



Professor Andrew Parfitt FTSE, FRSN, FIEAust
Vice-Chancellor and President
Chancellery
15 Broadway, Ultimo NSW 2007

PO Box 123
Broadway
NSW 2007 Australia
www.uts.edu.au

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15 September 2025

Committee Secretary
Senate Education and Employment Legislation Committee
PO Box 6100
Parliament House
CANBERRA ACT 2600
By email: eec.sen@aph.gov.au

Dear Chair

RE: Inquiry into the quality of governance at Australian higher education providers

Thank you for the opportunity to appear before the Senate Education and Employment Legislation Committee on 8 September 2025 in relation to the Inquiry into governance at Australian higher education providers.

This letter is in response to the two emails from the Secretariate to the Committee with questions on notice (dated 8 and 9 September).

Questions on notice

UTS took three questions on notice during the hearing and our responses are provided below:

1. Senator Maria Kovacic, Deputy Chair

Senator KOVACIC: My last question talks about this piece of cost again. I note that there was some \$45.53 million spent on consultants in 2023. Could you give us an insight into how much of that related to essential compliance for regulatory advice and how much related to broader organisational change and strategy and whether this was to take this compliance or regulatory load away from teaching staff and allow them to teach and help provide research or encourage research? Why does it look like this, and what's its purpose?

Prof. Parfitt: I'll have to take on notice that specific question about which is related to some form of regulatory compliance. In our annual report, we break down the components of our spend on consultants. Often, it's because we need to have capability that we don't naturally have in house because we choose to invest in teaching and research, such as IT systems, property and planning. Those are all articulated in the annual report. But the proportion of them that is due to regulatory and compliance issues is an interesting question. I'll need to ask our financial people to try and characterise that for you. You're correct—the spend on consultants is about \$44 million out of about \$1.3 billion worth of spend.

UTS's response:

Regarding the University's consultancy expenditure in 2024 and its relationship to regulatory compliance and broader organisational strategy, UTS reported a total consultancy spend of approximately \$44 million in 2024, which represents approximately 3% of our total operating expenditure of \$1.39 billion. This figure is publicly available in our Annual Report and includes a wide range of engagements across capital works, IT systems, business transformation, and strategic advisory services.

Compliance expenditure occurs across all of our expenditure lines, including consultancy. In terms of compliance-related consultancy, unfortunately it is not straightforward to isolate this category without detailed invoice-level analysis and a clear definition of what is meant by “compliance”. This task will involve significant time and resources that will not be actionable by the due date for responses to questions on notice.

That said, consultancy plays a critical role in supporting the University's compliance obligations across a wide spectrum of areas, including but not limited to:

- Property and infrastructure compliance: approximately \$3.5 million of consultancy per annum is directed towards regulatory standards, building safety, fire code as well as major and minor maintenance programs necessary for adhering to regulatory standards.
- IT and systems compliance: consultancy engagements of approximately \$2.1 million per annum support essential system upgrades, cybersecurity measures, and reporting tools required to meet compliance obligations such as financial reporting, TEQSA submissions, and student record integrity.
- Internal audit and risk management: consultancy valued at approximately \$0.4 million provides independent assurance, policy compliance checks, and controls testing in key risk areas.
- Specialist technical compliance: consultancy continues to provide targeted support in highly specialised areas, such as workplace compliance assurance at approximately \$0.9 million per annum.

This consultancy spend enables UTS to meet obligations efficiently without the need to permanently employ staff with niche expertise.

We trust this broader framing will assist the Committee in understanding the purpose and strategic intent behind our consultancy engagements.

2. Senator Mehreen Faruqi

Senator FARUQI: Good morning, everyone. Last year—I think it was late last year—you announced Operation Sustainability Initiative, which will reportedly result in the loss of the jobs of 150 academics and 250 professional staff, a total of 400 jobs, in an effort to deliver \$100 million in annual savings. Professor Parfitt, I understand that you received a salary of around \$935,000 last year. Does Operation Sustainability Initiative consider a cut to that salary or the salaries of any of the other very highly paid executives, or is it just staff who have to pay the price of the changes that you're proposing?

Prof. Parfitt: The senior executive and the senior staff group now will not be paid any bonus or performance components, which is a saving across the university of about \$2.5 million.

Senator FARUQI: When was that decision made?

Prof. Parfitt: I'd have to take that on notice. It was made earlier in the year by the remuneration committees that met us in February.

UTS's response: 17 February 2025.

3. Senator Mehreen Faruqi

Senator FARUQI: Could you provide on notice how much UTS has spent on consultants over the last four years?

Prof. Parfitt: Yes.

UTS's response: UTS's spend on external consulting services is reported in our annual reports (<https://www.uts.edu.au/about/leadership-governance/annual-reports>). This expenditure covers a broad range of matters such as building works, business consulting, research, information technology and software, marketing and communications and teaching and learning.

UTS broadly defines a consultant as a person or organisation engaged under contract on a temporary basis to provide recommendations or professional advice to assist management decision-making. Consultancy expenditure represents approximately 2%-3% of total expenditure each year and is directed toward highly specialised expertise that is not available within our internal workforce. These engagements generally involve complex, one-off or high-risk matters where it would be neither practical nor cost-effective to establish permanent in-house capability.

Annual report	Expenditure on consultants	Reference
2021	\$23.12 million	Volume 1, Page 33
2022	\$31.81 million	Volume 1, Page 37
2023	\$45.53 million	Volume 1, Page 38
2024	\$44.14 million	Volume 1, Page 38

Questions on notice received after the hearing

UTS also received two questions on notice from Senator David Pocock following our appearance at the hearing on 8 September:

1. *Does anyone within your organisation currently hold a sponsored pass to Parliament House?*

UTS's response: Yes.

2. *If so, who, and which Member of Parliament sponsors that pass?*

UTS's response: I am aware of the following staff at UTS, including myself, holding sponsored passes to Parliament House:

	Name and title	Member of Parliament
1.	Professor Andrew Parfitt, Vice-Chancellor and President	The Hon. Tanya Plibersek MP, Member for Sydney
2.	Ms Amy Persson, Pro Vice-Chancellor (Social Justice and Inclusion)	The Hon. Tanya Plibersek MP, Member for Sydney
3.	Dr Anne Summers AO, Professor at UTS Business School	Senator The Hon. Katy Gallagher, Senator for ACT

Should you require any further information then please do not hesitate to contact my office c/o Ellen Goh, Manager, Government Affairs

Yours sincerely,

Professor Andrew Parfitt
Vice-Chancellor and President