



CONFIDENTIAL

COUNCIL

The 433rd meeting of the Council was held at 9:15am on Friday 27 May 2016, in the R C Mills Room, Level 4, Chancelry Building, ANU campus, Canberra.

Present:

The Chancellor, Professor Gareth Evans AC QC (in the Chair)
The Vice-Chancellor, Professor Brian P. Schmidt AC
The Pro-Chancellor, Ms Robin Hughes AO
Mr Graeme Samuel AC
Mr David Miles AM
Dr Doug McTaggart
Professor Suzanne Cory AC
Ms Naomi Flutter
Professor Matthew Colless
Professor Tim Senden
Professor Jan Provis
Ms Deborah Veness
Mr Peter Yu, Council member elect
Mr Chris Wilson, President, PARSA

Apologies:

Mr Ben Gill, President, ANUSA

In attendance:

Deputy Vice-Chancellor (Research) – Professor Margaret Harding
Pro-Vice Chancellor (International and Outreach) – Professor Shirley Leitch
Pro-Vice Chancellor (Innovation) – Professor Michael Cardew-Hall
Pro-Vice Chancellor (Research and Research Training) – Professor Jenny Corbett
Pro-Vice Chancellor (Student Experience) – Professor Richard Baker
Executive Director, Administration and Planning – Mr Chris Grange
Chief Financial Officer – Mr Alastair Sinton
Professor Jacqueline Lo, Chair, Academic Board

Chancelry staff:

Director, Corporate Governance and Risk Office – Ms Kate Molloy
Manager, Corporate Governance and Policy – Mr Andrew Heath
Senior Governance Officer – Ms Leslie McDonald

PART 1: PROCEDURAL ITEMS

1. ANNOUNCEMENTS

***** Following the recent election for the staff member position on Council, Ms Deborah Veness joins Council for a two year term, effective from 26 May 2016 to 25 May 2018, replacing Mr Matthew King.

The Chancellor noted that this was the last meeting of Council Member David Miles after ten years of distinguished service, and Council members expressed their appreciation for his outstanding contribution.

Mr Ben Gill, ANUSA President advised his apologies for the meeting to so that he may attend a family funeral.

2. LEAVE OF ABSENCE

No other member sought leave of absence.

3. DISCLOSURE OF MATERIAL PERSONAL INTEREST

No member disclosed a material personal interest in any matter on the agenda.

4. ARRANGEMENT OF AGENDA

No additional items were declared confidential.

No items were unstarred.

Unstarred items were approved on the motion of the Vice-Chancellor.

5. COUNCIL MINUTES

Council resolved to confirm the minutes of the meeting held on 1 April (185/2016) subject to amendment, in respect of Agenda item 8 – University Consolidated Financial Statements for the Year Ended 31 December 2015, to capture Council's concern that management ensure a focussed effort over 2016 in relation to its costs, with a view to implementing measures to contain, and reduce them, so as to improve the financial sustainability of the University.

PART 2: KEY BUSINESS ITEMS

6. VICE-CHANCELLOR'S REPORT

The Vice-Chancellor introduced his report, highlighting the following items:

Vision Statement and Strategic Plan

- A systematic approach has been adopted to consult across the University community on the Draft Vision Statement. To date, some 800-900 staff and students have participated in the workshops and there is unanimous agreement to the aspirations contained in the Vision Statement. In particular, the University community has:
 - signalled an appetite for high risk research, with 50% - 60% of respondents supporting this approach;
 - recognised more effort is needed to achieve excellence in teaching;
 - asserted that growth should not be to the detriment of the University's unique on-campus experience offer for students; and
 - supported the position that benchmarking should be undertaken on a global basis.
- Finalisation of the Vision Statement is expected on conclusion of the workshop program over the coming week and, subject to the outcome of these further consultations, Council approval of the Strategic Vision is sought.
- Preparation of the Strategic Plan and associated documents is expected to get underway with a bottom up approach and high level of engagement with academic and professional staff, overseen by the University's Executive. To this end, a set of principles and ideas will be generated for consideration at the 22 July 2016 meeting of Council.
- Points noted during the discussion included: To achieve performance excellence whilst maintaining the University's reputational standing, there is a need for agile solutions and leadership resolve to manage poor performance, to facilitate cultural change and to address the structural impediments to creating a high performance workforce; and
- The Strategic Plan must be accompanied by implementation plans, incorporating milestones, regular progress reporting, consideration of risks, issues and mitigation approaches, to ensure proper accountability against the Vision Statement.
- The Strategic Plan will be presented to the 30 September 2016 meeting for approval and progress reports will be provided in the Vice-Chancellor's report each meeting thereafter, with a detailed half yearly report.

- To coincide with the University's 70th anniversary, along with the Vision Statement, 10 key strategic initiatives will also be announced earlier, on 1 August 2016, as flagship activities underpinning the Vision Statement, and foreshadowing the detailed Strategic Plan.

Public Policy at ANU

- With the upcoming appointment to the position of Head of the Crawford School, there is an expectation that the University will be better placed to strengthen its profile externally at both national and international levels, form deeper relationships to engage across the spectrum of public policy within the ANU research community, coordinate internal effort, and to promote more vigorously, the University's expertise.
- Consultations are continuing on an appropriate structure for the overall coordination of ANU public policy activities, and the role of the Crawford School within it.

School of Music

- The Podger consultation paper has been widely appreciated as an important circuit breaker and the final report of the review is due in August 2016.
- There has been positive engagement across the ACT community and government and a transition plan will be developed to facilitate necessary changes to place the School on a sustainable financial footing.

Resolved:

That the Council:

1. Note the Vice-Chancellor's report;
2. Approve the Vision Statement, subject to final consultations with the University community; *****

7. UNIVERSITY 2016 FINANCIAL PROJECTIONS AND KPI UPDATE

The Chief Financial Officer provided an overview of the key factors contributing to the 2016 financial projections

In discussion, Council highlighted the need for the University to be more proactive to diversify its program offerings, particularly in the Postgraduate by Coursework area; and to improve delivery channels including an increased emphasis with online delivery.

Council raised further concern about the continued downward trend in ARC grant revenues noting the University's discipline mix, especially in the Humanities, which does not readily align with new funding criteria with their industry-partnering focus. In response, University management has mapped a program of reform to:

- Re-skill and support essential research services to position the University to attract future funding;
- Advance initiatives to facilitate cultural change across the research community of the University;
- Establish an ANU Industry Advisory Board to provide guidance and expertise; *****

Resolved:

That the Council note the University year to date and 2016 financial projections.

9. STUDENT ACCOMMODATION DEVELOPMENT (SA6)

In relation to the proposed redevelopment of Bruce Hall under a philanthropic agreement with Graham and Louise Tuckwell, Council noted that the Tuckwells have approved all documentation covering:

- design documentation
- student feedback
- cost planning
- catering proposal
- procurement strategy and program of works
- builder procurement process
- feasibility study and

- summary of planned communications leading up to, and including, the Tuckwells public announcement and event on 12 July 2016.

To ensure the program meets its proposed construction schedule, weekly teleconferences are being held with the Tuckwells and a building contract has been developed to support the next critical phases of the project. A matching contract on endowments, as it relates to the governance regime for the Tuckwell Scholarships, is also in development.

Resolved:

That the Council approve the University proceeding with the SA6 redevelopment subject to:

1. Receiving approval from the National Capital Authority for the works;
2. The program of works remaining on schedule as outlined in the agenda paper;
3. The cost plan remaining materially equivalent to that outlined in the agenda paper;
4. Progress reports being provided to every meeting of the Major Projects Joint Sub-Committee and further resolved to approve the commencement of the Builder procurement process.

PART 3: STRATEGIC ISSUES

10. ANU INDIGENOUS ENGAGEMENT

At its meeting of 1 April 2016 the University's senior executive considered proposals to enhance ANU Indigenous engagement, in particular

- a proposal to boost Indigenous student and staff numbers over time through recruiting outstanding Indigenous students and providing a pathway through undergraduate, Honours, PhD and postdoctoral study leading to permanent academic employment; and
- other initiatives designed to build the University's capability and expertise in academic areas relevant to Indigenous people and culture. These initiatives would augment and develop the core academic capability.

Summary of Issues

The Pro Vice-Chancellor (Student Experience) gave a presentation to the Council developing the key themes considered at its February Planning Day. Amongst the principal considerations were:

- a clear objective to implement pragmatic and tangible initiatives that resonate with the University's strategic intent in respect of Indigenous engagement, by extending research activities beyond conventional areas of study, addressing reconciliation, strengthening our alumni relations, building an Indigenous workforce for the University sector in Australia, founding a 'PostDoc' scheme as the mechanism for an academic pipeline where ANU would promote a critical mass of Indigenous scholars across all disciplines;
- the need to assert the University's national role through targeted programs that attract increasing numbers of the best Indigenous students from across Australia, as a proportion of all student intakes, with the specific aim of addressing the continuing gaps in socio-economic outcomes between Indigenous and non-Indigenous Australians;
- the University's poor performance in relation to our commitments in the Reconciliation Action Plan and a recognition that the onus rests with ANU to become the primary vehicle for building Indigenous cohorts and being recognised as the national academic base for, and of, Indigenous scholars, given the very foundation upon which the University was established;
- continued improvements being made in respect of Undergraduate retention rates, with commensurate prospective postdoctoral students and academic staff amongst current graduate cohorts;
- the need for the University to actively pursue opportunities that ensure ANU not only maintain a national focus but be a global leader, and presence, in its research, education and public policy priorities, with particular reference to priorities articulated in the White Paper on Developing Northern Australia;
- the notable shift in emphasis that is being sought, in terms of societal transformation, and one where the University must play an active role, with investment in Northern Australia aimed at driving local economic growth, building sustaining and resilient communities, ensuring self-ownership and cultivating maturity in governance arrangements;

- the need for public policy engagement in areas such as land tenure reform, pastoral management, and tourism to progress participation and to build equity interest in the local economy by Indigenous communities; and
- the need to underpin public policy and research to tackle the questions of how to do business differently in northern Australia, drawing on Indigenous culture and knowledge systems, how to engage the indigenous communities in the development of solutions that advance their own socio-cultural maturation and work towards reconciliation with non-Indigenous Australia; and how to ensure long term productivity outcomes with genuine earning opportunities involving a range of partners.

Council noted and expressed its support for ANU taking the necessary action to meet these needs. It further noted work in train with a flagship event – the Nugget Coombs lecture - in current development, for delivery in Darwin, supported by program activities, sponsored by and working with the Land Council, to determine priorities for research and postdoctoral student engagement in northern Australia.

In relation to the day's later planned presentations by postgraduate students, Council noted that the forum participants were Roland Wilson Scholarship recipients drawn from the Australian Public Service who have put forward recommendations aimed at enhancing the University's capacity to be a national leader contributing to reconciliation for staff, students, the research community and the broader Australian society. These recommendations will form an integral part of the University's strategic plan and key initiatives to be announced, as part of the launch of the plan.

Given the strategic importance of this issue and the call to action, the Vice-Chancellor undertook to provide regular progress reports, as part of his report to Council.

Resolved:

That the Council note the proposals provided in the agenda paper, aimed at enhancing ANU Indigenous engagement and that progress updates will be provided to Council, as part of the Vice-Chancellor's report for future meetings.

PART 4: OTHER MATTERS FOR DECISION

11. COUNCIL COMMITTEE MEMBERSHIP

Resolved:

That the Council approve the membership on Council Committees.

13. AMENDMENTS TO BURGMANN COLLEGE INCORPORATED RULES 2004

Resolved:

That the Council approve the amendments to the *Burgmann College Inc Rules 2004* contained in the attached Special Resolution dated 31 March 2016, this resolution having been adopted by the Council of Burgmann College.

14. FINANCE COMMITTEE CHARTER AND INVESTMENTS GOVERNANCE AND POLICY FRAMEWORK

Resolved:

That the Council approve the amendment of the Finance Committee Charter and the Investments Governance and Policy Framework.

PART 5: OTHER MATTERS FOR NOTING

15. MELBOURNE ENGAGEMENT STRATEGY 2015 REPORT

On 25 May 2012, Council resolved:

- (i) that the proposed Melbourne engagement strategy be approved in principle;

- (ii) that the Vice-Chancellor work with the Chancellor in its detailed implementation so far as is practicable and affordable;
- (iii) that the Chancellor submit a written report to Council at least annually on the work of the Melbourne Office.

Council noted the Chancellor's report for 2015, in particular:

- The Melbourne Office at ANU House continues to actively grow and support recruitment, alumni, philanthropic, business and industry engagement in Melbourne and Victoria;
- The Office supports, amongst the span of events, panel discussions, boardroom lunches, 'welcome to graduates reception' for alumni new to Melbourne, a host of public policy events providing opportunities for ANU academics to engage with stakeholders from other universities, business and government, and a new initiative being the Chancellor's Scholar's Program, launched in 2015 as a pilot project, aimed at attracting more of Victoria's best and brightest high school students. This program consists of two parts: The first providing year 11 students with a fully paid trip to Canberra for ANU's Open Day on Friday 28th and Saturday 29th August 2015, while the second part, scheduled for the 2016 July school holidays, involves a three day intensive course run by ANU academics at ANU House in Melbourne. Upon completion of the program, students will be provided with a direct unconditional offer to study at the ANU, and 5 bonus ATAR points for entry into a preferred program; and
- Further public policy activities are scheduled for 2016, with events planned on Australian defence policy, Australian aid policy, cyber security and Indonesia's economic development.

Resolved:

That the Council note the Chancellor's 2015 report on the Melbourne Engagement Strategy *****.

16. AUSTRALIAN NATIONAL AUDIT OFFICE – CLOSING LETTER ON THE 2015 ANNUAL FINANCIAL STATEMENTS

Resolved:

That the Council note the closing letter on the 2015 Annual Financial Statements.

17. REPORT ON RESEARCH GRANT APPLICATIONS

Resolved:

That the Council note the updates on application trends for Australian Research Council and National Health and Medical Research Council.

18. WORKERS COMPENSATION SELF-INSURANCE PROJECT – COST-BENEFIT ANALYSIS

Council noted that, as part of the Workers Compensation Self-Insurance project, University management engaged actuaries to produce two self-insurance financial reports – a Financial Viability Assessment and a Liability Report. *****

Resolved:

That the Council note the Workers' Compensation Self-Insurance Project actuarial reports and the management assessment of those reports.

19. WORK, HEALTH AND SAFETY PERFORMANCE REPORT – MARCH TO APRIL 2016

Council noted in the WHS report for March, there were:

- No critical incidents reported
- Zero lost time injuries reported
- Zero medically treated injuries reported

Council commended the work underway to enhance Work, Health and Safety reporting at ANU.

Resolved:

That the Council note the reports on work, health and safety performance at ANU for the March to April 2016 period relevant to staff and students.

20. AUDIT AND RISK MANAGEMENT COMMITTEE – EXECUTIVE SUMMARY

Resolved:

That the Council note the summary of major items considered by the Audit and Risk Management Committee (ARMC) at its meeting held on 11 May 2016.

21. FINANCE COMMITTEE – EXECUTIVE SUMMARY

Resolved:

That the Council note a summary of major items considered by the Finance Committee at its meeting held on 13 May 2016.

22. MAJOR PROJECTS JOINT SUB-COMMITTEE – EXECUTIVE SUMMARY

Resolved:

That the Council note the summary of major items considered by the Major Projects Joint Sub-Committee at its meeting held on 18 April 2016.

23. CAMPUS PLANNING COMMITTEE – EXECUTIVE SUMMARY

Resolved:

That the Council note the summary of major items considered by the Campus Planning Committee at its meeting held on 18 March 2016.

24. ANU SUBSIDIARY ENTITIES QUARTERLY PERFORMANCE REPORTS

Resolved:

That the Council:

1. Note the year to date results and 2016 financial projections for the University's subsidiaries; *****

25. CAPITAL BUILDING FINANCIAL SUMMARY REPORT

Resolved:

That the Council note the information contained in the Capital Building Financial Summary Report as at 27 March 2016.

26. ADMINISTRATIVE REFORM UPDATE

The Executive Director (Administration and Planning) provided Council with an overview of the findings from the UniForum Survey, which is a benchmarking survey conducted across the G08 universities every two years and analyses the cost and quality of delivery of comparable services and functions.

The following key points were raised in discussion:

- *****
- To ensure comparability, costs are adjusted in line with the level of teaching and research intensity relevant to each university thereby producing a normalised cost;

- The University has delivered improvements in Human Resources costs, but, conversely, Information Technology Services which reports a higher cost of delivery, ranks lower on service quality;
- A program of work is in development to capture the unit cost of the University's activities;
- In respect of Governance activities, Council was advised that this activity grouping included, amongst its range of activities, Work, Health and Safety functions, as well as College administrative functions including committee work. Council raised concern to have a more clear understanding about the components included in this grouping to ensure better transparency about what is reported. Management undertook to provide a more detailed breakdown of the Governance function reported in the survey;
- As the University pursues a new strategic plan, with a clear objective to ensure it ranks against the best international league universities, Council supported the proposal for ANU to similarly undertake international benchmarking in relation to its administrative activities. In response, University management advised that the Russell Group, United Kingdom, will be joining the next UniForum survey, with the Go8, other universities and Auckland University;
- The extent to which staff feedback affirms that the range of administrative reforms in train, are on the right track and the University community is engaged and supportive of these measures; and
- The comparatively low level of investment in Research Support and the need to address investment needs going forward.

Resolved:

That the Council:

1. Note the progress report on administrative reform at ANU; *****

27. POWER OF ATTORNEY

Resolved:

That the Council note the list of transactions over which the Investment Manager, and Acting Investment Manager, exercised Power of Attorney between 7 April 2016 and 3 May 2016.

28. UNIVERSITY SEAL REPORT

Resolved:

That the Council note that there have been no documents to which the University Seal has been affixed since the meeting of Council held on 1 April 2016.

29. REPORT OF SIGNIFICANT VISITS AND EVENTS, GRANTS AND CONSULTANCIES

Resolved:

That the Council note the report of significant visits and events, grants and consultancies.

30. LEGISLATION

Resolved:

That the Council approve the *Council (Elections) Statute 2016*.

31. 2015 ENDOWMENT FOR EXCELLENCE REPORT TO DONORS

Resolved:

That the Council approve the 2015 Endowment for Excellence Report to Donors.

PART 6: OTHER BUSINESS

33. QUESTION TIME

No questions were raised during Question Time.

34. OTHER BUSINESS

No other business was raised.

35. NEXT MEETING

The Council noted that its next scheduled meeting is to be held on Friday 22 July 2016 at 9:15am.

The meeting closed at 12:35pm.

_____ Date: _____
Professor the Hon Gareth Evans AC QC
Chancellor
The Australian National University

*(***** indicates a removed item which is confidential to Council Members)*