

THE CHINESE UNIVERSITY OF HONG KONG

Ad Hoc Committee on the Reorganization of the Council

Consultation Document on the Desirable Composition of the Reorganized Council

1. The Council at its 1st (2009) meeting held on 20th January, 2009 approved the appointment of an Ad Hoc Committee on the Reorganization of the Council. The membership of the Ad Hoc Committee which consists of Council Members selected from the various existing constituent groups of the Council and the Terms of Reference of the Ad Hoc Committee are set out in Attachment 1.
2. The Ad Hoc Committee held its first meeting on 9th February, 2009. Members of the Ad Hoc Committee made reference to:
 - (a) the Sutherland Report of the University Grants Committee and the Audit Commission of the Hong Kong Special Administrative Region Government on the size and composition of the Council (Attachment 2); and
 - (b) the decisions of the Council made in 2005 that the size of the Council be reduced to a number nearer the optimal size of 25; and that the Council should comprise a majority of external (non-staff) members at a ratio of 2:1 or 3:1 against the number of internal members on the Council.

Members of the Ad Hoc Committee further noted:

- (c) the views of a Panel of External Experts on the desirable composition of the reorganized Council as set out in Attachment 3. The said Panel was invited to advise the Task Force on University Governance in 2006, to enable the University to benefit from the best practices of other major universities, as well as experience and advice of eminent leaders of universities worldwide; and
 - (d) the size and composition of the councils of the UGC-funded institutions (Attachment 4).
3. Members of the Ad Hoc Committee decided to conduct consultation among the stakeholder groups (e.g. College Trustees, Legislative Council Members elected to the University Council, staff, students and alumni) on the desirable composition of the reorganized Council after it has been reduced to about 25 members.
4. Notwithstanding the outcomes and recommendations of previous reviews, Members of the Ad Hoc Committee **will keep an open mind and listen to views obtained through consultation.**
5. The Secretary of the Ad Hoc Committee will assist Members of the Ad Hoc Committee to take views from various stakeholder groups in March 2009.

6. The Ad Hoc Committee is expected to submit their recommendations on the reorganization of the Council to the Task Force on University Governance as soon as possible.
7. For enquiries, please contact Mr. Jacob Leung, Secretary of the Ad Hoc Committee or Mrs. Amelia Wong of the University Secretariat at telephone 2696 1810, email council_reorganization@cuhk.edu.hk or fax 2603 5503.

Enc.

3rd March, 2009

Note: For the statutory provisions on the Council, please refer to The Chinese University of Hong Kong Ordinance <http://www.cuhk.edu.hk/v6/en/cuhk/ordinance/images/ordinance.pdf>.

THE CHINESE UNIVERSITY OF HONG KONG

Ad Hoc Committee on the Reorganization of the Council

Composition

Chairman

Sir C.K. Chow

Members

Professor Kenneth Young (Pro-Vice-Chancellor)

Mr. Karl C.L. Kwok (College Board of Trustee)

Professor Fung Kwok-pui (College Head)

Professor Fok Tai-fai (Faculty Dean)

Professor Chang Song-hing (College Assembly of Fellow)

Professor Rance P.L. Lee (Elected by the Senate)

Mr. Chien Lee (Nominated by the Chancellor)

Mr. Dick M.K. Lee (Nominated by the Chancellor)

The Honourable Cheung Yu-yan, Tommy (Elected by Members of the Legislative Council)

Mr. Lau Sai-yung (Elected by the Convocation)

Secretary

Mr. Jacob Leung

Terms of Reference

Having regard to the recommendations of the Sutherland Report and of the Audit Commission, and in accordance with the previous decisions and recommendations of the Council, the Council's Task Force on University Governance and the Panel of External Experts on the said subject and related matters, in particular that the size of the Council shall be reduced to about 25 members, to recommend to the Task Force on University Governance for its consideration the desirable composition and committee structure of the reorganized Council, its relationship with its Executive Committee, as well as the need to establish a Court as an advisory body. The Ad Hoc Committee may take views from members of the University to facilitate its work.

THE CHINESE UNIVERSITY OF HONG KONG

Ad Hoc Committee on the Reorganization of the Council

Relevant Recommendations of the Sutherland Report and the Audit Commission

Background

1. The University Grants Committee (UGC) issued a Report on Higher Education in Hong Kong (commonly known as the Sutherland Report) in March 2002, which set out a blueprint for the further development of higher education in Hong Kong. The focus of discussion in Chapter Three of the Sutherland Report was the need for each university to critically examine its governance and management structures to ascertain whether they are fit for the purpose of a university of the 21st century. Following from such a theme, Chapter Three of the Sutherland Report recommended (Recommendation 6):

That the governing body of each university carry out a review of the fitness for purpose of its governance and management structures. Such an exercise will necessarily include a review of the relevant Ordinances and, where appropriate, proposals for legislative changes should be made.

Principles and good practices related to governance structure advocated by the Sutherland Report

2. The Sutherland Report stressed that

It will be important for members of the governing body to distinguish between governance which is their central responsibility, and management which is the responsibility of the Head of Institution and the senior team. It will therefore be for the Head of Institution to make recommendations upon the appointment of, and delegation of powers and responsibilities to, senior academic leaders. International practice suggests that procedures should be devised for appointing rather than electing Deans and related senior budget holders, and that accountability and management lines should run to individuals rather than committees. In other words, responsibility should rest with an individual to avoid management by committee.

3. In keeping with its view that there should be clear and firm distinctions between the roles of advisory governance, executive governance and management within a university's governance structure, the Sutherland Report set out, as listed below, the proper roles and functions of a university council in what it considered to be an "adequate model of governance":
 - determine the mission and core values of the university;
 - set strategic directions reflecting these values, to carry out the mission;
 - influence the institution's organizational philosophy and framework;
 - help management to deliver strategies;
 - agree with management appropriate resourcing policies;
 - oversee senior appointments and performance;
 - ensure leadership succession;

- agree with the Head of Institution appropriate levels of delegated powers;
- report on performance, quality assurance and value for money to stakeholders;
- ensure appropriate lines of accountability and transparency of process; and
- in all of the above, have regard to values, autonomy and international reputation.

4. Finally, the Sutherland Report recommended that the University Grants Committee should conduct periodic institutional audits of the governance and management of the local universities.
5. The recommendations of the Sutherland Report have been accepted by the Government, and the brief submitted by the Administration to the Legislative Council stated:

We support the UGC's recommendation that university councils should review their governance structures to ensure 'fitness for purpose', drawing on the principles and international good practice set out in the review report.

6. The Sutherland Report did not specifically require the universities to down-size their Councils. Nevertheless, one of the good practices identified by the Sutherland Report in university governance overseas was the "shift to smaller governing bodies designed to handle more important decisions". For example, the Dearing Report of the United Kingdom recommended that the optimal size for a university council should be 25 members. When the Director of Audit of the Government carried out a value for money audit of the local universities in 2002-03, he included in it a review of the universities' "Governance, strategic planning and financial and performance reporting". This was more like a compliance audit based on the principles and good practices advocated by the Sutherland Report. The Director of Audit raised the following issues in his draft audit report (January 2003) and final audit report (March 2003):-

- (a) CUHK's Council with 56 members (58 as of December 2002) is too large.
- (b) CUHK's Council should critically examine the appropriateness of appointing new Life Members especially if they do not attend Council meetings.
- (c) The low attendance rates of external members on CUHK's Council have resulted in their failing to constitute a majority at all Council meetings.
- (d) CUHK should set up an audit committee under the Council.
- (e) CUHK should reduce the size of its Senate (presently 141 members/166 seats).
- (f) CUHK should conduct periodic (say every five years) reviews of the effectiveness of its governing bodies.

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THE CHINESE UNIVERSITY OF HONG KONG

Ad Hoc Committee on the Reorganization of the Council

Panel of External Experts' Advice on the
Composition of the Council and the Court
(July 2006)

The Composition of the University Council

1. Council is the senior deliberative and decision-making body of the University. We agree with the Task Force that at present it is too large for effective detailed discussion and that its size may have the effect of diluting the sense of individual responsibility among the members. We agree that its size should be reduced.
2. It is widely accepted in the university world that a university council should comprise people who through their wisdom and experience can offer the university the best guidance and support. Members are drawn both from within the university and from outside and it is usual for the latter to be the majority. **Individual members of council carry a personal fiduciary duty to the university. They cannot therefore represent the sectional interests of particular constituencies.** For this reason we do not in general support proposals that particular alumni groups, trades unions or other bodies should be represented as of right on the Council. Individuals from those groups, however, could well be members of Council in their own right.
3. We believe that, in general, two three-year terms offer insufficient time for external Council members to become familiar with the workings of an academic institution and to make a useful contribution to its strategic thinking. While strongly supporting the discontinuation of the class of life members (noting that the Council has ceased to appoint new life members since 27 August 2003), we **recommend** that provision should be made for those who can make a useful contribution to serve on the Council for up to twelve years.
4. We believe that in the case of a publicly-funded university it is appropriate that the public interest should be protected through some appointments to Council being made by the Chancellor who is the Chief Executive of the Hong Kong Special Administrative Region, and by the Legislative Council (LegCo). Since universities need a substantial amount of autonomy, we further believe that Council itself is well placed to appoint most other external members insofar as it is able to judge the range of expertise that will be required in coming years.
5. We met with groups of alumni and from one received a written submission. They asked that in spite of the proposed reduction in Council size their present representation should not be reduced, but rather should be increased. CUHK is indeed fortunate to have a cadre of such dedicated and enthusiastic alumni who are keen to help their alma mater. However, for the reasons given earlier we were not persuaded to support their proposal but we do **recommend** that Convocation should continue to elect one member to the Council.

6. We accept that alumni of the University may have a special contribution to make in some areas of Council business but note that in recent years Council has always had, and not by chance, a number of alumni among its members appointed through other routes.¹ We believe that this is likely to continue and that Council and other nominating bodies will continue to have this in mind when proposing new members. However, we **recommend** that consideration be given to establishing a new Council committee for **Alumni Affairs and Development**. It should contain a number of alumni who need not be members of Council.
7. In addition to our face to face meeting with student representatives, we received from them an extremely useful written submission. Although we cannot support their request that they should as of right be represented on Council, we have some sympathy with their concern that at present they have little opportunity at an early stage to express views on university plans that affect their interests. They felt that plans were revealed to them only when it was too late to make any meaningful contribution. We believe that these concerns can be best met by appointing student members to those committees of Council that are directly relevant to their concerns. It may be appropriate normally to have both an undergraduate and a post-graduate student as members of such committees. These could be appointed by the Vice-Chancellor from a list of names offered to him or her by student representatives. As with other members of Council committees these students would serve as individuals in their own right with the same obligations of confidentiality.
8. In line with the reduction in external members of Council we propose a reduction in the number of internal members. Although we propose that only one College Head should be a member of the new Council, we are mindful of the importance of the Colleges both in the history of CUHK and in the day to day running of the University. We therefore **recommend** the establishment of a **Colleges' Committee**, comprising the Heads (or principal executive officers) of all the Colleges, the Chairman of which would *ex officio* be a member of Council. The business of the Colleges' Committee would be to consider and to advise Council on all matters relating to the Colleges.
9. We are aware that thought is being given to a reorganisation of duties among the senior management and that the number of Pro-Vice-Chancellors may change. We believe that the senior academic management of the University should be represented only by the Vice-Chancellor and his or her deputy. Others will, however, undoubtedly be needed to be in attendance some of the time.
10. We believe that it is likely that the University will continue to need at least the same number of Deans as at present. In a reduced Council they clearly could not all be members. We believe that under the circumstances it will be sufficient for one of them to have formal membership of Council. As with other senior officers, there will be occasions when it will be necessary for others to be in attendance.
11. In a more general way we **recommend** that the constituent bodies of the University should make wider use of their ability occasionally to invite parties with particular interests or knowledge to be in attendance at meetings, or to be present for the discussion of particular items.

¹ Currently, 23 of the 57 members of the Council are alumni of The Chinese University of Hong Kong.

12. Additionally we **recommend** the establishment of two new committees. We believe that other university Councils find it useful to have a **Nominations Committee** and that it would increase transparency and accountability to formalise the present informal arrangements at CUHK by establishing such a Committee. The main business of the Committee would be the nomination of new members of Council. For similar reasons of accountability we believe that Council should have a **Remuneration Committee** to fix the salary and assess the performance of the Vice-Chancellor and other very senior staff for whom there is salary discretion to be exercised. This Committee would comprise only external members of Council but would have the Vice-Chancellor in attendance for discussion of matters relating to other staff.
13. We are conscious that while proposing new Council Committees we should also consider whether all the existing committees are needed. We believe that there may be scope for some simplification of Council work and **recommend** that Council should review its existing system of committees and consider whether all of them need to be Committees *of Council*. We did not have time to examine these in any detail but suspect that although they fulfil useful functions not all might need to report to Council directly and could report elsewhere.
14. Most importantly we suspect that the new Council, reduced in size, does not necessarily need to have an Executive Committee. If in practice this leads to operational difficulties the situation could be reviewed in two or three years' time. The new Council does, however, at an early meeting need to establish emergency procedures that may be followed by the Vice-Chancellor or Chairman if a need arises for an urgent decision and there is not time to call a meeting of Council.

The Court

15. We agree that the introduction of the new Council could usefully be accompanied by the establishment of a Court. The Court would be a body on which, along with other friends of CUHK, many of those who no longer had the opportunity to serve on the smaller, new Council, could be expected to serve. It could have between one and two hundred members, or even slightly more.
16. The composition of the Court should be at the discretion of the Council but it would be an honour to be a member of the Court and one that could be bestowed on those whom the University particularly wished to thank or recognise. The Council may, as it deems appropriate, invite other Members of the University to join the Court. The Court would normally assemble only once a year. In other institutions that have Courts the occasion is commonly one on which the Court receives verbal reports from the Vice-Chancellor and the members have the opportunity to ask questions or to comment on the performance and plans of the University.
17. Courts generally have no formal power but Councils are well advised to listen carefully to any clear messages that arise from Court discussions. The assembly of the Court may last for half a day or more and in addition to a formal meeting members of the Court are often given the opportunity to visit the departments of the University where they may see displays of recent work. It is also an opportunity for the Court to visit any major new facilities.

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Composition of the Council of CUHK

Existing		Recommendations of the Panel of External Experts	
Chairman	1	Chairman	1
Treasurer	1	Treasurer	1
College Trustees	8	College Trustees/Overseers	4
Nominated by Chancellor	6	Nominated by Chancellor	Up to 4
Elected by Council	6	Elected by Council	Between 4 to 7
Legislative Councillors	3	Legislative Councillor	1
Elected by Convocation	3	Elected by Convocation	1
Life Members	4*		
Vice-Chancellor/President	1	Vice-Chancellor/President	1
Pro-Vice-Chancellors	5	Provost	1
College Heads	4	College Head/Master	1
Faculty Deans/Dean of the Graduate School	9	Faculty Dean/Dean of the Graduate School	1
College Fellows	4		
Senate Members	3		
Total:	58		16-23

* The Council ceased to appoint new Life Members with effect from 2003.

3rd March, 2009

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Ad Hoc Committee on the Reorganization of the Council

Size and Composition of the Councils of the UGC-funded Institutions (other than CUHK)

HKU		HKUST (w.e.f. September 2009)		CityU		HKBU		HKIEd		PolyU		LU	
Appointed by Chancellor (not being students or employees)	7	Appointed by Chancellor (not being employees or students of the University)	≤17	Appointed by Chief Executive who are not students or employees of the University	≤15	Nominated by Baptist Convention of Hong Kong and appointed by Chief Executive	3	Appointed by Chief Executive (not public officers nor employees of the University)	≤14	Appointed by Chief Executive (≤ 2 shall be public officers)	20	Appointed by Chief Executive who are specified as <i>ex officio</i> members of the Court	10
Treasurer	1	Convocation Chairman	1	Convocation Chairman	1	Appointed by Chief Executive	8	Public officers appointed by Chief Executive	1-3	Alumnus (not employee of the University)	1	Appointed by Chief Executive	8
Appointed by Council (not being students or employees)	6					Appointed by Chief Executive (≥ 4 with experience in commerce and industry in Hong Kong)	7					Nominated by Lingnan Education Organization Limited and appointed by Chief Executive	7
Elected by Court (not being students or employees)	2												
Vice-Chancellor	1	President	1	President	1	President	1	President	1	President	1	President	1
Full-time teachers	4	Provost	1	Deputy President	1	Vice Presidents	3	Vice Presidents	3	Deputy President	1	Vice President	1
Full-time employee (not being a teacher)	1	Vice-President	1	Academic member of Senate	1	Deans	7	Academic Board members	1-3	Deans	2	Staff	3
Full-time undergraduate student	1	Deans of Faculties/ Schools and Dean of Undergraduate Education	2	Staff	2	Senate members	2	Full-time teaching and administrative staff	3	Staff (1 elected by and from Senate)	3	Senate members	2
Full-time postgraduate student)	1	Academic members of Senate	≤ 2	President of Students' Union	1	Staff	2	Full-time student	1	Full-time student	1	President of Students' Union	1
		Full-time employee	1	Postgraduate student	1	President of Students' Union	1						
		Full-time student	1										
	24		≤27		23		34		≤28		29		33