

**Submission to the Expert Council on University Governance
7 April 2025**

Background

The University of Notre Dame (UNDA) is a small national university, established by an Act of the Parliament of Western Australia, the *University of Notre Dame Australia Act 1989*. The Board of Directors is the governing body of the University, and is authorised under the Act (except where it provides otherwise) to “... *exercise all the powers of the University and is to have the entire control and management of the affairs and concerns of the University.*”

UNDA provides a university education to 12,800 students, within a context of Catholic faith and values.

UNDA is proud of the provision of an excellent standard of teaching, scholarship and research; training for the professions; and pastoral care for all students from all backgrounds.

Our campuses across Australia – in Fremantle, Broome and Sydney - allow for an authentic universal learning experience, where students can learn from a campus home base and also learn across campuses through our national degrees, or study abroad with our partner universities.

UNDA is committed to fostering educational experiences that are inclusive, innovative, and accessible to all. We believe in empowering students, preparing them to succeed, and inspiring them to contribute to society through immersions and volunteer engagements.

Context

UNDA welcomes the *Code of Governance Principles and Practice for Australia’s Public Universities* (the Code), developed by the University Chancellors Council (UCC). The Code provides broad guidance to university governing bodies in the discharge of their functions and responsibilities.

We note the ten priority areas identified by the nation’s education ministers.

While there is always opportunity to refine and enhance governance structures, practices and processes to ensure they are fit for purpose and can best meet the challenges of an ever more complex operating environment, UNDA does not believe that there is systematic failure of governance in Australian universities.

We would highlight the critical importance for all universities to take a long-term strategic approach to the governance of their institution to ensure ongoing sustainability and excellence. An important aspect of this is to adopt a long-term succession planning approach to the governing body's membership.

This submission addresses the areas of composition of governing bodies, training, appointment processes and remuneration policies.

Composition of governing bodies

UNDA notes the stated desire of the UCC and the Australian, state and territory education ministers to increase diversity on university governing bodies.

We support the priority focus on achieving improved gender balance on governing bodies. Achieving greater gender balance will enhance the collective competency of the Australian university sector's governing bodies and contribute to balanced decision-making.

We see no conflict between a genuine commitment to achieve gender balance and the existence of rigorous and transparent appointment processes.

The Code provides that a governing body, in the exercise of its own powers to determine or influence its own composition, should seek to have First Nations membership on the governing body.

UNDA is supportive of this aspirational goal, acknowledging the spirit of the Code. We consider that any move to legislate to require specific cohort representation on universities' governing bodies would be heavy-handed.

A detailed skills matrix, updated annually, underpins the appointment process to the Board of Directors and its sub-committees at UNDA to ensure appropriate collective skills and knowledge. This matrix includes experience working across equity cohorts, including Aboriginal and Torres Strait Islander Peoples. Well developed processes ensure input from Indigenous people, students and staff on the University's governance and management committees.

UNDA's Board of Directors also includes external university leadership expertise, including a former highly respected Vice Chancellor.

External expertise is sourced for specialist advice, and comprehensive external reviews of both academic and corporate governance are required as part of a provider's re-registration process with TEQSA. These reviews provide an in-depth assessment of governance structures, processes and practices.

The Code further provides that a governing body, in the exercise of its own powers to determine or influence its own composition, should seek to have both one or more student and staff members on the governing body. The Australian, state and territory education ministers have also identified the desirability of increasing staff and student representation on governing bodies.

As one of the smallest Australian universities, UNDA submits that the need for agility and flexibility in decision-making is particularly crucial to us. Prescribing particular cohorts to be represented on the governing body may have the unintended consequence of reducing such flexibility and agility.

UNDA believes that the laudable goal of increasing staff and student engagement in the governance of Australia's higher education institutions will be best achieved through the development and implementation of transparent processes that ensure regular input from these cohorts into decision-making. For example, at UNDA, student representatives report to the Board without management in attendance; student representatives are included on the Vice Chancellor's Senior Management Group; and a Student Board with majority student representation reports through the Vice Chancellor to the Board of Directors. Elected staff representatives are included in key governance committees, including the Academic Council, as well as a Joint Consultative Committee to develop Enterprise Agreement provisions and input to key staffing policies. Furthermore, the Vice Chancellor holds forums regularly each year to facilitate open questions from staff.

The *University of Notre Dame Australia Act 1989* provides, at section 15C, that each member of the Board of Directors,

“must at all times act in the best interests of the University and give precedence to the interests of the University over the interests of any person appointing or nominating a member of the Board”.

It would be unfortunate if in the process of increasing staff and student representation, a perception was to arise that there is a duty owed specifically to the stakeholders they represent in decision making, as distinct from the best interests of the university. While these interests intersect, there may be occasion when prioritisation of stakeholder interests may result in a breach of the best interest duties of Directors.

Furthermore, there is a likelihood of more frequent turnover on the Board and an impact on the ability for effective long-term succession planning for Board membership, given the priority afforded by students to successful completion of their study commitments and desire for shorter-term appointments.

Appointment processes

The Code notes the strict importance of a rigorous and transparent selection process that includes a formal and regularly updated skills capabilities and diversity selection matrix that is in line with the requirements of that governing body's jurisdiction and directed to the selection of the person best suited for the position.

As indicated earlier, a sector wide focus on improving diversity on governing bodies is welcome. That focus must be underpinned by an ongoing commitment to rigorous appointment processes, to ensure governing bodies have the right expertise, including senior level experience and knowledge across financial, legal, risk, human resource, IT and strategic matters as well as of running universities.

Training

UNDA supports the emphasis in the Code for governing body members to undertake training on responsibilities and expectations of their role. A Continuing Professional Development plan for UNDA's Board of Directors identifies areas of development focus and is updated annually to supplement tailored induction programs covering the roles and expectations of the Board, as codified in key governance documents. Sessions involving external expertise are conducted to ensure Directors are kept abreast of legislative changes and Directors are supported to attend the AICD University governance course and attend relevant conferences, including those conducted by the UCC and TEQSA.

Remuneration policies

UNDA supports the Code's focus on universities' remuneration policies for senior university staff.

In particular, we are supportive of moves to benchmark remuneration against public and private entities of comparable scale and complexity, and to publicly report annually on total remuneration packages for senior executives.

UNDA's executive remuneration is subject to effective oversight through the Remuneration and People and Culture Committee, a sub-committee of the Board of Directors and is informed by sector benchmarking. The remuneration of the Vice Chancellor and senior executives is disclosed within the University's Financial Statements, published to UNDA's website, as well as the ACNC website as well as reported to the Department of Education.