

7 April 2025

Expert Council on University Governance

Email: ExpertCouncilUniGov@education.gov.au

Dear Expert Council members

Expert Council on University Governance Consultation: Strengthening University Governance

Thank you for the opportunity to make a written submission to the consultation by the Expert Council on University Governance.

As we have outlined in our submission, the University believes that the *Code of Governance Principles and Practices for Australia's Public Universities* (as amended by the University Chancellors Council in December 2024) ("Voluntary Code") aligns with the ten priority areas identified by the Education Ministers.

UQ is supportive of initiatives within the Australian Universities Accord to drive reform in Australia's higher education system including the establishment of the Expert Council on University Governance.

UQ takes its regulatory and legislative obligations seriously and is committed to working with Government and regulatory organisations to deliver a safe and supportive environment for staff and students.

Thank you again for the opportunity to provide a submission.

Yours sincerely

Mr Datar Varabasa AO

Mr Peter Varghese AO **Chancellor**

D25/57970



Professor Deborah Terry AC

Vice-Chancellor and President





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Where do you think governance most needs to improve relative to your expectations of the role of Australian Universities?

- The University acknowledges how crucial good governance is to maintaining the quality of Australia's higher education sector. However, regulation of governance issues across the States and the Commonwealth needs to be harmonised, and in line with principles of proportionate regulation and regulatory necessity.
- Public universities in Australia are heavily regulated under State and Commonwealth laws, as well as Government statutes, policies and guidelines, and this trend is escalating. Much of these regulations (and proposed regulations and mandatory requirements/ codes) are overlapping and can be confusing, with the establishment of regulators that can have overlapping jurisdiction.
- The issue here is not a lack of regulation. The powers currently in place for TEQSA to regulate the sector, together with (for the University of Queensland) more than 420 state and federal legislative controls and regulatory requirements, and the creation of new regulatory bodies such as the National Student Ombudsman and proposed legislative instruments (such as the proposed National Higher Education Code to Prevent and Respond to Gender-based Violence and TEQSA's proposed Interim Statement of regulatory expectations: Student grievance and complaint mechanisms) impose an increasingly heavy compliance and reporting burden on universities.
- State legislation, through the *University of Queensland Act 1998* (UQ Act), establishes the governance of the University and functions of the governing body (the Senate) including requirements relating to its composition. There are also a number of voluntary codes of practice that universities are encouraged to comply in relation to maintaining good governance, such as the recently released *Code of Governance Principles and Practice for Australia's Public Universities* and the *Voluntary Australian Public Universities Vice-Chancellor and Senior Staff Remuneration Code*. UQ has adopted these voluntary codes (as outlined below).
- Governance of universities is distinct from ASX-listed companies, as universities are not-for-profit. UQ's Senate has a good balance of representation with members from the public, private and government sectors, subject matter experts and members of UQ's community, which aligns with widely accepted good corporate governance standards and meets the requirements of the <u>Higher Education Standards</u> <u>Framework (Threshold Standards) 2021.</u>
- The University has a tripartite approach to governance under the UQ Act through the Senate, the University's management, and Academic Board. Senate, as the governing body is accountable for the overall direction setting and oversight of the University. The Higher Education Standards require that Senate must be able to demonstrate and assure itself in relation to key corporate accountabilities, including for example, maintaining the quality of higher education and financial sustainability. Operating in accord with Senate are management structures that assist the Vice-Chancellor who is responsible to the Senate for the overall direction of strategic planning, finance and external affairs, supported by the UQ Senior Executive Team. The Academic Board is advisory to Senate and the Vice-Chancellor with respect to the academic functions of the University. Through its functions and processes, the Board and its committees contribute to and demonstrate the University's commitment to academic governance, in compliance with the Higher Education Standards.
- In December 2024, the UCC endorsed a revised version of the Voluntary Code titled 'A Code of Governance Principles and Practice for Australia's Public Universities' (the "Voluntary Code") drafted by former Chief Justice Robert French. UQ is supportive of the work undertaken by the UCC in revising the Voluntary Code. Following its endorsement in December 2024, the University is progressing towards full implementation of its additional recommendations this year. The Voluntary Code encapsulates the 10 priority areas identified at the Education Ministers Meeting (April 2024) and Priority Area 5 of the Universities Accord Interim Report (July 2023). The new Code also incorporates a range of new measures to improve the transparency of governance processes. UQ's Chancellor provided input into the revisions to the Voluntary Code and UQ's Senate Governance Committee also reviewed a draft of the revised Code at its meeting in July 2024. The purpose of the Code is to "provide broad guidance to the university governing bodies in the discharge of their functions and responsibilities. It must be read subject to the laws of the State, Territories and Commonwealth affecting the governance of universities".



- The University continues to undertake work to ensure its governance infrastructure, policies and processes enable it to continue to fulfil its mission to serve the public good through research, education, and community engagement. Two key focus areas for the University are:
 - 1. Ensuring the University is well placed to respond to emerging government policies and practices in student and staff safety; and
 - 2. Strengthening reporting on workplace law compliance through structured reports to the University Senior Executive Team and Senate's Risk and Audit Committee. In addition, the University has instituted a focused program of work to further improve systems and processes to ensure staff are paid appropriately and accurately and in accordance with our Enterprise Agreement.

What governance principle(s) do you think could help resolve the issue(s) as you have identified?

The following governance principles would be helpful for the University:

- 1. Clarity as to the institutional autonomy of universities under the 'University Governance Principles and Recommendations' and appropriate alignment with internal governance frameworks.
- 2. A clear distinction in the roles, remits and jurisdictions of the departments and agencies involved in university governance including the Department of Education, Expert Council, Australian Tertiary Education Committee, TEQSA, the Fair Work Commission, and the National Student Ombudsman.
 - Much of the Commonwealth and State legislation that applies to the public universities sector is
 overlapping and can be complex to navigate with the establishment of new regulators that may have
 overlapping jurisdiction. As an example, for UQ there is both Commonwealth and Queensland
 legislation on managing psychosocial risks, human rights obligations and whistleblower laws.
 Substantial resources often need to be committed (together with expert advice) to ensure
 appropriate compliance and reporting.

Other related or relevant matters to the governance of universities in Australia

- UQ must comply with over 420 pieces of legislation at both a Federal and State level. Its operations are overseen by numerous Queensland and Commonwealth regulators and bodies including, but not limited to TEQSA, the Fair Work Commission, Workplace Health and Safety Queensland, Workplace Gender Equality Agency, Office of the Information Commissioner, Australian Charities and Not-for-Profits Commission, Queensland Audit Office, Department of Foreign Affairs and Trade, Queensland Human Rights Commission and Australian Human Rights Commission. In addition, there are three separate ombudsmen at a State and Federal level. These arrangements are complemented by a comprehensive range of internal governance controls across key areas such as financial management, internal audit, delegations, risk management, conflict of interest management and compliance management.
- While there is always room for improvement, the University prides itself on its proactive approach to governance, and is committed to robust assurance and review activities, to ensure we continue to respond appropriately to the complex environment in which we operate. The effectiveness of our governance and management is demonstrated through the effective performance of the University. UQ has been ranked by the Australian Financial Review as Australia's top university for two years running with a strong performance across teaching, research, student experience and employment outcomes. Such outcomes do not happen without strong governance.