UTS Council meeting report

19 February 2025 meeting and 14 March 2025 meeting

This report covers some of the non-confidential matters considered by UTS Council at its 19 February 2025 meeting and the Reserve Meeting held at the Strategy Retreat on 14 March 2025.

**The Report structure replicates the flow of the agenda.*

Strategic items of business

Role and Strategic Direction of Academic Board

The new Chair of Academic Board advised Council that there is an opportunity to review and reflect on the role, functions, composition and operations of Academic Board. In this context Council noted the five priorities that had been identified by the Chair of Academic Board to be areas of focus in 2025 and 2026:

1. Reviewing Academic Board's purpose, composition, function, agenda and forward plan in alignment with UTS 2030 and the Operational Sustainability Initiative.
2. Reviewing delegations and strengthening the Board's relationships with key committees and Faculty Boards to improve communications and establish agreed ways of working.
3. Improving Board culture by clearly defining roles, responsibilities and accountabilities, engaging with members, and enabling robust debate on important issues and emerging risks.
4. Strengthening appropriate training to Board and Committee members. A key priority is Courses Accreditation Committee.
5. Effectively manage risk by evaluating mitigations, identifying priorities and closing the loop on risk management activities.

The Chair also advised that there is an opportunity to enhance the engagement of Academic Board to enhance its contribution to academic leadership and academic governance at UTS.

UTS Corporate Plan 2024 - End of Year Performance Report

Council monitors the University performance throughout the year. The end of year performance report provides valuable oversight on how well the University has performed against the targets set.

In November 2023 Council approved the UTS Corporate Plan 2024, which outlined the University's strategic priorities for 2024 and the associated performance indicator targets to track progress against these priorities. The results were presented to Council for discussion.

Despite a challenging external environment that continues to impact upon the financial outlook, the University has continued to perform strongly based upon a range of measures including many of the performance metrics set by Council.

Council noted that whilst 2024 performance had been positive based upon the targets that had been set, there are a number of areas that will require ongoing focus. These include: graduate employment outcomes; enterprise learning income generation; and psychosocial health measures.

Council noted that moving forward the Corporate Plan (2025) will be termed the Annual Plan. Consideration will be given to the performance metrics, both lag and forward-leaning, that will be used to monitor the progress on achieving the strategic objectives set for UTS 2030.

UTS 2030 Update

Council discussed the structural changes within the Strategy noting that there is a reduction in the number of strategic pillars and that there is a clearer focus on UTS distinctiveness. UTS 2030 will require an increased focus on collaboration and a cultural shift in how the Strategy is delivered. The Strategy also emphasises the connection with UTS core business - teaching and research. The language connects the core business with the Strategy enabling more transparency underpinned by the annual planning process and deeper connection to local planning across the University's faculties and divisions

Council noted a number of factor that are being considered in the development of the UTS 2030 Strategy including: the University's 40th anniversary in 2028 and the opportunity that milestone will provide to leverage its achievements with a range of stakeholders including alumni; the increasing compliance burden that is impacting resourcing (including financial) and reporting; and the importance of identifying success indicators including identifying the factors that make UTS distinctive.

The framing of the four strategic priorities provides the necessary clarity and ambition for the University to achieve its goals over the next five years. Council also noted the criticality of the University's financial position in order to execute and deliver the Strategy. The Strategy will be further refined and presented to Council for approval at the upcoming UTS Council Retreat in March.

Operations and performance

Report from the Vice-Chancellor

The Vice-Chancellor provides a report to each Council meeting containing updates on key developments and events that have occurred since Council's last meeting. Updates include; the implementation progress of the UTS 2027 Strategy, State and Federal Government issues, updates regarding the university sector and internal matters, particularly achievements and awards.

The Vice-Chancellor outlined the uncertainty in the government environment.

The Education Services for Overseas Students Amendment (Quality and Integrity) Bill 2024 failed to pass the Senate, leaving the government without the legislative authority to implement or enforce indicative caps on international students notified to institutions in 2024 for commencement on 1 January 2025.

The Vice-Chancellor advised that the Government has introduced Ministerial Direction 111 (MD111) which replaces Ministerial Direction 107 and sets out a new prioritisation process for offshore student visa processing. Under MD 111 Priority 1 – High processing will apply to visa applications associated with providers who have approved enrolments at less than 80% of their 2025 indicative allocation. Priority 2 – Standard processing will apply to providers who have reached the 80% threshold. At the time of the 25/1 meeting UTS had not reached the 80% threshold.

Various Senate enquiries into universities were discussed which included two enquiries giving consideration to matters relating to university governance. UTS will contribute submissions to the enquiries appropriate to their terms of reference.

Reports from committees

Council has a number of committees, whose membership have particular expertise, to provide assistance and advice to Council on matters for Council consideration. These committees report back to Council. Not all of the Committee Reports are represented in this brief overview.

Report from Audit and Risk Committee

The primary responsibility of the Audit and Risk Committee is to assist Council in overseeing the activities undertaken by the UTS body corporate and, from time to time, other related entities as requested by Council.

In line with the Committee's Terms of Reference and streamlined review process, the Finance Committee joined the Audit and Risk Committee for consideration of the Draft UTS Financial Statements (Parent).

The Committees were provided a detailed presentation on the UTS Financial Performance for year end 31 December 2024, to allow appropriate context for better consideration of the Financial Statements. The Committees discussed the Financial Statements and Financial Performance, with Management responding to the questions raised by the members. The draft Financial Accounts are being reviewed by the NSW Audit Office with the final version being submitted to Council for approval at its April meeting.

Report from Finance Committee

The Finance Committee advises Council on matters relating to the distribution and supervision of university finances, and acts on behalf of Council in areas of delegated authority.

The Finance Committee discussed Moody's Higher Education sector review (January 2025) which focussed on the impact of policy uncertainty on universities credit risks. This uncertainty is expected to drive a defensive operating strategy, with universities preserving cash buffers, implementing cost-saving measures, and delaying capital spending. Council noted that the Moody's report is consistent with Management's assessment of the sector's challenges and the intent of UTS's operational sustainability initiatives.

The Finance Committee had received a summary of the Government's Mid-Year Economic and Fiscal Outlook (MYEFO) Report that had been released in December, and the changes impacting universities.

Items for approval

none

Items for noting

Council are provided papers for noting and include activity that has occurred between Council meetings.

- Chancellor's Report
- Use of Power of Attorney, University Seal and Executive Action
- Annual Declarations of Interest

Items of General Business

Faculty Presentation – Faculty of Law

Council was joined by the Dean (Faculty of Law), Professor Anita Stuhmcke for a presentation on the Faculty.

The competitive positioning of the Faculty was discussed and Council noted the top eight ranking of the Law Faculty (currently ranked number seven). This is particularly pleasing given the scale and size of the Faculty at UTS compared with the Group of Eight universities.

The Law School Strategy was discussed and Council noted the membership and refocusing of the advisory board aligned with Faculty priorities. The vision for the Faculty was also discussed. The Faculty's strategic priorities are all viewed through the lens of the vision and aligned to the University Strategy.

A number of external Council members echoed the reputation and impact of the faculty and its graduates.

Other reports

- Interim Student Load Report 2025
- Work Health and Safety Report
- Remuneration Committee Report

UTS Council Reserve Meeting 14 March 2025

The agenda for this meeting was focused on the consideration of the University's Strategy, the 2025 Annual Plan, the 2025 Budget and the Finance Plan.

UTS 2030

UTS 2030 is the university's new five-year strategy. It has its foundation in UTS 2027 but also responds to our changing environment. It acknowledges the resource constraints and changes to the higher education sector that will be an ongoing feature of the coming years and sharpens our focus through four strategic priorities which will reinforce and amplify the impact we have on the communities we serve.

Consultation on the strategy was undertaken through various meetings, and feedback on UTS 2030 was received as part of the recent Discussion Paper which also outlined approaches for the Operational Sustainability program. This approach reflects the fact that the underpinning ambition, values, and priorities of UTS remain largely aligned with the previous plan, albeit with an enhanced focus intended to respond to the external environment and resource constraints. Over the coming years the University will focus its strategic investment in initiatives which support four strategic priorities.

Council approved the UTS 2030 Strategy.

Annual Plan

The UTS Annual Plan 2025 is the first under the new UTS 2030 strategy. It is intended to be a companion piece to the annual budget and provides strategic context for the University's investment decisions, outlining the current operating environment, key risk profile, and details of the major programs of work underway in 2025 to deliver on the Strategy's four strategic priorities and related success measures. Annual targets for UTS Council Key Performance Indicators (KPIs) were also provided, noting that these are transitional as the University shifts focus to UTS 2030. The indicators will be reviewed and refined to ensure they are the most appropriate in order to provide insight into the progress and impact of the Strategy.

For 2025 the Annual Plan also details the programs of work underway within the Operational Sustainability Initiative. Council provided feedback on the Annual Plan and

noted it will be presented to Council for further consideration and approval at its April meeting.

Finance Plan and UTS 2025 Budget

Council discussed the economic and political climate that has impacted the development of the Budget and Finance Plan. The inherent risks to the Budget and Finance Plan were also discussed in the context of delivering Operational Sustainability savings, the bond repayment in 2027, and the underlying assumptions with respect to international student revenue.

The sequencing and timing of the achievement of Operational Sustainability objectives was discussed noting the relationship with returning the University's budget to surplus over the duration of the Finance Plan. Council noted that the Budget and Finance Plan have been developed using a risk-based approach.

Council approved the 2025 Budget and Finance Plan.