

## COUNCIL

### Minutes

This paper details the confirmed Minutes of the last meeting of the Council held on 27 September 2022 in Library Seminar Room 4, The Open University, Walton Hall, Milton Keynes MK7 6AA.

The Council **approved** these Minutes as a correct record at its meeting held on 22 November 2022.

Dave Hall  
University Secretary

Sue Thomas  
Working Secretary to the Council  
4 October 2022

Attachment:

C-2022-06-M Minutes of the meeting of the Council held on 27 September 2022

## COUNCIL

Minutes of the meeting of the Council held on 27 September 2022 in Library Seminar Room 4, The Open University, Walton Hall, Milton Keynes MK7 6AA.

Present: Malcolm Sweeting, John Brooks, Tim Blackman, Robert McCracken, Margaret Greenaway, Carol Howells, Eileen Scanlon, Rob Parker, Nick Barratt, Gary Elliot-Cirigottis, Paul Gray, Paul Kett, Julia Goodfellow, Rachel Lock (via Teams), Ceri Doyle\*

In Attendance: Dave Hall (University Secretary), Camilla Briault (Assistant Director, Governance), Paul Traynor (Chief Financial Officer), Sue Thomas (Senior Manager, Governance), Jhumar Johnson (Chief of Staff, VC Office)

Apologies: Catherine Halliwell\*, Sas Amoah\*, Rashik Parmar\*, Thomas Frawley\*, Andrew Dickinson, Tevin Tobun.

\*proxy votes received

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### 1 WELCOME AND OPENING REMARKS

The Chair welcomed members to the meeting and explained that it would focus on two items only, the Fees Strategy and a verbal update on FutureLearn.

### 2 DECLARATIONS OF INTERESTS

There were no declarations of interest.

### 3 FEES STRATEGY 2023/2024

C-2022-06-01

3.1 The Chair reported that there had been a robust discussion of the options for fees for 2023/24 at the meeting of Strategic Planning and Resources Committee (SPRC) on 20 September 2022. The debate had not been straightforward and although recommendations were presented to Council from SPRC, it would be appropriate for members to discuss them in detail before reaching a decision.

3.2 The University Secretary and Vice-Chancellor:

- a) reminded Council that the context and landscape against which the University must set its fees for 2023/24 was highly complex. Council had received a summary of this position at its meeting in July 2022 (C-2022-04-13). Key factors to consider were the financial challenges facing the University including inflation and costs exceeding fee income as well as cost of living issues facing students. The recommendation from SPRC was to increase fees in England by 7.4% which would move the fee to the current cap. The alternative option had been to increase fees of 5% in 2023/24 and 2.4% in 2024/25 thus moving to the cap in 2024/25,
- b) explained that 76% of the University's income was derived from student fees. 88% of this amount related to undergraduate fees, and 80% of the total came from students registered in England. Changes to the fees for undergraduate students registered in England were therefore critical and the effects of changes to other fees were considered more marginal overall. Historically the University had set its fees at

a relatively low level compared to the majority of other institutions who had set their fees at the maximum level from the outset.

- c) reported that the University had commissioned research on price elasticity which had shown that if a fee increase of 7.4% was applied to undergraduate fees in England, it was unlikely to have a material detrimental impact on recruitment or continuation. It was acknowledged however that while the increase was well below the rate of inflation, after a history of very low price increases, the increase to the cap in one year, rather than two might be controversial. It was therefore essential that decisions on fee increases were carefully evaluated to ensure all aspects were considered.

3.3 Council:

- a) considered the rationale presented for the increases in fees to be clear and helpful in evaluating the challenges facing the University and its students.
- b) recognised that a fee increase was necessary to protect services for students to support their success. The potential implications of an increase in English fees of 7.4% on recruitment and retention of students, and on the most vulnerable students facing a cost of living crisis were acknowledged.
- c) emphasised the importance of communicating fees increases sensitively and transparently. The University should explain, in the context of the fee increase, its activities to minimise costs and highlight the services it was seeking to protect.
- d) noted that the majority of other universities in England charged fees at the maximum level permissible.
- e) requested that the information on the University's Hardship Funds for students was made easily accessible on student facing websites and invited VCE to consider the financial support available to students during the cost of living crisis. Certain members remained concerned that an increase of 7.4% in one year to reach the fee cap instead of 5% + 2.4% over two years, would have a detrimental impact on recruitment and registration.

3.4 The University Secretary clarified that students in England who took out a Student Loan were not required to pay it back until their annual income reached a threshold of £27,000 pa (£25,000 pa from 2023/24) and then at a rate of 9%. An increase in the fee extended the period of repayment it did not increase the monthly cost during the repayment period .

3.5 The Chair thanked members for a very through discussion of a difficult issue and summarised that the majority of members supported an increase to the fee cap in England in one step (ie 7.4%).

3.6 Council:

- a) **agreed** the following proposals in relation to fees for 2023/24
  - i) Undergraduate fees in England to be increased by 7.4%
  - ii) Undergraduate fees in Scotland to be increased by 5%
  - iii) Undergraduate fees in Wales to be increased by 0.3%
  - iv) Undergraduate fees in Northern Ireland to be increased by 3%
  - v) Undergraduate international fees to be increased to the level of the fee cap
  - vi) Undergraduate fees in the Republic of Ireland: final decision to be delegated to VCE

- vii) Postgraduate taught UK fees to be increased by 5% for continuing students, and for new students starting in 2023-24, to begin realignment with the distance-learning market by increasing each price band by 5% plus an additional £500 in almost all cases where the current fee is >£1,000 lower than the market average
- viii) Postgraduate taught international fees: supplements to be increased by current RPIX of 8.2%
- b) **requested** that the Vice-Chancellor's Executive examine the availability of, and access to the University's Hardship Funds for students.

#### **4 FUTURELEARN**

- 4.1 The Chief Financial Officer presented a commercially sensitive update to Council on FutureLearn. Council would be kept informed of developments and convened if required.
- 4.2 Council noted the report

#### **5 DATES OF NEXT MEETINGS**

12 October 2022 – Meeting of the Senate  
22 November 2022 – Milton Keynes  
07 March 2023 – Online  
09 May 2023 – Nation visit - Belfast  
11 July 2023 – Milton Keynes  
Further information on venues and arrangements would be issued when available

Dave Hall  
University Secretary

Sue Thomas  
Working Secretary to the Council  
4 October 2022