Corporate Governance Statement

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1 Purpose

This document is intended to assist current and future members of Council, and executive management and senior staff of the University in carrying out their respective roles. Furthermore, it is intended to inform staff and student members of the broader University community about governance processes at the University, while also serving a similar purpose for the external community, including stakeholders such as governments.

A series of administrative guidelines are in preparation which will support this document and detail operational arrangements in a number of related areas.

2 Introduction

In 1998 the University’s Council approved a Corporate Governance Statement which clarified the responsibilities of Council and outlined the committee structure which helps it meet those responsibilities. Since that time, Council has had further opportunities to reflect upon its governance processes and the University as a whole has undergone considerable change and maturation. In addition, there have been changes in the external environment which are relevant to governance within the Australian higher education sector, including for the University.

Internal changes since 1998 include:

- Changes to Council’s committee structure introduced in 2002;
- Introduction of a Council self appraisal methodology, approved and implemented at its December 2001 meeting;
- Introduction for 2002 of improved induction processes and an updated induction kit;
- Development of a policy approval hierarchy;
- Adoption in early 2002 of a checklist relating to Council’s role in quality assurance; and
- Consideration by Council during 2001 and 2002 of other issues relating to Council and governance. This included consideration of the governance-executive management distinction. It also included consideration of matters such as the importance of teamwork, within Council and between Council and executive management, which was raised at the 2001 Macquarie Governance in Higher Education Conference attended by several representatives from the University.

External factors of relevance to governance include:

- Governance issues which have emerged recently at other Australian universities (eg. Sydney and Adelaide);
- Increased concern by Australian governments as to whether governance arrangements in universities are sufficient to cope with increased commercialisation within higher education (eg. experiences at Melbourne University);
- Implementation of quality audit processes under the auspices of the Australian Quality Assurance Agency (AUQA); and
- Compliance with the National Governance Protocols which have been developed by the Commonwealth and are designed to strengthen university governance by, among other things, increasing the responsibilities of university councils in overseeing commercial activities, requiring councils to discharge these responsibilities in a transparent way and ensuring the protection of the public interest.

These internal and external changes make it timely for the Council to approve a document which clarifies its understandings of a range of governance matters. While based upon the Edith Cowan University Act and the Statutes, the document provides an opportunity to articulate principles, understandings and the cooperative spirit essential to ensure effective and efficient governance within that legislative context.
3 Statutory Framework

The governance of the University takes place within a specific statutory framework. At the highest level of that framework, is the Edith Cowan University Act 1984 (WA) (‘the Act’), as amended, which establishes the University as a body corporate, consisting of the Council, the members of staff and the enrolled students (s.5).

Functions of the University

Section 7 of the Act sets out, in non-exhaustive terms, the functions of the University which include: providing courses of study; encouraging and providing for tertiary education; supporting and pursuing scholarship and research; fostering the welfare and development of all enrolled students; promoting and encouraging collaboration and consultation with other institutions; and providing such facilities that relate to its functions.

Council: its authority, functions and duties, powers and responsibilities:

Section 8 of the Act provides that the Council is the governing authority of the University.

Section 16 specifies the functions and duties of Council, with s.16(1)(c) encapsulating the full scope of the Council’s functions:

(1) Subject to this Act the Council shall –

(a) perform any function or duty conferred or imposed upon the University under this Act;
(b) act in all matters concerning the University in such manner as appears to it best calculated to promote the objects and interests of the University; and
(c) control and manage the operation, affairs, concerns and property of the University.

Council has, however, exercised its power of delegation to delegate to the Vice-Chancellor powers to manage the University – see section 7 of this Statement.

Section 17 relates to the powers of Council and provides in the preamble that:

Subject to this Act and the Statutes the Council has power to do all things necessary or convenient to be done for or in connection with the operation, affairs, concerns and property of the University ….

Section 17 then specifies a number of specific matters relating to contracts, courses of study, use of facilities, and award degrees, diplomas and certificates.

Under the ECU Act, Council has responsibility for University lands (s.28), finance (s.36), the appointment, termination, terms and conditions of academic and other staff, including the chief executive officer (ss.30 and 31), and to make Statutes, and By-laws and Rules under the Statutes (s.26).

4 Responsibilities of Council

Pursuant to the National Governance Protocols, Council has adopted the following responsibilities:

(a) appointing the vice-chancellor as the chief executive officer of the higher education provider, and monitoring his/her performance;
(b) approving the mission and strategic direction of the higher education provider, as well as the annual budget and business plan;
(c) overseeing and reviewing the management of the higher education provider and its performance;
(d) establishing policy and procedural principles, consistent with legal requirements and community expectations;
(e) approving and monitoring systems of control and accountability, including general overview of any controlled entities. A controlled entity is one that satisfies the test of control in s.50AA of the Corporations Act;
(f) overseeing and monitoring the assessment and management of risk across the higher education provider, including commercial undertakings;
(g) overseeing and monitoring the academic activities of the higher education provider;
(h) approving significant commercial activities of the higher education provider.

The role of Council outlined in this Statement is broadly consistent with the responsibilities mandated by the Protocols. While retaining its ultimate governance responsibilities, Council has an appropriate system of delegations in place to ensure the effective discharge of these responsibilities.

5 Role of Council

The Statutory Framework sets out in formal terms the authority and legislative context in which the Council operates. Council recognises, however, that to be effective it must share a common understanding of both the manner in which it intends to operate and its specific roles.

5.1 Manner of operating:

In carrying out its statutory responsibilities, Council operates according to the following characteristics and values:

Visionary: Council uses its breadth of expertise and experience to help inform the vision for the University's future and the strategies by which that vision might be attained;

Pro-active: Council actively engages with its tasks to help the University achieve its mission. This includes Council using its extensive networks into the community to represent the University's position, generate funding and foster broadly based support;

Committed to the University: Council is committed to the University and its role in the governance of the University. This commitment is to the ongoing well being of the University as a whole, setting aside individual or representational interests. Council members are basically “trustees” of the University. Members acknowledge that they have a fiduciary duty to the University and must avoid any conflict of interest;

Holistic: Council recognises that its authority resides in Council as an entity. Council members support the decisions of Council. They also recognise that members do not have authority in their own right and keep this in mind in their contacts within and outside the University (eg. not speaking on behalf of the University unless previously approved);

Advisory/Supportive: Council provides advice and support to executive management and supports it as it implements Council decisions. In so doing Council may seek to clarify with executive management matters relating to optimal outcomes and responding to opportunities. Council plays an important value adding role in initiatives coming before it from executive management or from the Academic Board, which is more than ratifying but less than devising;

Quality Focused: Council assures itself that processes have been put in place by executive management to ensure quality in all aspects of the work of the University. Council also applies quality processes to its own work;

Ethical: Council works to the highest ethical standards and expects similar standards of the staff of the University; and

Skilled and Informed: Council and the University will work to secure a Council membership that has the appropriate skills, experience and geographic precinct profile consistent with the current objectives and strategies of the University.
Council recognises that, to discharge its roles effectively, it must be well-informed and, through its members, have a good understanding of the work of the University and its plans and strategies for the future.

5.2 Specific Roles

In 1998, Council adopted the following matrix which categorises the roles of boards, working through the Vice-Chancellor, in terms of:

- Strategy Formulation;
- Policy Making;
- Accountability; and
- Monitoring/Supervising.

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<thead>
<tr>
<th>Compliance Role</th>
<th>Performance Role</th>
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<tbody>
<tr>
<td>External Role</td>
<td>Accountability</td>
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<tr>
<td>Internal role</td>
<td>Monitoring/Supervising</td>
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<td>Work through CEO</td>
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<td>Strategy Formulation</td>
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<td>Policy Making</td>
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<td>Past &amp; Present Oriented</td>
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<td>Future Oriented</td>
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Source: Australian Institute of Company Directors

The major roles of Council working with the advice of the Vice-Chancellor and the Academic Board may be usefully outlined within those four categories. In addition the Council is charged with external promotion and advocacy.

External Promotion and Advocacy:

- promoting and being an advocate of the University to the wider community; and
- enhancing and broadening the links between the University and the wider community.

Strategy Formation:

- approving the University’s strategic direction and financial objectives;
- perpetuating the strategic leadership of the University, including by appointment of the Vice-Chancellor, the selection of the Chancellor and Pro Chancellor.

Policy Making:

- ensuring the University has in place policies which serve the needs and interests of its students, staff and the wider community;
- approving higher order policies; and
- establishing governance policies in line with best practice.

Accountability:

- accountability for the financial well being of the University;
- delegating authority appropriately;
- accountability, drawing on advice from the Vice-Chancellor and the Academic Board, for the quality of the University’s academic programs and services; and
- final accountability for the actions and operations of the University and their compliance with statutory requirements.
Monitoring, through regular or requested reports, of:

- compliance with relevant legislation;
- the financial standing of the University;
- quality, audit and risk management processes and arrangements;
- academic standards, through advice from the Vice-Chancellor and the Academic Board;
- the University’s progress against key objectives;
- the reconciliation and approval of capital plans and operating budgets against the strategic direction of the University;
- the Vice-Chancellor’s performance; and
- Council’s own performance.

5.3 Maintaining the distinction between governance and executive management

In order for Council and executive management to perform their respective roles effectively, Council recognises that a distinction needs to be maintained between governance and executive management.

In recognising the importance of this distinction, Council considers that the advice given in the Higher Education Management Review Report (Hoare 1995:42) is relevant and pertinent:

> The governing body should have strategic planning oversight for the university. It should set the broad strategic framework within which the Vice-Chancellor and senior university administrators can operate. It is important that the governing body does not get caught up in a 'local response syndrome' but should confine itself to strategic and policy issues.

It also notes the observation in Benchmarking: A Manual for Australian Universities, that good practice requires that a governing body “Distinguishes between its governance role and the responsibilities of management” (McKinnon 2000; p.19), and also the comments by Ingram that one of the cornerstones of responsible trusteeship is boards should focus on ‘mission, planning, policy, and performance assessment’ and not matters of administration, and that boards should be supportive of the executive (Ingram, 2001).

5.4 Evaluating Council Performance

Council is committed to assessing both its performance and its conformance with the National Governance Protocols, and identifying needed skills and expertise for the future.

To allow for more concrete assessment of Council’s performance, Council will also set for itself clear goals and objectives. It will then assess the extent to which it has met those goals and objectives. This is consistent with the Plan-Do-Review-Improve cycle which is central to the University’s quality processes.

In making the commitment to performance assessment and evaluation of its own operations, Council will use as a reference point good practices relating to governance and leadership as outlined in Benchmarking: A manual for Australian universities (2000; p.19), at Attachment B.

Accordingly, an ECU Council Evaluation Programme, addressing the requirements of the National Governance Protocols, to help ensure continuous improvement of Council.

Under the Programme, Council is to undertake a regular evaluation of its performance. This will usually be carried out every second year by an external facilitator at a suitable time determined by Council. In December of each year, Council will assess its performance against the Council Quality Checklist.

The ECU Council Evaluation Programme can be found at Attachment C.
5.5 Induction of Members

An ECU Council Induction Programme, addressing the requirements of the National Governance Protocols, has been developed to ensure that members are well informed about:

- their role and responsibilities;
- the role of Council as the governing body of the University; and
- the strategic direction and key features of the University.

Under the Programme, as soon as practicable after appointment, each Council member shall receive:

a) an invitation to meet with the Chancellor, Pro Chancellor and Vice-Chancellor;

b) appropriate materials including those listed below; and

c) an invitation to:
   - meet senior University executive staff
   - tour the campuses
   - request a mentor from existing Council members
   - request training or education in the role of a member
   - nominate other assistance or material needed.

Council members shall also receive the following materials:

a) Edith Cowan University Induction Programme and Guide
b) Edith Cowan University Governance Statement
c) current University handbook
d) Council briefing booklet
e) ECU pocket stats

The Council Induction Programme also includes an appropriate induction to major Council Committees for those members participating on those Committees.

To ensure that the induction process meets the needs of members and facilitates their contribution to Council and the University, the process will be subject to continuous improvement based on feedback from members and consideration of external best practice.

An ECU Council Induction Programme can be found at Attachment D.

5.6 Professional Development

The ECU Council Professional Development Programme, addressing the requirements of the National Governance Protocols, aims to provide a structure, but flexible, programme for members.

Professional development currently offered to Council members includes:

- on initial appointment to Council, as part of their induction to Council, members are asked to self identify their professional development needs and the University Council Secretary follows up with appropriate action;
- at meetings of Council there are regular presentations on themes (such as Strengthening Enterprise and the Resources Base), presentations by Faculty Executive Deans/Deans and reports from the Vice-Chancellor which provide information to Council members on the activities of the University and current issues facing Australian Universities;
- ad hoc papers are provided to Council and/or its committees as needs are identified;
- the Council Quality Checklist also provides a summary of the duties and responsibilities of Council members; and
- Council members can at any time identify formal training/seminars/conferences they wish to attend.

The ECU Council Professional Development Programme can be found at Attachment E.
5.7 Council Committees

Council establishes committees to assist it to meet its responsibilities. It considers that committees provide a mechanism by which matters may be explored more fully than would be possible at Council, and then put to Council by way of advice or recommendations.

To be effective, committees must have the trust of Council and duplication of work, by Council or other committees, should be avoided. Council notes, however, that Council members must feel free to exercise their judgement and fiduciary duty by asking questions of, or seeking more information from, committees.

By using committees Council enhances its own work through:

- receiving well considered recommendations from its committees,
- better monitoring and reporting of University activities,
- Council members increasing their knowledge of University activities,
- Council members contributing their expertise in a more immediate way, and
- Council members and staff interacting in areas of mutual expertise.

In establishing committees, Council is mindful that the committees must add value to Council deliberations and operate at a strategic level. Council therefore reviews its committee structure on a regular basis and expects each committee to assess and report to Council each year on the committee’s performance. Committees also have the capacity to make recommendations to Council on how their value might be enhanced (eg. by changes to their terms of reference or membership).

In addition to its standing committees, Council from time to time establishes specific purpose taskforces to address particular issues. These have a fixed life, the duration of which depends on the assigned task.

The Standing Committees of Council, as at May 2002, are:

(i) Council Executive which incorporates the Honorary Awards Committee, Remuneration Committee, and Legislative Committee,
(ii) Quality and Audit Committee,
(iii) Resources Committee,
(iv) External Relations, Strategy and Development Committee.

Taskforces are established as necessary.

5.8 Academic Board

The Academic Board has a special role within the governance framework of the University. This is indicated by the fact that, while Council can determine its committee structure, the Act under which the University operates specifies that there “shall be an Academic Board of the University” (s18(1)), the constitution of which may be prescribed by Statute.

The Act specifies that the functions of the Academic Board shall include:

\[ \text{the discussion and submission to the Council of opinions and recommendations on academic policy, academic development, the admission of students, instruction, studies and examinations, research, the admission to degrees, the discipline of the University and any other matters which in the opinion of the Academic Board are relevant to the objects of this Act (s.18(3)(a)).} \]

The Council views the Academic Board as a forum through which senior academics within the University can provide advice to Council on the University’s core business of teaching, learning and research. Council has therefore devolved to the Academic Board, within stipulated constraints, particular functions relating to approving changes in academic programs. It also looks to the Academic Board to ensure that appropriate quality assurance processes are in place relating to academic programs and services, and that academic standards are maintained.
The Council’s recognition of the role of Academic Board is consistent with the views of the Hoare Report that:

*the governing body should also be responsible for the overall review and performance monitoring of the operations of the university, relying on the advice of the academic board or senate for monitoring academic standards and performance. … the governing body should: ensure that an independent and vigorous academic board or senate is operating to monitor academic matters and protect academic freedom of individual staff members.*  (Hoare 1995:45)

In recognition of the role of the Academic Board, the Board provides a report to Council at each meeting, as well as advising Council on a range of matters, including changes to academic rules. Furthermore, the Chair of the Academic Board attends Council meetings as an observer/participant, which enables the Chair to speak, but not vote, on issues.

6 Role of the Chancellor

The Act (section 12) requires the Council to elect a Chancellor and requires the Chancellor to preside at all meetings of the Council. Other than this, neither the Act nor the University Statutes further define the role of the Chancellor.

The role of the Chancellor at the University is multi-faceted and may evolve as circumstances change. Council recognises the key elements of the role as encompassing:

(i) **Overall Role:**

The Chancellor is elected by Council to facilitate its work and collegiality by effective and ethical means, providing a focal point to ensure the high standing of the University in the wider community.

(ii) **In relation to University Council:**

(a) To provide leadership to enhance the effectiveness of Council and ensure that Council business is effectively managed. As part of this role, the Chancellor presides over Council meetings and oversees the development of Council agendas.

(b) To promote and work with other Council members to enhance the visibility and accessibility of the Council in the University community (that is to students, staff and the alumni).

(c) With the Vice-Chancellor ensure that the Council, Council committees and senior executives work as a cohesive team characterised by integrity, confidentiality, transparency of process, mutual trust and respect, with a paramount fiduciary duty of loyalty to work in the best interests of the University.

(iii) **In relation to the Vice-Chancellor:**

To work cooperatively with the Vice-Chancellor, providing support and counsel, and encouraging free, trusting and frank communication on all issues concerning the well-being of the University.

(iv) **In relation to the external community:**

(a) To assist in representing the University in the political, cultural and business life of the community at large, including, in consultation with the Vice-Chancellor providing a high level bridge to the wider community, promoting the aims of the University and responding to the interests and concerns of society in accordance with the Strategic
Plan of the University and co-operatively with the implementation of those plans by the University management.

(b) To, as appropriate, represent the University and its Council in relation to other universities in Western Australia, Australia regionally, in the Commonwealth and internationally.

(v) In relation to the general University community:

(a) To work collaboratively with Council, the Vice-Chancellor and the University community to promote the aims, ethos, independence, morale and spirit of the University and encourage high standards.

(b) To preside where appropriate at important University occasions.

(c) To represent Council at various University functions that may be held from time to time as appropriate.

7 Role of the Pro Chancellor

The Act provides that there shall be a Pro Chancellor and that the Pro Chancellor presides at meeting of Council in the absence of the Chancellor (Act s.12).

The role of the Pro Chancellor is to act for the Chancellor in the absence of that Officer and on other occasions support the Chancellor in all the Chancellor’s roles.

8 Role of the Vice-Chancellor

The Act provides that Council shall appoint a person to be the chief executive officer of the University (s.30(1)). University Statute No 6 provides that the person appointed as the chief executive officer is the Vice-Chancellor of the University (s.1). This Statute further provides that, inter alia:

Subject to the Act, the Statutes, By-laws and Rules of the University, and resolutions of the Council, the Vice-Chancellor is responsible for the academic, administrative and other affairs of the University (s.2).

As well as being the chief executive officer of the University, the Vice-Chancellor is also its senior academic officer. The role of Vice-Chancellor encompasses:

(i) In relation to the University:

(a) To provide strategic leadership to the University in advising Council on its mission and strategic directions both locally, regionally, nationally and internationally, and encouraging excellence, quality, innovation, enterprise and a collegial spirit.

(b) To promote the interests and further the development of the University through prudent, effective and ethical means as chief executive and member of Council and senior representative of its academic body, participating in ceremonial occasions.

(c) To manage the University except where Council has explicitly determined limitations, such as:

- matters of self interest or reward;
- the appointment of and termination of particular officers serving the Council (the Secretariat);
- the composition of the Academic Board; and
- the work of the internal auditor and audit committee.
(d) To ensure that appropriate quality assurance processes are in place for all major functions of the University, including systems to monitor the performance of the University against agreed strategic directions and operational plans.

(e) To delegate to senior officers the conduct of business as appropriate and ensure that such delegations are effectively monitored.

(ii) In relation to the University Council:

(a) To ensure that Council is provided with the background information to support members in the discharge of their governance responsibilities.

(b) To ensure that Council is thoroughly informed of administrative or academic implications, fiduciary, and other risks or legal constraints which affect the operations of the University, policy recommendations and strategic direction.

(c) To work with the Chancellor and Pro Chancellor to ensure that Council, Council committees and senior executives work together in the best interests of the University and as a cohesive team characterised by integrity, confidentiality, transparency of process and mutual trust and respect.

(iii) In relation to the external community:

(a) Ensuring that the University is represented externally in the political, cultural and business life of the community at large and amongst its various constituencies in a manner which promotes its best interests.

(b) Acting as the key representative of the University with the wider community, sharing that responsibility with the Chancellor and, as appropriate, with other Council members and nominated officers.

9 Support for Council

The Council Secretary and Director of Risk Management and Audit Assurance are officers of the University who provide specific support and advice to Council and the Chancellor, but who also have other line management responsibilities. To be effective in this support and advice role, an appropriate degree of independence is required.

The Council Secretary is required to provide a support service to the Council and Chancellor and in that capacity preserves independence from the management of the University despite the need to participate in other operational activities. To the extent that the work of the Council Secretary involves other University staff, this independence extends to those staff.

The Director of Risk Management and Audit Assurance, and the Director’s staff also operate in an independent manner in the performance of audits and risk assessments, and are required to assure Council that the work of the University is being conducted in an appropriate manner and consistent with its objectives.

Job descriptions for these positions and line management arrangements are so organised as to recognise the above requisite degree of independence and responsibility directly to Council.

Likewise, the Council will ensure the Secretariat has an appropriate line budget.
10 Review

This Statement is a dynamic document and will be subject to periodic review. The initial expectation is that it will hold currency for a period of five years from the date of approval. Examination for currency is expected to occur after each review of the University’s Strategic Plan.

Acknowledgments

Approvals given by the University of Sydney, and The University of Western Australia, for the University to draw on their material for this paper are acknowledged with appreciation.

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Western Australian Government, Edith Cowan University Act 1984
National Governance Protocols

**Protocol 1:** The higher education provider must have its objectives and/or functions specified in its enabling legislation.

**Protocol 2:** The higher education provider’s governing body must adopt a statement of its primary responsibilities, which must include:

(a) appointing the vice-chancellor as the chief executive officer of the higher education provider, and monitoring his/her performance;

(b) approving the mission and strategic direction of the higher education provider, as well as the annual budget and business plan;

(c) overseeing and reviewing the management of the higher education provider and its performance;

(d) establishing policy and procedural principles, consistent with legal requirements and community expectations;

(e) approving and monitoring systems of control and accountability, including general overview of any controlled entities. A controlled entity is one that satisfies the test of control in s.50AA of the *Corporations Act*;

(f) overseeing and monitoring the assessment and management of risk across the higher education provider, including commercial undertakings;

(g) overseeing and monitoring the academic activities of the higher education provider;

(h) approving significant commercial activities of the higher education provider.

The higher education provider’s governing body, while retaining its ultimate governance responsibilities, may have an appropriate system of delegations to ensure the effective discharge of these responsibilities.

**Protocol 3:** The higher education provider must have the duties of the members of the governing body and sanctions for the breach of these duties specified in its enabling legislation. Other than the Chancellor, the Vice-Chancellor and the Presiding Member of the Academic Board (s) each member must be appointed or elected *ad personam*. All members of the governing body must be responsible and accountable to the governing body. When exercising the functions of a member of the governing body, a member of the governing body must always act in the best interests of the higher education provider.

Duties of members must include the requirements to:

(a) act always in the best interests of the higher education provider as a whole, with this obligation to be observed in priority to any duty a member may owe to those electing or appointing him or her;

(b) act in good faith, honestly and for a proper purpose;

(c) exercise appropriate care and diligence;

(d) not improperly use their position to gain an advantage for themselves or someone else; and

(e) disclose and avoid conflicts of interest (with appropriate procedures for that purpose similar to those for public companies).

There should be safeguards, exemptions and protections for members of a higher education provider’s governing body for matters or things done or omitted in good faith in pursuance of the relevant legislation. Without limitation, this should include such safeguards, exemptions and protections as are the equivalent of those that would be available were the member a director under the *Corporations Act*. The higher education provider (with the exception of those subject to the *Corporations Act*) must have a requirement that the governing body has the power (by a two-thirds majority) to remove any member of the governing body from office if the member breaches the duties specified above included in its enabling legislation.
member must automatically vacate the office if he or she is, or becomes, disqualified from acting as a Director of a company or managing corporations under Part 2D.6 of the Corporations Act.

**Protocol 4:** each governing body must make available a programme of induction and professional development for members to build the expertise of the governing body and to ensure that all members are aware of the nature of their duties and responsibilities. At regular intervals the governing body must assess both its performance and its conformance with these Protocols and identify needed skills and expertise for the future.

**Protocol 5:** the size of the governing body must not exceed 22 members. There must be at least two members having financial expertise (as demonstrated by relevant qualifications and financial management experience at a senior level in the public or private sector) and at least one member with commercial expertise (as demonstrated by relevant experience at a senior level in the public or private sector). Where the size of the governing body is limited to less than 10 members, one member with financial expertise and one with commercial expertise would be considered as meeting the requirements. There must be a majority of external independent members who are neither enrolled as a student nor employed by the higher education provider. There must not be current members of any State or Commonwealth parliament or legislative assembly other than where specifically selected by the governing body itself.

**Protocol 6:** the higher education provider must adopt systematic procedures for the nomination of prospective members of the governing body for those categories of members that are not elected. The responsibility for proposing such nominations for the governing body may be delegated to a nominations committee of the governing body that the Chancellor would ordinarily chair.

Members so appointed must be selected on the basis of their ability to contribute to the effective working of the governing body by having needed skills, knowledge and experience, an appreciation of the values of a higher education provider and its core activities of teaching and research, its independence and academic freedom and the capacity to appreciate what the higher education provider’s external community needs from that higher education provider.

To provide for the introduction of new members consistent with maintaining continuity and experience, members’ terms must generally overlap and governing bodies must establish the maximum period to be served. This should not generally exceed 12 years unless otherwise specifically agreed by the majority of the governing body.

**Protocol 7:** the higher education provider is to codify its internal grievance procedures and publish them with information about the procedure for submitting complaints to the relevant ombudsman or the equivalent relevant agency.

**Protocol 8:** the annual report of the higher education provider must be used for reporting on high level outcomes.

**Protocol 9:** the annual report of the higher education provider must include a report on risk management within the organisation.

**Protocol 10:** the governing body is required to oversee controlled entities by taking reasonable steps to bring about the following:

(a) ensuring that the entity’s board possesses the skills, knowledge and experience necessary to provide proper stewardship and control of the entity;

(b) appointing some directors to the board of the entity who are not members of the governing body or officers or students of the higher education provider, where possible;

(c) ensuring that the board adopts and regularly evaluates a written statement of its own governance principles;

(d) ensuring that the board documents a clear corporate and business strategy which reports on and updates annually the entity’s long-term objectives and includes an annual business plan containing achievable and measurable performance targets and milestones; and
(e) establishing and documenting clear expectations of reporting to the governing body, such as a draft business plan for consideration and approval before the commencement of each financial year and at least quarterly reports against the business plan.

**Protocol 11**: A higher education provider must assess the risk arising from its part ownership of any entity (including an associated company as defined in the Accounting Standards issued by the Australian Accounting Standards Board), partnership and joint venture. The governing body of the provider must, where appropriate in light of the risk assessment, use its best endeavours to obtain an auditor’s report (including audit certification and management letter) of the entity by a State, Territory or Commonwealth Auditor-General or by an external auditor.
Benchmark: 3.1

Area: Governance  
Element: Governance and leadership  
Type: Leading  

Benchmark rationale: High quality governance will only come about if governing Councils/Senates and Vice-Chancellors perform their roles with skill and efficiency. The distinction between governance and management needs to be established. The leadership and reporting responsibilities of the Vice-Chancellor need to be defined. Committee arrangements and delegated authorities should be regularly reviewed and amended. Accountability for the leadership and stewardship of the university by both the governing body and the Vice-Chancellor is essential.

Sources of data: Council/Senate records; University Annual Report.

Good practice:

- Establishes a clear vision and goals for the university
- Ensures that university planning and implementation is consonant with those goals
- Distinguishes between its governance role and the responsibilities of management
- Maintains appropriate conventions and relationships with the Academic Board/Senate
- Establishes the leadership, management, and accountability responsibilities of the Vice-Chancellor
- Unambiguously supports management staff as they implement Council policies and decisions
- Regularly reviews the responsibilities and efficiency of functioning of the committee system
- Annually at least reviews and amends formal financial, personnel and other delegations of responsibility
- Inducts new members of the governing body into their duties carefully
- Reviews and reports publicly on its own efficiency and effectiveness

Good practice also requires:
- Well-defined Vice-Chancellor's responsibilities
- A leadership system providing direction, commitment, consistency of purpose, integrity, coaching, performance assessment

Levels:

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<td>Council/Senate receive and approve mission and goals without serious involvement. Council/Senate receives plans and implementation proposals without debate. Committee system and delegations seldom or never reviewed. Own effectiveness not reviewed. Leadership and management responsibilities of Vice-Chancellor assumed, without success criteria.</td>
<td>Council/Senate participate in the development and approval of mission and goals. C/S maintains a general overview of planning and implementation processes, but does not have accountability systems. Ad hoc reviews of particular committees and/or delegations. Own effectiveness not reviewed. Leadership and management responsibilities of the Vice-Chancellor assumed without particular definition or requirements.</td>
<td>Council/Senate participate in the development of and approves the mission and goals. Council/Senate ensures that planning and implementation are congruent and accountable. Regularly reviews the committee system and delegations. Reviews the effectiveness of its own functioning. Performance criteria, goals and methods of appraisal of the Vice-Chancellor defined in writing.</td>
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Self assessment: ...............  
Check assessment: ...............
ECU Council Evaluation Programme

1. The ECU Council Evaluation Programme forms a vital part of the plan, do, review and improve cycle Council is committed to as part of its quality processes.

2. The Council Evaluation Programme is intended to facilitate the governing body in assessing both its performance and its conformance with the National Governance Protocols and identify needed skills and expertise for the future.

3. The Council Evaluation Programme shall reflect the requirements of the National Governance Protocols and the Edith Cowan University Governance Statement.

The Evaluation Programme.

1. In February each year Council will receive a report from each Council Committee and other Committees reporting to Council, such as the Academic Board, on their activities for the previous year and anticipated activities for the next year. The reports will reference the activities to the committee’s terms of reference.

2. Council will undertake a regular evaluation of its performance. This will usually be carried out every second year at a suitable time to be determined by Council.

3. The evaluation criteria will include an assessment of Council’s performance and its conformance with the National Governance Protocols and Governance Statement and the identification of skills and expertise needed for the future. The performance of Council committees shall also be considered.

4. The Council evaluation programme will include:
   a) The engagement of an external consultant to undertake a survey of all Council members and other relevant people, such as executive staff and committee secretaries. This survey may include one on one interviews with Council members and others.
   b) A report analysing the results of the survey. This will be prepared and, in consultation with Council Executive, key issues will be identified for discussion by Council in a facilitated workshop.
   c) A facilitated workshop with Council members. This will be conducted by an external consultant (not necessarily being the same consultant who carried out the survey).
   d) At the conclusion of the workshop Council will identify key issues and action items, including professional development needs and in particular the skills and expertise needed in relation to Council’s ability to perform and conform to the Protocols.
   e) Council will regularly assess its progress against the identified issues and action items.

5. In the December of each year (which may form part of a facilitated evaluation exercise outlined above), Council will assess its performance against the Quality Checklist. The Checklist will be amended to include an item on compliance with the National Governance Protocols.
1. The ECU Council Induction Programme is intended to assist in building the expertise of the governing body and ensure that Council members are aware of the nature of their duties and responsibilities as Council members.

2. The Council Induction Programme shall reflect the requirements of the National Governance Protocols and the Edith Cowan University Governance Statement.

3. The Council Induction Programme shall include an appropriate induction to major Council Committees for those members participating on those Committees.

4. As soon as practicable after appointment each Council member shall receive:
   a) an invitation to meet with the Chancellor, Pro Chancellor and Vice-Chancellor;
   b) appropriate materials, including those referred to in paragraph 5;
   c) an invitation to:
      • meet senior University executive staff
      • tour campuses
      • request a mentor from existing Council members
      • request training or education in the role of a member
      • nominate other assistance or material needed.

5. Council members shall receive the:
   a) Edith Cowan University Induction Programme and Guide
   b) Edith Cowan University Governance Statement
   c) current University handbook
   d) Council briefing booklet
   e) ECU pocket stats

6. The University Council Secretary shall ensure appropriate arrangements are made to facilitate the reasonable requests of any Council member for further assistance in carrying out his or her role as a Council member.

7. All induction materials will be regularly updated and revised, particularly with regard to feedback received from Council members or Senior Executive staff.
1. The ECU Council Professional Development Programme is intended to assist in building the expertise of the governing body, and to ensure that Council members are aware of developments in contemporary University governance and their duties and responsibilities under the National Governance Protocols.

2. The Council Professional Development Programme shall reflect the requirements of the National Governance Protocols and the Edith Cowan University Governance Statement.

3. This programme recognises that professional development needs may arise out of two areas, generic Council member skills/knowledge and skills/knowledge relating to service on particular ECU committees.

4. At induction Council members are provided with a standard set of materials and are asked to self identify additional needs they may have. During their time on Council new issues in Higher Education and governance may arise and Council members may take on new roles, such as membership of, or chairing of a committee. This programme is designed to enhance the knowledge and skills developed in the induction programme and build the expertise of the governing body.

**Identification of Professional Development needs.**

Professional Development needs will be identified:

a) on an ad hoc basis as various issues are raised at Council or in its committees. These needs may be identified by Council members as a group or individually.

b) through Council’s evaluation of its performance. A stated outcome of the evaluation process will be to identify professional development needs, especially the skills and expertise needed in relation to Council’s ability to perform and conform to the Protocols.

**The Professional Development Programme.**

Professional development will be provided through:

a) The ECU Council Induction programme.

b) Ad hoc presentations and reports made to Council members to assist in their understanding of the university environment and their duties and responsibilities. This includes documents such as the Council Quality Checklist. Individual members may identify needs which can be addressed out of session, or if relevant to the group as a whole, presented as a report or activity for the committee or Council.

c) Higher Education National or State governance programmes. Various bodies, including the AVCC and Chancellors group and WA Universities, have engaged in discussions about establishing professional development programmes. If these are developed and are relevant to Council members, ECU will provide reasonable access to these programmes for members.

d) Non Higher Education governance programmes. There are various organisations which provide professional development programmes in relation to governance. It should be noted, however, that in many instances a substantial proportion of the programme relates to matters which are not relevant to a University Council, such as stock market compliance and shareholder issues.
e) *Non Higher Education training/conferences.* Members can either self identify needs or the Council Secretary can bring these to the attention of Council members.

A Council member can access professional development that is reasonable and commensurate with the duties and responsibilities associated with his or her Council membership, including service on associated ECU committees and working parties.

It is desirable that Council members take part in at least one professional development activity, beyond briefings provided by the University, at least once every three years. The Council Secretary will keep a record of professional development activities of Council members for the purpose of ensuring compliance with the National Governance Protocols.