANNUAL REPORT C-2017-04-20

25.1 The University Secretary introduced the second annual report for the Prevent Duty for HEFCE; the 2016 report had been noted by the Council at its meeting in November 2016. At that time, HEFCE had concluded that the OU was compliant with the Prevent Duty and demonstrated full regard for the statutory powers, policies and arrangements

25.2 The University was obliged to submit the 2016/17 report by 1 December 2017. The document had been prepared in order to meet the reporting requirements of HEFCE, which were overseen by the OU Prevent Steering Group. The Director of the OU in Ireland chaired this group, and had delegated responsibility for meeting the Prevent Duty. The University Secretary's office was kept informed of any issues relating to Prevent actions or concerns as they arose. The actual cases reported in the year were outlined in Table 1 of the report.

25.3 Given the OU's close working with HEFCE and DfE, it was anticipated that the University would meet its Prevent Duty

25.4 The Council **noted** the Annual Report.

26 OUSA ANNUAL REPORT AND FINANCIAL STATEMENTS C-2017-04-21

26.1 The President, OU Students Association (President) reported that the feedback from the students who had participated in the Council's Induction and Development Day had been good, and thanked Council members for engaging so positively with them. The OU Students Association Annual Report was primarily reporting on activities during 2016-17, but also described the future strategy to illustrate the direction of travel.

26.2 One of the Students Associations key objectives during the year had been to raise awareness of and increase engagement with the organisation. The new website had proved successful, social media activity had continued to grow, and there had been improvements to the listening figures for radio broadcasts and the readership of the student magazine. The number of Freshers' activities had doubled.

26.3 The Students Association had reached and engaged with more students as volunteers. It was a diverse group, who acted in various roles and participated for many different reasons. The establishment of the PLEXUS LGBT+ group had had a significant impact.

26.4 The staff team had grown, and was now able to focus on specific areas such as student volunteering, student community, student support and student voice. The office premises had also expanded and was now more student friendly. The President thanked Estates for their support and extended an invitation to all Council members to visit the Students Association offices.

26.5 In the 2016 National Students Survey, the OU Students Association had scored 62% in response to the question 'I am satisfied with the Students' Union (Association or Guild) at my institution'. In 2017, the question had changed to 'The students' union (association or guild) effectively represents students' academic interests', and the Students Association

had scored a disappointing 44%. A consultation would take place with a view to improving performance.

- 26.6 During the year, there had been more focus on external engagement, and there had been opportunities to speak at two meetings of the All-Party parliamentary Group on Students to highlight the differences in part-time education.
- 26.7 The student member added that much of the Students Association work complemented that of the University itself: for example, the Freshers' events supplemented OU induction; and drawing attention to the needs and value of part-time study worked in parallel with many University initiatives.
- 26.8 A member commented that the low score regarding the representation of students' academic interests was a matter for concern. The President observed that the OU Students Association did not represent individual students, but the collective interests of all students. The requirement for confidentiality made it challenging to have conversations with the wider student body about the work going on in University committees, and to make students feel part of an academic community. The student member endorsed the concern about the need for confidentiality, which made it difficult to communicate with student body, for example with regard to their concerns about Digital-by-Design.
- 26.9 The member observed that the Students Association received a generous budget from the University and asked what further action could be taken to improve the situation. The President responded that the Students Association could not make the changes alone, and the University could do more to help promote the organisation. For example, induction for new staff could raise the level of understanding of the Students Association's role within the University community and the services it offered, such as the financial hardship fund and Nightline. More opportunities to engage with the senior team would also be helpful. The University Secretary said that the OU would continue to work with the Students Association on these matters and suggested that the need for confidentiality was perhaps being over-interpreted.
- 26.10 The President added that the OU Students Association was not affiliated to the National Union of Students (NUS) so it was difficult to engage with peers in other institutions, but there seemed to be a different representative model in terms of academic matters. OU students could participate in such work as members of a committee, but did not have the opportunity to engage more broadly in the academic debate. Consideration should be given as to how wider student engagement could be built into the University's work early in the process. At present, there was an over-reliance on the input of a relatively small number of student committee representatives; the University should work more closely with the Students Association in order to reach out to the wider student body.
- 26.11 The Chair observed that the workshop on 11 December would be an important opportunity to discuss student engagement.
- 26.12 The Council **noted**:
- a) the OU Students Association annual report of activities for 2016-17;
 - b) the compliance statement (Appendix 1) which detailed donations and affiliations and indicated that elections taking place during 2016-17 had been conducted fairly and in compliance with the Constitution and Bye-laws;
 - c) the audited accounts for 2016-17 (Appendix 2) which had previously been presented to the Finance Committee at its meeting on 31 October 2017; and

- d) the plans for 2017-18, including the new strategy and action plans (Appendix 3) and expenditure budget (Appendix 4).

27 CHAIRS ACTION C-2017-04-22

The Council **noted** the action taken by the Chair on behalf of the Committee since the last meeting held on 18 July 2017.

28 COUNCIL MEETING DATES 2018 & 2019 C-2017-04-23

The Council:

- a) **noted** the dates of the meetings in 2018; and
b) **agreed** the programme of meetings for the 2019 calendar year.

29 DECLASSIFICATION OF COUNCIL PAPERS

29.1 The following papers should remain confidential:

C-2017-04-06 Apprenticeships

C-2017-04-15 Audit Committee confidential minutes

C-2017-04-16 SPRC confidential minutes and appendix

29.2 The following papers could be declassified once wider communication has been made to all stakeholders:

C-2017-04-02 Strategic Performance Report – until wider communication to all stakeholders on 29 November 2017

C-2017-04-05 Students First Transformation

C-2017-04-13 Remuneration Committee Annual Report

29.3 The following papers could be declassified:

C-2017-04-09 Audit Committee Annual Report

C-2017-04-12 Annual Accountability Return 2017 – Financial Commentary

C-2017-04-18 Governance and Nominations Committee confidential minutes

30 REVIEW OF MEETING

The Chair observed that it had been a long meeting. A member expressed concerns about the constraints on time: it was essential to manage the agendas, especially when there were key decisions to be made. The Council Governance Review had recommended that the time spent on presentations should be cut back, and the options for doing this should be investigated further.

31 DATE OF NEXT MEETING

The next ordinary business meeting of the Council will be held on Tuesday 6 March 2018 at The Open University in Ireland, Belfast. There will be a Council Dinner on Monday 5 March 2018.

Keith Zimmerman
University Secretary

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