



**Australian
National
University**

Distinguished Professor Genevieve Bell AO FAHA FTSE FASSA
Vice-Chancellor and President

Office of the Vice-Chancellor
+61 2 6125 2510
vc@anu.edu.au

www.anu.edu.au

19 August 2025

Dr Mary Russell
Chief Executive Officer
Tertiary Education Quality and Standards Agency
E: Mary.Russell@teqsa.gov.au

Dear Dr Russell,

I am writing in response to your letter of 30 June 2025 advising that the Tertiary Education Quality Standards Agency (TEQSA) has commenced a compliance assessment under section 59 of the *Tertiary Education Quality and Standards Agency Act 2011* (TEQSA Act). I also acknowledge your correspondence on 6 August 2025 granting the University an extension until 19 August 2025.

On behalf of the University, I am pleased to notify you of the completion of the University's Self-Assurance Report. We have lodged the material on the TEQSA Provider Portal as requested.

The University takes our twin responsibilities as a higher education institution and a Commonwealth entity seriously. We know that we are unique, and as the national University we have obligations to ensure that we are fulfilling our functions as stated in our act: "advancing and transmitting knowledge, by undertaking research and teaching of the highest quality."

We recognise that ANU is at a critical point in its history, one where we need to reset not only our finances but also our operating and structural model. We do not undertake these changes lightly, and we are endeavouring to enact them in a manner consistent with our own Enterprise Agreement and best practices in terms of managing psycho-social hazards and risks. We know that these changes have not been easy for many in our community and beyond; and there is much work still to do. We also know that these changes are necessary and that the path we are on ensures that the ANU can continue to deliver its obligations far into the future.

We believe that the University's Self-Assurance Report demonstrates how we have and do monitor, manage and mitigate institutional risks with regard to the concerns identified in your letter, especially regarding our current financial state and the culture of Council and our leadership. We believe that the Report also makes clear that we are on a journey and we still have considerable work to do in the areas of risk management, governance and culture. We have endeavoured to take a data-driven approach for this process and can evidence the statements and data provided in our report.

Beyond the Self-Assurance Report, we also wanted to address several further issues in this covering letter, including matters arising in last week's Senate Standing Legislation Committee on Education and Employment Inquiry into the quality of governance at Australian higher education providers (Senate Inquiry).

Matters raised at the Senate Inquiry

Serious allegations have been publicly made about the actions of a number of senior officers and employees at the Senate Inquiry on 12 August 2025. As the ANU testimony outlined, an existing workplace grievance process was underway, however a number of the allegations made are outside of the scope typically contemplated by the grievance process, and the rights and protections afforded by the grievance process are no longer appropriate. Grievance processes are confidential, and the public statements made at the Inquiry will mean the University needs to appoint a new independent assessor to ensure all parties receive fair and due process. Allegations will need to be investigated and substantiated with all parties provided an appropriate opportunity to respond.

Council is scheduled to meet this evening (19 August 2025) to consider a proposed approach to respond to the matters raised in the Senate Inquiry, including who should lead the response and under what authority.

It is also the case that a number of statements made at the Senate Inquiry on August 12 were factually incorrect and a response will be provided to the Senate inquiry as requested by the chair.

An update on the status of Renew ANU

As is made clear through the Self-Assurance Report, the ANU has been on a significant journey towards long term financial sustainability since 2024. In 2024, ANU Council formed a view that it was necessary to remove \$250 million from the underlying cost base of the University. This was not to be a one-time saving, but a permanent reset to the University's financial footing. The Council directed the leadership to ensure that the university continues to deliver on its national mission and responsibilities.

Renew ANU was launched to directly respond to this direction. As a program of work it involves a series of transformative initiatives aimed to reshape the University's structure and operating model to ensure long-term financial sustainability without compromising academic excellence or the national mission. While the program of work has taken a strategic, phased approach to organisational change, guided by clear principles and extensive consultation, it has been a significant cultural shift and has caused anxiety and uncertainty in the University community.

Throughout Renew ANU, the University has sought to be open and transparent, providing regular updates, change proposals and implementation plans on our publicly accessible website. We have invited and received feedback through many mechanisms and encouraged open dialogue, and community feedback has been important. Across many of the formal change proposals, feedback has been taken on board and lead to different implementation plans (see Appendix 1).

We are continuing to listen to our community and evolve our approach to Renew ANU and our continued journey towards financial sustainability and also operational and structural reform. Tomorrow (20 August), the University will signal that there will be no further formal change proposals in 2025. Furthermore, the University will announce the commencement of the next phase of the Renew ANU program, including the cessation of forced redundancies for the remainder of Renew ANU; and the opening of a second Voluntary Separation Scheme.

ANU Council and the Executive Leadership have proactively implemented targeted reforms to address governance and operational challenges, ensuring alignment with regulatory standards and financial sustainability goals (see Appendix 2). This will help ensure ANU remains focused on achieving financial sustainability and will continue to manage the finances appropriately.

The culture of Council

In early August, a near-final draft of this document was shared and discussed with Council. In addition to feedback on the draft itself, which has been incorporated, the Report provoked a sustained and productive discussion about Council's role and its aspirations as a governing body, as we reflected on the cumulative effect of previous decisions.

I believe Council embraced the opportunity to truly reflect on decisions and processes that have brought the institution to this juncture. We had a conversation about the effectiveness of our processes and self-assurance mechanisms as they relate to university governance, leadership and culture. We also had a conversation about what might come next and how to ensure we have continued opportunities for self-reflection and time to invest in building culture. We also recommitted to continually improve and enhance our governing body and our risk management and compliance mechanisms.

In our August meeting, Council noted our intent to progress an independent external review of Council and the senior leadership team; echoing a similar review we undertook in 2022/2023. These reviews are standard practice for our Council and a requirement of its Charter. The University Secretary has been tasked with commencing a process to find a suitable provider. We discussed if and how this review might intersect with TEQSA's proposed independent expert, and we determined that this was a singular opportunity to receive multiple sorts of feedback that could help improve our governance practices and culture.

At our next meeting we will also be welcoming two new members to Council: Mr Andrew Metcalfe AO and The Hon Wayne Martin AC KC. Owing to the resignation of one of our internal Council members, we will also be holding an election per our legislation to fill this vacancy. We see these changes in composition as a further opportunity to evolve and grow our practices and Council culture.

Next Steps

We know that our ongoing engagement with TEQSA will continue to highlight additional areas to which we must turn our attention to deliver best practice in governance. We welcome the independent expert and working with them in parallel to our ongoing activities. All Council members and executive are ready to provide input fulsomely.

As we have discussed, we intend to make the University's Self Assurance Report available to our community. Currently our plan is to release the report and this cover letter when TEQSA's independent expert's report is completed.

We look forward to continuing to work with TEQSA, and the independent expert, in relation to this matter.

Yours sincerely,



Distinguished Professor Genevieve Bell AO FTSE FAHA FASSA
Vice-Chancellor and President

Appendices

Appendix 1 – Renew ANU Change Proposal Consultation

Appendix 2 - University Financial Risk Management & Control

Appendix 1 – Renew ANU Change Proposal Consultation

Area	Consultation	Summary of changes based on feedback
College of Health & Medicine Implementation Plan Change Proposal	<ul style="list-style-type: none"> 30 Sept – 3 Oct 2024 meetings with affected staff were held Consultation period (3 -18 Oct 2024) 83 individual submissions; and NTEU feedback (extended consultation period – 4 days) 1 townhall for all staff and 2 townhalls (1 virtual/1 in person) with College staff held in October Relevant information on Renew ANU microsite Internal College consultation channels OnCampus messaging 	<ul style="list-style-type: none"> Reduced number of positions proposed for disestablishment from 50 to 13 Increased number of positions for realignment and direct transfer from 6 to 43 (incl transfer of CHM research office positions to DVCRI to provide focused support in health and medicine)
Realign ANU Academic Colleges Implementation Plan Change Proposal	<ul style="list-style-type: none"> 3 Oct -18 Oct 2024 257 individual submissions; and no NTEU feedback (request for information received - extended consultation period – 4 days) 1 all staff address attended by 7,460 people and 9 townhalls with Colleges and Portfolios Relevant information on Renew ANU microsite OnCampus messaging 	<ul style="list-style-type: none"> Proposal to revise the planned name of college from the ANU College of Systems and Society to the ANU College of Technology, Systems and Society subject to further consultation This was later revised to the original suggestion
Academic Portfolio Implementation Plan Change Proposal	<ul style="list-style-type: none"> 15 - 16 Oct 2024 meetings with affected staff were held Consultation period (17 -31 Oct 2024) 103 individual submissions; and NTEU feedback 1 all staff address and 1 townhall with Portfolio staff Relevant information on Renew ANU microsite OnCampus messaging 	<ul style="list-style-type: none"> Retained 4 positions and created 2 new positions Retention of multimedia team as part of new Learning and Teaching team Retention of CCE Moodle site in short term to support short courses and micro credentials until Canvas implementation
Facilities & Services (renamed Campus Environment) Implementation Plan Change Proposal	<ul style="list-style-type: none"> 16 Oct 2024 meetings with affected staff were held Consultation period (17 -31 Oct 2024) 11 individual submissions; and NTEU feedback (extended consultation period of 11 days given) 1 all staff address and 1 townhall with Divisional staff Internal Division consultation channels Relevant information on Renew ANU microsite OnCampus messaging 	<ul style="list-style-type: none"> (1) position of Operations Manager, ANU Officer Grade 8 was proposed to be realigned to the Operations Portfolio following CHM changes
Research and Innovation Portfolio Implementation Plan Change Proposal	<ul style="list-style-type: none"> 15 - 16 Oct 2024 meetings with affected staff were held Consultation period (17 -31 Oct 2024) 108 individual submissions; and NTEU feedback (extended consultation period – 11 days) 1 all staff address, 1 townhalls with Portfolio staff Internal Portfolio consultation channels Relevant information on Renew ANU microsite 	<ul style="list-style-type: none"> Research Support Officer position retained and retitled 2 positions retained and retitled, manager position reclassified to SM1 and a new fixed-term position established in ANU Press recognising urgent need for operational support 1 position retained and 1 new position established for Scholarly Information Services Division

	<ul style="list-style-type: none"> OnCampus messaging 	<ul style="list-style-type: none"> CHM's research management team (13 people) transferred to Research and Innovation to ensure support for NHMRC and MRFF
Change Principles Implementation Plan Consultation Paper	<ul style="list-style-type: none"> Consultation period (6 -21 Mar 2025) 145 individual submissions; An open letter signed by 434 staff members; and NTEU feedback 4 in person and 1 virtual townhalls held in March and attended by 833 staff (323 in person /510 online) NTEU engagement Relevant information on Renew ANU microsite OnCampus messaging 	<ul style="list-style-type: none"> Changes to principles: - Highlighting the importance of preserving research and teaching excellence, governance and accountability of change processes and sharing of indicative timings for development of proposals for Developing specific proposals for change (Renew ANU Change Approach) - Ensuring both clear separation of leadership accountability and the importance of collaboration between the academic and professional workforces in role clarity (Principles for new ANU operating model) - Enhanced emphasis on hubs of professional expertise and collaboration in 'Collaboration' and 'Shared Governance' (Principles for new ANU operating model) - Clarity on accountability of service ownership in Central functional ownership for university wide services (Principles for new ANU operating model)
Planning & Services Performance Division Implementation Plan Consultation Paper	<ul style="list-style-type: none"> 4 Jun 2025 meetings with affected staff Consultation period (5 -25 Jun 2025) 61 individual submissions; and no NTEU feedback 1 townhall with Divisional staff Internal Division consultation channels Relevant information on Renew ANU microsite OnCampus messaging 	<ul style="list-style-type: none"> The Reporting & Analytics and Data Provisioning & Governance teams have been combined One additional role re-aligned from ITS One additional vacant position to be disestablished Name of Division changed to Planning, Data & Analytics Internal reporting lines changed to address concerns
Information Technology Services Implementation Plan Consultation Paper	<ul style="list-style-type: none"> 4 - 5 Jun 2025 meetings with affected staff were held Consultation period (6 - 25 June 2025) 183 individual submissions; and NTEU feedback (Local dispute resolved) 1 townhall with Divisional staff Internal Division consultation channels Relevant information on Renew ANU microsite OnCampus messaging 	<ul style="list-style-type: none"> Addition of 6 positions, resulting in a reduction of 4 proposed disestablishments Removal of 2 positions, vacant or proposed only Change in classification to 3 further positions that were proposed to improve career pathways Additional position realigned to PSP Merge Scrum, Product and Agile Coaching Chapters into one team

Appendix 2 – Financial Risk Management & Control

Since 2024, ANU has undertaken significant financial reforms to address systemic challenges while meeting regulatory obligations. Through centralised financial governance, consequence-based budgeting, and adaptive resource management, these measures have reduced our operating deficit while protecting academic priorities. The table below demonstrates the University's commitment to good governance and accountability and operational efficiency, with measurable progress toward the Council's \$250M cost-reduction target by 2026.

Area	Pre-2024 Challenges	2024-2025 Reforms	Outcomes & Future Commitments
Financial Reporting & Insights	<ul style="list-style-type: none"> • Committees with standing agendas that were informed by service areas • post-COVID sector trends not benchmarked & revenue plans had limited assurance of success 	<ul style="list-style-type: none"> • Centralised financial data governance, including with more detailed reporting to Council • Sector benchmarking adopted, including via engagement of expertise (i.e., Nous) 	<ul style="list-style-type: none"> • Real-time financial dashboards since Q2 2024 • Annual sector comparisons to inform strategy formation
Operating Deficit Management	<ul style="list-style-type: none"> • Operating Deficits budgeted/reported annually (2022–2024) • Decisions lacked fiscal consequence frameworks (i.e., overrun budgets didn't trigger automatic consequences) 	<ul style="list-style-type: none"> • Overruns have now been deducted from future budgets • Quarterly deficit reviews with key budget stakeholders (implemented Q4 2024) 	<ul style="list-style-type: none"> • Strict protocols have been embedded into processes aiming to meet Council resolution to cut down costs by \$250m by 2026
Workforce Costs	<ul style="list-style-type: none"> • at least 16% salary increase linked to the Enterprise Agreement (EA) over 3 years (2021–2024) outpaced revenue growth • Low visibility of calculations that had long-term implications on University finances • Leave balance accumulated over the years, increasing financial liability 	<ul style="list-style-type: none"> • Central hiring oversight since 2024 • Future EA negotiations are planned to be tied to revenue forecasts • Implemented position-based budgeting practice in both staff system and budget system. • Staff were encouraged to take annual leave and continue to monitor leave excess 	<ul style="list-style-type: none"> • FY2025 workforce costs aligned with revenue forecasting to minimise operating deficit • Stringent cost control through position-based workforce management practice in the operating funds • Future EA increases require VC/Council pre-approval • Regular monitoring and reporting of leave balance to University leadership
COVID Response	<ul style="list-style-type: none"> • 2020 actions (i.e., Recovery Plans) unwound prematurely with lack of recruitment controls between 2022–2023 • Delayed sector re-alignment 	<ul style="list-style-type: none"> • Adaptive resourcing model launched in Q4 2024 to align staffing, budgets, and operations with changing needs and external conditions (i.e., financial situation and international student caps) • Contingency fund for operational, funding or other shocks 	<ul style="list-style-type: none"> • 2025 budget buffers sector volatility • Annual stress-testing is now mandated in contrast with data
Ledger Governance and Control	<ul style="list-style-type: none"> • Lack of transparency over internal invested research activities and some external grants 	<ul style="list-style-type: none"> • Established a separation of internal invested research activities from externally funded projects 	<ul style="list-style-type: none"> • Reduced exposure to financial volatility resulted from internal invested activities

	<ul style="list-style-type: none"> • Inconsistent or suboptimal budget allocation rules for internally invested activities, driven by budget stakeholders rather than centralised planning process 	<ul style="list-style-type: none"> • Implemented a structured budget allocation framework for internal invested activities based on ANU's capability to invest and strategic priorities • Strengthened fund transfer and approval processes across ledgers to mitigate the risk of misallocation or misuse 	<ul style="list-style-type: none"> • Improved overall resource planning of key operating activities • Greater financial accountability and performance tracking for internal invested projects
Vice-Chancellor Strategic Fund (VCSF)	<ul style="list-style-type: none"> • Tracking and reporting of commitments and expenditures were limited. • No formal budget allocation and policies in place to govern the use of the funds. • Significant exposure to financial risks of overspending, unfunded commitments and low transparency 	<ul style="list-style-type: none"> • VCSF was closed to minimise financial risks of over spendings and unfunded commitments. • Research projects or initiatives with suboptimal performance under the fund were discontinued or absorbed into existing budget allocation of various business units and special purpose research fund. • Streamlined the approval and distribution process of special purpose research fund through the centralised management under the Research and Innovation Portfolio 	<ul style="list-style-type: none"> • Strengthened budget discipline and financial accountability in the use of the special purpose fund across the university, ensuring the expenditures aligned with approved budgets. • Clear mandate established to align all special fund allocation with the university strategic research priorities. • Enhanced visibility and monitoring of strategic fund allocations, with improved capability to track the financial performance of the funds