

THE COUNCIL

Minutes of the meeting of the Council held on Tuesday 8 May 2012 at The Open University, Walton Hall, Milton Keynes.

Present: Lord Haskins (Chair), the Vice-Chancellor, Mr E Briffa, Mr H Brown, Mrs M Cantieri, Dr S Ding, Mrs S Dutton, Dr I Falconer, Mr A Freeling, Prof J Fortune, Dr M Hopkins, Mr R Humphreys, Mrs C Ighodaro, Mr B Larkman, Mrs S Macpherson, Mr P Mantle, Ms R McCool, Ms L Murphy, Dr T O'Neil, Mrs R Spellman, Mr M Steen, Prof W Stevely

In Attendance: Pro-Vice-Chancellor (Curriculum and Qualifications), interim Pro-Vice-Chancellor (Learning, Teaching and Quality), Director, Students, Finance Director, University Secretary, Senior Assistant Secretary (Central Secretariat), Assistant Secretary (Central Secretariat), Director of Strategy (for minute 6), Commercial Director (for minute 7), Head of Strategy Development (for minute 7), Director of the International Development Office (for minute 7)

Apologies: Pro-Vice-Chancellor (Research and Scholarship)

1 DECLARATION OF INTERESTS

- 1.1 With reference to the paper on International Strategy (C-2012-01-02), Anthony Freeling said that he had an interest in Ashridge Business School, which was a competitor to the Business Development Unit.
- 1.2 Professor Joyce Fortune taught for Athabasia University's MBA, which was also referenced in this paper.

2 MINUTES

C-2011-04-M

- 2.1 Dr Falconer proposed that minute 8.17 of the confidential minutes of the last meeting of the Council should be amended to read:

“For example, it had been suggested that country co-ordinators and ALs based in Continental Europe played an important marketing role. Since the number of students attracted through direct marketing was not significant, this might indicate that country co-ordinators and ALs did indeed play an important, if informal, marketing role”.
- 2.2 Subject to the above amendment, the Council **approved** as a correct record the minutes of the business meeting held on Tuesday 28 February 2012.

3 MATTERS ARISING

Referring to Confidential Minute 8.37 b), which recorded that the Council's decision to cease the direct employment of staff (associate lecturers and academic-related staff) based in Continental Europe would be confirmed at the July 2012 meeting of the Council, subject to a report on the outcomes of the consultation process, the President of the OU Students' Association (OUSA), Mrs Marianne Cantieri, asked whether this consultation would include the two projects on student support and teaching strategies, as well as discussions with the unions. The University Secretary, Fraser Woodburn, said that the consultation process referred to the statutory consultation with the unions and the affected members. The projects were looking for solutions to support students in the future and were not subject to the same consultation. However, the outcomes could be reported at the July 2012 meeting. Mrs Cantieri requested that such a report on the projects was presented to the next Council meeting.

Action: FW

4 CHAIR'S BUSINESS

The Chair had no business to raise that was not dealt with elsewhere on the agenda.

5 VICE-CHANCELLOR'S REGULAR REPORT

- 5.1 The Vice-Chancellor observed that in 1992, the Further and Higher Education Acts for England and Scotland had received royal assent. The 1992 Acts had turned the polytechnics into universities and had established new funding councils for England, Wales and Scotland. They had also transferred responsibility for funding The Open University from the Department for Education to the new Higher Education Funding Council for England (HEFCE). It was 20 years ago, therefore, that the University might be said to have come of age and joined the rest of the higher education (HE) sector.
- 5.2 With hindsight, this had been a wise move, although the outcome had not been certain at the time. There had been fears that the University would be treated as a marginal part of the HE sector and there had been a very real risk that it would be funded separately from, and at a lower rate than, other universities. However, John Daniel, the Vice-Chancellor at the time, had insisted that the University was an important and integral part of a diverse HE system and should be funded on exactly the same terms as every other university.
- 5.3 The argument had been won in 1992 and the University had returned to it again in later years when part of the OU's funding for teaching was transferred, first, to the Scottish Funding Council, and then to the Welsh Funding Council. It was fitting that during the twentieth anniversary year of the Further and Higher Education Acts the University was expecting to transfer the last tranche of UK funding from HEFCE to the Northern Ireland authorities to support the teaching of OU students in Northern Ireland. It was a sign of how far the University had come that it had not had to make those same arguments again.
- 5.4 The OU was now a valued and distinctive part of the HE systems in each of the four nations of the UK: it was enjoying parity of esteem with conventional universities, as well as making a significant contribution to national priorities. Through its teaching and research, the University was helping to re-skill and up-skill the UK workforce, bringing more people from non-traditional backgrounds into higher education, and leading innovation and change in higher education. Through its international partnerships, the OU was transforming lives, not just in the UK, but across the world. The Vice-Chancellor then provided some examples of how far the University had come.

Workforce Development

- 5.5 The OU was now counted as a major provider of workplace learning by the Scottish Funding Council (SFC), which had funded the University's work-based approach to delivering engineering qualifications with Unison and Rolls Royce in Scotland and had now agreed to fund the extension of that work to three further companies.

Widening Participation

- 5.6 HEFCE had increased the University's allocation for widening participation and retention by £2.5M for 2012/13 and the Department for Business, Innovation and Skills (BIS) had allocated the University almost a million pounds a year to support the OU's work in providing higher education to prisoners.
- 5.7 In Wales, the University's success in widening access and opening up higher education to some of the country's most disadvantaged communities, as well as the OU's general success in student recruitment, had been recognised by a 19% increase in its grant allocation in Wales for 2012/13 - the largest single increase amongst all institutions in Wales this year.

Innovation

- 5.8 The OU continued to lead the sector in the use of web-based learning in both structured and informal learning. During May 2012, the University would be launching SocialLearn, which provided informal learning on a social platform. It could be used by anyone with an interest in any subject, anywhere in the world. It would enable learners to access online resources, to create personal learning journeys, to join learning communities, and to interact with other learners, academics and mentors.
- 5.9 In another first, the University had published its first interactive iBook, entitled "Moon Rocks", in the Apple Book Store in April 2012.

Research and Scholarship

- 5.10 The OU was also leading the way in opening up research and scholarship to a wider audience. The Pro-Vice-Chancellor (Research and Scholarship), Professor Tim Blackman, had recently secured £300,000 from the Research Councils and the Wellcome Trust to establish the OU as a catalyst for public engagement in research.
- 5.11 The Arts and Humanities Research Council and Research Councils UK had commended Professor Susheila Nasta, Faculty of Arts, for her work with partner organisations in India and the UK to translate her research on Indians in Britain into a touring exhibition. The exhibition was now travelling around India and the UK.
- 5.12 Professor Gillian Rose, Faculty of Social Sciences, had been selected by the Royal Geographical Society to receive the 2012 Murchison Award for 'publications judged to have contributed most to geographical science in recent years'.

International Development Work

- 5.13 The University's international development work had once more been recognised by another £1 million grant from the Allan and Nesta Ferguson Charitable Trust to extend TESSA's work in Sub Saharan Africa for a further 3 years.
- 5.14 This creditable record of achievement showed how far the University had come in 20 years and demonstrated that the OU had a very solid base on which to build. The current

HE environment was very different to the one that the University had experienced 20 years ago. In England at least, with the transfer of funding from institutional grant to student fees, the forthcoming year would be very different to the last, but the OU had been preparing for these changes.

Ready for 2012/13

- 5.15 The Ready for 2012/13 project that had begun in 2011 had now completed its work and had been a great success. Through that project, the University had introduced a new academic framework that offered students much clearer learning pathways to the qualifications that were relevant to them. The OU had redesigned its access programme to provide extra help to students on low incomes who were new to higher education; and it had created new forms of registration and enrolment; and it had secured improvements to its communications, advice and guidance. This had been the result of tremendous hard work by a large number of people over a relatively short period of time.
- 5.16 The University would begin to see the effect that the new fee and financial support arrangements were likely to have on new student recruitment in England in a few weeks time. It was too early to predict at present, as the University only had only started to accept applications for undergraduate study in 2012/13 at the end of March 2012. Registrations for 2011/12 were currently running slightly ahead of last year, even though they were a fraction below the target of 1.4% growth. Enquiries for 2012/13 were encouraging, but it would be some time before any meaningful data on registrations became available.
- 5.17 This effort had been capably led by the Director, Students, Will Swann, who had just announced that he would be retiring at the end of 2012. The Vice-Chancellor thanked Mr Swann for his immense contribution at this particularly challenging time in the University's history.

Student numbers

- 5.18 The University Secretary, Fraser Woodburn, said that the first milestone for 2012/13 had been to achieve 500,000 enquirers by the end of March 2012. This target had not been achieved by that date, but had been reached on 29 April 2012. The University had delayed its approach to existing enquirers in order to take pressure off the system, in particular the call centre in the Student Registration and Enquiry Service (SRS). Of the 510,000 individuals that had enquired by 29 April, 414,000 were completely new enquirers, which had been well ahead of the expectation of 250,000. It was too early to predict how many of these enquiries might be converted to registrations.
- 5.19 More than three-quarters of the students registering for 2012/13 would not be paying the new English higher fee: postgraduates, students in Scotland, Wales and Northern Ireland, and continuing or transitional students in England would pay the same fee and have the same fee support arrangements as they had in 2011/12. The number of registrations from transitional students was tracking slightly behind last year, which was not surprising given the changes to the registration arrangements for new students which had commenced in March 2012. It was encouraging that 72,000 transitional students in England had already declared their qualification aim, which was well ahead of expectations. If this number converted to registrations, the University's would easily achieve its target numbers for transitional students.
- 5.20 The number of entirely new students in England, paying the higher fee and registering for a qualification, had stood at 9,000 at the end of the previous week, which was slightly ahead of expectations. Half of this number had reserved a module, although very few had paid as the Student Loans Company (SLC) would not open for part-time students until the

end of July 2012. Consequently, it was unlikely that registrations would come through in substantial numbers until August 2012.

- 5.21 There did not appear to be a move away from non-vocational subjects. The top ten qualification aims declared by new students were spread across the OU disciplines: Psychology, the Open Degree, Law, Health and Social Care, Criminology and Psychological Studies, Business Studies, Childhood and Youth Studies; Computing and IT, Natural Sciences and History.
- 5.22 A member enquired whether the SLC was operating efficiently. The Director, Students, Will Swann, said that after a rocky start, the operational relationship with the SLC was positive. The University had undertaken some 'mystery shopping' in order to understand what would happen when OU students called the SLC. Some of the feedback had caused concern, with some SLC agents declaring that OU students could not get loans. This had been fed back to the SLC, which had been responsive and had worked with the University to ensure that material about the OU was now included in their knowledge management system. The SLC was confident that volume would not be an issue as the OU was quite small in their terms. However, the University was increasing the capacity of its contact centre in anticipation of a challenging period during July and August 2012. The Chair observed that the system would be put under considerable pressure.
- 5.23 The President of OUSA, Marianne Cantieri, asked whether, once the SLC had launched its part-time registration system, it would accept applications on an on-going basis to take account of the OU's staggered starts. Mr Swann confirmed that the SLC would not have their on-line process up and running before July 2012, but were on schedule to go live before Christmas 2012. Once the online process was available, students would be able to apply at any point in the year. In response to another query, Mr Swann said that the on-line system was for part-time applications, rather than for the OU specifically.
- 5.24 The Chair commented that there was significant political unrest in the world at present and it was difficult to guess what the future would bring. There were some known factors, such as the constant pressure in all the Western governments to cut costs. However, 85% of the cuts announced by the UK government two years ago were yet to be made. At the same time as having to make cuts, there was pressure to find growth, which presented significant problems. This problem had last been encountered in 1937 when, following the depression, Roosevelt had addressed the deficit by making cuts. The US had then gone into a second recession. The Asian economies were looking stronger.

6 REPORTING INSTITUTIONAL PERFORMANCE

C-2012-02-01

- 6.1 The Director of Strategy, Guy Mallison introduced the paper, which was in two parts: the first dealt with the process by which institutional performance was to be reported, and the second presented the first of the new annual reports. The main inputs to the paper had been the Annual Review of Council Members, which had raised issues about institutional reporting, and the new Strategic Plan against which the University would need to report its progress to the Council.
- 6.2 The challenge had been to ensure an appropriate level of transparency in order to provide the Council with sufficient insight into institutional performance to enable it to exercise good governance, whilst keeping it at an appropriate altitude. Beneath the specific measures proposed in the paper sat the Institutional Dashboard, which was reviewed on a monthly basis by the Vice-Chancellor's Executive (VCE) and which was currently being redeveloped. The proposals in the paper did not preclude the Council from looking at particular areas in greater depth where necessary, but focussed on those areas that required regular reporting.

- 6.3 At each meeting of the Council, there would be an oral report on student numbers, reports on key financial information, and one or two of the annual presentations from the Chair of each Council Committee. The annual performance review would be presented in May each year. The measures on the review were those that had previously been identified as part of the Strategic Plan. On this occasion, the report showed performance against those measures for the past 3 years. Past performance was not always a good guide to future performance, given the changes in the external environment, but nevertheless it provided an important baseline. There was no current measure relating to qualification completion (p 3). It was an important and potential complex measure for the University in terms of output, and the way in which it should be developed would be discussed in-depth at future meetings of SPRC and the Council. During the afternoon's Strategy Workshop, the Council would be invited to look in depth at the Student Experience Programme, which was one of the ways that the OU sought to improve qualification completion.
- 6.4 Referring to the first strategic objective "to deliver an outstanding experience for students", a member commented that most of the measures were concerned with the number of students that the University was attracting. However, a key element of the student experience was student progression: not just in respect of the number of students who completed their qualifications, but also with regard to the number of students who were lost on the journey. The University might recruit many new students, but fail to support them well. Further information on student retention would be helpful, not just measures based on surveys of student satisfaction. Mr Mallison agreed that such measures would be more important than they had ever been in the past. Student numbers were important, but only as one aspect of the University's performance. Many of these issues would be covered in the work still to be done on qualification completion. The Director, Students, Will Swann, said that proposals for new measures around student progression and qualification completion were currently in development and would be presented to VCE within the next month. The central measure would be the proportion of students who had achieved the amount of credit that they had aimed for at the beginning of the year. The Council would receive reports on these measures at a high level, but greater detail would be available to members elsewhere. The Chair commented that such information would require sensitive handling: there would be many factors behind a student failing to achieve their aspirations. Some measures were factual, but those that were qualitative should be approached with caution.

Action: GM

- 6.5 A member said that the progress of transitional students, who had been required to register for a qualification in order to qualify for the lower fee, would be an important measure. If these students dropped out they would have to be replaced with those paying the higher fee. The University Secretary, Fraser Woodburn, said that this was true for England, but the UK Market Strategy had been conservative in its assumptions about student progression. The recruitment of new students to replace a significant drop in continuing students had been built into the model. However, as continuing students would lose their access to the transitional fee if they dropped out, one might expect the retention of these students to improve. If this was the case, then the University would exceed its student number targets.
- 6.6 A member said that there was a good variety of measures related to the University's first strategic objective, there were relatively few on the objective "to enhance the capabilities of the University". In particular, issues around staff development and staff satisfaction were not reflected in the paper. Staff absence and staff turnover, for example, were important indicators of staff reaction to the changes that were taking place. Mr Mallison confirmed that these measures were tracked and were important to the University. However, it was not proposed to include them in this report at present. The University Secretary, Fraser Woodburn, said that in addition to the high level report there would be

an annual report from each University Committee. The Staff Strategy Committee was currently preparing for its annual report to the Council in July 2012. This would provide a better opportunity to review staff issues than the consideration of a single high-level measure on the institutional dashboard. Another member said that whilst a report from the Staff Strategy Committee would be valuable, the omission of a report on staff issues in the annual report on institutional performance sent the wrong signals, even if it was not that important diagnostically. Mr Mallison said that the University would remain open to the inclusion of such measures in future. The Vice-Chancellor added that, whilst it was necessary to be extremely careful about the use of baseline HR survey data, the possibility of surfacing fundamental performance measures at a dashboard level would be investigated.

Action: GM

- 6.7 A member asked why aspects of the University's wider cultural, social and civic role, for example its partnership with the BBC and iTunes, were not included in the measures, particularly as journeys from non-formal to formal learning were now a priority in the Strategic Plan. This had once been a measure of output by the Higher Education Business and Community Interactions Survey (HEBCIS). Mr Mallison replied that the priority concerned with informal learning did pick out some specific measures around the value of such activity, but it was not perfect. It would be difficult to find a meaningful measure for the Council to consider. Overall, it was a challenge to achieve a balance in the institutional report for Council. There were a good number of measures at an appropriate altitude on the key issues. It was important to ensure that other measures were being tracked elsewhere, but that the Council report covered those areas that were most critical. The Chair observed that the Council had to decide what information it had to have in order to exercise its role and fulfil its responsibilities. It should beware of requesting information that would be nice to know, but would not get used.
- 6.8 With reference to quality, the Chair asked whether the University could be sure that the Quality Assurance Agency for Higher Education (QAA) would not compromise its standards. The Vice-Chancellor responded that the role of QAA had been strengthened in the new order rather than diminished. A member commented that the QAA would be under enormous pressure to ensure that standards were maintained and to deal with those institutions that dropped below them. QAA audits represented snapshots of an institution every 3-4 years: if a QAA visit resulted in an unsatisfactory outcome, it was already too late. It was essential that there were measures of institutional performance in place that would allow the Council to recognise any problems with the University's quality standards in good time. However, such measures could only raise questions, not provide solutions. The interim Pro-Vice-Chancellor (Learning, Teaching and Quality), Professor Alan Bassindale, said that the new quality code for HE soon to be published by the QAA was more rigorous and had more emphasis on quality enhancement. It did not demonstrate any loosening of standards.
- 6.9 The University was already establishing structures around quality enhancement. Each programme had a comprehensive Periodic Programme Reviews (PPR), with external and internal members on the panel, the outcomes from which were reported to the Quality Assurance and Enhancement Committee (QAEC). The QAEC, which reported directly to the Senate, had recently undertaken to provide an annual reflective review of quality in the OU. The Chair observed that the Council relied on the Senate to monitor issues of quality, but that the Council should be reassured that the appropriate processes were in place. It would therefore be helpful for the Council to see a synopsis of this report. The Vice-Chancellor said that it could be included as part of the Senate report to the Council at the appropriate time.

Action: CenSec

- 6.10 A member commented that a helicopter overview of the University's progress was a helpful addition to the reporting process. The brevity and sharpness of the report was welcomed, but if any of the measures showed a movement in an unexpected direction, then it would be useful if it this was accompanied by a brief commentary.

Action: GM

- 6.11 Another member welcomed this approach to reporting institutional performance, but was concerned about how it might develop over time. The Council needed assurance that it would be made aware of any exceptional issues that became apparent at VCE level. The Vice-Chancellor assured members that if there was a significant variance against the measures, then the Council would be made aware of the issues.

Action: GM

- 6.12 A member proposed a slight change to the process. The discussion had indicated that in a year's time the University would have a better understanding of what constituted good measures. The Council should therefore review, in advance of the next annual report, what measures should be included and to adapt them if seen to be appropriate. The Vice-Chancellor responded that the Council would be given the opportunity to comment and reflect on the measures when they were flexed to reflect internal and external changes.

Action: GM

- 6.13 The Council **noted** the future approach to reporting.

7 INTERNATIONAL STRATEGY

C-2012-02-02

Global Direct

- 7.1 The Commercial Director, Steve Hill, explained that Global Direct now included Europe Direct, which had been a separate business line in the paper presented to the Council in July 2011 (C-2011-03-03). The two work streams had been merged as the methodology and approach required for Europe was the same as that required globally. There had been no major step change in the strategy.
- 7.2 International marketing would be based on a 'lob and learn' approach. There would not be a high entry cost. The intention was to test a digital marketing campaign in a European country where the University was currently successful, reflect on the results and then re-launch the campaign in another country. To date the Business Development Unit (BDU) marketing team had been reactive and had focused on the OU brand. It was now apparent that the University should market its individual programmes and qualifications. Global Direct would focus on existing OU content; no new qualifications or modules would be developed. Approximately 20 existing qualifications would be promoted in 17 key markets, together with those European countries where the OU was currently strong. These qualifications were approximately 40% undergraduate, 40% postgraduate and 20% MBA.
- 7.3 The size of the market for English language distance learning was difficult to define: there were a number of different sources of data, which varied widely. The financial projections in the Business Plan were calculated on a target of 500 students in each of the priority countries. This would enable the University to move from the current 8000 students to the target 19,000 students in 5 years.

- 7.4 The key message of the OU's value proposition was that international students would receive a very similar student promise to UK students, and the University would be very clear on the level of support that all its students would receive.
- 7.5 An initial high-level view of 17 countries had already taken place, but a deeper investigation was necessary in order to take advice on issues of tax and regulation. There was a priority list of 20 qualifications from the existing portfolio, but further work was necessary before this list was finalised. Following these reviews, the Global Direct implementation plans would start to execute against the Business Plan.

Scope

- 7.6 A member asked whether any thought had been given to creating new markets rather than pursuing existing markets? Would the plan prove ambitious enough to change the OU's profile globally? If the plan was intended to be part of a strategic diversification for the OU, then it probably required greater impetus in the early stages than was currently proposed, with a review after three years. Mr Hill acknowledged that the plan might not be aggressive enough in the early stages. However, it provided an opportunity for the University to test its digital marketing capabilities in European countries, where it had already had some success with reactive marketing, and then branch out into new markets based on the lessons learned.
- 7.7 The Treasurer, Michael Steen, said that whilst he understood the desire to be more ambitious, it was more important to move incrementally and to ensure that cash came into the UK, rather than to be concerned with top-line growth in countries where the money might never be forthcoming. The University could accelerate its activity if it became apparent that it could be very successful in a particular country.
- 7.8 Several members commented that this paper on International Strategy was the most systematic, strategic and output focussed plan that had been presented to the Council over the past 5 years. The incremental and pragmatic approach to international business was low risk, allowing the University to build on its successes without using significant amounts of resource and detracting from the OU's core business, and was sufficiently ambitious for the present.
- 7.9 A member observed that this was a plan to launch a set of products in the English language at a UK price, with tutorial and customer support based in the UK, and with UK accreditation. However, a bigger prize might be available over the next five years and it would be important to challenge the assumptions made over that period. If the University was to play a role in larger markets such as China and Brazil, the material would have to be in a different language with in-country tutors. However, this approach would be more complicated and risky. Whilst the University might wish to be more ambitious, the current strategy was an excellent stepping stone for further work in the long term.
- 7.10 A member said that as an incremental strategy, that had a test and learn approach, aspects of the plan were likely to change over time. However, it was fundamentally an export strategy and was unlikely to develop into the big partnership agreements that had previously been discussed by the Council. Would another strategy be presented at a later date or had the partnership approach now been put aside? Another member observed that there was still much to do to make the link between open educational resources and deriving income and student numbers. The Vice-Chancellor confirmed that this plan would be the main effort of the International Strategy. With reference to the components of the paper that was presented to the Council in July 2011, the OU would continue with content licensing, both in collaboration with the BBC and with its core materials, as it was a business that currently did quite well. The University would have an open mind with regard to in-depth partnerships, but on a highly selective basis. It would

look at countries such as China and India to see if it could identify a depth relationship that was fit for purpose, and which would be quite different to the proposals for Global Direct.

- 7.11 Another member requested that as the strategy evolved and assumptions were changed, the Council were kept informed as to the rationale for those changes and how they were being made, so that the strategy did not change without anyone noticing. The Vice-Chancellor said that the Council would be provided with updates on progress, content licensing and any potential partnerships.

Action: SH

- 7.12 Referring to the University's history of international activity, a member commented that the OU would be looking backwards if it returned to the USA, Canada and other mature economies in Europe. Whilst it might be possible for the OU to market itself more effectively in these countries than it had done in the past, the real opportunities for growth would be in the developing nations where the OU's profile had already been raised due to its successes in international development. The Head of Strategy Development, Mark Lester, said that the previous marketing effort in Europe had been focussed on the MBA in Business and little else, so the current proposals represented a progressive rather than a regressive step into Europe. Whilst the figures appeared to indicate strong opportunities in the developing markets, the OU was operating in a niche area with its current price point. There might be scope for growth in the future, but over the next five years it was important for the OU to be cautious and to test its expansion in such countries.
- 7.13 A member commented that some countries, such as Nigeria, already had organisations called Open University and enquired whether this would have any impact on the OU. Mr Hill responded that the intention was to run the business through OU Worldwide. There were some potential brand issues and, as the University moved into the execution phase of the plan, it would be absolutely essential to conduct a deep dive in each country, test each marketing campaign and then reflect on the lessons learned. Mr Lester added that it would be necessary to manage any challenges that emerged as a result of brand, but observed that students were sophisticated and could make a distinction between the traditional higher education institutions in the UK and the newer lower quality organisations.

Tax and Regulation

- 7.14 A member said that, whilst the paper had tried to take account of the risks, it was difficult to understand the full impact that unintended tax liabilities and regulatory negativity could have when setting up business in other countries. It was essential to get good professional advice, as well as advice on the ground, to ensure that the University did not put its reputation at risk. Another member agreed that there was still much work to be done and the support of the British Council would be important in ensuring the University understood the varying regulatory environments in the target countries. The Chair said that he was keen to maximise the University's relationship with the British Council as they were likely to be on the ground in all the target countries.
- 7.15 An associate lecturer member said that she was concerned about the timescales for implementation. Mr Hill said that the initial focus would be on Europe and the OU would not launch into any country until a full understanding of any potential issues had been reached.

Students

- 7.16 In response to a query about the type of students in the target market, Mr Lester said that the OU only had access to the survey of its own students in 2011. This had indicated that, in Europe, 60% of students were local and 40% expatriates. The subjects studied tended to be vocationally orientated, such as Business, Information Technology and Engineering. Most students were working professionals with very few options to study in their own countries in English and with the flexibility provided by the OU. Students were prepared to pay a premium for this flexibility, as well as the OU's reputation for quality.
- 7.17 A student member said that when the 2011 surveys had previously been reported to the Council she had asked how the questionnaire had been worded. Germany had been highlighted as a potential area for growth, but it was not clear if the survey respondents had been made aware that as OU students they would not get tax relief and their OU qualifications would not be recognised in Germany. Mr Lester said that students who registered with the OU understood the status of OU qualifications in their own country. The OU was recognised as an accredited University in Germany. Most students were professionals who wanted to acquire knowledge and/or a qualification that would be transferable across multiple countries, not only Germany. They would then use that qualification to progress to a postgraduate degree, where there were some recognition issues. However, accreditation had not proved to be a barrier, as the OU continued to attract students from Germany. The student member was not convinced that this was the case. The Vice-Chancellor said that the situation would be investigated.

Action: WS/CL

- 7.18 The President of the OU Students Association (OUSA), Marianne Cantieri, observed that if international students were registered as OU students then, under the current arrangements, they would all become OUSA members. This would make them eligible for appointment as central representatives on governance committees, which might prove rather expensive. Mr Hill said that there had been little consideration given to OUSA membership in this context, but it would now be taken on board.

Action: SH

Open Access

- 7.19 Referring to the section on open enrolment (page 7), Mrs Cantieri, asked what impact the introduction of "other educational standards" would have on the OU's open access policy. Mr Hill said that it was not yet clear whether open access would be available in every country: this would need to be investigated further before the University began to execute against the plan. The Director, Students, Will Swann, said that the introduction of entry qualifications for undergraduates would not be acceptable for the OU in the UK. However, it was important to understand that, in a number of the territories under consideration, the concept of open entry was not understood, would not be accepted and would also be viewed as an indicator of poor quality. Consequently, it would be possible for the OU to have entry qualifications for programmes outside of the UK, without any threat to its mission and openness in the UK.
- 7.20 Another member observed that it was important to avoid the problems encountered by many conventional UK universities that had over recruited international students and then struggled because the students did not have the language skills to cope with their courses.

Student Support

- 7.21 Mrs Cantieri said that tutorial support during UK working hours might be problematic for some international students. Mr Hill said that tutorials could be recorded and then played back in local hours. Mrs Cantieri said that her experience of a live tutorial could not be compared with a recorded tutorial. Live-time tutorials should be included wherever possible, because they were one of the great assets of the OU.
- 7.22 An associate lecturer member observed that the strategy was based on the assumption that the market was interested in flexible study. However, by undertaking to provide all students with the same core experience, such as limiting tutorials to UK working hours, the University would be reducing this flexibility. Research had suggested that recorded tutorials were ineffective, because they lacked any interaction. Mr Hill said that the University would be absolutely clear from the outset what the student promise was and what the student might expect. The plan was likely to evolve and, as the University began to build a critical mass in different countries, out of hours support might be considered. Another AL commented that very few tutorials were offered within normal working hours in the UK, but in the evenings or at weekends, as both ALs and students were usually engaged with other full-time or part-time employment during that period.
- 7.23 The Pro-Vice-Chancellor (Curriculum and Qualifications), Professor Alan Tait, said that most of OU's materials, assessment and means of communication were not predicated on being in the same time-zone or place as the student: it was asynchronous. The need to develop in Europe was not challenged by the time zone issue, but even further afield the OU's flexibility was such that the student offer would still match the student need for flexibility.
- 7.24 A member, who was also a part-time tutor for an overseas university that employed teaching staff in four different time zones, said that it was not as difficult to support overseas students as some might imagine. The key to success was to design courses to meet the specific needs of international students. The OU had originally written courses for students that would periodically attend a local study centre, but systems and technologies had changed and new courses were now being designed and operated with different needs in mind. Face-to-face or tutorial contact could be designed out and effective, regular correspondence between student and tutor designed in.
- 7.25 The Vice-Chancellor observed that the need to learn how best to present and engage with international students was not new, but was something that the University would have to continue to do as it evolved. The student experience was critical, so Mr Hill would have access to a senior academic to ensure that it was right.
- 7.26 A member was concerned about the additional cost of a setting up a new contact centre and the quality of the advice and guidance that international students would be given. Mr Hill said that this issue was being discussed with the Director, Students, but their thinking was at an early stage. Mr Swann confirmed that the management of international enquirers was under review. It was essential, however, to ensure that the OU's information, advice and guidance were of the highest quality.
- 7.27 An associate lecturer member asked for clarification of the role of agents in Europe. Mr Hill said that the agents were employed through the Business Development Unit. Currently, the agents were given warm leads and then converted them to registrations. Surveys had indicated that students found the registration process difficult and looked to these agents to guide them through it.
- 7.28 A member commented that some of the discussion had been engaged with operational matters that were properly a matter for the senior managers of the University. It was the

role of the Council to scrutinise the proposed strategy and approve it or otherwise based on its overarching vision. However, it would be useful for the paper to be discussed at the Senate. The Vice-Chancellor said that those aspects of the strategy that concerned the University's teaching and learning would go to the Senate for discussion and, as appropriate, for approval.

Action: SH

- 7.29 The Vice-Chancellor said that the strategy put students first, built on what was already in place, and took the OU out of a state of strategy paralysis. The OU would learn on the way and would discover if its aspirations were too conservative. If growth was stronger and faster than anticipated, then a revised plan would be returned to the Council. However, this would not be done if it compromised the quality of the student experience. In the meantime, approval of the strategy would enable the University management to move forward.

International Development

- 7.30 The Director of the International Development Office, Danni Nti, presented the paper on the International Development Programmes at the OU. The University was responding to the varied demands of the international education and training sector through the collaborations between the BDU and the International Development Office (IDO). It addressed both ends of the scale of international activity: at one end the donor funded programmes that sought to address critical development needs; and at the other the customer driven commercially funded enterprises discussed earlier.
- 7.31 Over the last 18 months, the Vice-Chancellor and his executive had invested in and extended the remit of what used to be the OU Africa office. This office had previously focussed on the design, development and implementation of international development programmes in Africa, but its activity was now moving into South Asia (India, Bangladesh and Pakistan). This change had extended the OU's vision and social justice mission into new horizons, building human capital and changing lives for good in the developing regions. As a consequence, the international development programmes had taken on a new dimension in terms of scale, reach and impact. For example, the English language programme in Bangladesh would have reached 25 million people by 2017; over 400,000 teachers in 10 countries in Africa were engaging with the teacher education programme; and over 30,000 health workers were engaging with the health education programme in Ethiopia.
- 7.32 The new IDO would provide a professional hub to drive the OU's international development strategy in collaboration with the University's faculties. Through donor funding, the IDO worked collaboratively with its partners, such as governments, international non-governmental organisations (NGOs) and HE institutions, to develop demand driven programmes that supported the training of teachers, health workers and leaders, and worked in partnership to help strengthen education and health systems in the developing regions.
- 7.33 The key messages of the paper were that demand in the international development markets was growing; that the nature of that demand was large scale interventions that supported governments' economic growth and helped meet the Millennium Development Goals (MDG); and that the OU was uniquely placed to leverage its assets to meet the critical needs of these large scale capacity building initiatives across emerging markets. The paper also highlighted the IDO's achievements over a short period in terms of the number of projects being delivered, currently 11, and the funding that had been secured for existing and new projects, £2.5 million over the past year. The paper also provided details of the activity currently in the pipeline. The OU was now seen as a key player in

the international development sector and had been invited by donors, governments and other organisations to help provide appropriate solutions to some challenging issues.

- 7,34 The Council was shown a short video on the OU's international development activity.
- 7.35 In summary, Mr Nti said that the IDO were currently running 11 projects worth approximately £15 million in 13 countries. The University was on track to train 15.5 million teachers, school children and health workers by 2017. There was more in the pipeline, including £10 million Department for International Development (DFID) funded project to improve the quality of a million teachers in India soon called the TESS India Programme. All these programmes raised the OU's profile and positioned the University as a partner of choice as an institution with strong academic credentials that had the ability to develop and deliver large scale interventions cost-effectively across the developing regions. It was good news for the OU and game changing for these regions, which demonstrated great entrepreneurial spirit, a desire for education and a drive for success whilst encountering some of the toughest social and economic challenges facing mankind. Nelson Mandela had said that "It is not beyond our power to create a world in which all children have access to a good education. Those who do not believe this have small imaginations". The OU did not have a small imagination.
- 7.36 The Chair observed that there was great potential for the OU to increase the scope of its international development work, but its ability to do so was dependent on support from government, which might change its mind. The Vice-Chancellor said that the University was diversifying its government support, so that it came not only from the UK but elsewhere. It was also achieving great success through philanthropic sources around the world. The presentation on international development, together with the Global Direct strategy, demonstrated the maturity of the OU's thinking and execution in this area. The Vice-Chancellor thanked Steve Hill, Mark Lester and Danni Nti, together with the Director of Development, Edith Prak, for their leadership and vision. Further updates would be presented to the Council to celebrate success and remediate gaps.
- 7.37 The Chair commented that there was frequently criticism that international aid got into the wrong hands. One of the great attractions of the OU's contribution was that it got into the right hands and this was a huge selling point for potential philanthropists.
- 7.38 The Council:
- a) **approved** the Global Direct Business Plan;
 - b) **noted** the University's activities in international development.

8 THE OU IN SCOTLAND STRATEGIC PLAN

C-2012-02-03

- 8.1 The Director, Students, Will Swann, introduced the paper on behalf of the Scottish team led by James Miller. The primary audience for this strategic plan was the Scottish Funding Council (SFC) and the Scottish Government. Externally, the plan showed that the OU, as the leading part-time provider in Scotland, was already making a strong contribution to Scottish higher education and the Scottish economy. The University was well placed to address Scottish government priorities, such as the wish to stimulate a more learner focussed education system. Internally, the plan demonstrated that in order to achieve its objectives in Scotland the University had to leverage the advantages of scale as a UK wide institution, whilst being sensitive to the increasing divergence of funding and government policy for HE across the four nations.

- 8.2 The Scottish plan not only reflected the University's overarching strategic plan, but also the expectations of the funding body in Scotland, which were set out in an annually updated outcome agreement that demonstrated the greater level of accountability for specific funding streams that was now required by the Scottish government. This could be seen in the measures that were Scotland specific, for the participation of students from remote rural areas and the OU's contribution to the rural coherence agenda. The plan demonstrated how the University would strengthen its position in Scottish higher education by being responsive, particularly through the commitment to partnership in the service of access and employability, and by leveraging the advantages of being a large scale pan-UK provider. It was important that the University proactively managed these two aspects together to avoid any tension that might arise between them.
- 8.3 A member observed that the Scottish plan currently fitted well with the OU's overarching strategic plan, despite the fact that the governments in the England and Scotland were moving in different directions with regard to HE policy. In the future, the governments might diverge so far that completely separate plans for England and Scotland would be required.
- 8.4 In response to an enquiry, Mr Swann said that the student number targets for Scotland were set as part of the University's student number planning process as a whole and were embedded in the OU's overall strategic plan. They had not been included in the Scottish plan, but each year an annual student number target was set with the funding council. A member said that he was part of the Scottish Advisory Group that met at least twice per year and looked at issues such as the projected student numbers against those being achieved.
- 8.5 In response to a question from the Chair, Mr Swann said that the OU received approximately £21 million from the Scottish Government.
- 8.6 Referring to the University's strategic intent (page 10), an associate lecturer member commented that the additional paragraph, which stated that the OU aimed to "enhance our position as the leading provider of flexible learning", did not demonstrate an intention to help the Scottish Government achieve its objectives of increasing flexible learning provision. Mr Swann said that the wording would be reviewed.

Action: JM

- 8.7 Another member commented that the heading on page 14 might be amended to read "to improve the quality of the student experience **and** to ensure the University meets its recruitment, retention and qualification targets", otherwise it might appear to imply that the OU did not want to improve the student experience for its own sake.

Action: JM

- 8.8 The Council **approved** The Open University in Scotland Strategic Plan 2012-15: Securing the Mission.

9 FORECAST OUTTURN

C-2012-02-04

- 9.1 The Finance Director, Miles Hedges, introduced the paper. The forecast for the year showed that the outturn had strengthened further in the second quarter. With the net favourable variance in income exactly the same as at the end of the first quarter, the entire improvement was due to reduced forecasts for expenditure offset by a reduction in the outturn adjustment to reflect the extent to which unit forecasts now included the projected under-spend against their budgets. The under-spend reflected the continuing

moves to reduce the ongoing cost base and were net of specific budget increases for marketing activities and systems developments to position the University for the new higher education funding environment.

- 9.2 The Treasurer, Michael Steen, congratulated all concerned for ensuring that the forecast results remained strong and that progress continued to be made in achieving the target cost reductions. The achievement of the overall target was essential to the OU's strategy and to securing the University's financial sustainability whilst offering the best value undergraduate fees in the whole of the English university sector.
- 9.3 The Council **noted** the 2011/12 forecast consolidated outturn of £30.2 million surplus.

10 FINANCE COMMITTEE

C-2012-02-05

- 10.1 The Treasurer, Michael Steen, introduced the paper. The Finance Committee had reviewed the 2012 Income and Expenditure Model (minute 4), which formed the starting point for determining the budget for the next financial year and the financial forecasts for future years. With the Student Loans Company (SLC) not opening for part-time loan applications until the end of July 2012, and then only for paper based applications, some considerable uncertainty remained over student numbers for next year and beyond. However, early indications were that the deficit would be smaller than anticipated, even after considerable strategic expenditure. The Finance Committee would be reviewing management's budget proposals at its next meeting.
- 10.2 The improved expectations were driven to some extent by the news on funding council grants. This was much better than anticipated as the cuts in Scottish Funding Council grants for 2011/12 had been reinstated for 2012/13, the Welsh Funding Council grant had been higher than expected, and the English Funding Council had changed the basis of calculating its part-time and widening participation allocations. Unfortunately, HEFCE's decision would have a one-off impact only, but overall the short-term position was better than expected.
- 10.3 The University had large operational balances, but the Treasury policy (minute 7) remained one of cautiousness at a time of considerable operational uncertainty. The emphasis on capital protection was right for the present, even though it carried its own potential opportunity cost. The Finance Committee would review the position as the operational picture became clearer and report back to the Council as appropriate.
- 10.4 The Finance Committee had also reviewed the financial statements of OUSA and OUSA Services Limited, which were in good financial health. The President of OUSA, Marianne Cantieri, said that she would be giving her report to the Council later in the year.
- 10.5 In response to a query on the VAT claim, Mr Hedges said that counsel remained confident and thought that the documentary evidence was very strong. It was unlikely that a hearing would take place before the end of the calendar year. The refund of VAT had not been accounted for in the figures.
- 10.6 The Council **noted**:
- a) the unconfirmed minutes from the meeting (F-2012-02-M)
 - b) the paper presented to Finance Committee on the 2010/11 OUSA & OUSA Services Ltd Audited Financial Statements.

11 AUDIT COMMITTEE**C-2012-02-06**

- 11.1 The Chair of the Audit Committee, Claire Ighodaro, introduced the paper. The Audit Committee had conducted a useful review of IT security with the Chief Information Officer, as it had sought assurance on security risks.
- 11.2 The Committee had updated its terms of reference. The changes were for clarity, rather than of substance, but the Council was asked to approve these updates.
- 11.3 Referring to paragraph 3.9 of the minutes, the President of OUSA, Marianne Cantieri, asked what effect the mitigating actions that had been identified in “such circumstances as the potential loss of funding for Widening Participation activities from HEFCE or the inability of the Student Loan Company (SLC) to offer loans for part time students in time for registrations with the OU” would have on students. Mrs Ighodaro said that the Committee had also sought assurance in this area. The University Secretary, Fraser Woodburn, said that, as the loan criteria were straightforward, the OU would advise students on their eligibility for a loan in the first instance. If the student had provided the OU with accurate information, but was subsequently turned down by the SLC, then the OU would allow them to continue to study without charge for one year. This would enable students to register with the OU, even if they had not been approved by the SLC, without risk to themselves. The University already advised students under the current loan arrangements, which were much more complicated, so the risk to the University was slight. However, the risk of not advising students in this way was enormous. The remaining risk with regard to the SLC was one of cash flow if it did not provide the loan on time. This had been raised with the Department for Business, Innovation and Skills (BIS), but the risk remained with the University and the rest of the part time sector. With regard to Widening Participation, the risk was that the University lost its funding. This would not be a direct risk to students, but it was a substantial sum of money that supported the University’s widening participation activity and could therefore have an indirect affect on students in the longer term. The University would argue the case for this funding having a material impact in the part-time context that was greater than it would in the full time sector. The Finance Director, Miles Hedges, added that in the meantime the University would keep its cash liquid in order to enable it to deal with a scenario where cash flow was deferred.
- 11.4 The Council:
- a) **approved** the proposed revisions to the audit Committee’s Terms of Reference (AUC-2012-01-M-Appendix);
 - b) **noted** the unconfirmed minutes from the meeting of the Audit Committee held on 6 March 2012 (AUC-2012-01-M)

12 ESTATES COMMITTEE**C-2012-02-07**

- 12.1 The Chair of the Estates Committee, Peter Mantle, introduced the paper. The Estates team were concentrating on creating efficiencies throughout the estate. Any surplus space that was created as a result of the changes going on throughout the OU was being concentrated into specific areas in order that, should the decision be taken to let space to complementary external organisations, then it could be done so efficiently without compromising the OU’s flexibility. The Estates team were taking advantage of the financial climate to negotiate favourable terms in the regions, also maintaining flexibility by taking on short term leases

- 12.2 The Chair commented that there might be some underutilised assets in the OU's estate, but that it would be inappropriate to do anything about this in the short term. Mr Mantle said that space had been identified that might be let without impacting the University's operations, but a strategic discussion was required as to if and when such a decision was made.
- 12.3 The Council **noted** the unconfirmed minutes of the meeting of the Estates Committee held on 9 March 2012 (E-2012-02-M).

13 STAFF STRATEGY COMMITTEE C-2012-02-08

- 13.1 With reference to the earlier discussion about reporting institutional performance, the Chair of the Staff Strategy Committee, Ros McCool, said that the Committee took a regular report from the University Secretary, Fraser Woodburn, and the Director of Human Resources, Nigel Holt, and considered various measures around staff and other HR issues. The last meeting had discussed the importance of bringing these issues to the Council and it was intended that the presentation by the Committee to the Council in July would feature people indicators.
- 13.2 The Council **noted** the unconfirmed minutes of the meeting of the Staff Strategy Committee, held on 28 February 2012 (CSSC-2012-01-M).

14 STRATEGIC PLANNING AND RESOURCES COMMITTEE C-2012-02-09 A & B

- 14.1 Referring to minute 6, the Director, the OU in Wales, Rob Humphreys, observed that the Strategic Plan for the OU in Scotland had been referred to as a Regional Strategy.
- 14.2 The Council **noted**:
- a) the unconfirmed Minutes and Confidential Minutes from the meeting of SPRC held on 25 April 2012 (SPRC-2012-02-M, SPRC-2012-02-CM);
 - b) that the SPRC recommendation to the Council on the Strategic Plan for The OU in Scotland (SPRC-2012-02-M minute 6) was dealt with elsewhere on the agenda (C-2012-01-02);
 - c) the updated paper presented to SPRC on the UK Political Landscape and Funding Environment (SPRC-2012-02-06-UPDATED);
 - d) that the recommendations from the SPRC to the Council on the Global Direct Business Plan (SPRC-2012-02-CM minute 7.10) were dealt with elsewhere on the agenda (C-2012-01-02);
 - e) that the recommendations from SPRC to the Council on Organisational Changes (SPRC-2012-02-CM minute 8.3) were dealt with elsewhere on the agenda (C-2012-02-11).

15 THE SENATE C-2012-02-10 A & B

The Senate **noted** the report on items discussed at the meeting of the Senate held on 18 April 2012.

16 STUDENT DEMAND**ORAL REPORT**

This item had been covered as part of the Vice-Chancellor's Regular Report.

17 ORGANISATIONAL CHANGES**C-2012-02-11**

- 17.1 The University Secretary, Fraser Woodburn, introduced the paper. The Business Development Unit (BDU) wanted to close its bespoke business line, which dealt with non-accredited e-learning for business and the public sector. Over the 10 years of its existence, this area had either made small losses or marginal surpluses. It was not readily scaleable and, because it was bespoke, did not draw on the OU's assets. The main clients were the public sector, which was reducing expenditure in this area. The business line was likely to make a small loss in the current year, and there was no pipeline of new business. Having considered the options, the BDU's view was that this business line should close. The reason that it was being presented to the Council was because of the possible implications for the redundancy of academic and academic-related staff. The University would work with the unions and the individuals to manage this as carefully as possible.
- 17.2 A student member asked how realistic the option of redeployment within the University for these individuals. Mr Woodburn replied that the consultation had not yet taken place, but it would be difficult for some staff.
- 17.3 The Council approved:
- a) the recommendation from SPRC that there should be a reduction in the academic-related staff of the University that could result in the potential redundancy of 19 academic-related staff in the BDU;
 - b) the recommendation from SPRC that there should also be a reduction in the academic staff of the University that could result in the potential redundancy of 4 academic staff in the BDU;
 - c) the recommendation from SPRC that it appoints a Redundancy Committee under Paragraph 11 of Statute 21 to select and recommend the requisite members of academic staff for dismissal by reason of redundancy by such date as it may specify.

18 INSTITUTIONAL RISK REGISTER**C-2012-02-12**

- 18.1 The University Secretary, Fraser Woodburn, introduced the paper. The high level institutional risk register had been recast to reflect the current strategy and the mitigations in that strategy. The register had already been considered by the Audit Committee.
- 18.2 The most significant risk was a "significant decline in core UK market income". In order to reduce this risk, given the scale of the change and the diversification of HE across all four nations of the UK, the University needed to work closely with all UK governments and ensure that it acted effectively on the UK Market Strategy. Some of this work, such as the Go-To-Market and Ready for 2012/13 projects, had already been reported to the Council. The UK Market Strategy had assumed that the University would not get it right first time, and there was still a lot of work to be done, so this risk would be reported on at each meeting of the Council. With reference to two other risks on the register, the ability to support students to achieve their study goals would be the main feature of the afternoon's

Strategy Workshop, and the Business Development Unit and International Development Office had earlier reported on their work to generate new income streams.

- 18.3 The Treasurer, Michael Steen, said that it was important that this analysis was complete. The Council needed to be sure that all the risks that faced the OU had been included in the register at the appropriate level. The Chair of the Audit Committee, Claire Ighodaro, agreed that the Council should not simply take this paper as a report, but should challenge it as necessary: it was the Council's responsibility to ensure that these were the top risks for the University. Mr Woodburn said that a long risk register was ineffective: this list did not constitute all of the risks facing the University, but included what the University considered to be the key strategic risks. There was a separate business continuity and operational risk register. In response to an enquiry, Mr Woodburn said that the risks were ranked according to their residual risk score.
- 18.4 Lord Haskins observed that the failure to ensure financial sustainability was fourth on the list of risks. Mr Woodburn responded that this was due to the way the risk register had been cast. The biggest element of financial sustainability had been included in the first risk to do with UK market income.
- 18.5 A member suggested that whilst the potential failure in completion rates contributed to some of the other risks, it should be more obvious in the risk register. Mr Woodburn agreed that if the University did not improve its completion rates the OU's viability could be undermined. Further to the discussions at the Council Strategy Workshop, the University would have to decide how best to surface this issue.

Action: FW

- 18.6 Mrs Ighodaro commented that the Council did not have a risk appetite or risk tolerance that was shared as a group. The movement between the inherent risk score and the residual risk score was shown on the register, but how much risk was the organisation prepared to take in any of the areas identified? Mr Woodburn replied that the University had little choice with regard to the first and biggest risk, the significant decline in the core UK market income.
- 18.7 A member requested that, since the risk register was a snapshot in time, a column be added to show whether the risk score was increasing or decreasing.

Action: FW

- 18.8 A member commented that levels of probability did not usually go up to 100% and suggested that the levels of likelihood were reviewed. Usually anything over 50% was considered very high as a probability. Mrs Ighodaro said that University had been on a journey with regard to risk management, and the way in which it gathered and managed data had improved considerably, but it still had some distance to travel. Mr Woodburn agreed to review these measures.

Action: FW

- 18.9 The Council **noted** the risk assessment set out in the institutional risk register.

19 MEMBERSHIP COMMITTEE

C-2012-02-13

The Council **approved** the appointment of Mr Bill Monk as an external member of the Estates Committee with appropriate expertise from 1 August 2012 to 31 July 2016.

20 DECLASSIFICATION OF COUNCIL PAPERS

The Council agreed to retain confidential status to the following papers:

C-2012-01-CM Confidential Minute and Addendum (tabled paper)
C-2012-02-01 Institutional Performance
C-2012-02-02 International Strategy
C-2012-02-09B Strategic Planning and Resources Committee Confidential Minute
C-2012-02-10B The Senate Confidential Minute
C-2012-02-11 Organisational Changes

21 DATE OF NEXT MEETING

The next ordinary business meeting of the Council will be held on Tuesday 17 July 2012 at 9.45am for 10.00am in the Hub Theatre, The Open University, Walton Hall, Milton Keynes, MK7 6AA.

22 REVIEW OF MEETING

- 22.1 This item was included following a recommendation from the Council Governance Review Group, agreed by the Council in July 2010.
- 22.2 A member commented that the agenda for the meeting had been sensible: on this occasion there had been fewer major items, which had allowed time for a good discussion on key matters. The Chair added that the reports had been sharper and clearer, which also encouraged useful debate.

Julie Tayler
Assistant Secretary
Central Secretariat
May 2012

Key:
SH Steve Hill
CL Christina Lloyd
GM Guy Mallison
JM James Miller
WS Will Swann
FW Fraser Woodburn