

Griffith Council News

August 2024

Council News is a high-level summary for staff of some of the key items and outcomes from the most recent ordinary Council meeting.

VICE CHANCELLOR'S REPORT

Council **noted** the *Vice Chancellor's Report to Council*, which had been circulated with the papers and was taken as read. The Vice Chancellor highlighted the following:

- Griffith University's exceptional achievements at the Paris 2024 Olympic Games, with 38 athletes competing and bringing home 24 medals, the highest ranked University in Australia and in the top few globally, clearly positioning Griffith as a world leading sports University. Griffith currently supports more than 550 elite athletes.
- Griffith was awarded eight of the 22 Australian Research Council (ARC) Future Fellowships for mid-career researchers, which was fourth in the country and exceeded most of the Go8 universities.
- Dozens of thank you emails had been received from international students graduating mid-year who had received support from Griffith to ensure completion certificates and transcripts were issued ahead of the introduction of policy changes impacting 485 visa applications.
- The EmpowerED program commenced in T2, 2024 to provide a pathway to 68 undergraduate degrees for students who do not meet traditional admission requirements. The 2024 enrolment target of 80 students had been achieved.
- Open Day had been a huge success, with leads up by 10%.
- Changes in Senior Leadership including the appointment of Professor Jonathon Bullen as the new Deputy Vice Chancellor (Indigenous) commencing on 8 October 2024, the appointment of Professor Paul Clarke as the Director of the new Biomedical Institute, and the appointment of Professor Mark Brimble as the new Dean (Online Strategy). It was also noted that Professor Sarah Todd, Vice President (Global) had announced her departure from Griffith in mid-December 2024, and that recruitment for her replacement would soon commence.
- Engagement with the Government continued around proposed policy changes across a range of issues including the introduction of ATEC, the ESOS bill regarding capped international places, and the legislative changes relating to casual staff.

Council members queried the risks and impacts of the legislative changes for casual staff and discussed the risks and current actions being taken by the University to mitigate these risks.

HEALTH AND SAFETY REPORT

The Director, Health, Safety and Wellbeing, Mr Mike Powell, joined the meeting for this item.

The Director, Health, Safety and Wellbeing, Mr Mike Powell, spoke to the item and Council **noted** the *Health, Safety and Wellbeing Report*, which was compiled from May and June 2024 data and included an update on the health and safety incident at the Queensland Microtechnology Facility, and highlighted the following items:

- Increasing Lost Time Injury Frequency Rate (LTIFR), which was mainly due to a reduction in hours worked as a result of the reduction in staffing.
- Increasing Non-Conformances and Notifiable Incidents and IMTs, which was aligned with an improved and more intense assurance program and increased capability in the central HSW team.
- Good outcomes and progression with lead indicators.
- Steady state of organisation HSW maturity uplift, however noting that a planned reduction in both professional and academic staff would impact the ability to implement and assure the HSW Management System requirements.

Members discussed the report and the Chair, Audit and Risk Committee provided a brief overview of the conversation about Health, Safety and Wellbeing at the 3/2024 (August) Audit and Risk Committee meeting, noting the action to provide more information in future reports about what the notifiable incidents were made up of.

The Chancellor thanked the Director, Health, Safety and Wellbeing for the high quality of the report and for his presentation to the Council, noting its importance given their duties as Council members.

MID-YEAR PERFORMANCE REPORT ON 2024 UNIVERSITY STRATEGIC KPI'S

The Vice Chancellor spoke to the item and Council **noted** the submission titled *YTD Performance Against University KPIs*, which was circulated with the papers and taken as read. This report provided an update on the University's 2024 key performance indicators, which are aligned to achieving the *Creating a Future for All Strategic Plan 2020 – 2025*. As detailed in the Vice Chancellor's Report (see agenda item 8.0) the University is acting to address areas of underperformance.

Council **resolved to approve** the report on the University's performance against the 2024 University KPIs.

2025-2028 BUDGET OUTLOOK

The Chief Financial Officer, Ms Michelle Clarke, joined the meeting for this item.

Council **noted** the submission titled *2025-28 Budget Outlook*, which had been circulated with the papers and was taken as read. The Chief Operating Officer, Mr Peter Bryant, spoke to the submission and highlighted the strengths and weaknesses in the University's performance, including a strong first half of year that had exceeded the EBITDA target with increasing domestic performance despite a weakening of international enrolments and successful expenditure reduction. The University was still targeting the revised budget and working hard on revenue generation and reduced expenditure measures, but it was noted that the uncertain policy environment, particularly regarding international student caps, remained a significant challenge. The appendices were highlighted, as other points of reference, which included an external view of the sector. Comparative data was also considered, including with local universities, in particular expenditure versus income and Griffith's comparative expenditure growth across salary and non-salary in 2023 was noted.

Council members discussed:

- Government policy settings, including potential caps on programs and reputational damage being done in international markets.
- Expenditure and income in comparison to UQ and QUT, noting the difference in magnitude of UQ's investment portfolio.
- CPI index used was different to the RBA forecast, noting that it would be updated in the budget.
- Given retention was a big lever for financial sustainability, whether the retention target was ambitious enough and scale of current investment, given results were already evident.
- Ratio of employee expenses to student load, and the introduction of a new financial sustainability metric (see next item), and benchmarking against the sector for this data point of FTE/EFTSL
- Other possible revenue streams, noting the four identified in the medium term. Philanthropy was also noted as another stream, and land sale had also been considered.

On the recommendation of the Finance and Infrastructure Committee, Council:

- **Noted** that Trimester 2 2024 revenue was now expected to fall modestly short of budget. Strong domestic intakes and favourable continuing load were anticipated to be offset by lower than budget international commencements, impacted by continued delays in visa processing. Work was underway to transition these international students into T3 2024 intake, but this presented risks for T3 2024 and 2025 revenue projections.
- **Noted** expenditure controls were resulting in YTD savings and continued to support budget achievement (additional detail can be accessed within the Committee's Finance Report). Work was underway to complete a reforecast and, where necessary, revise budgets and delegations for H2 to achieve budget.
- **Noted** the underlying budget assumptions:
 - Achieving by 2028 the medium-term financial sustainability program financial objectives of: >8% EBITDA; and -2% to +2% net result range.
 - Reflecting 100% of business case revenue from financial sustainability program strategic revenue generating activities (i.e. retention, online, and CBD campus) in the budget. Underlying student load growth will be net of a student revenue risk adjustment.
- **Noted** the ongoing risk surrounding international intakes caused by: slow visa processing; Federal Government policy uncertainty; and potential capping of international places at each institution.
- **Resolved to approve** the draft *2025-28 Budget Outlook*.

2019-2023 FINANCIAL PERFORMANCE – SECTOR COMPARISON

The Chief Financial Officer, Ms Michelle Clarke, joined the meeting for this item.

The Chief Financial Officer, Ms Michelle Clarke, spoke to the submission titled, *2019 – 2023 Financial Performance – Sector Comparison*. Members discussed the report and noted that the sector comparison revealed revenue decline and expenditure increase. The comparative difference in the make-up of the students was acknowledged as a factor, and that necessary strategic investment had contributed to increased expenditure, particularly across cyber security, health and safety, industry engagement and advancement.

Reflecting on the return of staff FTE to pre-R2S numbers against declining student numbers, and in response to a member query about how the University could protect against this occurring in the future, the Vice Chancellor noted the introduction of a new financial sustainability metric of FTE / EFTSL, that would help the University to better monitor this balance.

Members discussed the decline in domestic student load, and the varying impacts of this across the sector, which had been most significant in Queensland. Decline in Business enrolments was noted for Griffith and across the sector, and members were advised that the Pro Vice Chancellor (Business) would address this at the December Council meeting. It was agreed that some enrolment trend data by discipline would be helpful for the Council Strategic, and with a sectoral view (noting discussion about decline in Business load). The need for the Council and Management to remain focussed on the impact of domestic load decreases was noted.

On the recommendation of the Audit and Risk Committee and the Finance and Infrastructure Committee, Council **discussed** the five year (2019–2023) comparative analysis and provided feedback, and **resolved to approve** a new financial sustainability metric of FTE/EFTSL.

MAJOR CAMPUS AND INFRASTRUCTURE PROJECTS UPDATE

Council **noted** the submission titled *Strategic Campus Infrastructure Program Update*, which had been circulated with the papers and was taken as read. The Chief Operating Officer provided updates on the following major campus and infrastructure projects:

i) N82 Project

Demolition of N13 had progressed and was on track for hard demolition to commence in Q4 2024, with practical completion in March 2025. Options for the site post demolition were being investigated for recommendation to Executive by the end of August and would include cost estimates. Given cost and funding challenges, work on the new N82 building had been paused and would be reconsidered post resolution of the CBD acquisition.

- Science Enabling Works (SEW)

The Technical Annexe (SEW C) was progressing well and tracking for completion in late Q1 / early Q2 2025. SEW A and B Early Works were complete and Main Works post tender negotiations had progressed with contract award expected imminently. The A & B Main Works price was within budget parameters.

ii) Other Campus Projects

Updates on the progress of negotiations and concept planning were provided and next milestones noted for projects on a number of campuses, including:

- Kessels Road Mixed Use Precinct (Nathan) - Engagement of Milford Planning to lead the consultation process for Stage 1 of the mixed-use precinct with the local government.
- Student Accommodation (Nathan) – Negotiations with Campus Living Villages including working towards revised commercial terms.
- Student Accommodation (Gold Coast) – Nearing financial close on the CLV deal.
- Exit of Mt Gravatt Campus – Working through the transitional arrangements to exit the campus by the end of 2025 (see below).

EARLY EXIT OF MT GRAVATT CAMPUS

On the recommendation of the Finance and Infrastructure Committee, Council **noted**, subject to identified refurbishments, a detailed feasibility study had confirmed Nathan campus could accommodate all activity transitioning from Mt Gravatt campus ahead of completing the new Arrivals building (N82), and **resolved to approve**:

- proceeding with staged transition out of Mt Gravatt campus, with target full exit date of end 2025.
- the incremental capital cost of the relocation and operating expense (noting operating expenses could be funded from existing budget).

GOLD COAST STUDENT ACCOMMODATION – CLV EXPANSION FINAL TERMS

On the recommendation of the Finance and Infrastructure Committee, Council **noted** that the University was negotiating changes with CLV to the Gold Coast student accommodation project documents as they relate to:

- the termination payment regime (default termination and subsisting force majeure) and how it applies during the construction and operating phases
- a new payment regime for extensions of time due to a University-led variation, direction or change in policy.

INTERNATIONALISATION UPDATE

The Vice President (Global), Professor Sarah Todd, joined the meeting for this item.

The Chancellor welcomed the Vice President (Global), Professor Sarah Todd, to the meeting to present the submission titled *Internationalisation Update*. Professor Todd started by acknowledging that the Government's international student enrolment cap announcement had not yet been released, and that while it may be positive for the University, international student applications had notably decreased over the past six months due to other measures to dissuade international students (such as increases in visa fees, changes in work rights) that would make it hard to reach the cap. Other key issues impacting international student recruitment were then presented, including student visa changes, the ESOS Act Amendments Bill which included the proposed and controversial Ministerial powers to set enrolment limits at both institutional and course levels, and the draft International Education and Skills Strategic Framework.

Members discussed the risks for the University, including any possible security threats, noting not any that were known, which was likely due to the rigorous screening mechanisms in place. The impact of the Government's migration strategy on the University sector and the economy was also discussed, and it was noted that reducing international student enrolment was unlikely to reduce migration as a very low percentage of international students went on to gain permanent citizenship because of difficulties securing employment. The uncertainty ahead was noted, along with the University's plans to continue to mitigate the risks as much as possible.

The Chancellor thanked Professor Todd for the briefing and noted that she would be leaving Griffith after 11 years of service, finishing up in mid-December. The Chancellor acknowledged Professor Todd's dedication to the University,

and the significant contributions made during her leadership across the international portfolio. He advised members that there would be opportunities to formally thank Professor Todd before her departure.

TEQSA RE-REGISTRATION UPDATE

The Provost, Professor Liz Burd, spoke to a presentation and Council **noted** the submission titled *TEQSA Registration Update*, which had been circulated with the papers and was taken as read. The Provost updated the Council on the University's TEQSA re-registration progress, providing an update on quality assurance work being undertaken. The External Review of Academic Governance recommendations had been closed, which was a significant milestone ahead of submission. TEQSA risks outside of University appetite continued to be managed, with good progress made. The approval processes prior to submission of the re-registration application to TEQSA was noted, which included engagement of Michael Wells from Minter Ellison (formerly Wells Advisory Australia) to undertake an independent review of the University's draft TEQSA re-registration submission, which would form part of the quality assurance of Griffith's TEQSA re-registration submission before it progresses through the approval pathway.

On the recommendation of the Academic Committee, Council **noted** the progress of the University's TEQSA re-registration activities.

The Chancellor thanked the Provost and the teams involved in preparing for re-registration for a well-managed process and for the excellent progress that had been made.

ANNUAL PROVISIONAL TEQSA PROVIDER RISK ASSESSMENT 2022 AND 2023

On the recommendation of the Audit and Risk Committee, Council **noted**:

- the Provisional 2022 Provider Risk Assessment and the Provisional 2023 Provider Risk Assessment
- TEQSA's provisional 'Low' overall risk assessment of Griffith University for the:
 - 2022 risk cycle (students)
 - 2023 risk cycle (students and financial position).

EXTERNAL REVIEW OF ACADEMIC GOVERNANCE IMPLEMENTATION PLAN – CLOSING REPORT

The Provost, Professor Liz Burd, spoke to the item and Council **noted** the submission titled *Closing Report: Implementation Plan for Final Report Recommendations – Independent Review of Academic Governance (2023)*, which had been circulated with the papers and was taken as read.

In September 2023, the University received the Final Report from Wells Advisory. On the recommendation of Academic Committee, Council discussed and noted the Final Report and Griffith's response to the review report recommendations (draft Implementation Plan with Options Summary) at its 06/2023 (December) meeting, with status updates provided to subsequent meetings. The finalised version of the Implementation Plan was provided to the 3/2024 (July) Academic Committee signifying closure of the project ahead of recommendation to Council. It was noted that particular actions identified for implementation from 2025 remained to be completed in alignment with that timeframe. Academic Committee would be provided with summary updates reporting on progress and confirming completion, in accordance with the Committee's standard academic governance oversight.

On the recommendation of the Academic Committee, Council **noted** the closing report (summary submission) and the finalised Implementation Plan (2024/0000942) and **resolved to approve** the new *Academic Governance Constitution* template (2024/0000944) and the transitioned Academic Committee Constitution (2024/0000945), effective from the commencement of 2025.

REPORTS FROM UNIVERSITY COMMITTEES

Council **noted** verbal updates from the Pro Chancellors and Committee Chairs for the Academic Committee, Audit and Risk Committee and the Finance and Infrastructure Committee. As the Chair of the Griffith University Elders and First Peoples Knowledge Holders Advisory Board was an apology, there was no verbal update. Copies of the most recent meeting agendas and most recent copies of approved meeting minutes were noted.

AMENDED AUDIT AND RISK COMMITTEE CONSTITUTION

On the recommendation of the Audit and Risk Committee, Council **resolved to approve** the proposed amendments to the Audit and Risk Committee Constitution (2024/0001064), which included a **delegation of authority** to the Audit and Risk Committee to approve the internal audit charter and the annual audit plan, and a change to clarify the committee composition, as set out below:

- i) The substitution of Clause 3.5 (a) of the Audit and Risk Committee Constitution –
 - a. From: (a) review the internal audit charter annually and recommend approval of the charter to the Vice Chancellor.
 - b. To: (a) approve the internal audit charter annually on the recommendation of the Vice Chancellor.
- ii) The substitution of Clause 3.5 (b) of the Audit and Risk Committee Constitution –
 - a. From: (b) review the annual audit plan and any subsequent changes to ensure that it incorporates the University's significant auditable risks and recommend approval to the Vice Chancellor.
 - b. To: (b) review and approve the annual audit plan and any subsequent changes to ensure that it incorporates the University's significant auditable risks, on the recommendation of the Vice Chancellor.
- iii) The addition of a statement under clause 5.1 about the committee composition to clarify that all members must be external to the University (i.e. not staff or students at the University) to align with the Queensland Treasury Audit Committee Guidelines requirement.

ORGANISATIONAL REVIEW – DEPARTMENT OF BUSINESS STRATEGY AND INNOVATION – REVIEW REPORT AND IMPLEMENTATION PLAN

On the recommendation of the Academic Committee, the Council **resolved to approve** the Department of Business Strategy and Innovation Review Report (2024/0000938) and Implementation Plan (2024/0000939) and **noted** the next steps for the Department to implement the recommendations and key findings arising from the Review, and to prepare an 18-month review progress report in 2026.

AMENDED STUDENT REPRESENTATIVE COUNCIL CONSTITUTION

On the recommendation of Griffith University Student Representative Council, the Council **resolved to approve** the amended Student Representative Council (SRC) constitution effective immediately and **noted** that the elections for SRC members in accordance with the new board structure would occur between weeks 8-12 of Trimester 2, 2024.

EDUCATECO PROPOSAL

Council **noted** the University's intention to partner with EducateCo to progress the establishment of a Year 7-12 school in the Gold Coast Health and Knowledge Precinct and the next steps being taken to progress the partnership.

CONFERRAL OF PROFESSOR EMERITUS

On the recommendation of the Vice Chancellor, Council **resolved to confer** the title of Professor Emeritus on:

- Professor Michael Good AO from 1 July 2025 after a distinguished career in medical research.
- Professor Huijun Zhao from 12 August 2024 after a distinguished career in contributing to catalysis, materials, clean energy, and environmental science.

MINUTE OF APPRECIATION – PROFESSOR CINDY SHANNON AM

The Council **resolved to adopt** a minute of appreciation in recognition of Professor Cindy Shannon's exceptional leadership and outstanding contributions to the University.

AUGUST 2024