THE COUNCIL

Minutes

This paper presents the confirmed Minutes of the meeting of the Council held on 9 and 10 March 2020 at the Open University in Scotland (OUiS), Jennie Lee House, 10 Drumsheugh Gardens, Edinburgh, EH3 7QJ

The Council **approved** the Minutes, subject to revisions in minute 8.2 and 24.2, at its meeting held on 12 May 2020.

Jake Yeo
Acting University Secretary

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Attachments:

C-2020-02-M   Minutes of the meeting of the Council held on 9 and 10 March 2020.

THE COUNCIL

Meeting of the Council held on 9 March 2020 at the Open University in Scotland (OUiS), Jennie Lee House, 10 Drumsheugh Gardens, Edinburgh, EH3 7QJ

Session held on 9 March 2020

Present: Malcolm Sweeting, John Wolffe, Barbara Tarling, Bob Spedding, Tim Parry, Tim Blackman, John Brooks, Mary Curnock-Cook, Maggie Galliers, Robert McCracken, Cath Brown, Frances Chetwynd, Anna Henderson, Ruth Giradet, Paul Greenwood, Rachel Lock (via Skype/call)

Apologies: John D'Arcy, Greg Walker, Sandy Begbie, Jovan Byford, Richard Heffernan

In attendance: Jake Yeo (Acting University Secretary), Laura Lauer (Head of Governance), Paul Traynor (Chief Financial Officer), Becky Sexton (Senior Manager, Governance), Sue Thomas (Senior Manager, Governance)

1   DEVELOPMENT SESSION

1.1   Council members participated in a development session on funding of higher education (HE) in Scotland. Susan Stewart, Director, The Open University in Scotland (OUiS) and Kate Signorini, Depute Director (Strategy, Planning & Resources) gave a presentation on the political and public policy context in Scotland. The presentations focused on income streams, the Outcome Agreement with the Scottish Funding Council (SFC), and student number growth and composition. Information was also provided on initiatives currently being prioritised by the OUiS such as those with schools and employers.

1.2   The Council also welcomed Karen Watt, Chief Executive of the Scottish Funding Council to the session. Ms Watt reflected on her first year in her post and spoke of the importance of life-long learning in upskilling the workforce. She also emphasised the importance of reaching sectors of the population who were not part of the workforce and acknowledged the ways the OU challenged traditional ways of providing teaching and learning. In response to questions from the Council, Ms Watt commented that it would be essential to work with employers to ensure students were graduating with the key skills required and the graduate apprenticeship model was an important initiative in that respect.   Many challenges faced the HE sector, such as Brexit, and it would be necessary to critically examine whether current models were still appropriate for the future. The growing number of OU students who were unfunded by the SFC was also acknowledged.

1.3   The Vice-Chancellor reflected that the University was very proud of its Scottish roots and connections and thanked the SFC for the support it provided to the OU.

THE COUNCIL

Meeting of the Council held on 10 March 2020 at the Open University in Scotland (OUiS), Jennie Lee House, 10 Drumsheugh Gardens, Edinburgh, EH3 7QJ

Session held on 10 March 2020

Present:
Malcolm Sweeting, John Wolffe, Barbara Tarling, Bob Spedding, Tim Parry, Tim Blackman, John Brooks, Mary Curnock-Cook, Maggie Galliers, Robert McCracken, Cath Brown, Frances Chetwynd, Anna Henderson, Ruth Giradet, Paul Greenwood, Rachel Lock (via Skype/call), John D'Arcy, Jovan Byford, Richard Heffernan

Apologies:
Greg Walker, Sandy Begbie (Proxy forms received)

In attendance:
Jake Yeo (Acting University Secretary), Laura Lauer (Head of Governance), Paul Traynor (Chief Financial Officer, Sue Thomas (Senior Manager, Governance),
Anna Barber (Director, Strategy) by Skype for minutes 8 and 9,
Dagmara Rochowski, Head of Strategic Planning by Skype for minutes 8 and 9,
Chris Youles, Chief Information Officer, for minutes 13 and 14

2   DECLARATION OF INTERESTS

There were no declarations of interest.

3   CHAIR'S COMMENTS

The Chair welcomed members to the meeting and thanked colleagues in the OU in Scotland for their hospitality. He informed members that item C2 on the agenda would be taken before C1 and the Chief Information Officer would attend for these two items.

4   MINUTES   C-2019-07-M & C-2019-08-M & C-2019-09-M & C-2020-01-M
                                                                                     C-2019-07-CM

The minutes of the ordinary business meetings of the Council held on 26 November 2019 and those held by correspondence during December 2019 and by Skype/call on 4 February 2020 were **approved**.

5   MATTERS ARISING AND ACTION TRACKER   C-2020-02-01

5.1   In commenting on the Action Tracker, the Chair confirmed its function as a log of short-term actions; the Council would still receive updates and reports on major strategic projects as part of its normal business.

5.2   The Council **noted** the Action Tracker.

6	**CHAIR'S ACTION AND BUSINESS**	C-2020-02-02

6.1 The Chair drew attention to the items upon which he had taken action since the last business meeting. He also reported that he had taken action to note, on behalf of the Council, the annual report of the Remuneration Committee, to enable it to be published on the University's website along with the Financial Statements. The Report was appended to paper C-2020-02-17.

6.2 The Council **noted** the action taken by the Chair on behalf of the Council since the meeting held on 26 November 2019.

7	**VICE-CHANCELLOR'S REGULAR REPORT**	C-2020-02-03

7.1 The Vice-Chancellor updated the Council on issues to supplement his written report.

University and College Union (UCU) Strike Action

7.2 The UCU had organised 14 days of industrial action between 20 February 2020 and 10 March 2020. The employer's organisation, the Universities and Colleges Employers Association (UCEA), and UCU had met to discuss the issues behind the action, changes to pensions, pay and working conditions but at present there was no progress to report. The Vice-Chancellor reiterated that the University respected the principles of collective bargaining and did not intend to make independent statements, as other institutions had, on issues such as pensions or pay.

Student numbers

7.3 Numbers were showing as very positive against targets and the University was carefully examining its capability and capacity to support increasing numbers of students.

Strategic Planning

7.4 The Vice-Chancellor reported that the Vice-Chancellor's Executive (VCE) were beginning to look ahead to the next period of strategic planning for the University. Current strategic priorities would continue as benefits would be realised from the Core Systems Replacement programme, new Associate Lecturers contract and Student Success initiatives including the objectives of the Access and Participation Plan (APP). New areas of activity were also being proposed including further investment in staff and students' digital experiences, expansion of micro-credentials, development in the University's offer to younger students and decarbonization. Opportunities for increased investment were envisaged, and the University would need to consider and prioritise these very carefully.

7.5 It was suggested that the University needed to be able to react in a more agile way to opportunities for modular learning. The Vice-Chancellor assured the Council that such capability was being developed as the University progressed its work in creating micro-credentials. The University had also developed strong links at Government level in this area and was working hard to exert influence and shape policy.

7.6 The increases in full-time equivalent (FTE) numbers and increased study intensity were welcomed but concern was expressed that the University must not lose sight of its mission and reduce provision for students studying at lower intensity or who required additional support.

Coronavirus/COVID-19

7.7 The Acting University Secretary explained that the University's Pandemic Planning Committee was meeting on a weekly basis. The Committee had adopted a risk averse stance, currently going further than Government advice on self-isolation and business travel. There were currently no confirmed cases at the University and a small number of staff were self-isolating as a precautionary measure. The Committee had identified the risks associated with the Coronavirus outbreak on student-facing events such as degree

ceremonies, tuition events and examination arrangements. These events were covered within business continuity plans for individual faculties and units and included provision for other forms of assessment or other locations.   The other key risk area for the University was potential effects on staff from the virus, due to either falling ill themselves, being required to self-isolate, or the impact of caring responsibilities. The Chief Information Officer's team was currently evaluating numbers of OU laptops across teams to provide an accurate number of staff who would be able to work from home.   It was pointed out the lead-in time for obtaining laptops was currently rising so accelerated planning was essential.

7.8   The President, OU Students Association urged the University to communicate regularly to students and provide information on when decisions would be made in relation to cancelling events. Students made travel and accommodation arrangements for their families in advance of degree ceremonies and it was important that they had adequate notice of alterations. It would also be important to let students know in advance of changes to tutorial arrangements. It would also be essential to address the disruption likely if local schools were to close and staff had to be absent to look after their families. The University was also urged to make decisions about cancelling face-to-face tutorials soon, so programmes of online learning could be developed to the end of current presentations, thus freeing up staff time for other work.

7.9   The Vice-Chancellor assured the Council that plans were being drawn up to cover skeleton operations if large numbers of staff were directly or indirectly affected and potential attendees at degree ceremonies were being mapped and recorded. A dedicated website had been set up with advice and briefings and posters with preventative advice were visible across all sites.   The Office for Students (OfS) had contacted institutions to seek information on suspected and confirmed cases and contingency arrangements.

7.10   In response to a suggestion from the Council, the Pandemic Committee would meet more frequently as needed in response to a rapidly changing situation. This would enable decisions to be taken on cancelling events to be agile and to respond to changing official advice.

7.11   The Chair requested that the Council be kept informed of developments and be provided with relevant information.

Action: Acting University Secretary

8   INSTITUTIONAL PERFORMANCE UPDATE   C-2020-02-04

8.1   Anna Barber, Director of Strategy introduced the report and drew attention to the enhancements made to the presentation and metrics used in the report. She explained that student recruitment for 2019/20 was performing favourably and predicted to exceed targets by almost 3.0%. Growth in apprenticeship numbers was strong but not expected to achieve the targets set. It was acknowledged that the targets were very ambitious so this growth should be seen in that context. In relation to the median gender pay gap, it was confirmed that the overall position had improved and that the recent change was likely to be related to recruitment of staff on fixed term contracts for areas such as the Core Systems Replacement (CSR) Project.

8.2   The Council commented that performance overall was encouraging. It was noted that income diversification was significantly below ambition and members queried whether the targets or the strategy itself was correct. The Vice-Chancellor confirmed that the targets for 2020/21 would be reviewed as part of the Spring 2020 planning and budgeting round. The Council also noted that the proportion of qualifiers stating that OU study has helped them achieve career and personal goals had declined by 4%. This was disappointing but it was acknowledged that the data was obtained from a survey which was sent to the

cohort, before impact of the Enhanced Employability and Career Progression programme, running from March 2017, and the Careers and Employability Services expansion in 2017 could be evaluated. Further analysis was taking place.

8.3   The Council **noted** the report.

9   STRATEGIC RISK REGISTER   **C-2020-02-05**

9.1   The Chair informed the Council that after discussion with the Chair of the Audit Committee, he considered that the Risk Register required further development to ensure it was aligned to the projects and priorities to which the Vice-Chancellor had referred to in his report.   He suggested that the Register was not discussed in detail at the meeting but that it be fundamentally reviewed to ensure greater correlation between strategic priorities and risks. Members of the Council supported this approach.

9.2   Members drew attention to specific points which required further examination. These included the reference in Risk 2 to all actions being reported as 'on-track' against a revised Core Systems Replacement delivery schedule and inaccurate references to risks linked to the new contract for ALs. It was also noted that risks associated with the coronavirus outbreak were not recorded in the Register.

9.3   The Chair requested that the Chair of the Audit Committee discussed with the Vice-Chancellor and Director of Strategy the most appropriate way for the Audit Committee and the Council to engage with the Risk Register. The Chair of the Audit Committee considered it important for the Council to see a short, focussed report at each meeting, though not necessarily the full risk register. However, the Council should have the opportunity to examine the Register in depth on an annual basis.

Action: Director of Strategy

10   OFFICE FOR STUDENTS: UPDATE   **C-2020-02-06**

10.1   The Acting University Secretary informed the Council that the Office for Students had reviewed the University's Access and Participation Plan (APP), as approved by the Council at its meeting on 4 February 2020 and requested changes. A revised version had been submitted and further feedback had now been received on this submission. In the subsequent revision, extensive comparison data to sector norms had been removed and some flexibility had been incorporated around the targets included in the Plan. The Deputy Vice-Chancellor assured the Council that the further revisions were not substantial and as a result the APP was shorter and clearer.

10.2   The Council expressed concern that the Office for Students (OfS) was requesting changes to a Plan that it had approved as the University's governing body. The Vice-Chancellor reported that Universities UK had formally raised with the OfS the issue of its relationships with the institutions it regulates.

10.3   The Acting University Secretary also updated the Council on the reportable event notified to the OfS and recorded in the confidential minutes of the meeting held on 26 November 2019 (C-2019-07-CM).

10.4   Minute 10.4 is recorded as a confidential minute (C-2020-02-CM).

10.5   The Council **noted** the report.

11   ANNUAL REVIEW OF THE OU-OU STUDENTS ASSOCIATION   **C-2020-02-07**
RELATIONSHIP AGREEMENT

11.1   The President, OU Students Association informed the Council that the proposed changes to the Agreement were minor following a light-touch review. The Association welcomed the reference to student members of formal committees in the academic governance structure and of Boards of Studies being able to share papers, including confidential papers, with members of the OU Students Association Central Executive Committee. This would be very helpful in supporting students in their representative roles. It was hoped that a future iteration of the agreement would permit students to share confidential papers across different Boards of Studies from different faculties.   The Deputy Vice-Chancellor informed the Council that a more extensive review was planned and that this issue would be examined further. In the meantime, the Deputy Vice-Chancellor offered to discuss the Association's suggestions with Executive Deans at a future meeting of the Vice-Chancellor's Executive (Academic).

Action: Deputy Vice-Chancellor

11.2   In response to a question, it was clarified that a student representative on Joint Appointment Committees of the Senate and Council would be in addition to the Council and Senate representatives appointed or elected.

11.3   The Council **approved** the amendments to the Relationship Agreement arising from the fifth annual review.

**12   ANNUAL STATEMENT TO THE COUNCIL ON RESEARCH   C-2020-02-08
INTEGRITY AT THE OPEN UNIVERSITY**

12.1   The Council was informed that in order to comply with the Concordat to Support Research Integrity, the University was required to present a statement to the governing body to give reassurance that the University provided a research environment that promoted and nurtured a commitment to research integrity and that suitable processes were in place to deal with any misconduct.

12.2   The Council considered that the statement was very short and appeared to be part of a bureaucratic exercise that did not significantly enhance the Council's knowledge of or confidence in the University's procedures. The Vice-Chancellor assured the Council that the research environment was highly regulated across the sector and the University had robust processes to deal with matters such as disputes over research integrity, fraud or misrepresenting results.

12.3   The Council **noted** the sixth Annual Statement on Research Integrity at The Open University.

**13   CORE SYSTEMS REPLACEMENT PROGRAMME (CSR):   C-2020-02-10
LESSONS LEARNED**

13.1   The Chair of CSR Programme Delivery Board introduced the report and explained that it presented the findings of a review to identify lessons learned from the decision to pause the CSR Programme in January 2020 and provided 18 recommendations on actions to operationalise those learnings. The Report had drawn attention to the challenging timescales set, working relationships with the University's systems partner itelligence UK, the role and size of the Delivery Board, ineffective communications between teams and a lack of balance between IT and overall drivers of change. The Report also concluded that the role of the assurance teams required clarification so all involved could see the benefits. A framework devised jointly by the Internal Audit Team and PA Consulting who were also providing assurance was now in place and this had been well received by the Delivery Board.

13.2   The Chair of CSR Programme Delivery Board informed the Council that the revised Plans for the project were not yet available, but it was hoped that these would be ready to report to the meeting of the Audit Committee on 24 March 2020.

13.3   The Chair thanked the Chair of CSR Programme Delivery Board for a very helpful and thorough report. The Council reflected that the University had several major projects ongoing, including the CSR programme and the new AL contract which would have major impacts on the University over the next three to five years.   It was crucial that these projects were delivered well. The Council was therefore concerned that it lacked clarity in relation to how these initiatives would transform the University and also how it would be perceived and positioned in the future. The update reports provided did not give the Council a strategic oversight particularly on the Student Life cycle phase of the CSR Programme. The Council also considered it lacked insight as to how ways of working within the CSR Programme and provision of assurance would be improved. It also wished to have a greater understanding of the revised timetable and budget for the Programme following the pause.

13.4   The Vice-Chancellor considered that it was important to acknowledge that the University had taken the difficult decision to pause the CSR Programme in January 2020 once problems were identified following User Acceptance Testing (UAT). He also reminded the Council that the decision to commence the CSR Programme had been taken at a time when the senior management team of the University was undergoing significant change and it was inevitable this would impact upon engagement. The senior team was now stable but working with decisions taken before several key appointments were in place. This point was acknowledged but members requested that both the Council and the Vice-Chancellor's Executive needed assurance that the right skills and capacity were in place to ensure delivery.

13.5   The Chair of the Audit Committee agreed that it had been a brave but appropriate decision to pause the project, but he had hoped that more progress would have been made by now on re-planning and budgeting.

13.6   Members of the Council reflected on the culture around the CSR Programme and supported the need to improve collaborative working, provide clear information and involve students more, particularly in the Student Lifecycle Phase of the Programme. The complexities of the project were acknowledged, and members emphasised that business areas needed to engage very closely with it, and it should not be seen simply as an IT systems initiative. It was also important to avoid any type of blame culture for the problems which had been identified.

13.7   Questions were also raised in respect of the working relationships with itelligence UK and the clarity of the brief that had been received. Greater agility was required across the project and improved ways of working would be crucial to supporting the Chief Information Officer to progress the project and succeed in achieving its aims.

13.8   The Council was informed that the report did not include any reference to the software recently purchased for examinations and assessment. The system was currently being demonstrated to Associate Lecturers (ALs)and initial feedback had not been wholly or universally supportive. The Chief Information Officer was asked to discuss the issue with AL representatives.

Action: Chief Information Officer

13.9   The Chief Information Officer reiterated to the Council that once issues had become apparent during the UAT phase, the risks were identified, and the project was paused. He expressed the view that the project had been highly collaborative pointing to the work with the finance element of Enterprise Resource Planning (ERP) as a prime example. A high

level of assurance and governance had been provided around the project and new appointments to VCE were supportive of the ongoing work. It was acknowledged that further work was required around the Student Life Cycle phase, however efforts were currently focussed on the revised plans for the implementation of the ERP phase. The Chief Information Officer reported that the project teams were very eager to focus on the future of the CSR project but the assurance cycle, while necessary, was consuming more resource than anticipated. It was hoped that the proposed separation of the two areas of the project (Student Life Cycle and ERP) would reduce duplication of assurance and free capacity.

14   CORE SYSTEMS REPLACEMENT PROGRAMME (CSR): UPDATE   C-2020-02-09

14.1   The Chief Information Officer presented an update on the CSR Programme and explained that the revised plan for the project was being drafted. In accordance with the lessons learned from the first experience, further time had been factored in to complete more data migrations in order to ensure an improved integrity of the data in the live system. The Chief Data Officer was leading this work. Teams were working in an agile way supporting different areas with different capabilities and more time had been incorporated into the plans for business teams' user testing.

14.2   Responding to points raised, the Chief Information Officer confirmed that further work was required on the Student Life Cycle phase of the CSR and this would include involvement with the student body. Capability at the University was supplemented by the engagement of expert partners and although there had been issues at senior level, at operational level teams worked well together. There had been concern at the end of 2019 over the levels of stress the teams were under and consultants had been brought in to deliver a well-being programme for all staff. This had been well received and helped strengthen collaboration between teams. The Chief Information Officer also confirmed that work around the strategic priority to improve the digital experience for staff and students was beginning and the benefits of implementing the CSR were crucial in this area.

14.3   In response to a question, the Chief Information Officer agreed that the report on lessons learned had addressed the key issues affecting the decision to pause the CSR programme. The Chair reflected on the concerns expressed that the assurance requirements were affecting the project and the Chief Information Officer stressed that reporting requirements to various governance and assurance bodies were on the verge of overwhelming the team. The Chair emphasised the key role governance bodies played in the delivery of the project and the Chief Information Officer explained that different models were under consideration to streamline project assurance and governance. The role of PA Consulting who were engaged to provide assurance around the project had changed as efforts focussed on the implementation of the ERP phase. However, since the pause, its role had reverted to its original focus of providing robust challenge and dynamic assurance.

14.4   The Chief Financial Officer assured the Council that significant work was now underway to implement the ERP phase by November 2020 and his joint sponsorship of the CSR project with the Group People Director would support the Chief Information Officer to demonstrate the wider business benefits.

14.5   The Chair reflected that although the discussion of the two papers related to the CSR had been robust and challenging, positive aspects must be drawn from it. The Council understood the size and complexity of the project and wanted to be constructive and support the teams involved. The Chair requested that the Chairs of the Audit and Finance Committees discuss with the Chief Information Officer the specific points raised in relation to accountability, capability and capacity and also with the Chair of the Delivery

Board and University Secretary to embed and monitor the recommendations from the lessons learned report.

14.6 The Council **noted** the report.

15   SUSTAINABILITY: UPDATE

This item was deferred to the next meeting.

16   ASSOCIATE LECTURER CONTRACT: UPDATE   **C-2020-02-11**

16.1 The Chair reported that the Council had discussed the paper at its pre-meeting, and it was noted that the implementation of the new contract for associate lecturers (ALs) was one of the key strategic projects for the University. Concern had been expressed, however, that there appeared to be some similar issues related to strategic oversight as had been discussed with the CSR Programme.

16.2 The Council expressed concern that the paper did not include any timeline for the project, making it difficult for members to understand the timings of the stages. It was not clear from the paper when the skills audits would be completed yet the implementation date was less than a year away. There also appeared to be no indication in the paper of the governance structure for the project.

16.3 The Deputy Vice-Chancellor agreed that the timeline should have been included in the paper and it would be circulated to the Council.

Action: Governance Team

16.4 The Deputy Vice-Chancellor informed the Council that the first stage of the Skills Audit pilots had been completed and the learning from this experience was informing the second phase which was due to start imminently. It had been challenging to progress negotiations during the recent strike action, but the project was still progressing to time. It was suggested that more communications would be beneficial, particularly to staff tutors and ALs. There also appeared to be a lack of clarity over the budget for the project. The paper reported an increase of 20% yet the Forecast Outturn paper (C-2020-02-14) did not appear to show this.

16.5 The Council commented that the benefits and advantages of the new contract for ALs was not clear from the information provided. It would be helpful to have a strategic perspective of the roles envisaged for ALs following implementation. Although AL UCU members had voted in favour of the new contract through collective bargaining agreements, it was unclear how ALs felt about their new contractual arrangements or how those benefits were being communicated to them. It was acknowledged that ALs were the vital point of contact for students with the University and concern was expressed that many experienced tutors might apply for voluntary severance in phase 2 of the AL voluntary severance scheme. This was a major risk for the University and members feared this risk had not been adequately identified. It was also unclear how the new contract would incentivise ALs to perform well to support students and this needed to have greater prominence.

16.6 Members drew attention to reports that the culture of the project Steering Group was one of focusing on completion, and not always actively engaging with those most affected. The Deputy Vice-Chancellor explained that the new contract would provide significant benefits for ALs, students, and the University, however the scale and complexity of the project, as well as the confidentiality around union negotiations, might have meant that ALs perceived a feeling of distance from the ongoing work. The project team was working very closely with the CSR project teams to ensure compatibility and cohesion. The Deputy Vice-

Chancellor emphasised that colleagues must feel able to challenge and question the project's work and she would report the concerns expressed.

Action: Deputy Vice-Chancellor

16.7   The Vice-Chancellor emphasised that the project was ongoing and agreed that the Council must have a clear understanding of its aims and objectives. The sponsorship of the project had recently transferred to the Group People Director to reflect its focus on staff and institutional culture. He acknowledged that this was a significant project for the University and its benefits had not been surfaced sufficiently. The Project Team were conscious of this and were working to clarify this aspect of the project.

16.8   The Chair suggested that some key lessons learned from the CSR Programme might usefully be reflected upon in this project. He requested that at the next meeting the Council be provided with a greater insight and understanding of the component parts to the project including the timelines, funding and strategic vision.

Action: Deputy Vice-Chancellor/Group People Director

16.9   In response to a question, the Chair of the Audit Committee confirmed that the Committee had not considered the project but suggested it might be appropriate for the Internal Audit Team to conduct a review in the first instance.

16.10   The Council **noted** the report.

17   FUTURELEARN: UPDATE   **C-2020-02-12**

17.1   Members of the Council noted the diagrammatic representation of management and governance arrangements for the University's interests as a shareholder in and academic partner of FutureLearn. It was suggested however that the Council should be provided with a clearer vision of the University's strategy as a working partner of FutureLearn and the budgetary requirements.

17.2   The Council also sought assurance that the University would be able to operate in a sufficiently agile way to produce microcredentials. The Deputy Vice-Chancellor explained that the University was experimenting with different models to produce a very different product for the University. Recruitment was underway for a Director of Microcredentials and a report on progress would be presented to the meeting of the Council in July 2020.

17.3   The Council **noted** the report.

18   STRATEGIC IMPLEMENTATION PLAN FOR WALES 2019/20   **C-2020-02-13**

The Council **noted** the University's Strategic Implementation Plan for Wales 2019/20 and supplementary information for submission to the Higher Education Funding Council. The University would be informed by 12 March 2020 if any revisions were required and the Council would be kept informed

Action: Governance Team.

19   FORECAST OUTTURN   **C-2020-02-14**

19.1 The Chief Financial Officer introduced the report and explained that it maintained the usual format, however the intention in future was to restructure the report to include more trend data and separate operating and strategic expenditure. The report showed a positive position with an operating surplus of £7.6m, which was a favourable movement of £0.2m. Student numbers had increased which had resulted in increased income and expenditure on strategic change was not expected to increase further.

19.2 The Chair of the Finance Committee reported that the Committee was examining ways of improving reporting to the Council. The Chair thanked the Committee for its scrutiny and suggested it would be helpful for the Council to gain a better understanding of finance in relation to faculties and the nations.

19.3 The Council **noted** the 2019/20 consolidated forecast outturn surplus of £37.1m which incorporated the current year financial forecast for the Universities Superannuation Scheme (USS) deficit recovery of a decrease in the provision of £61.9m and £52.2m of strategic change expenditure. The forecast surplus of £37.1m represented a favourable variance from budget of £4.0m and was subject to the risks identified in the paper

| **20** | **FINANCE COMMITTEE** | **C-2020-02-15A & C-2020-02-15B** |

20.1 The Council sought clarification of minute 8.4 of the meeting held on 28 January 2020 and the reference to the relationship between research activity costs to student income. This was not considered to be correct and it was agreed to re-examine the wording of the minute.

Action: Chief Financial Officer

20.2 The Council **noted** the minutes of the meetings of the Finance Committee held on 18 November 2019 and 28 January 2020.

| **21** | **AUDIT COMMITTEE** | **C-2020-02-16** |

The Council **noted** the minutes of the meeting of the Audit Committee held on 28 January 2020.

| **22** | **REMUNERATION COMMITTEE** | **C-2020-02-17** |

22.1 The Chair of the Remuneration Committee informed the Council that the Committee had agreed some parameters within which management could take decisions, while allowing the Committee to maintain oversight. This was due to progress made by the University in developing robust processes to enable the Committee to take assurance. This allowed the Committee to focus on strategic issues. This was proving very valuable and issues such as performance management and variable pay had been discussed.

22.2 The Council **noted** the minutes of the meeting held on 30 January 2020.

| **23** | **THE SENATE** | **C-2020-02-18** |

The Council **noted** the minutes of the meeting of the Senate held on 22 January 2020.

| 24 | **GOVERNANCE AND NOMINATIONS COMMITTEE** | C-2020-02-19 |

24.1 The Chair drew attention to a number of vacancies that would be coming up on the Council over the next one to two years. The Committee would be looking at ways to recruit new Council members and increase diversity. It was noted that two of the vacancies related to Council members whose expertise related to Wales and Scotland; input from the Nations on these appointments would be sought.

24.2 The Council:

a) **approved** the reappointment of:

i) Erika Lewis to Audit Committee for a second term to 31 July 2024 and

ii) Caroline Banszky to Investment Committee for a second term to 31 July 2024

b) **noted** the minutes of the meeting held on held on 29 January 2020

| 25 | **ACADEMIC GOVERNANCE REVIEW: UPDATE** | C-2020-02-20 |

25.1 Members of the Council reiterated the importance of the Senate providing assurance of academic quality and standards for the Council. There was concern that although there was extensive consultation this had not resulted in clear priorities for implementation. Members asked for clarification of the role of Council members, both as members of the Academic Governance Advisory Group (AGAG) and the members nominated by Governance and Nominations Committee to provide a Council perspective on the work. The Head of Governance assured the Council that the Academic Governance Advisory Group had made significant progress since the update report was compiled. The group's report and recommendations would be presented to the Senate at its meeting on 1 April 2020 to which Council members were invited. The Head of Governance agreed to provide a summary of Council roles relating to the Academic Governance Review.

Action: Head of Governance

25.2 The Council **noted** the report.

| 26 | **DECLASSIFICATION OF COUNCIL PAPERS** |

The confidential papers for the meeting were:

Paper Number	Title	Classification
C-2019-07-CM	Confidential Minutes November 2019	Remain Confidential
C-2020-02-09	CSR Update	Will be declassified
C-2020-02-11	AL Contract Update	Remain Confidential
C-2020-02-12	FutureLearn Update	Will be declassified
C-2020-02-15B	Finance Committee confidential Minutes	Remain Confidential
C-2020-02-16	Audit Committee Confidential Minutes	Remain Confidential
C-2020-02-17	Remuneration Committee Confidential Minutes Report is not confidential	Remain Confidential

27   DATE OF NEXT MEETING

The Council would attend the meeting of the Senate to be held on 1 April 2020 in Milton Keynes.

The next ordinary business meetings of the Council would be held in Milton Keynes on:
12 May 2020
14 July 2020

Jake Yeo
Acting University Secretary
jake.yeo@open.ac.uk

Sue Thomas
Working Secretary to the Council
sue.thomas@open.ac.uk