

PRESENT: Chancellor (Lieutenant General Grey AC) (Chair), Vice Chancellor (Professor Harding), Acting Deputy Chairperson of the Academic Board (Professor Sen Gupta), Ms Cannon, Mr Charlton, Mr Dodge, Mr Gilliver, Mr Haddrick, Mr Harridge, Mr Kirkwood, Mr Landy, Professor Leggat, Associate Professor Leicht, Ms McLaughlin, Mr Mosch, Mr Phillips, Ms Polak Scowcroft, Dr Smorfitt, Mr Twomey and Dr Tyrell.

ATTENDANCE: Mr Troupe (Acting Secretary), Ms Brand and Professor Cocklin (Permanent Advisors) and Professor Smith (for Item 6)

APOLOGIES: Apologies were received from Hon. P Lindsay, Mr Kern, Professor Naylor and Ms Walker

The Chancellor welcomed the Acting Deputy Chair of the Academic Board to his first meeting of Council.

1. DECLARATION OF CONFLICTS OF INTERESTS:

There were no conflicts of interest declared.

2. MINUTES

2.1 The following Minutes were adopted as a true and correct record:

N-SECT Ordinary Minutes of Meeting (2/15), held on 10 April 2015, as confirmed by the Chair.

2.2 Confidential Minutes of Meeting (2/15), held on 10 April 2015, as confirmed by the Chair.

N-SECT 2.3 Confidential Minutes of Special Meeting (4/15), held on 2 June 2015, as confirmed by the Chair, and amended at the meeting.

REFER SEPARATE PAGES

N-SECT 2.4 Circular Minutes of Meeting (3/15), approved on 1 May 2015, as confirmed by the Chair.

3. BUSINESS ARISING FROM THE MINUTES:

4. There was no business arising from the Minutes.

MATTERS NOT YET FINALISED:

4.1 CONFIDENTIAL – COUNCIL PERFORMANCE EVALUATION AGAINST OBJECTIVES - SUMMARY OF RESPONSES

The Chancellor and Secretary to Council review the Council Performance Evaluation Survey (February 2015) comments and seek to identify areas for improvement in Council's performance.
Council (1/15) 27 February 2015

5. CHANCELLOR'S REPORT

The Chancellor briefed Council and the following was noted:

- the University Chancellor's Council (UCC) meeting held at Wagga Wagga, NSW on 18 – 19 May 2015. The UCC had been invited, on behalf of Council, to hold a meeting in Cairns in 2016. As 2016 was likely to be an election year the UCC, along with Universities Australia, would meet in Canberra. However, the UCC had scheduled its 2017 meeting for Cairns;
- there was a presentation on Indigenous Education at the UCC meeting and it was noteworthy that JCU was already delivering all of the initiatives in the presentation;
- with regard to the review of the *Voluntary Code of Best Practice for the Governance of Australian Universities* the UCC recommended clause that stated that, 'University Council or Senate may establish an Academic Board if it so wished', be added;
- the Victorian universities, having revised the composition of their governing bodies so that there were no representational members under the previous State Government, were under review again in order to restore elected members, at the behest of the successor State Government. The

UCC were also briefed on the review of University Acts underway in Queensland;

- the Chancellor officiated at the official opening of the new JCU Singapore Campus at 149 Sims Drive, Singapore on 28 June 2015. The Prime Minister, Tony Abbott, opened the new campus and was accompanied by the Trade Minister, Andrew Robb, and a delegation of senior executives from major Australian corporations. The Queensland Premier, Anna Palaszczuk also attended the event, along with Singapore's Senior Minister of State, Ministry of Law and Ministry of Education, Ms Indranee Rajah and two High Commissioners. The Chancellor commented that the Prime Minister had been terrific and there had been wide media coverage. Council, through the Chancellor, requested that congratulations be conveyed to the Campus Team and the Director, Estate Office who had travelled to Singapore to prepare the campus for the visit.

RESOLVED:

N-SEC T

that the Chancellor's report, be noted.

6. VICE-CHANCELLOR'S REPORT:

Presentation by Member of Senior Staff

Professor Nicholas Smith, Australian Institute of Tropical Health and Medicine gave a presentation - *A Focus on Tropical Infectious Diseases and Biodiversity*.

The Vice Chancellor briefed Council on the headline results of the 2015 Staff Opinion Survey noting there were positive and negative results and the results reflected the difficult environment over recent years and the University restructure that affected every member of staff. Strategies from areas that had positive results would be shared with areas with less positive results. The Staff Opinion Survey would be administered at intervals of around two years, noting that judgement will be exercised as to the precise timing.

A member asked about leadership at the discipline level, that being academic leadership rather than management. An aim of the University restructure was to reduce the administrative burden for academics such as discipline leaders, however some did still have some management responsibilities. The Senior Deputy Vice Chancellor confirmed that he met with College Deans to discuss implementation issues resulting from the restructure and this matter was being addressed. Council would be updated on the matter above and on other developments resulting from the Staff Opinion Survey at its February 2016 meeting.

RESOLVED:

N-EO

that the Vice Chancellor's report, be noted.

7. REPORT TO COUNCIL FROM CHAIRPERSON OF ACADEMIC BOARD

The report was noted.

RESOLVED:

N-A/CHRA B

that the Chairperson of Academic Board's report, be noted.

8. REVIEW OF ACADEMIC GOVERNANCE – IMPLEMENTATION PROGRESS REPORT, ACADEMIC BOARD CHARTER – AMENDMENTS AND MEMBERSHIP – EXPERTS APPOINTMENT PROCESS

Professor Sen Gupta, Acting Deputy Chair of the Academic Board spoke to the item on behalf of Professor Naylor, Acting Chair of Academic Board.

Council recalled that it had endorsed at meeting (3/15), held on 14 May 2015, the nine *Principles for Re-alignment of the Academic Governance Structure @ JCU* and noted the proposed actions matrix, containing responses to the recommendations contained in the Review of Academic Governance.

Council noted progress on the implementation of the Review of Academic Governance Reports' recommendations against the six identified areas of focus along with an implementation timeline with key milestones.

1. Academic Board Charter

A provisional review which resulted in minor refinements to clarify the role of the Academic Board

and for compliance with the JCU Act were approved by Council at meeting (3/15), held 9 July 2015. A full review of the Charter was underway and a refreshed Charter would be considered by Academic Board at meeting (4/15), scheduled for 10 August 2015 and then Council at meeting (5/15), scheduled for 3 September 2015. A member had identified some minor consequential amendments and inconsistencies in the Charter as presented and would provide them to the Acting Chair of the Board and the University Secretary.

2. Schedule of Business (SoB)

A review of the SoB would be undertaken in conjunction with the review of the Charter and refined following the progress of the review of academic delegated authorities.

3. Delegated Authority

The current Academic Delegation Register had been identified for review by the Office of Quality, Standards and Policy (QSP). The Policy Framework identified who was responsible for instigating the review.

4. Membership

Council approved at meeting (3/15) the proposed restructure of the membership of the Academic Board based on expertise, responsibility and innovation, and aligning with the principles for realignment, comprising of 13-15 members. The full membership composition was provided in the revised Charter. A criteria matrix had been developed for the selection of the six new academic experts. Following informal consultation with key staff and consideration by Academic Board at its Meeting (4/15), held 22 June 2015, the proposed criteria for each expert and appointment process would be presented to Council at its meeting on 9 July 2015 for approval. The Expressions of Interest (EOI)/selection process had been extended due to the commencement of teaching period two with the process closing on 7 August 2015 and appointments occurring after the 10 August 2015 meeting of the Board. The Academic Board Executive (Vice Chancellor, Acting Chair and Acting Deputy Chair of the Board) would select the six experts.

5. Communication and Engagement Strategy

A new Communication and Engagement Strategy would be developed and it was anticipated it would be presented to Academic Board at meeting (4/15), scheduled for 10 August 2015 and then Council at meeting (5/15), scheduled for 3 September 2015.

6. Self- Review Strategy

A Self-Review Strategy would be developed and it was anticipated it would be presented to Academic Board at meeting (4/15), scheduled for 10 August 2015 and then Council at meeting (5/15), scheduled for 3 September 2015.

RESOLVED:

1. that the Implementation Plan overview and schedule for the Council endorsed recommendations stemming from the Review of Academic Governance, be noted;
2. that the progress on each of the Implementation Phases' six key areas of focus, be noted;
3. that the minor amendments to the Academic Board Charter, subject to the identified minor confidential amendments and inconsistencies, be approved; and
4. that the proposed criteria matrix for the selection of six skill based Academics and membership appointment process, be approved.

9. JCU COUNCIL – REVIEW OF SIZE, STRUCTURE, COMPOSITION AND APPOINTMENT PROCESS – PROGRESS REPORT

Mr Charlton, Acting Chair of the Working Group, updated Council on progress since the last meeting of Council and the following was noted:

- Working Group meeting 3 was held 27 May 2015 – the Working Group reviewed its report and identified issues to be addressed. The work to address these issues continues;
- consultation with representatives of the Department of Education and Training (DETE), as outlined in the Minister for Education's letter of 5 May 2015, occurred on 28 May 2015 with senior staff of the University attending (Deputy Vice Chancellor, Services & Resources; Chief of Staff; University

Secretary; University General Counsel and Director, Commercial Services). A discussion guide was provided outlining the matters proposed for discussion at the meeting. Senior management present prefaced that whilst they might comment on early discussion by Council (with Ms Cannon as a Council Member and Mr Kern as Secretary); the senior staff were not speaking for Council. The DETE representatives indicated that they were undertaking consultation with universities to identify 'where there was confluence' and 'where there was difference'. The aim of the consultation and any changes to enabling Acts or a Reform Bill would be to achieve consistency within the sector (not conformity) and allow flexibility for institutions reflective of their context and place. The legislation would effectively establish parameters within which institutions would work within. The process and timeframe of the review was discussed more broadly, as well as some specific issues particular to JCU around the amount of land at the Townsville Campus subject to Charitable Trust. The summary of the consultation held on 28 May was drafted onto the discussion guide and then reviewed with the Vice Chancellor and Mr Charlton. Further amendment was made to reflect a governance view, and the discussion guide was provided to DETE on 3 June 2015;

- the current timings for the review outlined by DETE were: consultations completed by 29 May, provide an overview of the consultation and the Higher Education Forum on 9 June between the Minister and Vice Chancellors, and then a draft Bill would be prepared for release in August for broader consultation of around 4-6 weeks (including with student unions and other representative groups). Submissions could also be made as part of the usual Committee process. An additional teleconference with DETE and the sector to clarify any aspect of the Bill may be required once it had been released. Modification of individual University Acts would be considered in this context, including transition requirements and timeframes. It was unlikely at this stage that the Bill would be considered before the end of the sitting year given other election priorities, but would probably be considered early in 2016. The date for change may be by proclamation of the date of the granting of assent of the revised Act – or by a date set in legislation and therefore could be negotiated as part of this transition but would have to be within a 12 month timeframe);
- Mr Charlton took over as Acting Chair of the Working Group from 4 June 2015 until the Deputy Chancellor, Mr Lindsay returned from leave on 6 August 2015; and
- the Higher Education Forum between the Minister and Vice Chancellors was held on 9 June 2015, the Minister said that she saw great merit in there being some uniform provisions but with the capacity for more locally informed decision-making by each university. She also confirmed it would take until early next year to finalise the process given the separate pieces of legislation being amended for each university. She also commented that she had been advised that Treasury was likely to have an interest in some aspects of the changes but not the size and composition elements. The Vice Chancellor reported that all those in attendance were comfortable with the scope of the prospective changes.

As a result of the above, the proposed Timetable had been updated. The Working Groups next meeting would be in late July or early August to align its work with the Government's approach and timing. The Acting Chair commented that this matter was fundamental to the University and its future. The Working Group would deliberate on the role of Council not just its size and composition; once the preferred governance framework was determined the appropriate size and composition of Council would be more apparent.

A member asked if there was any indication on the parameters within which the size and composition of Council would be determined. Thus far it had been indicated that there would be a majority of external members, representative membership would continue as would Governor-in-Council appointments although in both cases the number of members in each category was likely to reduce. It was anticipated that minimum requirements would be prescribed and the University would determine what it wanted above the minimum.

Council further noted that Chancellors' had not been consulted by the State Government on the proposed amendments to Queensland University Acts other than through their respective Councils. In the main the proposals had only been discussed at the management level.

RESOLVED:

that the progress report and revised timetable from the Working Group on the Size, Structure, Composition and Appointment Processes of Council, be noted.

N-A/CHWG
N-UNISEC

10. CODE OF CONDUCT – UNIVERSITY COUNCIL – AMENDMENTS – PROPOSED

Council, at its Special Meeting held 2 June 2015, requested that the *Code of Conduct - University Council* be expanded to broaden its scope to have application, in relation to particular conduct, to members when not acting in their official capacity as a member. The Council noted that minor amendments had been made to the 'Intent' and 'Scope' of the Code of Conduct to address this identified shortfall. The amendments were based on similar provisions in the *Queensland Crime and Corruption Commission Code of Conduct* but had been adapted for the University and had been reviewed by the JCU Legal Office.

Some Council members raised concerns around the form of words but fully supported the sentiment/intent of the proposed amendments. Concerns were raised in relation to where the line was drawn between a member's official capacity and private capacity and whether the Code of Conduct should govern every aspect of a member's life including private capacities; who would decide when conduct was not acceptable; what the definition of 'official capacity' was; how Council would police unacceptable conduct; and whether Council would be going beyond its statutory powers. Two members requested access to the legal review material drafted by the JCU Legal Office, on a confidential basis.

Council agreed that the matter lie on the table. Mr Haddrick offered to draft a form of words that addressed the issues above but maintained the sentiment/intent of the amendments and Council accepted and Mr Mosch asked to be involved.

RESOLVED:

1. that the proposed amendments to the *Code of Conduct – University Council* lie on the table; and
2. that Mr Haddrick, in consultation with Mr Mosch, provide an alternative form of words that maintained the sentiment/intent of the amendments but addressed the issues raised by Council members.

A-CHANC
A-UNISEC
A-MRHADDRIK

11. FINANCIAL REPORTS AND STATEMENTS FOR PERIOD FOUR, ENDING 17 APRIL 2015

Mr Phillips, Chair of the Finance Committee, spoke to the item and highlighted the following:

- the Reports and Statement related to Period 4, which ended 17 April 2015. Council had last met on 14 May 2015 and Finance Committee met on 21 May 2015, in the ordinary course of business, Council would not receive the minutes until its next meeting, scheduled for 9 July 2015. Finance Committee agreed that scheduling of meetings for 2016 needed to ensure that Finance Committee met before Council so there was not such a long period before Council received the minutes;
- with regard to the financial forecast it represented the University's expected year-end position updated to include revised student load income based on Study Period One enrolments and some other minor amendments;
- the forecast showed income was up due to \$13m in external grant income, due in 2014 but being received in 2015;
- student fee income was down, mainly due to a fall in international student numbers but partly offset by an increase in Commonwealth Supported student places and improved retention. The overall effect of the changes in student load projections was around \$3m less income than the original budget. Action was being taken to address this through recruitment of more Commonwealth Supported students and reductions in expenditure, if necessary. International student numbers across Queensland and the Australian Capital Territory had fallen whereas numbers in Victoria and New South Wales had increased. JCU needed to investigate why this was occurring and take appropriate action to mitigate this issue for 2016. International students took longer to recruit and as a result of the lower numbers this year there would be a pipeline effect as the reduced numbers worked their way through subsequent years;

- research income was also down, however expenditure was also down by around \$11.4m;
- the adjusted operating surplus was forecast to be \$12m better off, mainly as a result of \$13m in capital grants;
- as the legislation relating to the 2014 efficiency dividend had not been passed by Parliament, amounts withheld by the Federal Government (around \$2.7m) for contributions under the Commonwealth Grant Scheme for 2014 would be paid back to the University in mid-2015;
- with regard to the finance-related University Level Performance measures the forecast results were good overall; and
- the Balance Sheet was strong, with regard to assets there was a spike in receivables due to timing and the University had adequate cash on hand.

With regard to the drop in international student numbers the Queensland Government was undertaking a review of international education and strong representations were being made to the Government by the University. Furthermore, 60 scholarship students from Brazil had attended JCU last year but this was for one year only and with regard to study abroad students from the US, the company that undertook the recruitment and consolidation work had been sold and a new company had taken over. JCU was re-engaging with the company since it had been sold to address any issues.

Ms Brand undertook to provide Mr Kirkwood with a breakdown of 'Other Operating Expenses', which was made up of small amounts that added up to around \$27.8m.

RESOLVED:

A-DVCS&R

that the Financial Statements, Financial Statement Analysis and other financial information for the period 4 ending 17 April 2015, be approved.

12. REFER SEPARATE PAGES

13. UNIVERSITY POLICY – FINANCIAL MANAGEMENT - FINANCIAL MANAGEMENT PRACTICE MANUAL (FMPM) – APPENDIX A – PROPOSED FINANCIAL DELEGATIONS REGISTER

The Council noted that the existing schedules of delegation were embedded in the former *FMPM – Appendix A - Delegations Policy*. Delegations Schedules were contained within the policy. The amendments detailed the delegation limits required to be consistent with the approved Policy Framework and the new University structure. A requirement and purpose of the Financial Delegations Register was to provide formal authority and specified limits to an officer to financially and legally commit JCU and/or incur liabilities for JCU. The current financial delegations did not reflect changes made as a result of the University's restructure and did not align with the approved Policy Framework. To address these issues, the delegations were removed from the policy to a proposed Financial Delegations Register. The revised delegations policy, *FMPM – Appendix A – Financial Delegations Policy*, was approved by the Finance Committee on 21 May 2015.

RESOLVED:

N-DVCS&R
A-POLOFF

that the proposed amendments to the *FMPM – Appendix A – Financial Delegations Register*, be approved.

14. RISK APPETITE AND MATRIX

Ms Cannon spoke to this item and Council noted that part of the Futures Committee Schedule of Business was to consider the University Risk Appetite. In so doing, the Committee reviewed and made recommendations to Council on the University's Risk Matrix to ensure the risk appetite of the University in terms of the assessment of likelihood, consequence and overall risk rating was appropriate. Currently, the University had no Risk Appetite Statement and a discussion around the attributes and development of such a statement for the University which was still preliminary comment with broader consultation to be undertaken.

The statement was a work in progress and after further consultation a proposed Risk Appetite Statement would be drafted for consideration by the Audit and Futures Committees before coming back to Council for approval.

RESOLVED:

N-COS that the feedback from Futures Committee members on the University's Risk Matrix be noted by Council.

15. REPORT TO COUNCIL FROM CHAIRPERSON OF HEALTH, SAFETY AND ENVIRONMENT COMMITTEE

The Chair of Health Safety and Environment Committee, Mr Haddrick, spoke to the item and noted that it should be considered in conjunction with Item 16.

Council noted that:

- the Committee had expressed concerns over the timeline for the Test and Tag compliance program but was satisfied with management responses. Mr Haddrick briefed Council on the background to Test and Tag. It was anticipated that Test and Tag compliance would be achieved by the end of 2015 and with high risk areas being addressed first. This was not just a matter for the campuses but applied to all JCU areas as the University had an obligation to provide a safe working environment;
- management had been requested to advise the Committee what management saw as the areas of focus in 2016 in terms of meeting the University's compliance obligations; and
- the Chancellor had raised a particular concern in relation to the compliance of the Canopy Crane Operations in the Daintree. Attached to the report was a letter from the Dean of Research which offered comfort to the Committee and Council in relation to the Canopy Crane's compliance. Mr Haddrick informed Council that he was not satisfied with the letter and did not believe it addressed the concerns or provided the assurance requested. Mr Haddrick would follow-up on this matter outside of the meeting.

RESOLVED:

N-CHRHSEC that the report from the Chairperson of the Health, Safety and Environment Committee, be noted.

16. HEALTH, SAFETY AND ENVIRONMENT HAZARD, INCIDENT, INJURY AND RISK MANAGEMENT REPORT 1 JANUARY TO 31 MARCH 2015RESOLVED:

N-SECT that the Health, Safety and Environment Hazard, Incident, Injury and Risk Management Report 1 January to 31 March 2015, be noted.

17. RISK MANAGEMENT SUB-COMMITTEE – STAND-DOWN FOR 12 MONTHS – PROPOSEDRESOLVED:

- N-SECT
N-CHRRMSC
1. that the Risk Management Sub-Committee be stood down for twelve months, be approved; and
 2. that Audit Committee would reconsider the disestablishment of the sub-committee at its third meeting in 2016, be noted.

18. MINUTES – COMMITTEES OF COUNCILRESOLVED:

N-SECT that the attached Minutes of the following Committee meetings be noted:

- Ordinary Minutes – Academic Board (3/15), held 22 June 2015.

19. IMPROVEMENTS TO MANAGEMENT OF DELEGATIONS

Council noted that currently, the management of the University's policies and delegations were treated separately. Policies were approved according to the Policy Framework by Committees of Council, whilst delegations were approved by Council. The current arrangement of delegated authority contained a mixture of centralised, high-level delegations held at senior levels, and an extensive web of operational delegations embedded in University policies and procedures.

Significant work was required to transition all delegations to the new University structure and review and improve the operability of the current delegations. The introduction of a formal Policy and Delegations Framework would provide transparency of the governance of delegations management. A paper had been prepared proposing changes to the management of Delegations. The proposed

revised Policy and Delegations Framework was an extension of the existing Policy Framework, with clarification of the structure and management of Policy, Procedures, and Delegations.

Council noted that as part of the overall management of Policy and Delegations, it was proposed that delegations be removed from being embedded in Policies. All delegations would be managed through delegations registers, and policies would reference the relevant delegations register. Four delegations registers were proposed: Governance & Administration; Academic & Student; Human Resources; and Finance The Financial Delegations had been reviewed and updated and was provided to Council as another agenda item.

The proposed changes to Delegations management would not impact the approval authority of Delegations, which would remain at Council level. Once the proposed Policy and Delegation Framework had been approved by Council. The Quality, Planning & Analytics Directorate would work with the Policy and Delegations Domain sponsor to draft the Delegations Policy and develop the Delegations Handbook for consideration by Council and review all current delegations in accordance with the approved Policy and Delegations Framework, with approval of delegations by the relevant Approving Authorities as outlined in the Policy and Delegations Framework.

RESOLVED:

1. that the proposed revised Policy and Delegations Framework, be approved; and
2. that the work program to be implemented on approval of Recommendation 1, be noted.

A-DIRQPA
A-POLOFF

20. GENERAL BUSINESS

There was no General Business.

The Meeting closed at 8:46 pm

Signed by the Chair on 20 July 2015

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Chair
20 July 2015

CHANCELLOR'S REPORT TO COUNCIL

Monday 18 – Tuesday 10 May

- Attended the University Chancellor's Council (UCC) Meeting at Wagga Wagga, NSW.

Thursday 21 May

- Attended a Finance Committee Meeting from the Cairns campus.

Wednesday 27 May

- Chaired a Meeting with Queensland Audit Office from the Douglas campus.

Tuesday 2 June

- Chaired a special Meeting of Council from the Douglas campus.

Wednesday 3 June

- Attended the Official Launch for the College of Science, Technology and Engineering at The Cairns Institute building.

Thursday 4 June

- Attended the Futures Committee from the Cairns campus.

Tuesday 9 June

- Chaired the Human Resources Committee meeting from the Cairns campus.
- Met with Stephen Naylor, Chair, Academic Board.

Thursday 11 June

- Attended an Audit Committee meeting on the Douglas campus.

Friday 12 June

- Attended a Health, Safety and Environment Committee of Council meeting from the Douglas campus.

Thursday 25 – 30 June - JCUS Campus

- Officiated at the JCU Singapore new campus official opening.

Other Matters

Correspondence

- Acknowledgment of the Chancellor's condolence letter on the passing of Mr Lee Kuan Yew, sent to the Prime Minister of Singapore, Mr Lee Hsien Loong and his family.