Senate Education and Employment Legislation Committee
Parliament House
Canberra ACT 2600

Dear Committee Members,

Swinburne University of Technology (SUT) welcomes the Senate Education and Employment Legislation Committee's inquiry into governance at Australian higher education providers. As a proud dual-sector institution, we uphold and dutifully implement the regulatory standards, accountability, and transparency required by both the Tertiary Education Quality and Standards Agency (TEQSA) and the Australian Skills Quality Authority (ASQA).

We understand that the inquiry seeks to assess the adequacy of powers available to TEQSA to address corporate governance within universities. In response, SUT will address the specific areas of investigation outlined by the Senate and demonstrate how we ensure compliance with the relevant legislative frameworks.

Swinburne University of Technology and its governing Council are fully committed to fulfilling obligations under relevant legislation and codes, which include:

- The Swinburne University of Technology Act 2010
- The governance and accountability standards as specified by TEQSA
- The Voluntary Code for Best Practice in Governance of Australian Universities, as applied by university legislation and governance frameworks
- The Swinburne University Council Charter

Swinburne's Council is the governing body, responsible for the general direction of the university. The Chancellor serves as the Chair of the Council and is accountable to all Council members. The Council's key responsibilities and powers are outlined in the *Swinburne University of Technology Act 2010* (the Act). To ensure comprehensive governance, the Council reviews its business schedule annually, with items of business mapped against our Governance model and the Council Charter. This ensures that the Council work plan addresses its obligations under the Act, as well as meeting corporate governance standards set forth by TEQSA and Voluntary Codes such as the Governance Principles and Practice for Australia's Public Universities

Notwithstanding that University Council appointments are a mix of State Minister appointments, Governor in Council appointments (that must be approved by State Cabinet) and elected members, our Council is made up of 13 distinguished members, drawn from business, industry, the legal profession, academia, journalism, staff and student reps and alumni. Our unique mix of leaders meet the skills matrix and expertise needed to ensure the strategy is aligned with the vision of the university, as well as ensuring a robust culture of strong governance and thought leadership. In 2022 we shared our skills matrix with the Minister for Education and Training, and we would encourage the Government to work more closely with Universities to understand the current skills mix of their Councils, and to jointly identify any skills gaps, working together on appropriate appointments to ensure that the complex mix of Ministerial and Governor in Council appointments collectively meet the needs of university Councils as and when Council vacancies arise.

Swinburne University of Technology

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To support the university in approving the mission and strategic direction of the university, the council's key roles and responsibilities, as set out in our Council Charter are:

- appointing and monitoring the performance of the Vice-Chancellor of the University including the structure of the Vice-Chancellor's direct report senior executive team in line with the strategic objectives and fiscal and social responsibility
- approving and overseeing the implementation of the organisational strategy to realise and meet the mission and strategic direction of the University
- approving and overseeing the implementation of, the annual budget and business plan including monitoring the University's financial position
- establishing policy and procedural principles for the operation of the University consistent with legal requirements, government policy and community expectations, to ensure business continuity
- approving and monitoring systems of control and accountability of the University, including overview of commercial activities, controlled entities and third party delivery partners
- overseeing and monitoring the assessment and management of risk across the University, including but not limited to financial, operational, student, staff, critical incidents (including cyber), complaints, reputation and regulatory risks
- ensuring that the University has in place policies and practices to ensure participation of, and sensitivity to, First Nations peoples, knowledge and culture
- approving any significant commercial activities.

To further support its role, the Council is assisted by three standing committees and Academic Senate:

- The Audit and Risk Committee provides independent oversight regarding the university's risk, control and compliance framework, its financial statement responsibilities, and environmental, social and governance matters.
- The People, Remuneration and Nominations Committee is responsible for oversight of nominations, remuneration and performance, people and culture, and diversity and inclusion matters.
- The Technology, Innovation and Value Creation Committee acts as an advisory body and 'think tank' to Council and management. It provides strategic advice in relation to technology and innovation, strategy development, and commercialisation and partnerships, including industry and research engagements.
- Academic Senate, a primary responsibility of the Council under the Act is to oversee and monitor the academic activities of Swinburne. To this end, the Act requires the Council to establish an academic board. In this way, the Academic Senate stands as a statutory body with functions and powers relating to academic matters such as accreditation, quality and policy. The Academic Senate is the peak academic body within the university.

TEQSA has powers (under the *Higher Education Support Act 2003* (HESA) the *TEQSA Act 2011*) to monitor compliance with relevant legislation and frameworks, including the ability to review governance and financial viability with interventions powers amounting to serious outcomes such as revoking an institution's registration or course accreditation. Swinburne has never been the subject of investigation by TEQSA into our governance or financial practices. In 2024, as part of the TEQSA reaccreditation process, our Council and Academic Senate were independently reviewed by Professor John Dewar (Council) and Professor Richard James (Academic Senate) to assess their compliance with the Higher Education Standards Framework. The reviews confirmed a high standard of compliance, with Professor John Dewar noting in some respects, the operations of our Council go well beyond that which is required for compliance.

Swinburne is satisfied that there are sufficient powers available to TEQSA, noting the extreme consequences of non-compliance. However, given the cross-jurisdictional nature of higher education regulation and monitoring, we would like to note the difficulty in adhering to different regulators across Commonwealth and State Governments. While we are experienced at operating within this system, improvements could be made to streamline the accreditation processes. As a dual sector, Swinburne is also responsible to the Victorian Registration and Qualification Authority (ASQA) for our vocational education offering. A 'one-stop shop' would be advantageous in reducing the administrative burden and duplication of meeting the requirements of the regulating bodies. We understand that the vision for the new and proposed Australian Tertiary Education Commission would bring together higher education and vocational under the one roof, but more should be done to address the jurisdictional reporting requirements.

SUT ensures rigorous financial accountability through the preparation of annual financial statements, which comply with the Standing Direction 5.2 issued by the Victorian Assistant Treasurer under the Financial Management Act 1994, the Higher Education Support Act 2003, Australian Accounting Standards and Interpretations, as well as relevant standards of the Australian Accounting Standards Board (AASB) and the Australian Charities and Not-for-profits Commission Act 2012. These financial statements are subject to annual audit by the Victorian Auditor General's Office.

Furthermore, Swinburne maintains a robust internal control structure to safeguard financial assets and ensure accurate record-keeping. Controls include segregation of duties, regular review of financial data by senior stakeholders, and data security measures such as cyber security protocols. This also includes a structured internal audit program supported by a panel of external experts, chosen based on the review subject, to ensure thorough and unbiased evaluations.

SUT is committed to maintaining the highest standards of compliance with all legislative requirements, including workplace laws and regulations. Our practices are subject to rigorous governance scrutiny through standard regulatory monitoring, reporting, and internal audit processes. We ensure that our policies and procedures align with the relevant legislative frameworks, including the Higher Education Standards Framework (Threshold Standards 2021) as outlined by the TEQSA. Our internal audit processes are designed to identify and address any areas of non-compliance promptly. We also engage in regular training and development programs to ensure that our staff are well-informed about their legal obligations and best practices in workplace compliance.

We believe that our employment practices, executive remuneration, and the use of external consultants are appropriate and contribute positively to the quality of higher education we offer. Our employment practices are designed to foster a values-driven culture that champions our strategic plan and enhances staff engagement and accountability.

Executive remuneration at SUT is determined through a transparent and equitable process, ensuring that it reflects the responsibilities and performance of our executives while remaining competitive within the higher education sector. We also employ the work of external consultants judiciously to bring in specialised expertise that supports our strategic initiatives and enhances the quality of education and services we provide to our students.

We recognize the critical role of TEQSA in providing oversight and ensuring that our practices meet the required standards. However, it is important to note that university councils are accountable for all aspects of our governance, including setting the risk appetite, ensuring compliance with relevant legislation and regulations, the awarding of higher education qualifications and the protection of academic freedom and freedom of speech.

SUT's PRNC assists the Council in fulfilling its governance and oversight responsibilities in relation to governance and nominations, remuneration and performance, people and culture, diversity and inclusion, and supplementary issues as referred by the Council from time to time. The PRNC ensures that the Council and its committees maintain an appropriate structure, size, and balance of skills to support the University's strategic objectives. It also oversees the University's people management processes, including remuneration, talent management, succession planning, and promoting a positive and engaging culture that supports the University's values.

Swinburne is fully committed to upholding the highest standards of governance, accountability, and compliance. We appreciate the opportunity to contribute to this important inquiry and are happy to provide further information or clarification if required.

Thank you for your consideration.

Yours sincerely,

Professor Pascale Quester
Vice-Chancellor and President
Swinburne University of Technology