

THE COUNCIL

Minutes

This paper presents the confirmed Minutes of the last meeting of the Council held on Tuesday 6 March 2018, at The Open University in Ireland, Belfast.

The Council **approved** these Minutes as a correct record at its meeting on Tuesday 22 May 2018.

Keith Zimmerman
University Secretary

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Attachments:

C-2018-01-M Minutes of the meeting of the Council held on 6 March 2018

THE COUNCIL

Minutes of the meeting of the Council held on Tuesday 6 March 2018,
at The Open University in Ireland, Belfast

- Present:** Mr R Gillingwater (Chair), Mrs C Stockmann (Treasurer), Mr P Horrocks (Vice-Chancellor) Mrs N Simpson (President, OU Students Association), Dr J Baxter, Mr S Begbie, Professor J Brooks, Mrs F Chetwynd, Mrs M Curnock Cook, Mr J D'Arcy, Ms R Girardet, Mr P Greenwood, Mrs R Lock, Mr R Spedding, Dr C Spencer, Dr B Tarling, Dr G Walker, Professor J Wolffe
- In Attendance:** University Secretary, Group Finance Director, Interim Chief Operating Officer and Director, External Engagement, Head of Governance, Senior Manager, Governance (Working Secretary)
- Also:** Pro-Vice-Chancellor (Research and Academic Strategy), Executive Dean, Faculty of Arts and Social Sciences (FASS)
- VCE members in attendance for specific items:
- Mr G Mallison, Director of Strategy (Items 1 –12),
Ms F Roberts, Group HR Director (Items 11 – 12)
- Others in attendance:**
- Mr L Hudson, Director of Communications (full meeting)
Dr J Stewart, Chief of Staff, USO (full meeting)
Mr T Martin, Transformation Director (Items 1 – 10)
Ms J Cluer, Director, EY (Items 1 – 10)
Ms S Jamdar, Shakespeare Martineau (Item 9)
- Apologies:** Professor J Draper, Mrs S Unerman

1 WELCOME

The Chair welcomed everyone to the meeting, and thanked John D'Arcy, Director OU in Ireland (OUil), for his briefing on the work of the OUil, and Guy Mallison, Director of Strategy, for his presentation on the shift towards online delivery in the UK, prior to the formal business of the Council.

2 DECLARATION OF INTERESTS

There were no declarations of interest.

3 MINUTES OF THE LAST MEETING C-2017-04-M/CM

The Council **approved** the unconfirmed Minutes and Confidential Minutes of the meeting of the Council held on 28 November 2017.

4 MATTERS ARISING AND ACTION TRACKER C-2018-01-01

4.1 The Chair observed that the actions arising from the last Council meeting were in hand or had been completed.

4.2 The Council **noted** the Council Action Tracker at November 2017.

5 CHAIRS BUSINESS

The Chair reported that he had received a statement from members of the Universities and Colleges Union (UCU) who were also members of the Council. These members, who would otherwise have been on strike on the day of the meeting, had consulted the local OU UCU executive, which had agreed that it was appropriate for these members to attend the Council meeting, given the importance of the matters under discussion. The Chair acknowledged the members' support for the action and thanked them for participating in the meeting.

6 VICE-CHANGELLORS REGULAR REPORT

6.1 The Vice-Chancellor reported on:

External news

- a) the review of post-18 education announced by the Prime Minister, which could provide significant opportunities for the OU as it would consider how to support flexible lifelong learning, including part-time and distance learning;
- b) meetings with Nicola Dandridge, the Chief Executive and Chris Millward, Director for Fair Access and Participation at the Office for Students, and the highly effective presentation provided by the OU Students Association, which had been referred to by Ms Dandridge as "inspirational";
- c) his oral evidence to the cross-party Education Select Committee, as part of their inquiry into value for money in higher education (HE) in England;
- d) the University's prominent role in the Institute of Coding;

Nations

- e) the growth in student numbers in Ireland, Scotland and Wales;
- f) the overall uplift of 2% in the Scottish Funding Council allocation, which was above average for the sector;
- g) the appointment of Louise Casella, as Director of the OU in Wales;

Internal news

- h) the **Academic Excellence Vision** event, which had set out a clearer vision for the academic direction of the University. The event had made a big impact on the University, highlighting the scale of challenge presented by the change programme and opening up a new dialogue with internal colleagues;

- i) three new institutional professorships on:
 - i) The Future of Work and Employability,
 - ii) Mental Health,
 - iii) Artificial Intelligence;
- j) strong recruitment for the February presentation, and the contribution of a positive performance from the Student Recruitment and Support Centres against the quality measures requested by the Senate;
- k) the recent staff survey, which had presented a mixed picture. The commitment of the University's associate lecturers (ALs), surveyed for the first time, was very encouraging. However, whilst 84% of staff were satisfied with their line management, only 25% had confidence in Senior Management to deliver change; and
- l) the Voluntary Severance Scheme to be announced, which would provide staff with an opportunity to put a case for redundancy to their line managers. The terms of the redundancy package would remain the same for subsequent iterations to ensure the University's financial requirements were met.

UCU Action

- 6.2 Referring to the impact of the Universities and Colleges Union (UCU) strike action regarding the pension dispute, the Vice-Chancellor said there had been minimal disruption to tutorials to date, but as the action continued there was an increased risk that students would experience delays in receiving marked assignments. Any savings made on salary payments for those staff taking strike action would be diverted into student mitigation and hardship funds. The ACAS facilitated talks between UCU and Universities UK (UUK) were welcomed. The University supported the position outlined by UUK that the proposed changes to benefits provided a realistic response to the funding challenges faced by the USS scheme. Any further amendments put forward by UCU would have to be within the parameters set out by the Pension Regulator.

HEFCE Annual Provider Review

- 6.3 With reference to the concern raised last year by the Higher Education Funding Council for England (HEFCE) regarding the OU student retention outcomes being below benchmark, the Vice-Chancellor reported that the University had responded with initiatives to address the short fall (More Students Qualifying). This year, HEFCE had indicated that no further action was required at this time, but it was expected that the Office for Students would scrutinise the data at a later date. The latest figures showed that the retention rate for October 2017 (17J) was lower than the equivalent week in 2016 across all faculties. The attainment gap between black and white students also continued to be too wide, at 27.9%.

STUDENTS FIRST TRANSFORMATION (SFT)

- 6.4 The Vice-Chancellor observed that social inclusion and economic prosperity for society continued to be an important part of the OU's mission, but the University was not responding to competition sufficiently fast and using the tools at its disposal to deliver this mission at scale.

- 6.5 Further engagement across the University had been effective in providing greater clarity on some aspects of the Students First Transformation (SFT) programme. There was an increasingly clear vision for an academic community with a teaching focus, where research and scholarship was directed to the needs of students. However, in other areas, there remained challenge in gaining agreement and institutional buy-in. The Learning and Teaching Principles had not yet been approved by the Senate, as members had wished to consider them further in the context of the Teaching Framework. However, it was hoped that the Senate would be persuaded to support both the principles and the framework at its next meeting in April 2018, at which Council members would be present.
- 6.6 The SFT papers were intended to prepare the Council for the significant decisions to be made in May and July 2018. The outline Business Case was provided, and the Council was being asked to ensure that it would have sufficient information, analysis and advice to make the complex risk judgements that would be required later in the year.
- 6.7 The University Secretary introduced the four linked SFT papers noting that at the request of the Chair the paper on Council Decision Making: Preparatory Advice (C-2018-01-05) would be considered before the Student Engagement paper (C-2018-01-04). The first paper on Current Progress (C-2018-01-2), provided an update on the programme, including the achievements to date and lessons learned, and provided more details about progress against agreed milestones. The second paper provided a Forward Look (C-2018-01-03) at the high-level Business Case, which was still being developed, and responded to concerns about priorities within the programme and the phasing of the implementation. The Preparatory Advice clarified the role and responsibilities of the Council, and its relationship with the Senate. The final paper provided the Council with a clear view of the work undertaken with regard to Student Engagement.

7 SFT - CURRENT PROGRESS C-2018-01-02

The Council **noted** the progress of the Transformation.

8 SFT - FORWARD LOOK C-2018-01-03

- 8.1 The University Secretary explained that the SFT implementation had been structured into three phases:
- a) Stabilise and Build, to end of 2019/20 academic year;
 - b) Build and Sustain, to end of 2021/22; and
 - c) Sustain and Grow, 2022/23.
- 8.2 The first phase would respond to the continuing operational deficit by aiming to achieve the OU's financial strategy for a sustainable operating surplus of 2% from 2019/20. The University would seek to take out costs, whilst making progress with student retention and the student experience. During this phase, work would continue to build new capability and capacity within the IT infrastructure, with full implementation of these technologies continuing into the second and third phases of implementation.
- 8.3 The new University would start to take shape in the second phase, as it invested in the strategic capabilities required to transform; whilst in the third phase, the vision would become clear.
- 8.4 The University Secretary presented a slide showing the broad structure of the Business Case to come to the Council in May 2018. It would be an important document, which would provide a definitive statement on, and context for, future decisions; as well as a

broad outline of the implementation plan, which would be more detailed for the first phase. An outline of the timeline for decisions was also shown, with the key milestones being meetings of VCE, Finance Committee and the Senate (attended by the Council) in April, and Finance Committee and the Council in May. The Council meeting in July would be reserved for the consideration of some investment cases and further detail on implementation options.

- 8.5 Members requested that the PowerPoint presentation be circulated to the Council, and observed that the slide summarising the Business Case brought together several themes that were more difficult to find in a text document. In the context of 'digital by design', it was also noted that there were better ways of providing electronic documents to the Council, such as Board Pack. The University Secretary said that the University wished to facilitate this approach.
- 8.6 The phasing, which partly addressed the potential for over complication, was welcomed by members. However, it was noted that the University would need an agile and flexible approach to programme management in order to ensure that activities were not delayed unnecessarily due to rigid scheduling. The Vice-Chancellor said that whilst the phasing provided a framework, there would be a test and learn or progressive approach, particularly with the teaching model, which would cut across and blur the phases.
- 8.7 The Pro-Vice-Chancellor (Research and Academic Strategy) [PVC RAS], remarked that the Stabilise and Build phase was well advanced regarding Academic Excellence, driven by the curriculum review. The proposals arising from the review would be coming from the Teaching Committees to Education Committee later in March, and this would inform the Business Case being presented to the Council in May. The University would be using the future size and shape of the curriculum to model academic needs, using a top down and bottom up approach. The phasing was not just about project management, but was supported by detailed work to inform significant business decisions.
- 8.8 A member enquired whether the timescales currently being considered by the Council were compatible with the recent Senate motion (S-2018-01-11) proposing increased academic engagement and a moderation of the timetable for the SFT programme. The University Secretary replied that the Senate had been concerned about how the University would manage the level of change. The phasing presented in the paper prioritised the most important aspects of the programme and was a good faith response to the Senate's concerns. Members acknowledged that the joint meeting in April 2018 would be an important opportunity for the Senate to engage with the Council on the vision for the University and the steps necessary to secure the transformation.
- 8.9 Whilst the Business Case summary illustrated what the Council would need to see and understand, members observed that more information would be required in some areas; for example, financial data on investment decisions to ensure that the University was committing its resources responsibly. It would be important to draw out the University's capability to execute the changes and to be realistic about what it could achieve, the costs and any contingency. The University Secretary said that there would be an additional meeting of the Finance Committee in May 2018 to consider these matters. The Treasurer remarked that it would be essential to have such information well in advance.
- 8.10 Members also commented that the Business Case summary presented a clear vision and case for change; however, the focus was on cost-cutting rather than the investment that would enable the University to respond to student needs. The case, showing both aspects of the change, should be clearly shown on one page. It was important to be honest and transparent about the financial imperative for change; however, the University could do more to communicate to students the positive aspects of its vision. For example, 'digital by design' could be inspiring and open opportunities for different types of teaching.

The Vice-Chancellor stressed that the transformation programme was not just concerned with cuts; for example, a reduction in unfunded research could enable investment in improvements to student well-being and mental health.

- 8.11 Members discussed the case for investment in new IT systems in the context of the need to improve student retention and experience, and to make cost savings. A Senate member observed that whilst some back-office software did not have a direct impact on students, it provided tutors with better information and more time which could be invested in an improved student experience. Another member commented that the modernised 'University in a Box' should focus primarily on those areas that directly affected students, such as a good student management system and an effective virtual learning environment.
- 8.12 It was noted that the core HR and Finance platforms would require upfront investment to gain benefits, but the case and an indication of when the investment effort would be absorbed was not yet apparent. Typically it took two years for such changes to be embedded. The University Secretary responded that this would be clear in phase two, Build and Sustain: process decisions would be taken in autumn 2018 with a view to commencing implementation in 2019. It was anticipated that the new systems would come online in the 2020 academic year. An effective IT infrastructure would present significant cost savings.
- 8.13 Members commented on the timing and duration of the voluntary severance (VS) scheme. The vision for and direction of the University needed to be fully understood by both individuals, as the context for their personal decisions, and line managers, when making judgements about which staff might be allowed to leave under the scheme. The Vice-Chancellor explained that there would be a window for the first phase, but that it would be made clear that there would be other phases. Individuals who preferred to wait for a later phase would not be disadvantaged, as the terms of the VS scheme would remain consistent over time. There was a broad view of the staff numbers and capability that the University required. The Executive Dean, Faculty of Arts and Social Sciences, added that the staff requirement for the new academic model would become clearer following the curriculum review.
- 8.14 In response to an observation that the initial phase of the VS scheme did not appear to be integrated with the execution phases of the project plan, the University Secretary said that further rounds of VS would be in response to particular aspects of the programme. However, the Vice-Chancellor's Executive (VCE) were of the view that there was capacity to reduce the headcount immediately. It was not known how many applications for VS would be forthcoming, nor how many of those could be agreed, but there were modest expectations of reductions in areas where there was currently surplus capacity or in response to specific changes. It was necessary to achieve a balance between saving costs and moving forward into the transformation with the right staff in place. A similar scheme had helped to reduce costs and initiate the changes at the time of the locations closures.
- 8.15 A Senate member observed that the curriculum portfolio review was an exemplary exercise of a fair, robust and defensible process, which provided a comprehensive analysis of the University's curriculum offer. There was likely to be a small impact on some areas, but it would not affect the OU's core offer. It was unfortunate that the exercise had been associated with cost cutting, as it was important for any university to renew and refresh its curriculum.

8.16 The University Secretary said that VCE would require a clear and decisive response from the Council to the proposals being put forward in May. There would be opportunities for Council members, either in groups or as individuals, to engage with the detailed proposals in advance of that meeting.

9 COUNCIL DECISION MAKING: PREPARATORY ADVICE C-2018-01-05

Minute items 9.1 to 9.4 are presented in C-2018-01-CM (Confidential Minutes).

10 STUDENT ENGAGEMENT IN SFT C-2018-01-04

10.1 The Chief Operating Officer and Director of External Engagement (COO/DEE) introduced the paper, reporting that there had been a good level of engagement with students to date. The SFT programme structure was complex, so interaction over multiple work streams was challenging. However, some issues of substance had been raised, specifically around 'digital by design', the availability of OU books, accessibility and flexibility. The current focus was primarily on the Student Experience and the Teaching Excellence and Innovation transformation work streams.

10.2 The President, OU Students Association observed that there were a number of initiatives outlined in the paper that were still not being implemented. If student engagement was to be meaningful, papers should be written using language that was clear and accessible. A tracker, monitoring student awareness and perceptions of the SFT programme, should provide an indication of the University's success in engaging with the wider student body. In particular, the messaging about the curriculum review needed careful consideration.

10.3 The student member commented that engagement with the OU Students Association had improved over the past six months. In particular, the Student Experience work stream had done much to engage students. However, where consultation did take place, students expected their views to inform decision making. There had been a negative response from students who had been invited to participate in a consultation when it was too late for them to have any influence.

10.4 The University Secretary acknowledged these issues; there had been significant efforts to improve student engagement, but further progress was necessary.

10.5 Members suggested that the University should make clear where feedback from students had been considered and the rationale for the decisions made, perhaps in a 'you said, we did' format. The COO/DEE said that student feedback on 'digital by design' could be made available in this manner.

10.6 Referring to a suggestion made by the President, OU Students Association following the Academic Excellence event and the student member's earlier comment about honesty and transparency, the Vice-Chancellor said that careful consideration should be given to when and how best to communicate with students. The President, OU Students Association, commented that the language used to talk about the transformation was crucial: currently it was business focussed rather than about the student experience. For example, greater emphasis could be given to the messaging about what the OU could do for disadvantaged students.

11 RISK MANAGEMENT C-2018-01-06

11.1 The Director of Strategy introduced the paper, which indicated that the University was still facing a significant number of high (red) risks in achieving its strategic aims, and continued to be a fragile organisation in terms of its core operational capability to deliver change. The way that the University reported risk continued to evolve, and the paper now

highlighted the key changes to the Strategic Risk Register since the last time it was presented to the Council.

- 11.2 The Chair of Audit Committee observed that the risk management process had developed significantly, and recent work to improve risk maturity was outlined in the paper. As well as reviewing the effectiveness of the process, Audit Committee was also responsible for seeking assurance that satisfactory arrangements were in place to manage the risks. A member commented that embedding the culture of risk management should be the next focus.
- 11.3 In discussing the Risk Register, members sought clarification on whether:
- a) there had been any feedback from the University community on the Strategic Risk Register, as it clearly illustrated the case for change. The Director of Strategy replied that some queries had been received on specific risks;
 - b) training would be made available regarding compliance with General Data Protection Regulations (Risk 3.2). The University Secretary replied that the University had commissioned its own online training module, which would be mandatory for all staff. The University was currently considering the impact of the regulations on marketing activity;
 - c) failing to adequately understand and track students' study goals in order to take effective action (Risk 4.1) was a meaningful risk. The Director, Strategy explained that there were genuine constraints which meant that the University did not understand student intentions. It was suggested that the register should state that the systems did not currently allow student intentions to be tracked;
 - d) the risk framework was intended as a tool to be used rather than for the benefit of the meeting: the sub-risks beneath 'OU falls behind in digital innovation' (Risk 6) were not sufficiently compelling in this context. The Director of Strategy responded that the register was continuing to develop and it was difficult to articulate risk at the right level; and
 - e) the risks were debated, or whether there was a process of issuing, owning and updating risks. The Director of Strategy said that there had been an active discussion at the last VCE meeting and that the risks had not simply been delegated.
- 11.4 With reference to recent external developments, members also observed that 'safeguarding' was not identified on the risk register. The Vice-Chancellor responded that assurance had already been sought, specifically with regard to International Development. Other areas to be considered were Summer Schools and Postgraduate Research Students. Statistics on grievances and complaints were being reviewed, but to date there was nothing to indicate any significant issues. The OU's procedures were thought to be strong and the risk low, but the University would be vigilant. It had been proposed that Audit Committee should consider this area to provide assurance that the procedures were sufficient; however, the broader issue about the impact on an organisation's reputation should also be noted.
- 11.5 Members commented that good training was vital and, whilst there was a possible conflict regarding transparency and the law, it was important to regularly review employment procedures such as the use of references. The importance of documenting any discussion in this area was also noted.

11.6 The green status assigned to the work to understand and influence Government in each of the UK Nations was welcomed. The Vice-Chancellor had the highest profile of his peers, which had led to the Prime Minister's statement on the importance of part-time distance learning. The University should not be complacent, but it had improved its position.

11.7 The Council **noted** the risk management developments.

12 EMPLOYEE RELATIONS AND PEOPLE – RISK DEEP DIVE C-2018-01-07

12.1 The Group Human Resources Director introduced the item, reporting that there was no single area of risk with regard to employee relations, but that the accumulation of uncertainty was the greatest concern. The heat map had been developed to help the University to focus on activity that would limit or reduce the impact of the greatest risks.

12.2 Industrial action was in the red zone, and further disputes were to be expected. The OU was not experiencing a greater level of action over the changes to the USS pensions than any other institution, but the broader uncertainty around the organisation made staff more passionate about the issue. The unions were likely to seek a higher settlement in the forthcoming national pay negotiations because of the link with pensions. Locally, the changes to the Charter and Statutes, and specifically Statute 21, would be challenged. It was unlikely that strike action would be taken regarding redundancies during 2018, as the process of negotiation would be ongoing during the year. In response to a member's query, the Group HR Director said that the pensions issue was unlikely to affect the numbers coming forward for voluntary severance.

12.3 The risks around the OU brand and reputation, and adverse commentary on social media were being managed well, albeit reactively, by the Communications Team. An individual staff member had sent information to the press and, even though the subsequent article had been balanced, this was an example of the difficult environment in which the University was working. The communications strategy came within the portfolio of the COO/DEE, who had recently discussed possible approaches with external advisors. The Communications Team had a significant level of experience in this area. The COO/DEE reported that specific support was being made available to the executive regarding communications on the Student First Transformation, and that additional PR activity was being undertaken to manage risk both internally and externally.

12.4 There was no easy solution to the lack of confidence in senior management, but work was underway to improve the situation. The senior team was continuing the dialogue, managing the challenges, endeavouring to be more open and accessible, and demonstrating that it was passionate about the future of the OU. There were no campaigns targeted at specific individuals, but there was a general apprehension about the level of uncertainty and the organisation's ability to change.

12.5 Members commented that the lack of confidence in senior management, as expressed through the staff survey and the responses shown through some committees, was a matter for concern. However, it was unclear whether there was a genuine concern at the abilities of the senior team or a lack of commitment to the vision being put forward. Such attitudes might become corrosive. The Vice-Chair said that Council should do more to support VCE by making it clearer that it was fully committed to the change agenda. The Group HR Director responded that there were some colleagues who had a philosophical disagreement with the approach being taken. However, most staff, if asked the question, 'do you have confidence in senior management', were likely to express their anxieties by indicating that they did not. It was important to change the dialogue.

- 12.6 Members agreed that the survey question was not a reliable mechanism for understanding staff concerns, as there were too many factors involved. Staff could be asked to indicate why they had a lack of confidence in senior management. However, the issue should not be put to one side, as this would provide staff with a justification for their lack of confidence.
- 12.7 Members made the following observations:
- a) it was difficult for staff to understand how the transformation would be possible, so it was essential to communicate how it would be realised;
 - b) better communications were needed to help build confidence that the executive were listening to staff; the 'you said, we did' approach was welcomed;
 - c) resistance to or fear of change was natural, but once the focus was on implementation, attitudes were likely to change;
 - d) as ownership of the various elements of the programme moved away from VCE members, there was greater confidence in the project; and
 - e) the Council seemed remote to many in the University, and it was not apparent how it conducted its business. There was more information in the papers that could be shared and greater transparency via a central hub would be helpful.
- 12.8 The Vice-Chancellor remarked that it was important to keep the discussion of such issues within the University. There was a school of thought that believed that if the outside world knew about the OU's difficulties, then someone would step in to save the institution. However, if this played out as the OU in crisis, then it would have a serious impact on students and frustrate any potential for the University to affect changes in policy.
- 12.9 In response to a question about responding to press enquiries, the Vice-Chancellor said that the arguments and frequently asked questions would be circulated.

13 2017/18 FORECAST OUTTURN

C-2018-01-08

- 13.1 The Group Finance Director outlined the University's financial performance as at the end of October 2017, which had been reviewed in more detail by Finance Committee at its meeting in January 2018. The budgeted deficit for 2017/18 had been £77.3m; however, including the reassessment to allow for the Students First Transformation Programme, the revised forecast deficit was £49.2 million, indicating a significant favourable variance of £28.1 million.
- 13.2 A broad analysis showed that a significant proportion of the variance from budget came from the Students First Transformation Programme, as a result of changes in the anticipated rate and progress of action within certain work streams. However, it was possible that this would continue to change as the outcome of actions became apparent. In May 2018, the Council would be presented with an early view of the financial model for the Students First Transformation.
- 13.3 Tables 2 and 3 indicated that the University's forecast operating deficit was £22.5 million, once items not related to the day to day operation of the OU were removed. Some new recurrent expenditure had not yet been accounted for and the underlying operating position was a deficit of £33 million. Finance Committee had considered the outlook moving forward, which was an operating deficit for the University until 2020.

13.4 In response to members' queries, the Group Finance Director clarified:

- a) that the financial and operating performance of FutureLearn had been in line with budget at October 2017; and
- b) that an improvement in the student retention figures would have a significant impact on the bottom line. The OU currently lost £40 million per annum from all student withdrawals; if the University managed to achieve its improvement target of 6%, it would move into surplus. However, the target aimed to ensure financial sustainability from 2021 and, in the meantime, there were decisions to be made about reinvestment.

13.5 The Council **noted** the 2017/18 forecast consolidated outturn deficit of £49.2 million.

14 GOVERNANCE AND NOMINATIONS COMMITTEE C-2018-01-12A&B

14.1 The Chair reported that a third external co-opted member of the Council, Sue Unerman, was due to reach the end of her first term on 31 July 2018. The Governance and Nominations Committee had recommended her reappointment, but greater executive responsibility in her substantive role meant that she did not have the capacity to take on a second term. A replacement would be appointed.

14.2 The Council:

- a) **approved** on the recommendation of the Governance and Nominations Committee:
 - i) the proposed changes to the Council Standing Orders (GNC-2018-01-08 Appendix 1);
 - ii) the reappointment of:
 - 1) Ruth Girardet
 - 2) Paul Greenwoodas external co-opted members of the Council from 1 August 2018 – 31 July 2022;
 - iii) the reappointment of Paul Greenwood, as one of three lay members of the Council, not being officers of the University or members of the Finance Committee, to Audit Committee from 1 August 2018 – 31 July 2022;
 - iii) the reappointment of Nick Poulter, as one of at least one and not more than four external co-opted members with particular expertise, to Audit Committee from 1 August 2018 – 31 July 2022;
 - iv) the reappointment of Charles Wood, as one of at least two and up to four external co-opted members with particular expertise, to Investment Committee from 1 August 2018 – 31 July 2022; and
 - v) the reappointment of Ruth Girardet and Paul Greenwood, as external co-opted members of the Council, to Governance and Nominations Committee from 1 August 2018 – 31 July 2022; and
- b) **noted** the unconfirmed Minutes and Confidential Minutes of the meeting.

19.4 Members made the following observations:

- a) associate lecturers were not aware of any co-ordinated approach regarding in-depth training of staff to use Adobe Connect more effectively. It was noted that there was some activity, but more emphasis should be given to training tutors, who had a key relationship with students;
- b) the distinction between student satisfaction, student retention and student success should be clarified. The University had targets for each area, and there was a danger that there would be a conflict between different priorities;
- c) in an era of change, students and tutors had not had time to adapt. Other institutions were taking action to score highly in the NSS, and the OU needed to respond on several fronts;
- d) the need for the OU to submit to and to score well in the NSS should be a matter of concern for everyone in the University; and
- e) that executive action was often required to resolve issues of concern to students, for example with regard to confidentiality of information or recording of tutorials.

19.5 The Vice-Chancellor commented that, whilst the University's focus on student retention and satisfaction had improved, there was a lack of appreciation about how much further other institutions had moved. Student satisfaction was fundamental to the accountability of an organisation. Within the University, the extent of autonomous decision making should be balanced against the need for appropriate action to be taken. Data should be more comprehensively shared, so that the University as a whole focussed on issues that mattered to students. The Senate was presented with a regular report on academic performance, but spontaneous discussion in this area was rare. The PVC (RAS) added that more challenge from the Senate on academic performance would be welcomed.

20 ANNUAL STATEMENT ON RESEARCH INTEGRITY C-2018-01-15

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

21 EQUALITY SCHEME – ANNUAL REPORT C-2018-01-16

21.1 The University Secretary reminded members that the University's current Equality Scheme (2016-2020) had been approved by the Council in March 2016. Since then, as a result of rapid change and competing priorities, the University had not made as much progress against its objectives as it would have wished. The Equality Diversity and Inclusion (EDI) Working Group would be undertaking a mid-point review of the Scheme, which would provide an opportunity to align it with the priorities for SFT.

21.2 Members welcomed this approach, and made the following observations:

- a) there was little reference to attracting students from more challenging social and academic backgrounds. The University Secretary responded that the report focussed on equality objectives, rather than the University's achievements regarding equality and opportunity in the round. Equality objective 1a highlighted one area of focus, in which the University was trying to improve awareness of the OU among ethnic minority potential students;
- b) the impact of the OU on disabled students could also be improved: the Joseph Rowntree Foundation had recently highlighted that the employment rate among disabled people in the UK ranged from 35% in Northern Ireland to 50% in England; and

- c) the recent report to the Senate on Academic Promotions (S-2018-01-16) had indicated that fewer women than men were being promoted to senior positions. The PVC (RAS) observed that this was the first year of a new scheme, so it was difficult to identify any trends; however, the data was being reviewed and action being taken.

22 CHAIR'S ACTION

C-2018-01-17

The Council **noted** the action taken by the Chair on its behalf since the last meeting held on 28 November 2017.

23 DECLASSIFICATION OF COUNCIL PAPERS

The University Secretary confirmed that:

- a) the following papers would remain confidential until released alongside other University-wide communications later in March:

C-2018-01-02 Students First Transformation – Current Progress
C-2018-01-03 Students First Transformation – Forward Look
C-2018-01-07 Employee Relations and People – Risk Deep Dive

- b) the following papers would remain confidential:

C-2018-01-05 Students First Transformation – Council Decision Making – Preparatory Advice
C-2018-01-09B Finance Committee Confidential Minutes
C-2018-01-10B Audit Committee Confidential Minutes

- c) the following paper would be declassified:

C-2018-01-12B Governance and Nominations Committee Confidential Minutes

A member suggested that, in the spirit of transparency, the availability of the papers should be promoted once declassified. The University Secretary said that an announcement would be made on OU Life.

24 NEXT MEETING

- 24.1 The Council will attend the meeting of the Senate to be held on Wednesday 18 April 2018 in Milton Keynes.
- 24.2 The next ordinary business meeting of the Council will be held on Tuesday 22 May 2018 in Milton Keynes.

25 REVIEW OF MEETING

- 25.1 The Chair thanked members for participating in constructive discussion at the meeting, and the Director, OU in Ireland for hosting the event.
- 25.2 Members made the following comments:
- a) members should share any thoughts they might have following the lunch time discussions with students with the President, OU Students Association;
- b) it was useful for the Council to visit the Nations and to meet students, as it had an impact on the way the Council made its decisions; and

- c) it would be helpful to publish a summary or digest of what took place at Council meetings, preferably one that was not written by a member of the executive. The University Secretary replied that he would like to find a way to provide such a summary.

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