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7 April 2025

Ms Melinda Cilento  
Chair  
Expert Council on University Governance  
By email: [expertcouncilunigov@education.gov.au](mailto:expertcouncilunigov@education.gov.au)

Dear Ms Cilento

### **Strengthening University Governance: Expert Council on University Governance**

I refer to [REDACTED] email of 7 March 2025 inviting the University of Technology Sydney (UTS) to make an initial submission to the Expert Council on University Governance (the Expert Council).

We welcome the appointment of the Expert Council agreed by Education Ministers in response to the Australian Universities Accord Interim Report. We understand the Expert Council will develop new 'University Governance Principles and Recommendations' with a focus on the following key areas:

- Ensuring universities are good employers providing a supportive workplace
- Making sure governing bodies have the right expertise
- Making sure our universities are safe for our students and staff

To assist the Expert Council, we have outlined the UTS approach to these and related matters in a detailed attachment to this letter. The attachment covers:

- UTS governing framework (including UTS Council and committees)
- UTS leadership (including executive remuneration)
- Remediation of underpayments to casual professional staff
- Student safety
- Financial management
- Use of external consultants

### **Striving for best practice in governance**

UTS is committed to striving for best practice in its approach to governance and aims to continually improve and strengthen our processes and performance for the benefit of our staff, students and broader community.

We acknowledge there have been areas where the sector, including UTS, may not have met public expectations of what it takes to be a good employer and to provide an environment that is safe for our students and staff.

As outlined in the attachment, wherever possible we have aimed to proactively address these issues and take preventative steps to avoid further harm. In particular, we wish to draw the Expert Council's attention to how university governance and its oversight of university management has operated to identify and oversee the need to change. We welcome any recommendations that improve this.

UTS has implemented the *Voluntary Code of Best Practice for the Governance of Australian Public Universities* (Voluntary Code) as the peak framework against which the university monitors

and reports its governance compliance. In 2024, UTS was fully compliant with 13 of the code's 14 protocols and partially compliant with the remaining protocol. For protocol 12(b), regarding the independence of controlled entity board directors, UTS has chosen in some instances to not adhere to the protocol's requirements. This approach has been the case since the code's adoption.

The University Chancellors Council endorsed an updated version of the Voluntary Code in December 2024 (now known as *A Code of Governance Principles and Practice for Australia's Public Universities*) which includes new reporting implications which are under consideration for implementation.

### **Comprehensive external oversight**

In terms of external oversight of the sector, it is the view of UTS that the Tertiary Education and Quality Standards Authority (TEQSA) has sufficiently broad and encompassing powers for the purposes of assuring the quality of the higher education sector. The appointment of a National Student Ombudsman and introduction of legislation to establish a *National Code to Prevent and Respond to Gender-based Violence* are recent initiatives that will improve university accountability and transparency in a range of areas, in addition to TEQSA's functions.

The powers of TEQSA also need to be considered in conjunction with State-based legislation governing public universities. In relation to UTS, we refer the Expert Council to the *University of Technology Sydney Act 1989* that sets out requirements for the composition of our Council, its functions and fiduciary duties of Council members.

The Audit Office of NSW also exercises powers to audit the financial statements of the ten NSW universities and their controlled entities and produces a report for Parliament on the overall sector each year. That audit process also identifies areas of risk and compliance and the annual report to the NSW Parliament is a useful tool to ensure that sector wide issues are addressed within the scope of this process.

### **Implications of increased compliance and reporting**

In summary, Australian universities engage with a number of oversight bodies at the Federal and State level, each imposing additional reporting and compliance requirements. The planned establishment of the Australian Tertiary Education Commission will only add to this regulatory load. In considering measures to improve university governance, UTS encourages the Expert Council to prioritise the avoidance of duplication, as well as considering ways to streamline the existing framework as part of efforts to enhance its effectiveness.

These are important principles to adhere to because, in the absence of additional funding, increasing the regulatory burden on universities will only further stretch already constrained budgets, ultimately to the detriment of the staff and students intended to benefit from these measures.

UTS appreciates the opportunity to contribute to the Expert Council on University Governance and we look forward to further engagement on the development of new University Governance Principles and Recommendations.

Should you have any questions regarding this feedback please do not hesitate to contact 

Yours sincerely



Professor Andrew Parfitt  
**Vice-Chancellor and President**

# ATTACHMENT

## About UTS

UTS is a public university of technology with a campus in the heart of Sydney's growing education, innovation and creative precinct at the southern gateway to Sydney's central business district. We are an inclusive university, committed to research, innovation and the dissemination of knowledge of public value.

UTS offers over 130 undergraduate and 210 postgraduate courses across traditional and emerging disciplines. The university's world leading research centres span a range of disciplines providing practical and relevant solutions to issues of national and international importance and equip graduates with the latest discipline specific skills and practices.

The university also maintains strong relationships with the local community, industry, business and the professions through a wide range of partnerships, projects and events.

As a public purpose institution, UTS is committed to supporting positive social change within and beyond our campus. Student-based programs, focused research and innovative teaching approaches aim to create a more just and equitable world.

We believe in social change to create a more just, equal and sustainable world. We're preparing our students for the future workforce. We aim to set up our students to be global thinkers and leaders. We're committed to research of international excellence and of real benefit to society.

## UTS's governing framework

To assist the Expert Council, this section provides information regarding the composition of UTS's governing bodies and the transparency, accountability and effectiveness of their functions and processes.

The Council is 'the governing authority of the University' (section 8A(2) of the UTS Act). It has the powers needed to enable UTS to carry out its functions, including the power:

- to control and manage the affairs of the university (section 16(1A)).
- over money and property (sections 16, 18, 19, 20 and 21).
- to appoint a Vice-Chancellor (section 12).
- to delegate its functions (section 17).

The Council is empowered to act 'in all matters concerning the University in such manner as appears to the Council to be best calculated to promote the object and interests of the University' (section 16(1A)(c)). The Council has wide powers, but as emphasised above, they may only be exercised in pursuance of the university's object (section 6(1)) and then only in discharge of the university's functions specified in the UTS Act. These powers must be exercised subject to the by-laws of the university (section 16(2)), which are made by Council and approved by the Governor (section 28)).

### **Accountability and effectiveness of Council's responsibilities (including expenditure, risk management and conflicts of interest)**

The following table contains Council's primary responsibilities as prescribed by the UTS Act and a brief summary of the way in which Council carries out each of the responsibilities.

Council's primary responsibilities as prescribed by the UTS Act (section 16(1B)) are to:		How Council carries out these responsibilities
(a)	monitor the performance of the Vice-Chancellor	The Chancellor, in consultation with the Remuneration Committee, annually reviews the Vice-Chancellor's performance.



(b)	oversee the university's performance	Council approves the UTS Corporate Plan and annual targets. Council receives regular progress reports and briefings on strategic matters, KPI and financial performance reports.
(c)	oversee the academic activities of the university	The Academic Board and the Vice-Chancellor are the principal sources of advice to the Council on all academic matters. The Chair, Academic Board is an ex officio member of Council.
(d)	approve the university's mission, strategic direction, annual budget and business plan	Council approves the UTS Strategy, UTS Annual Plan, Finance Plan and annual budget. The Finance Committee advises Council on financial matters.
(e)	oversee risk management and risk assessment across the university (including, if necessary, taking reasonable steps to obtain independent audit reports of entities in which the university has an interest but which it does not control or with which it has entered into a joint venture)	Council approves the UTS Risk Management Policy, including the Risk Management Framework. UTS has in place an overarching risk architecture to ensure that Council has oversight of both strategic and other risks. The Audit and Risk Committee advises Council on UTS risk management generally. Other committees report on specific risk management within their terms of reference and in line with the risk architecture.
(f)	approve and monitor systems of control and accountability for the university (including in relation to controlled entities within the meaning of section 16A)	Council's delegations are contained in the University's delegations. The Audit and Risk Committee approves and monitors the annual audit plan.
(g)	approve significant university commercial activities (within the meaning of section 21A)	The UTS Commercial Activities Policy provides the framework for UTS commercial activities. The Chief Operating Officer advises Council on these matters.
(h)	establish policies and procedural principles for the university consistent with legal requirements and community expectations	Council approves all university policy except where it has delegated authority to the Vice-Chancellor or to Academic Board for academic policies. The UTS Policy Framework details requirements for policy development, approval and implementation.
(i)	ensure that the university's grievance procedures, and information concerning any rights of appeal or review conferred by or under any Act, are published in a form that is readily accessible to the public	The UTS Staff Complaints Policy outlines how complaints are reported and managed at UTS. The Policy is reviewed regularly in line with changes in legislation or regulation.  Review and appeal processes are published widely within UTS and publicly.
(j)	regularly review its own performance (in light of its functions and obligations imposed by or under this or any other Act)	Council has established a Governance Review Framework, which is coordinated by the Governance Committee. Under this Framework, the effectiveness of Council's performance is subject to an external review every 4 years. Internal reviews comprise a governance systems review (every 4 years) and a Council evaluation survey (every 4 years).
(k)	adopt a statement of its primary responsibilities	Council has adopted a statement of primary responsibilities reflecting section 16(1B) of the UTS Act.
(l)	make available for members of the Council a program of induction and of development relevant to their role as such a member.	Council has adopted statements on the structure and content of its induction and development program. This includes the opportunity for Council members to participate in Australian Institute of Company Directors' courses.

### Composition of UTS's governing body (UTS Council)

The Council may comprise up to a maximum of 22 members and a minimum of 11 and is currently comprised of 18 members (section 8B of the UTS Act).

The composition of Council is in accordance with sections 8A-H, section 9 and Schedule 1 of the UTS Act, Part 2 of the University of Technology Sydney By-law 2005 (the UTS By-law) and Rule G1 of the UTS General Rules as follows:



- 3 official members:
  - the Chancellor
  - the Vice-Chancellor
  - the Chair of the Academic Board
- 2 external persons appointed by the NSW Education Minister for terms not exceeding 4 years
- 8 external people appointed by the Council for terms not exceeding 4 years
- 2 elected (academic staff) members elected by academic staff members for a term of 2 years in accordance with election procedures set out in Rule G3 of the UTS General Rules
- one elected (professional staff) member elected by professional (non-academic) staff members for a term of 2 years in accordance with the election procedures set out in Rule G3 of the UTS General Rules
- one elected (postgraduate student) member elected by postgraduate students for a term of 2 years in accordance with election procedures set out in Rule G3 of the UTS General Rules, and
- one elected (undergraduate student) member elected by undergraduate students for a term of 2 years in accordance with election procedures set out in Rule G3 of the UTS General Rules.

It is important to highlight that Council has chosen to increase its representation of elected members above the minimum to support a strong voice in the constitution of its membership. Section 8D of the UTS Act stipulates a minimum number of one in each of the three categories (academic staff, professional staff and students) but Council has a total of five elected members (two academic staff, one professional staff and two students).

The Governance Committee is charged with identifying and advising Council of the appropriate balance of skills, knowledge and experience that should exist in the Council as a whole, and any related professional development requirements and strategies. In this regard, Council has approved a Skills and Experience Matrix (refer to page 14 of this attachment) to ensure its composition reflects both requirements specified in the UTS Act and those specified by Council. The matrix is reviewed annually to ensure prescribed skills and experience remain appropriate and is also a guide for the identification of potential candidates to be members of Council when vacancies arise.

A requirement of the *Voluntary Code of Best Practice for the Governance of Australian Public Universities*, enshrined in section 8C(1) of the UTS Act, is that at least 2 members of the Council must have financial expertise and at least one member must have commercial expertise. Section 8C(2) further provides that all appointed members of the Council must have expertise and experience relevant to the functions exercisable by the Council and an appreciation of the object, values, functions and activities of the university.

It is the responsibility of the Nominations Committee (as outlined in clause 34 of the UTS By-law) to recommend suitable people to Council for nomination to the NSW Education Minister and for appointment by the Council.

### **Code of Conduct**

Council has adopted a Code of Conduct for Council and external committee members that summarises the standard of conduct and responsibilities of members. The Code provides an ethical framework for members, in the context of their duties and liabilities under the law and embodies the principles covering appropriate conduct.

Members who are also university members of staff are also subject to the university's Code of Conduct.

This Code provides general guidelines and understanding to members of what is expected of them as members. If there are any problems or questions relating to the Code, members may discuss these with the Chancellor or, in appropriate cases, with the full Council or other relevant committee.

### **Conflicts of interest**

Members are appointed with a wide diversity of skills and experience. Accordingly, they may have multiple professional and personal interests that make it impossible to avoid conflicts altogether. Conflicts of interest that do arise, whether actual, potential or perceived, need to be recognised, disclosed and effectively managed.

Committee members are also required to raise any potential conflict of interest with their committee chair in the first instance and at the earliest possible opportunity.

#### Managing a conflict of interest

Council and committee members are obliged to declare any conflicts of interest when they are appointed to Council or a committee, or at any time that they become aware of a conflict of interest. They must also declare any conflicts of interest on an annual basis. A declaration of interest form must be completed and lodged with the University Secretary.

Once a disclosure of such a material interest has been made and recorded, the conflict is managed by the member not receiving any papers relating to the matter; not being present during any deliberation or decision of Council or the committee regarding the matter; or as otherwise determined by Council or the particular committee.

Where chairs of Council committees, or individual members whose circumstances are not otherwise covered by the above mechanisms, have a current or potential conflict of interest, they should raise that conflict with the Chancellor who may make a determination or, if appropriate, bring the matter to the Governance Committee for its consideration.

A conflict of interest declaration is not complete until Council's declaration of interest form is completed and lodged with the University Secretary, except when made at a Council meeting or Council committee meeting on the basis that the form will be completed immediately after the meeting at which such disclosure is made.

#### **Induction and professional development of Council members**

The Governance Committee has oversight of the Council induction and professional development program.

##### Council induction program

The purpose of the Council induction program is to familiarise members of Council and its committees with:

- the role, duties and responsibilities of the Council and its members.
- UTS governance and the structure, functions and activities of the university.
- significant issues for, and external influences on, the university.

The program includes:

- governance orientation, including meeting the Chancellor and the Vice-Chancellor.
- financial orientation, including capital development, budget, accounting, financial planning, management reporting, controlled entities, part-owned entities and commercial activities.
- an information pack, including Council member roles and responsibilities, the Council Code of Conduct, strategic planning, risk management and other protocols.

##### Council professional development program

The purpose of the Council professional development program is to build Council expertise and knowledge in areas identified by the Council, for example:

- governance, structure, functions, activities and plans of the university.
- significant issues, external influences and emerging issues for the university.
- financial/business/commercial analysis.
- community expectations.

The program includes:

- Council lunch and Council meeting presentations.
- annual Council retreat.
- external seminars, conducted by appropriate bodies.

- external speakers series.
- opportunity to participate in Australian Institute of Company Directors' courses.

### **Academic governance and management**

The Vice-Chancellor is the chief academic and administrative officer of the university and works with Academic Board as the principal sources of advice to the Council on academic matters.

Academic Board 'constitutes the primary forum in the University for the discussion and resolution of academic issues and matters, and has a responsibility to assess the quality of, and provide direction to, the academic work of the University, including teaching, learning, scholarship, research and research training'.

In particular, Academic Board:

- (a) Shall report to, or advise Council or the Vice-Chancellor, on any aspect of:
  - (i) the academic goals, objectives, principles, directions, priorities and profile of the University, including advice on how these provide a basis for financial, capital or human resource planning.
  - (ii) the quality and standards appropriate to all aspects of the academic work of the University, and in particular to teaching and learning and the support thereof, and to research and research training.
- (b) Shall determine the accreditation of proposed or existing award courses on their academic merit and the removal of the accreditation of award courses.
- (c) Shall undertake initiatives and institute measures to promote the communication of academic issues and matters and the coordination of academic work and activities across the whole University.
- (d) Shall determine academic policies.
- (e) Shall determine the standards governing all aspects of academic administration, including, but not limited to, the admission of students and the examination and assessment of students work.
- (f) Shall set the conditions for the granting of fellowships, scholarships and prizes within the University.
- (g) Shall recommend to Council those students who, having satisfied all academic requirements for an award course, are considered eligible to graduate; and shall assure the validity of such recommendations by appropriate means.
- (h) Shall determine the structures and functions of faculty boards, noting that a faculty board's authority to act on specific matters will continue to require Council's delegated authority.

### **Role and operation of Council committees**

UTS committees make decisions in thorough, consultative, consistent and transparent ways within delegations. Committees operate in line with approved Charters. Council's current committees are as follows.

#### Academic Board

As discussed above, the constitution, functions and powers of the Academic Board are determined by Council in accordance with section 15 of the UTS Act and set out in Rule G3 of the UTS General Rules. The Academic Board and the Vice-Chancellor are the principal advisers to the Council on academic matters. Subject to the UTS By-law, the UTS Rules and the resolutions of Council, Academic Board has a responsibility to assess the quality of, and provide direction to, the academic work of the university, including teaching, learning, scholarship, research and research training.

Further information about Academic Board and its Charter is available from here: <https://www.uts.edu.au/about/uts-governance/committees-uts/academic-board>

#### Audit and Risk Committee

The primary responsibility of the committee is to assist Council in overseeing the risk activities (including financial controls and Risk Management Framework) undertaken by UTS. In addition to oversight of risk management and the internal control framework, the committee has oversight of legislative compliance



where appropriate, internal and external audit and external reporting accountability. More information about UTS's Risk Management is outlined further below under the heading **Risk Management**.

Further information about Audit and Risk Committee and its Charter is available from here: <https://www.uts.edu.au/about/uts-governance/committees-uts/council-committees/audit-and-risk-committee>

#### Finance Committee

Advises Council on financial matters and acts on its behalf within certain delegated authorities, while recognising the Vice-Chancellor's responsibility for management of the university. The committee makes recommendations and provides advice to Council on the following matters:

- Financial planning and budget – the Financial Plan, annual budgets, including the capital works budget, and subsequent amendments to budgets of the university proposed by the Vice-Chancellor.
- Financial performance – the ongoing financial performance of the university.
- Liquidity – cash flow and borrowings of the university.
- Financial sustainability – long-term financial matters with a view to sustaining and enhancing the financial health of the university. As well as funds investment and divestment matters.
- Research commercialisation investment – monitor investment in research commercialisation activities, and translation investment returns.
- Controlled entities – oversight of the financial performance of controlled entities.
- Risk – assist Council in discharging its responsibility to exercise due care and skill in relation to the designated risks contained within the UTS Council Committees Risk Oversight Responsibilities Framework.
- Policy – oversight of the financial aspects of corporate and functional policies.

Further information about Finance Committee and its Charter is available from here: <https://www.uts.edu.au/about/uts-governance/committees-uts/council-committees/finance-committee>

#### Governance Committee

Advises Council on matters relating to the university's governance framework; oversees the conduct of Council's Governance Review Framework; identifies and advises Council of the appropriate balance of skills, knowledge and experience that should exist in the Council as a whole and any related development requirements and strategies; oversees the development and operation of Council's induction and professional development program; reports to Council on UTS governance; and considers and advises Council on proposed amendments to the UTS Act, By-law and Rules as may be required for the university in accordance with sections 28 and 29 of the UTS Act.

Further information about the Governance Committee and its Charter is available from here: <https://www.uts.edu.au/about/uts-governance/committees-uts/council-committees/governance-committee>

#### Infrastructure Committee

Advises Council on matters relating to physical infrastructure, information technology infrastructure and precincts in the context of the UTS strategy and Finance Plan as approved by Council.

Further information about the Infrastructure Committee and its Charter is available from here: <https://www.uts.edu.au/about/uts-governance/committees-uts/council-committees/infrastructure-committee>

#### Nominations Committee

Recommends to Council candidates whom Council may nominate to the NSW Education Minister for appointment as Council members or appoint as Council members.

Further information about the Nominations Committee and its Charter is available from here: <https://www.uts.edu.au/about/uts-governance/committees-uts/council-committees/nominations-committee>

### Remuneration Committee

Advises Council on the Vice-Chancellor's and the Provost's performance, determines remuneration, the design parameters of the Remuneration Framework as it applies to those two positions, and is broadly across the senior leadership group.

Further information about the Remuneration Committee and its Charter is available from here: <https://www.uts.edu.au/about/uts-governance/committees-uts/council-committees/remuneration-committee>

### Honorary Awards Committee

Advises Council on policy relating to all types of honorary awards and recommends nominations for honorary awards and titles.

Further information about the Honorary Awards Committee and its Charter is available from here: <https://www.uts.edu.au/about/uts-governance/committees-uts/council-committees/honorary-awards-committee>

### Student/Council Liaison Group

Is a forum for students, members of Council and senior management to discuss matters of UTS policy and governance relevant to the student body. It gives effect to the UTS governance principle that the University engage the relevant interests of its stakeholders.

The Student/Council Liaison Group consists of the following positions:

- two members of Council
  - one external member to be the Chair
  - one member to be the Deputy Chair
- two student members of Council
- Deputy Vice-Chancellor (Education and Students) or nominee
- Director, Student Services
- an associate dean (either teaching and learning or research, or equivalent) nominated by the associate deans
- President, Students' Association or nominee
- Overseas Students Officer of the Students' Association
- President, ActivateUTS or nominee
- student representative of ActivateUTS clubs
- a UTS Housing student representative nominated by the Residential Life and Learning Supervisor and Housing Services and the Manager, Housing Service
- elected Indigenous student member of Academic Board
- elected student members of Academic Board, one from each faculty
- elected postgraduate research student member of Academic Board
- co-opted members.

The UTS Student/Council Liaison Group's Charter outlines the roles, responsibilities, composition and the manner in which it discharges its responsibilities for UTS.

More information about the UTS Student/Council Liaison Group and its Charter is available from here: <https://www.uts.edu.au/about/uts-governance/committees-uts/council-committees/studentcouncil-liaison-group>

### **Council's monitoring and evaluation of its performance**

It is good governance practice for governing bodies and their committees to have in place a sound performance review process. The Governance Committee is responsible for overseeing the conduct of Council's review of its performance.

Council has established a Governance Review Framework under which the effectiveness of Council's performance is subject to an external review every 4 years. Internal reviews comprise a governance systems review (every 4 years) and a Council evaluation survey (every 4 years).

Additionally, the Chancellor conducts annual one-on-one performance discussions with each Council member and of Council performance overall. Council committees assess their performance against their forward plan annually.

### **Risk management**

UTS enterprise Risk Management Framework aligns with international standards (ISO 31000:2018, Risk management — Guidelines). This framework encompasses all aspects of university operations, including academic activities, research, change initiatives, financial planning, and legal compliance.

All staff members at UTS play a crucial role in risk management, ensuring that risks are understood, assessed and addressed within defined boundaries of risk appetite. Informed risk-taking, guided by UTS's risk appetite, contributes to the university's continued growth and success.

UTS continues to strengthen risk maturity across the university in response to changes in the operating environment and external risk landscape. By fostering a risk-aware culture, UTS aims to enhance decision-making, protect its assets and maintain stakeholder confidence. Improvements across the university include:

- incorporated periodic external threat landscape scans as part of the risk identification and reporting processes.
- developed risk taxonomy covering strategic, operational, academic and compliance risks.
- developed risk assurance mapping that recognises various assurance activities undertaken across the university.
- strengthened risk governance with clear roles and responsibilities of Council and its committees and the university leadership team in risk oversight and monitoring effectiveness of risk mitigation strategies.
- rollout of on-the-job training of staff on risk management during periodic risk and opportunity review processes.

UTS maintains a comprehensive insurance program to cover the university and its controlled entities. These include:

- financial lines (including directors and officers, cyber, medical malpractice, commercial crime, professional indemnity, employment practices liability)
- public, products and environmental liabilities
- property and asset protection and business interruption
- accident and health (including travel insurance)
- staff and students international health and security management through International SOS.

## **UTS leadership**

Council appoints the Vice-Chancellor and determines their remuneration. The current UTS senior executive positions are:

- Vice-Chancellor and President.
- Provost and Senior Vice-President.
- Deputy Vice-Chancellor and Vice-President (Education and Students).
- Deputy Vice-Chancellor and Vice-President (External Engagement and Partnerships).
- Deputy Vice-Chancellor and Vice-President (International).
- Deputy Vice-Chancellor and Vice-President (Research).
- Chief Operating Officer and Vice-President.



The power to control and manage UTS's affairs is, generally speaking, exercised by the Vice-Chancellor who is responsible for the administration of the university. The UTS Act makes the Vice-Chancellor 'the chief executive officer of the university' and, by implication, must be taken to confer on the Vice-Chancellor the powers needed to perform the functions of chief executive officer.

In addition, the Vice-Chancellor holds such powers of the Council as the Council may delegate under section 17 of the UTS Act. Other legislation, both Commonwealth and state (for example the Independent Commission Against Corruption Act 1988 (NSW) and the Educational Services for Overseas Students Act 2000 (Cwlth)) casts specific responsibilities on the Vice-Chancellor together with the powers needed to discharge those responsibilities.

### **Executive Remuneration**

The Australian Universities Vice-Chancellor and Senior Staff Remuneration Code is a voluntary set of principles and processes designed to ensure fair and appropriate remuneration for university leadership that is understood and supported by the sector.

UTS acknowledges the importance of ensuring the remuneration of its Vice-Chancellor and senior leaders is competitive, appropriate and transparent.

Remuneration needs to appropriately reflect the value that high quality leaders bring to the university, and the broader economy and society, while also acknowledging the role of universities as public purpose institutions.

Transparency is a vital part of good practice remuneration ensuring that decision-making bodies, processes and outcomes are openly explained and readily available to all stakeholders.

UTS has a Remuneration Committee comprising the Chancellor, Deputy Chancellor and one Council-appointed person whose term of appointment is not about to expire. The committee advises Council on the Vice-Chancellor's and Provost's performance and remuneration. In addition to the Remuneration Committee of Council, UTS also has a Vice-Chancellor's Remuneration Committee that considers Senior Executive Management performance and remuneration.

The Remuneration Committee of Council and the Vice-Chancellor's Remuneration Committee meet biannually to review remuneration. Once to determine any variable performance pay outcomes and once for annual remuneration setting.

In determining performance pay outcomes, each committee considers institutional and individual performance. Institutional performance is reviewed against the UTS corporate plan and annual KPI scorecard, which includes a range of financial and non-financial targets. Individual performance reviews are required to be undertaken annually and consider individual performance from a leadership, culture and risk management perspective, and against agreed work programs with target outcomes. Recommendations are submitted to the relevant committee for determination and approval.

In setting remuneration, an annual remuneration review is completed for the Vice-Chancellor, the Provost and Senior Executive Management to ensure remuneration is competitive from an attraction and retention perspective and within range in comparison to higher education sector relativities. Sector remuneration and benefit benchmark data for comparable roles as well as market observations and movements are provided to the relevant committee for determination and approval.

### **Managing conflicts of interest**

UTS expects staff, students and affiliates to act with integrity at all times.

Conflicts of interest can occur from time to time during the course of normal university work, studies or duties. While the presence of a conflict of interest does not constitute corrupt or improper conduct, a conflict may become an issue if it is not disclosed and managed appropriately. For this reason, all actual, perceived and potential conflicts must be disclosed.

UTS is committed to maintaining a culture of integrity and transparency, requiring all staff and affiliates to identify, disclose and manage conflicts of interest. UTS's Conflicts of Interest Disclosure Policy, in combination with our Code of Conduct, provides guidance on the following:

- defining conflicts of interest.
- outlining how to identify conflicts of interest.
- specifying the requirements for disclosing conflicts of interest.

- providing guidance for managing conflicts of interest.

UTS's Conflicts of Interest Disclosure Policy is available from here: <https://www.uts.edu.au/about/uts-governance/policies/uts-policy/conflicts-interest-disclosure-policy> as well as information for the public: <https://www.uts.edu.au/about/uts-governance/speak-up/conflicts-of-interest>

## Identification and remediation of incorrect payments to casual professional staff

An internal review of the UTS's payment systems in 2021, as part of our ongoing assurance processes, found that the university had not correctly paid some of its professional casual staff for their minimum hours worked, called 'agreed hours' due in part to a failure to update a key system after a new Enterprise Agreement was approved.

As soon as identified, UTS reported the underpayments to the Fair Work Ombudsman and agreed to an Enforceable Undertaking. This included commencement of remediation payments to casual professional staff of more than \$4.5 million, plus superannuation and interest.

Over 2023 and 2024, UTS completed further reviews of employee entitlement obligations and determined there were more affected staff cohorts. The university has commenced additional reparation payments, together with any superannuation and interest payments.

The extent of these underpayments is currently being assessed and the full remediation amount will be identified once the review phase is completed in 2025.

Several measures have been taken to prevent the situation from recurring including payroll system changes that have been implemented in line with the new Enterprise Agreement.

The university remains committed to paying staff correctly and fulfilling all our obligations under the Enterprise Agreement. We:

- take our responsibility to pay staff correctly seriously and we are focused on meeting all our obligations under our enterprise agreements and other relevant workplace obligations;
- we have apologised unreservedly to the affected staff and have taken action to make things right; and
- we will continue to communicate in an open and transparent manner throughout this process.

We will provide further updates as we finalise our review in 2025.

## Student safety

### UTS's long-standing commitment to addressing sexual harm

UTS has been an active member of the national Respect.Now.Always (RNA) campaign since its inception and sought to translate the program of work into our institutional policy, strategy, programming, and processes. We recognised the unique role of higher education providers in driving broad social change.

Led by the Provost, this work is guided by a cross-sectional working group (the RNA Steering Committee) and brings together people with context- and content-specific expertise. Importantly, no less than 5 student representatives are included in the RNA Steering Committee and they bring with them a diverse range of experiences and backgrounds, including, the perspectives and position of our student association.

UTS has expressed its strong support for the principles articulated in the Australia Government's *Action Plan Addressing Gender-based Violence in Higher Education*, including the establishment of a National Student Ombudsman and a whole-of institution approach to prevent and respond to gender-based violence. We await Parliament's consideration of the legislation to introduce the National Higher Education Code to prevent and Respond to Gender-based Violence.

## Antisemitism in Australian universities

In light of the ongoing crisis in the Middle East and its flow on to our communities here in Australia, UTS has engaged with its community and government to emphasise our commitment to creating a campus environment free of antisemitism and other forms of racism and discrimination.

The Vice-Chancellor has made this position very clear to the UTS community on many occasions, via a range of different communications, particularly since 7 October 2023. Additionally, our senior staff, including our Deputy Vice Chancellor (Education and Students), Pro Vice-Chancellor (Social Justice and Inclusion) and Head of Security also meet regularly (scheduled and on request) with UTS student leaders from the Australian Union of Jewish Students, the Palestinian Society and students from the Student Representative Council to check in on the welfare of our diverse student cohorts.

Furthermore, as explained in our communications to our community and various Parliamentary Committees, UTS is seeking to foster respect in our community through:

- awareness raising campaigns
- a comprehensive policy framework
- complaints mechanisms for students to report incidents of racism, discrimination and harassment, and
- the provision of support services for students and staff.

UTS also welcomes the recommendation of the Australian Universities Accord Final Report to conduct a study into the prevalence and impact of racism across the tertiary education system to be led by the Australian Human Rights Commission. We also support the working definition of antisemitism as developed by the Group of Eight and endorsed by Universities Australia and its adoption as a sector wide definition in the Higher Education Standards.

In February I joined with Vice-Chancellors across the country to endorse a uniform definition of antisemitism, tailored for the Australian academic context. The working definition was the result of extensive work by the Group of Eight universities, informed by a range of experts.

As agreed by Vice Chancellor's, Universities Australia has provided this definition to the Tertiary Education Quality and Standards Agency and requested that it works with the Higher Education Standards Panel to best determine the positioning of the definition within the Higher Education Standards Framework.

Embedding a uniform definition with the Higher Education Standards Framework will help universities in their efforts to combat the scourge of antisemitism, and ensure it acknowledges the universities' responsibility to honour academic freedom of speech and expression.

## Financial management

In 2020, UTS, like others in the sector, was impacted by the COVID-19 pandemic and the significant financial impact of a sudden reduction in international student enrolments due to border closure in Australia and other countries. UTS responded to this situation by reducing expenditure, elevating our cash balance through asset sales and other measures, leading to the implementation of a program called "Fit for 2027". Given the degree of uncertainty around the duration and scale of the COVID-19 impact, Fit for 2027 was executed with some urgency and involved a significant Voluntary Separation Program (VSP) alongside other changes. Fit for 2027 responded to our COVID-19 challenge in a way that preserved the fundamental integrity of our financial position, and we retained a Moody's AA1 rating recognising this, but at the same time, the consequences of the VSP resulted in sub-optimal alignment of some of our services in some areas.

Recovery from COVID-19, including return to campus, has been a long process. From a financial perspective, we planned to run deficits from 2020 to implement a measured approach to returning to surplus by 2026.

Early in 2024, further changes and challenges largely arising from changes in the external environment were identified. The three major drivers of our current financial sustainability challenges are:

- The ongoing capping of government revenue for teaching undergraduate domestic students, and the overall reduction in revenue per student under the current *Job-ready Graduates*



*Package* arrangements, neither of which will be addressed until future managed growth from the Universities Accord recommendations is introduced at an uncertain point in the future.

- The recent intent to limit international student numbers as a result of government immigration limits, removing growth in the most significant discretionary source of revenue and a key enabler of many strategic investments in teaching and research, including investment in essential infrastructure and technology.
- Escalating costs are further constraining UTS's ability to address ongoing deficit budgets that we have previously chosen to run to manage our recovery from the impact on international student enrolments resulting from COVID-19 travel restrictions as outlined above.

In late 2024 UTS determined that the expenditure gap of \$100 million cannot be closed without further expenditure intervention. Given this future scenario, in November 2024 UTS invited all staff to participate in an important initial consultation on UTS's Operational Sustainability Initiative. Feedback is currently being reviewed with the view to giving staff certainty around any change impacts in early April 2025.

## Use of external consultants

UTS paid \$45.53 million for external consulting services in 2023. A total of \$9 million was paid for consultancies consisting individually of less than \$50,000. Payments in excess of \$50,000 totalled \$36.52 million and are listed in UTS's 2023 Annual Report.

For the purposes of our annual report, UTS broadly defines a consultant as a person or organisation engaged under contract on a temporary basis to provide recommendations or professional advice to assist management decision-making. Generally, the advisory nature of the work differentiates a consultant from other contractors. The consultant's findings reflect an independent view, and the consultant's performance of the work is not under UTS supervision and direction. Given this broad definition, UTS's Annual Report consolidates under one heading – "Consultants" – activities relating to a broad range of matters such as building works, business consulting, research, information technology and software, marketing and communications, teaching and learning, staff and contractors. The expenditure in these broad categories is outlined in the Annual Report.

A copy of UTS's 2023 Annual Report is available from here <https://www.uts.edu.au/about/uts-governance/uts-annual-report>. Preparation of our 2024 annual report is underway and will be ready for submission to the NSW Parliament in April 2025.

# COUNCIL MEMBERS - SKILLS MATRIX

Member	Council Statement regarding skills and experience												
	Council as a whole Should have:												
	Financial acumen UTS Act 8C(1)(a) min 2	Commercial expertise UTS Act 8C(1)(b) min 1	Graduate of UTS UTS Act 8E(1) min 1	Education, Research, Technology sector experience	Legal expertise	Capital management (Incl Digital and physical assets)	Risk Management	Leadership and Governance	Strategy and Global Perspective	Service Delivery	People and Culture	Environmental and Social	Additional Expertise When Required
Ex- Officio													
Chancellor													
Vice-Chancellor (or nominee)													
Chair, Academic Board													
Minister Appointed													
(Minister Appointed 1)													
(Minister Appointed 2)													
Council Nominated													
Member Appointed by Council													
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