

## THE COUNCIL

### Minutes

This paper presents the confirmed Minutes of the last meeting of the Council held at the OU in Wales on 10 May 2022.

The Council **approved** these Minutes as a correct record at its meeting held on 5 July 2022.

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University Secretary

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Attachments:

C-2022-02-M          Minutes of the Meeting of the Council held on Tuesday 10 May 2022

## THE COUNCIL

Minutes of the Meeting of the Council held at the OU in Wales on 10 May 2022.

Participants: Malcolm Sweeting (in the Chair from minute 5), John Brooks (in the Chair for Minutes 1 to 4), Tim Blackman, Robert McCracken, Sarah Jones, John D'Arcy, Carol Howells, Rukhsana Malik, Rob Parker, Eileen Scanlon, Danielle Smith, Catherine Halliwell, Sas Amoah, Paul Greenwood (via Teams), Rachel Lock, Lopa Patel, Ceri Doyle, Tevin Tobun (via Teams), Paul Kett.

Apologies and proxy forms received from: Paul Gray, Andrew Dickinson

In attendance: Dave Hall (University Secretary), Camilla Briault (Assistant Director, Governance), Paul Traynor (Chief Financial Officer), Sue Thomas (Senior Manager, Governance), Suzanne Butler (Governance Assistant).

Joined for specific items:

In person: Andy Hancock, CEO FutureLearn (minute 8)

Via Teams: Haf Merrifield, Director, Strategy (minute 12), Kevin Shakesheff, PVC Research, Enterprise and Scholarship and team members, Jake Yeo, Helen Fisher, Gemma Maldar (minute 13), Ceri Rose, Director of Marketing (minute 14), Louise Cassella, Director, OU in Wales (minute 15), Josie Fraser, Deputy Vice-Chancellor (minute 16)

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*John Brooks, Vice-Chair took the Chair for Agenda items A1 to A3.*

### 1 WELCOME AND OPENING REMARKS

The Vice-Chair welcomed Paul Kett to his first meeting of the Council. The Council also thanked the OU in Wales Team for their hospitality.

### 2 DECLARATIONS OF INTERESTS

There were no declarations of interest.

### 3 MINUTES

**C-2022-01-M & C-2022-01-CM**

The Council **approved** the minutes and confidential minutes of the meeting held on 1 March 2022 subject to the following amendment:

Minute 6.3 to read: (insertions in *italics* and deletions in ~~strike through~~)

- d) Reiterated that the Government consultation was on the introduction of minimum eligibility requirements for student loan finance and not university admission. Although OU students varied the intensity of their study patterns, all OU undergraduate students were registered as part time. *and The consultation proposed part time and mature students were exempt from the proposals.* The situation would be monitored carefully.

**4 PRO-CHANCELLOR APPOINTMENT C-2022-02-01**

- 4.1 The Vice-Chair explained that the process for the reappointment of the Pro-Chancellor as agreed by the Council at its meeting on 1 March 2022 had been completed and the unanimous view of all those who had participated was that Mr Malcolm Sweeting should be re-appointed for a further term of four years.
- 4.2 The Council **approved the recommendation from Governance and Nominations Committee and confirmed** the reappointment of Malcolm Sweeting as Pro-Chancellor for a further term of four years, to 31 December 2026.

*Malcolm Sweeting, Pro-Chancellor, joined the meeting at this point and took the chair.*

**5 MATTERS ARISING AND ACTION TRACKER C-2022-02-02**

The Council **noted** the Action Tracker.

**6 CHAIRS REPORT**

- 6.1 The Chair thanked the Council for its support in re-appointing him for a second term as Pro-Chancellor. He emphasised his pride in the University and considered it a great privilege to be in the role.
- 6.2 The Chair welcomed Paul Kett as a newly appointed member of the Council and reported that Professor Dame Julia Goodfellow would join the Council from 1 August 2022. The process for recruiting two further members of the Council from 1 August 2022 was continuing along with recruitment of external co-opted members to the Audit and Investment Committees.
- 6.3 For clarification, the Chair confirmed that although two apologies for absence had been received, the absent members had submitted proxy forms to ensure quoracy should votes be required on any agenda items. He assured members that the request for submission of proxy forms from members intending to be present had been a contingency measure to ensure quoracy in the event of unforeseen absence and these would not be used.
- 6.4 The Council **noted** the report.

**7 VICE-CHANCELLOR'S REGULAR REPORT C-2022-02-03**

- 7.1 In reflecting on some of the issues raised in his report the Vice-Chancellor commented that:
- a) the current economic position was likely to be challenging for the University. Early warning indicators relating to recruitment were being carefully monitored though it was currently too early to make predictions for the October 2022 (22J) intake of students. The paper on emerging financial issues (C-2022-02-07) would examine in detail the considerable financial pressures ahead for the University however the intention was to grow income to enable the University to return to an operating surplus.
  - b) the University had responded robustly to the consultation from the Office for Students (OfS) on *A new approach to regulating student outcomes* and on *Constructing student outcome and experience indicators* emphasising that achievement of module credit should be regarded as a positive outcome for regulatory purposes.

- c) national pay bargaining had commenced, and a final employers' offer had been made with a total cost of approximately 3%. This fell short of the University and College Union (UCU) demands on pay. The University had increased its staff budget to relieve pressures on staff, but it was experiencing challenges in recruiting staff.
- d) the outcome of the Research Excellence Framework (REF) assessment had been communicated but was currently embargoed until 12 May 2022. Further information would be circulated to the Council.

7.2 The Council:

- a) enquired whether the current labour market changes which included a decrease in workers aged 50 and over would have an impact on student recruitment. The Vice-Chancellor reported that segmented market research by age group was underway to investigate study intention. The launch of new curriculum and a recruitment campaign would have a positive impact on student numbers.
- b) reflected that several significant issues were facing the University including economic pressures, student numbers returning to pre-pandemic levels, progression rates falling and uncertainty in respect of the USS Pension and staffing issues. The Council sought assurance that the new University Strategy incorporated the right strategic approach to face these challenges. The Vice-Chancellor emphasised that the new strategy was the right approach and staff were very motivated towards the strategy. He emphasised that overall the position was positive though he acknowledged the University was facing the risk of downside scenarios materialising. Significant work was underway to enable the University to return to an operating surplus.
- c) reflected that the Audit Committee had previously supported the provision of laptops by the University to all Associate Lecturers (ALs). The Vice-Chancellor reiterated that provision was not standard, but to satisfy the criteria for national cyber-essentials accreditation, they were being provided where it was not possible to install new security software on personal devices. Demand had been higher than expected.
- d) commended the work to support refugees coming into the UK from Ukraine and hoped this could be extended to all refugees. The Vice-Chancellor informed the Council that the University had recently launched the Open Futures Sanctuary Scholarships to support all people displaced by conflict or crisis to build a brighter and better future. The University was also working to become recognised as a University of Sanctuary.
- e) congratulated Julia Barkans, Head of the OU's Laboratory Facilities who had won the international award of 'Excellence in Lab Leadership' and hoped it would be possible to visit the laboratories on the campus at a future meeting.

7.3 The Council **noted** the report.

**8 FUTURELEARN C-2022-02-04**

Minutes 8.1 to 8.8 are recorded as Confidential Minutes (C-2022-02-CM).

**9 ACCESS AND PARTICIPATION PLAN (APP): VARIATIONS FOR 2021-24 C-2022-02-05**

The Council:

- a) **noted** the request from the Office for Students for providers to produce Variation documents detailing how they will address the new priorities in the 2023/24 academic year, ahead of the submission of new APPs for the period 2024/25-2027/28
- b) **agreed** that approval of the Variation could be delegated to the Vice Chancellor's Executive.

**10 2021/22 FORECAST OUTTURN C-2022-02-06**

The Council **noted** the 2021/22 consolidated forecast outturn.

**11 EMERGING FINANCIAL ISSUES C-2022-02-07**

11.1 The Chief Financial Officer reported that:

- a) the paper set out the risks the University faced in achieving its latest financial forecasts because of the demographic changes impacting its traditional recruitment market, changes in Government policies which might further restrict recruitment, the impending fee cap, the cost of living crisis, and inflation.
- b) planning was underway to steer a course back to a 2% operating surplus by 2024/25 but this was dependent on a degree of financial constraint over the next two years, and other initiatives such as extending our curriculum, reviewing the estate, and improving student retention.

11.2 The Council:

- a) sought clarification on increasing staff costs as detailed in the financial forecasts submitted to the Office for Students in November 2021
- b) questioned the intentions to implement efficiencies as part of a review of the University's teaching model to identify efficiencies. It was essential that efficiencies did not have a negative impact on services provided to students and that the benefits and opportunities that could be achieved required careful articulation.
- c) enquired about the setting of fees in relation to the background context of rising inflation.

11.3 The Chief Financial Officer and Vice-Chancellor explained that:

- a) the staff costs submitted to the OfS in Appendix A of the paper included costs of employment such as national insurance and pension contributions. The University had invested in staff capacity to support student demand. This was a vital but significant resource which was having a positive impact.
- b) the intention of making efficiencies was to improve operations in a positive way, leading to growth in income and enabling investment in both staff and technology. Improvements in quality would be at the heart of seeing how the University could improve how it operated.
- c) the University was required to publish its fees in advance and an increase was set based on the Retail Price Index (RPIX) at a given point.

11.4 The Council **noted** the report.

**12 INSTITUTIONAL PERFORMANCE REPORT C-2022-02-08**

- 12.1 The Council:
- a) requested further clarification on the detailed measures which contribute to the student success metrics in the report, and comparative data between nations
  - b) noted the growth within the staff sickness absence data attributable to depression/anxiety and enquired whether the University had any plans to investigate this further.

12.2 The Director of Strategy and Vice-Chancellor reported that:

- a) retention of students to the completion of their studies was essential to the University. The Pro-Vice-Chancellor (Students) was leading on a range of measures to support students with their studies and result in improvement in retention and attainment. Further information on these measures would be provided to the Council at its Autumn meeting.

**Action:** Pro-Vice-Chancellor (Students) and Director of Strategy

- b) several initiatives had been launched in relation to staff support and wellbeing. A Staff Engagement Survey was currently underway, and it was hoped this would provide information to help understand more about sickness absences.

12.3 The Council **noted** the report.

### **13 RESEARCH PLAN UPDATE**

**C-2022-02-09**

13.1 The Pro-Vice-Chancellor Research, Enterprise and Scholarship (PVC-RES) gave a presentation on the new Research Plan for the University. The Plan had been devised after extensive consultation and engagement and responses had been very positive. The Plan would be presented to the Senate for approval at its meeting on 22 June 2022.

13.2 The Research Plan set out the implementation of the research aspects of the new University Strategy. It proposed five activities to develop multidisciplinary collaboration, create a diverse staff and research student environment, strengthen open research and build on existing strengths and improve processes.

13.3 The Council welcomed the Plan and enquired:

- a) whether the outcome of the Research Excellence Framework (REF) assessment would have any impact on the draft Research Plan.
- b) if the draft Plan would assist in raising the external profile of the University's research.
- c) sought further information on how the allocation of internal funding for research and access to development opportunities would be monitored. It would also be important to ensure academic staff had sufficient time to work on research and prepare bids for funding.

13.4 The PVC RES:

- a) explained that the REF assessment was an evaluation of previous research and that the Plan was focussed on the future.
- b) reflected that in some areas the University's research profile was very high. The Plan proposed the establishment of an external advisory board chaired by the

University Chancellor and one of its functions would be to raise awareness of the University's research.

- c) assured the Council that equity of opportunity would be a key measure of success for the Plan, and it would be monitored carefully. The issue had figured strongly in stakeholder engagement. The RES Team would also work with faculties to enable staff to use time allocated for research.

**14 BRAND UPDATE C-2022-02-10**

14.1 The Director of Marketing Communications gave a presentation to the Council and explained that in June 2022 the University would launch a new brand platform, creative route and refresh of its visual identity. This would present the University as relevant and motivating and drive emotional engagement. The visual designs would be bold and dynamic and embody key principles of accessibility and energy. The internal brand position would focus on the 'University of Possibilities' and the emphasis of the external campaigns would be on "The Future is Open".

14.2 The Council **welcomed** the new brand platform and visuals.

**15 THE OU IN WALES: UPDATE C-2022-02-11**

15.1 The Director, OU in Wales, welcomed the Council to the OU in Wales and gave a presentation on the activities, levels of growth, collaborations and progress being achieved in Wales. In particular, the Director drew attention to the positive relationship between the OU in Wales and HEFCW, which has recognised the role the University has played in driving growth in part time undergraduate numbers in Wales at a time when numbers have been declining at other Welsh universities.

15.2 The Council welcomed the positive report and recorded its thanks to the staff in Wales for their hard work and achievements and in particular the focus on social partnerships.

15.3 The Council **noted** the report

**16 OU STUDENTS ASSOCIATION QUARTERLY UPDATE C-2022-02-12**

16.1 The President, OU Students Association:

- a) presented a report on the Association's recent elections which had resulted in twice the number of nominations from previous years
- b) reported on activities including progress with the 50<sup>th</sup> anniversary celebrations and strategic projects.
- c) recorded thanks to Rob Avann, Chief Executive who was leaving the Association after 10 years to take up a new role.

16.2 The Council **noted** the report.

**17 ASSOCIATE LECTURER CONTRACT PROGRAMME: UPDATE C-2022-01-03**

17.1 The Deputy Vice-Chancellor informed the Council that:

- a) the project focus was now firmly on priorities for full implementation of the contractual changes by August 2022.
- b) the status of the report remained at red due to the timescales, but progress was positive and there was optimism in the Programme Team on the implementation of

the contractual changes for associate lecturers (ALs). A dress rehearsal for implementation was planned for one month ahead of the implementation date.

- c) a programme of collaborative working between the programme and faculties was underway focussing on business readiness. This remained the highest risk area.
- d) additional attention was being given to communications with staff tutors (as AL line managers) and ALs with dialogue being encouraged. Guidance was being written to illustrate the contractual changes and help individual ALs understand how the changes would impact them personally.

17.2 The Council:

- a) noted the scale and complexity of the Programme, the ongoing uncertainties as several issues remained to be resolved through negotiation with UCU, and consequent pressure this was putting on staff tutors, associate lecturers and all the staff involved in its implementation.
- b) requested that regular reports continue to be presented to the Council.

## **18 STUDENT SYSTEMS PORTFOLIO: REPORT FROM THE AUDIT COMMITTEE C-2022-02-14**

The Council **noted**:

- a) that the focus of the extraordinary meeting of the Audit Committee on 25 April 2022 had been on the governance, assurance and roles and responsibilities within the portfolio. The Chair of the Committee had subsequently clarified the role of the Portfolio Director with the University Secretary.
- b) that the business case including a cost benefit analysis for the portfolio was being drafted for presentation to Council.

## **19 ERP UPDATE**

**C-2022-02-15**

19.1 The Chair of the ERP Delivery Board and Chief Financial Officer reported that:

- a) the Programme Team had worked to embed the implementation of the core components of ERP 1 as well as planning for the implementation of ERP 3 (Recruitment, Onboarding and OpenText). This work was in parallel with the Associate Lecturer Contract Programme to ensure alignment across dependencies.
- b) a review of the SAP payroll system examining processes and system functionality to identify improvements had been commissioned by KPMG. The outcome would be reported to the Audit Committee and the Council.

19.2 The Council **noted** the report.

## **20 FINANCE COMMITTEE**

**C-2022-02-16**

The Council **noted** reports of meetings held on 18 March 2022, 22 March 2022 and 3 May 2022

## **21 GOVERNANCE AND NOMINATIONS COMMITTEE**

**C-2022-02-17**

The Council **noted** the report of meetings held by correspondence during March and April 2022



**22 REMUNERATION COMMITTEE C-2022-02-18**

The Council **noted** the report of the meeting held on 24 February 2022

**23 THE SENATE C-2022-02-19**

The Council **noted** the report of meeting held on 30 March 2022

**24 COUNCIL: FORWARD PLANNER C-2022-02-20**

The Council **noted** a report on future business being presented to the Council

**25 DATES OF NEXT MEETINGS**

5 July 2022 - Online

27 September 2022 - Council Development Day in Milton Keynes

12 October 2022 – Council members to attend meeting of the Senate

22 November 2022 – Milton Keynes

07 February 2023 – Online

09 May 2023 – Belfast

11 July 2023 – Online

Further information on venues and arrangements would be issued when available

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