

Michael Bracey  
Chief Executive  
Civic Offices  
1 Saxon Gate East  
Milton Keynes  
MK9 3EJ

20 September 2023

Dear Michael,

Thank you for your letter of 18 September. It is very timely to update you about the progress being made with The Open University's Campus 2030 project and indeed to ask for your support as this work gathers pace and we invest significant resources in developing the business case. This case will inform the decision of our Council, currently scheduled for next July, about proceeding with investing in this major development.

Relocation of the entire OU campus to the city centre, together with developing new ways to study our courses in-person at a scale of up to 20,000 attending students, would be a huge undertaking and needs considerable work to test its feasibility and affordability. That work is now underway, with ten workstreams engaging many of the OU's senior staff and supporting consultants, as well as the appointment of a Chief Operating Officer for the project who will be joining us in December.

We are spending significantly on this work at a time when we are having to make large savings over the next two years as we downsize from the peak student numbers we experienced during the pandemic. I appreciate that it is important for the City Council to be assured that as an institution we have the financial capacity to be able to deliver a project of this magnitude subject to our Council's decision. The OU's underlying financial position is strong and, while we have a challenging period of financial adjustment in the short-term, we need to invest in future growth.

There is incredible potential to power this growth from new, high amenity, high tech and sustainable campus space in the centre of our home city, as well as deliver the civic ambition of a city centre university attended by young students from across the UK and internationally. This would enable both young people who want to stay living in the city and wider region to study locally and offer others who relocate to study to have a world-leading experience in a growing core city. It will be a very important part of the financial case.

We believe that while the economics of establishing a new university campus in Milton Keynes at a significant scale are very challenging, doing this as part of our existing main campus infrastructure and services could be a game-changer if it includes the benefits of a city centre location and complementary surrounding development. This could include income from some of the additional

value for those developments that a new student economy and strong university presence would bring.

Overall, there is an opportunity for both the city centre and the OU to grow together in a mutually reinforcing way as plans for development of the central business district take shape. We look forward to playing a role in those plans as they unfold. Similarly, we can see how Walton Hall has the potential to become a new residential community given its attractive suburban location. Working together in a way that has not happened before, I am sure that the city and the university founded within its boundaries can become closer and grow our regional, national and global ambitions together.

We have very positive and constructive relationships with Milton Keynes Development Partnership and Milton Keynes City Council officers. We appreciate MKDP's engagement with us about both the B4 site and other sites in the city centre that could include, for example, student housing. The whole city centre experience, beyond just our own buildings, will be essential to an attractive student and staff offer. Similarly, we have appreciated the engagement about possible redevelopment of the Walton Hall site, the income from which will be essential to the overall business case.

I do not want to underestimate the scale of the task ahead, the controversy it might cause in some quarters, and the financial challenge of a relocation that will cost the OU many millions of pounds while delivering much of its benefit beyond the University. Undertaken by the UK's largest university in one of the most economically important parts of the country, it will hopefully be regarded as of national significance by all parties. I would welcome the City Council recognising this project as of strategic significance for Milton Keynes and a priority for enabling the future economic growth of the city and quality of life of its residents.

At this stage, your support for the vision and how we are planning to achieve it would be welcome and helpful to report to our Council and the wider University community.

With best wishes

A handwritten signature in blue ink that reads "Tim Blackman". The signature is written in a cursive, slightly slanted style.

Professor Tim Blackman  
Vice-Chancellor