



Australian
National
University

Charter of the ANU Council

As adopted by the Council on 21 July 2017

Contents

Context for the University	1
Purpose	1
Authority and scope	1
Role of the Council.....	1
Committees.....	2
Functions and reserved powers	2
Functions.....	2
Reserved powers.....	3
Strategy and corporate plans	4
Vice-Chancellor and Senior Management.....	4
Secretary to the Council.....	4
Governance and compliance	4
Finance and risk management.....	5
Role of the Chancellor	5
Role of the Pro-Chancellor	6
Role of the Secretary to the Council.....	6
Responsibilities of Management	7
Expectations for leadership, decision-making and culture.....	7
Meetings	8
Standing orders	8
Agenda planning.....	8
Meeting arrangements and support	8
Attendees and observers.....	9
Resolution without a meeting.....	9
Declaration of interests	10
Confidentiality	10
Communication.....	10
Access to management.....	11
Access to information.....	11
Access to independent professional advice.....	11
Insurance and indemnity	11
Remuneration and expenses	12
Induction and professional development	12
Review of Council performance and charter.....	12

Context for the University

The University is an independent, self-governing institution of higher learning established by the *Australian National University Act 1991* (the '*ANU Act*'). The Council, as the governing authority, is established by the *ANU Act*. The governance of the University, as a corporate Commonwealth entity, is further regulated by the *Public Governance, Performance & Accountability Act 2013* (the '*PGPA Act*').

Purpose

This Charter sets out the authority, responsibilities and operation of the Council of the Australian National University, based on principles of good corporate governance for the University and its controlled entities.

Authority and scope

This Charter is established by the Council under the *ANU Act*, which vests in it the 'entire control and management of the University'. Subject to the *ANU Act*, the *PGPA Act* and any other applicable legislation, all Council members and officers of the University are bound by the terms of this Charter. The Charter should also be read in the context of the *Voluntary Code of Best Practice for the Governance of Australian Universities*, which the Council has adopted as its principle benchmark for good corporate governance.

Role of the Council

The Council is the governing authority of the University pursuant to the *PGPA Act*. It has oversight of the University and is responsible for its mission and strategic direction, ensuring effective overall governance and management, and responsible finance and risk management.

The Council acts in accordance with the following duties:

- Duty to govern the University
- Duty to establish and maintain systems relating to risk and control
- Duty to encourage cooperation with others
- Duty in relation to requirements imposed on others
- Duty to keep responsible Minister and Finance Minister informed

In respect of the duty to keep the responsible Minister and Finance Minister informed, the *ANU Act* (section 4A) provides that members of the Council are not required to do anything concerning this duty that will, or might, affect the academic independence or integrity of the University. The Council delegates to the Vice-Chancellor day-to-day responsibility for notification of significant decisions and issues, in accordance with this duty (noting that Council retains ultimate accountability); and requires that a report be provided, at the next practicable meeting, after any notification has occurred.

Committees

From time to time, the Council establishes Committees to assist it with acquittal of specific responsibilities, reporting to the Council and making any necessary recommendations.

There are seven standing committees and sub-committees:

- Audit and Risk Management Committee
- Campus Planning Committee
- Finance Committee
- Honorary Degrees Committee
- Nominations Committee
- Remuneration Committee
- Major Projects Joint Sub-Committee, as a sub-committee of the Finance and Campus Planning Committees, which meets as and when required.

Each formally constituted Committee has a Charter, approved by the Council, and reviewed at least every two years.

Functions and reserved powers

Functions

As the governing authority, the primary functions of the Council are:

- a) strategic oversight of the University, including:
 - setting the mission, values and strategic direction of the University; and
 - ongoing review of the success of those strategies.
- b) ensuring effective overall governance and management of the University, including:
 - appointing the Chancellor and Pro-Chancellor;
 - appointing the Vice-Chancellor as principal academic and chief executive officer of the University, and monitoring his or her performance;
 - overseeing and reviewing the management of the University and its performance;
 - ensuring that the strategic goals set by the Council are delivered by effective management systems;
 - overseeing and monitoring the academic activities of the University;
 - establishing policy and procedural principles, consistent with legal requirements and community expectations.
- c) ensuring responsible financial and risk management of the University, including:
 - approving the annual budget, business plan and annual report;
 - overseeing and monitoring the assessment and management of risk across the University, including in its commercial undertakings;
 - approving and monitoring systems of control and accountability for the University and any entities controlled by the University (within the meaning of section 50AA of the *Corporations Act 2001*);

- approving significant commercial activities of the University.

The Council may undertake any other function conferred on it by the *ANU Act* or any other law of the Commonwealth.

The Council acts in all matters concerning the University in the way it thinks will best promote the interests of the University.

Reserved powers

The following powers are reserved for decision-making only by the Council:

Strategic oversight of the University

- a) Setting the mission, values and strategic direction of the University.
- b) Approval of the Vision Statement and Strategic Plan, including any variations.

Ensuring effective overall governance and management of the University

- c) Appointment of the Chancellor, Pro-Chancellor and Vice Chancellor.
- d) Approval of establishments, disestablishments or variations in the academic organisational structure of the University at Level 1 (ie College) and Level 2 (ie Research School), including any variations to naming.
- e) Approval of master plans and precinct codes for all campuses of the University, including any material variations.
- f) Approval of the Enterprise Agreement, unless otherwise delegated to the Vice-Chancellor (not including the enterprise agreements of any controlled entity).
- g) Approval of the acquisition or disposal of land and buildings on or adjoining the Acton campus, and all land and buildings of significance on other campuses.
- h) Naming, re-naming or de-naming of buildings or significant University infrastructure.
- i) Approval for the conferral of honorary degrees.
- j) Approval of statutes under the ANU Act.
- k) Determining arrangements and processes concerning the conduct of the affairs of the Council and its Committees, including appointments to Council Committees.

Ensuring responsible financial and risk management of the University

- l) Approval of annual budget and business plan, including any variations.
- m) Approval of recurrent or capital expenditure, not including investment portfolio transactions, which exceeds \$10 million (on a single transaction or related series of transactions), subject to conditions and exceptions as approved by Council.
- n) Approval of capital management plans and initiatives, including debt restructuring and strategic investment decisions (as they related to the Socially Responsible Investment Policy), including any material variations.
- o) Approval of the annual report, including the annual financial statements and annual performance statements.
- p) Ensuring the overall effective governance and management of the University, particularly its responsible financial and risk management.

- q) Approval of systems of control and accountability for the University and any entities controlled by the University.
- r) Approval of the establishment of controlled entities of the University.
- s) Approval of significant commercial activities of the University.

The Council will also consider any other matters which the Vice-Chancellor considers ought to be approved by the Council or which the Council asks to be brought to it for approval.

Strategy and corporate plans

Approval of the Vision Statement and Strategic Plan (which the latter is the corporate plan for the purposes of the *PGPA Act*) is reserved for decision by Council. The Council and the Vice-Chancellor are responsible for the development of the Vision Statement and Strategic Plan for the University, through a process determined by the Council. The Council monitors the Vice-Chancellor's implementation of the Vision and Strategic Plan and performance against it.

Vice-Chancellor and Senior Management

Appointing and, should it be necessary, terminating the employment of the Vice-Chancellor is a decision reserved for Council. The Remuneration Committee may determine, and report to Council on, the remuneration, conditions of employment and annual performance of the Vice-Chancellor.

In the event the Vice-Chancellor is absent from Canberra or on leave, the Chancellor, acting with the advice of the Vice-Chancellor, may appoint an Acting Vice-Chancellor, according to the following order of precedence:

1. a Deputy Vice-Chancellor
2. a Pro Vice-Chancellor

Matters concerning the employment, performance and remuneration of the other executive management of the University is the responsibility of the Vice-Chancellor, under the oversight of the Council. On behalf of Council, and in accordance with its Charter, the Remuneration Committee monitors, reviews and, where appropriate, makes recommendations to the Vice-Chancellor (or if necessary, the Council) on these matters.

Secretary to the Council

The Director, Corporate Governance and Risk Office, is the Secretary to the Council. Approving the appointment, remuneration and, should it be necessary, the termination of the employment of the Director, Corporate Governance and Risk Office, is a decision reserved for the Chancellor and the Vice-Chancellor, acting in accordance with University policy.

Governance and compliance

The Council and its Committees, as set out in their respective Charters, are responsible for:

- a) Establishing, approving and monitoring the governance arrangements and processes of the University, and ensuring their compliance with the:
 - *Australian National University Act 1991*

- *Public Governance, Performance and Accountability Act 2013*
 - *Public Governance, Performance and Accountability Rule 2014*
 - *Higher Education Standards Framework (Threshold Standards) 2015*
 - *Voluntary Code of Best Practice for the Governance of Australian Universities*
- b) Monitoring and influencing the University's culture, reputation, ethical standards and legal compliance; and overseeing the University's corporate governance framework and the key supporting policies and processes governing the operations of the University's (including the University's Code of Conduct).
- c) Approving the University's Annual Report, including a corporate governance statement.
- d) Overseeing, and monitoring the effectiveness of the University's investment-related policies, including the extent to which they optimise the best outcomes for the University and meet the expectations of its major stakeholders.
- e) Overseeing the Vice-Chancellor's delegation of authority to management.
- f) Monitoring the University's health, safety and environmental performance.
- g) Overseeing reporting and communications to major stakeholders.
- h) Monitoring significant litigation in which the University is involved.

Finance and risk management

The Council and its Committees (as set out in their respective Committee Charters), are responsible for:

- a) Overseeing the University's financial position, including the quantum, nature and term of its debt facilities and its ability to meet its debts as and when they fall due.
- b) Approving the annual financial statements and other significant related disclosures or reporting.
- c) Approving decisions relating to capital management, such as debt restructuring and major investment decisions.
- d) Overseeing the University's external audit activities and monitoring the University's internal audit activities and internal control and reporting systems.
- e) Approving and overseeing the University's enterprise risk management framework, strategic risks and risk appetite, and risk management and fraud control policies and related processes.
- f) Reviewing the University's actual and emerging material business risks and monitoring University management's performance in implementing risk management interventions in respect of material business risks.

Role of the Chancellor

The Chancellor is appointed by the Council and is not to be a staff member or student of the University.

The Chancellor's principal responsibilities are to provide appropriate leadership to the Council and to ensure the Council fulfils its obligations under this Charter.

The Chancellor also has specific responsibilities to:

- a) Chair Council meetings, and other governance-level meetings; and to facilitate discussion within each meeting.
- b) Represent the views of the Council to the University community, government, business, civil society and the public.
- c) Maintain a regular dialogue with the Vice-Chancellor and executive management, serving as a primary link between the Council and management and providing continuity between Council meetings.
- d) Work with the Vice-Chancellor in relation to the Council's requirements for information to contribute effectively to the Council decision-making process and to monitor the effective implementation of Council decisions.
- e) Preside on ceremonial occasions of the University, including the Conferring of Awards ceremonies.

The Chancellorship is subject to the *Chancellorship Statute 2012*.

Role of the Pro-Chancellor

The Pro-Chancellor is appointed by the Council and is not a staff member or student of the University.

The Pro-Chancellor's principal responsibilities are to assist the Chancellor in providing appropriate leadership to the Council and ensuring the Council fulfils its obligations under this Charter.

The Pro-Chancellor also has specific responsibilities to:

- a) Chair Council meetings, in the absence of the Chancellor.
- b) Assist the Chancellor with his or her other specific responsibilities as listed above.
- c) Lead the Council in its deliberations on the appointment or re-appointment of a Chancellor.

The Pro-Chancellorship is subject to the *Pro-Chancellorship Statute 2014*.

Role of the Secretary to the Council

In the exercise of corporate governance responsibilities as the Secretary to the Council, the Director, Corporate Governance and Risk Office reports directly to the Council through the Chancellor on matters relating to the proper functioning of the Council. All Council members have access to the Director.

The Director's role includes:

- a) Advising the Council and its Committees on governance matters.
- b) Monitoring compliance with Council and Committee Charters, policies and procedures.
- c) Coordinating all Council business including meetings, agendas, Council and Committee papers and minutes; and monitoring the completion of actions arising from Council meetings.
- d) Providing a point of reference for dealings between the Council and management.

- e) Retaining independent professional advisers at the request of the Council, Council Committee, or as permitted under this Charter.
- f) Organising and facilitating the induction and professional development of Council and Council Committee members.

Day-to-day employment matters (eg. leave) and line reporting is through the Vice-Chancellor.

Responsibilities of Management

The academic standards, management and administration of the University are the responsibility of the Vice-Chancellor, in accordance with the *Vice-Chancellorship Statute 2013* and subject to any resolution of the Council.

The Vice-Chancellor is accountable to the Council for the discharge of his or her responsibilities. The Vice-Chancellor reports to the Council through the provision of reports, briefings and presentations to the Council, covering the performance of the University and key issues affecting it, throughout the year, including a formal written 'Vice-Chancellor's Report' to every ordinary meeting of the Council.

The delegation of authority below (or subordinate to) the Vice-Chancellor, throughout the University, is done in accordance with the University's Delegations Framework. The Vice-Chancellor may approve the Delegations Framework, and amendments to it from time to time.

The Vice-Chancellor has authority to determine policies of the University, subject to this Charter, the Policy Governance Framework, and any other specific policy matters that Council reserves for its own consideration.

Expectations for leadership, decision-making and culture

In leading and making decisions for the University, and in shaping its culture, it is expected that the Vice-Chancellor exemplify, promote and ensure that:

- Members of the University community (i.e. staff, students and others holding an academic title within the University) conduct themselves in a manner that reflects commonly accepted standards of academic or business practice and ethics, including acting with honesty and integrity, with respect and dignity in relationships amongst those involved in, or affected by, the University's activities.
- Resource allocation decisions, capital and operating expenditure, or financing decisions, are made with due reference to their impact on the financial condition of the University, and the associated impact on the achievement of the strategic plan.
- Decisions or actions are taken with due reference to their impact on the health, safety and environmental outcomes, and the associated impact on the achievement of the strategic plan.
- Decisions or actions are taken with due reference to their effect on the reputation of the University and the associated impact on the achievement of the strategic plan.
- Risks that are material to the University's functions are identified and managed within an appropriate system/s of control.

- The senior management of the University is organised with processes for ensuring long term succession planning, attracting and retaining talent, building a capable and agile management team and ensuring equal opportunity.

Meetings

Standing orders

The Council has implemented Standing Orders for the conduct of Council meetings and meetings of Council Committees.

Agenda planning

Under the direction of the Chancellor, the Director, Corporate Governance and Risk Office, maintains a forward agenda plan for meetings of the Council for at least the coming 12 month period. The forward agenda plan includes:

- Dates and times of meetings
- Strategic discussion topics
- Key business items
- Standing and cyclical business items
- Business items requiring reporting back or further discussion at a later date
- Site visits

At least annually, the Council considers the forward agenda plan for approval. Under the direction of the Chancellor, the Director, Corporate Governance and Risk Office, may make adjustments to the forward agenda plan as necessary.

Meeting arrangements and support

The preparation of all agenda papers and minutes is managed by the Director, Corporate Governance and Risk Office, under the direction of the Chancellor.

The order of business on the Council agenda paper is structured under the following headings, unless otherwise varied by the Chancellor:

- Part 1 – Procedural Items
- Part 2 – Key Business Items
- Part 3 – Strategic Issues
- Part 4 – Other Matters for Decision
- Part 5 – Other Matters for Noting
- Part 6 – Other Business

The agenda is informed by the forward agenda plan, and prepared by the Director. The agenda and meeting papers are reviewed by the Vice-Chancellor and approved by the Chancellor, prior to release.

The Director determines the agenda item submission deadline for each Council meeting. Agenda items which do not reach the Director by the specified agenda deadline may not be included on the agenda, unless otherwise approved by the Chancellor, on the grounds of urgency or strategic importance.

Ordinarily, the agenda and meeting papers for Council meetings are distributed at least seven days prior to the meeting. All agenda papers and minutes for Council and Council Committees are ordinarily distributed electronically through a secure server, which enables members to access the papers remotely using a desktop or portable device.

All Council and Council Committee members will be offered the use of a tablet with Wi-Fi and 3G capability, however the cost of 3G services for the tablet will be borne by the individual member. The model of tablet, and any upgrade, is determined at the discretion of the Director, Corporate Governance and Risk Office, and within available funds.

Council or Council Committee members are ordinarily expected to attend meetings in person. Where a member cannot participate in a meeting in person, he or she may participate in the meeting using teleconference or videoconference technology, subject to the availability of such technology at the meeting venue.

Attendees and observers

It is expected that all members of the University Executive, the Chair of the Academic Board, the Director, Corporate Governance and Risk Office and the Chief Financial Officer will attend meetings of the Council. In addition, the Director, Office of the Vice-Chancellor and staff of the Corporate Governance and Risk Office may attend meetings of the Council. These attendees may participate in the meeting's discussions when invited to do so by the Chair.

Meetings of the Council are open to staff, students, alumni and members of the media as observers, for non-confidential items. However, because of limitations on space in the R.C. Mills Room, no more than 15 observers may be admitted to any meeting.

Observers are issued with a pass on a first come first served basis. Passes may be booked in advance by contacting the Corporate Governance and Risk Office but those not collected 30 minutes prior to the commencement of the meeting will be available for reallocation. Members of the media may obtain a pass through the Director, Strategic Communications & Public Affairs.

Observers have no speaking rights and may not communicate with Council members during the meeting. The Chair may declare a particular item to be confidential and observers will be asked to leave for confidential items.

There may be occasion where, for security reasons, observers may not be granted admission to Council meetings. This is managed at the discretion of the Chancellor.

Resolution without a meeting

The Council may adopt a resolution without a meeting, as provided by the *ANU Act*.

Declaration of interests

Council and Council Committee members are required to take all reasonable steps to avoid actual, potential or perceived conflicts of interests. Each Council and Council Committee member must comply with the requirements of the *PGPA Act* in respect of disclosure of material personal interests.

Any Council or Council Committee member who has a material personal interest in a matter relating to the affairs of the University must disclose that interest orally, or in writing, at the relevant Council or Council Committee meeting as soon as practicable after becoming aware of the interest. The disclosure must include details of the nature and extent of the interest and how the interest relates to the affairs of the University. If the nature or extent of a material personal interest subsequently changes, this must also be declared if it continues to be of relevance to a matter relating to the affairs of the University. Any such disclosure is recorded in the minutes of the meeting. Unless the Council or Council Committee members determine otherwise, the member must not take part while the matter is being considered at the meeting nor participate in decision-making on the matter.

For the purpose of making a determination whether a material personal interest exists, any member to which the disclosure relates must not take part in making the determination.

The Director, Corporate Governance and Risk Office maintains a register of all material personal interests that are declared by members.

On an annual basis, the Director, Corporate Governance and Risk Office invites members to make a declaration of any further material personal interests or to amend existing declarations. These are recorded in the register.

Confidentiality

Prior to a meeting, a Council member may only discuss with fellow Council members or the Director, Corporate Governance and Risk Office, any Council business marked or declared to be confidential. When appropriate such matters may also be discussed with members of the University Executive, the Chief Financial Officer or other senior officers of the University.

As directed by the Chancellor, some matters remain confidential after a decision has been made by Council. Council and Council Committee members will exercise discretion in the use and communication of Council business and members of Council should refer to the Chancellor, or the Director, Corporate Governance and Risk Office, when in doubt. If a particular member is alleged to have breached confidentiality that person may be the subject of action by the Council, for breach of one or more of their duties under section 25 – 29 of the *PGPA Act*.

Communication

A brief report is published after every Council meeting, reporting in summary terms to the University community the key non-confidential matters that the Council has considered. The report is approved by the Chancellor, in consultation with Council members as necessary.

The University maintains a comprehensive 'governance' section on its website, outlining key personnel, structures, meeting dates and practices in respect of the Council and Council Committees.

Access to management

Council and Council Committee members have access to the University's senior management through the Chancellor, the Vice-Chancellor or the Director, Corporate Governance and Risk Office. In addition to regular presentations by senior management to Council and Council Committee meetings, members may seek briefings from senior management on specific matters.

Access to information

Within the scope of their role and responsibilities, Council and Council Committee members may obtain any information they need from any employee of the University and/or external party associated with the University, subject to legal protections and obligations with respect to information. Requests for information should, in the first instance, be made through the Chancellor, the Vice-Chancellor or the Director, Corporate Governance and Risk Office.

Access to independent professional advice

The Council has the authority to conduct or direct any investigation required to fulfil its responsibilities and has the ability to retain, at the University's expense, such legal, accounting or other advisers, consultants or experts as it considers necessary from time to time in the performance of its duties. All Council Committees have access to independent professional advice on this basis.

In certain circumstances, each Council member has the right to seek independent professional advice, with the consent of the Chancellor (which will not to be unreasonably withheld), at the University's expense within reasonable limits. Unless otherwise considered inappropriate by the Chancellor, all legal advice is sought through the University's General Counsel.

Insurance and indemnity

The University maintains a Directors and Officers Liability Insurance Policy to cover all members of the Council. This policy provides insurance for liability up to \$20,000,000.

The University Legal Office and Insurance Office are notified as soon as practicable of any matter that may give rise to a claim. Failure to comply with this requirement may prejudice any potential insurance cover.

For each member of the Council, in their capacity as a Council member, the University executes a deed of indemnity and access. The deed:

- Indemnifies a Council Member, on a full indemnity basis and to the full extent permitted by law, against all liabilities incurred by the Council member as a Council member of the University in relation to legal proceedings.
- Provides a right for a Council member, for a specified period, to have access to and inspect University Records, subject to certain qualifications and exclusions.

Remuneration and expenses

Council members, other than the Vice-Chancellor, do not receive remuneration. However, the University meets the cost of travel, accommodation and incidental costs associated with attendance at meetings.

At the discretion of the Council, the Chancellor may receive a modest honorarium, in an amount that the Council determines at the time of appointment. The Chancellor is also provided with additional resources, as determined by the Pro-Chancellor and Vice-Chancellor, which are considered to be prudent and appropriate to assist the Chancellor in the performance of his or her role.

The University also covers the reasonable costs associated with the Chancellor and Pro-Chancellor attending any ceremonial occasion of the University, or otherwise performing work on behalf of, or for, the University.

Induction and professional development

All new Council and Council Committee members undertake an induction program, which includes meetings with the Chancellor, Vice-Chancellor and other senior officers of the University, as considered appropriate. Each induction program is tailored to suit the skills and experience of the inductee and any specific knowledge they require.

All Council members are given the opportunity to undertake professional development activities to assist them in fulfilling their duties and responsibilities and keeping up to date with relevant issues, at the University's expense. The Chancellor is responsible for overseeing an appropriate program of professional development for each Council member. The Director, Corporate Governance and Risk Office, maintains a schedule of available professional development opportunities.

Review of Council performance and charter

The Council evaluates its own performance on a regular basis. The evaluation occurs through

- annual self-assessment using an online survey
- one-on-one consultations between the Chancellor and individual Council members every second year

These assessments and consultations covering such matters as:

- adequacy of Council engagement on strategic and other issues
- structure, composition and tenure of Council members

- quality of performance of self, other Council members and the Chancellor
- cohesiveness and collegiality of the Council
- opportunities for induction and development of Council members
- conduct of Council meetings, including adequacy of papers, staff presentations and reporting
- adequacy of visibility and engagement with wide University community
- adequacy of this Charter

Subsequent to these assessments and consultations, a report is tabled at a meeting of the Council for discussion. Discussion at the Council meeting also presents an opportunity for Council to address the question of its collective effectiveness.