

VICE-CHANCELLOR'S REPORT TO COUNCIL

QUARTER ONE, 2018

INTRODUCTION

It is an honour to give my inaugural report to Council as the Vice Chancellor of the University. I am mindful that 2018 is the centenary year of Nelson Rolihlahla Mandela. This gives us a significant opportunity to profile the University to foreground how we are interpreting what it means to carry Mandela's name, especially as it relates to how this should shape our institutional identity and mandate, our curriculum and scholarly endeavours, our engagement and partnerships, as well as our institutional culture and transformation agenda. This has been the focus of considerable reflection to ensure that our strategic identity, ethos and values fully embody the privilege and responsibility of carrying the name of one of the world's most iconic leaders of all times.

As part of a comprehensive stakeholder engagement and communication strategy, we have been engaged in an institution-wide listening campaign throughout the first quarter of 2018. The overarching objective of this campaign is to contribute, over time, to successfully addressing contextual issues facing the University, whilst enabling active stakeholder participation in shaping our institutional strategic aspirations for beyond 2020. As part of this campaign, we have concluded engagements with senior and middle management, staff in all seven faculties, staff and students on the George Campus, the unions, as well as the SRC and other student leadership formations. During the course of the second quarter, we will extend these engagements to all professional and administrative support staff (PASS) divisions following which our engagement with external stakeholders will commence. The overarching intention of this campaign is for senior leadership to listen to various publics to develop a comprehensive baseline on the state of the University to inform a forward-looking strategy. From the inputs of various stakeholders, we will have a deeper understanding of what we should continue doing, what we should stop doing because it no longer serves us as an institution, and what we should introduce to more fully embody our desired identity and ethos as Mandela University, and to carve a path that will take the good work of this University to greater heights.

This is particularly crucial as a precondition for our University to thrive within the context of the prevailing volatile, uncertain and complex challenges confronting the higher education sector nationally and globally. The Presidential announcement of fee-free higher education for the poor and working class has significantly impacted on our operations in the first quarter of 2018. We are pleased that the newly introduced funding regime will further enhance inclusion for students from disadvantaged and working class environments. This scheme complements the in-house instruments and financial concessions we have been fashioning in consultation with students to broaden access for financially disadvantaged, academically deserving students. Coupled with Government's commitment to increasing expenditure for higher education to 1% of the country's GDP over the next five years, this augurs well for expanding access to affordable, quality post-school education for all. While this is most welcome, we are acutely aware that the changed higher education funding regime will progressively widen access to more students who experience difficult material conditions. This

will require institutional and sectoral responses that proactively address issues relating to student indigence and hunger to ensure that all students are given every opportunity to succeed.

The dynamic, fluid environment, within which all universities operate, requires of us to continuously assess our strategic priorities against current realities and adapt these where required to enhance our competitiveness and make judicious choices about how best to deploy scarce resources. To this end, over the past 18 months, the University has been engaged in implementing various interventions to promote social justice and equality while ensuring our long-term sustainability.

As Council is aware, six strategic priorities were identified last year as part of the review of Vision 2020 to guide planning and resource allocation from 2018 to 2020, namely:

- Embrace a distinctive educational purpose and philosophy that contributes to **student access and success**.
- Develop and cultivate an **engaged, innovative scholarship** culture that generates knowledge recognised for its contribution to sustainability.
- Foster an affirming, **transformative institutional culture** that promotes diversity and social cohesion.
- Enhance long-term financial sustainability through **responsible resource stewardship**.
- Position the University as an employer of first choice by investing in **talented, high-performing staff**.
- Provide and sustain **enabling systems and infrastructure** that promote an exceptional experience for students, staff and key stakeholders.

For the purposes of my quarterly reporting to Council, I will provide an overview of strategic developments in each quarter in terms of the abovementioned strategic priorities. This will provide Council with a sense of the key highlights, innovations, successes and challenges we are experiencing as part of implementing the institutional strategy.

1. DISTINCTIVE EDUCATIONAL PURPOSE AND PHILOSOPHY THAT CONTRIBUTES TO STUDENT ACCESS FOR SUCCESS

1.1 Institutional identity and mandate

The DHET is currently engaged in sector-wide consultations as it relates to the draft National Plan for Post-School Education and Training (PSET). The main implication of the National Plan is that it will steer the post-school system towards greater diversity and differentiation to ensure that school-leavers and adult learners have access to significantly broadened post-school education and training opportunities, beyond pursuing a university qualification. It is envisaged that the community and technical vocational education and training (TVET) college sub-sectors will be strengthened and expanded while maintaining moderate growth in higher education enrolments. Added to the efforts to widen access to post-school education, the National Plan also points to the importance of bolstering the capacity of universities to offer high-quality education conducive to improving student success and throughput.

This will require of us to boldly articulate and position our institutional identity and ethos as Nelson Mandela University as it relates to our unique knowledge proposition and academic niche areas as a

comprehensive university, as well as our scholarly contribution to promoting the public good by addressing local, regional, national, continental and global sustainability challenges.

All universities will be expected to enter into institutional agreements with the Department as it pertains to their contribution to a differentiated higher education sector. As part of this process, we will need to develop an institutional enrolment plan for 2020-2025 in close collaboration with all the faculties during the course of 2018. This presents us with an ideal opportunity to position the distinctive identity and ethos of the University strategically in terms of the following:

- Our distinctive African ethos, which embeds the legacy and values of Nelson Mandela in our curriculum, scholarship, partnerships, institutional culture, stakeholder engagement, and service delivery.
- Our efforts to broaden student access to a comprehensive range of life-changing qualifications with multiple access and articulation possibilities.
- Our humanising pedagogies and holistic student support within and beyond the classroom that leverage the full potential of our students to give them the best chance of success.
- Our efforts to empower our staff, students and alumni to liberate their agency and talent to *change the world* for the better.
- Our innovative scholarship, which contributes to promoting the public good and planetary sustainability by eliminating poverty, inequality and unemployment.
- Our deep commitment to engaging with multiple internal and external stakeholders to co-create and experiment with novel approaches to complex challenges confronting the University and broader society.
- Our partnerships with academia, government, business and civil society locally, nationally and globally to leverage opportunities and mobilise resources in support of pursuing our strategic aspirations.

1.2 Strategic development trajectories

As Council is aware, the University has embarked on two exciting growth trajectories, which will further set us apart in the wider higher education landscape, namely:

- Positioning ourselves as the leading Ocean Sciences university in South Africa; and
- Establishing the 10th medical school in the country.

Ocean Sciences:

Four key pillars underpin our ocean sciences strategy (2016-2020), namely:

- Establishing distinctive ocean sciences academic programme offerings at under- and postgraduate levels across all faculties;
- Scaling up research and innovation endeavours and capabilities linked to our transdisciplinary ocean sciences thematic areas;
- Engaging in mutually beneficial partnerships at local, regional, national, continental and international levels; and
- Mobilising revenue to give effect to our ocean sciences strategy in the short-, medium- and long-term, including the optimal utilisation of the dedicated ocean sciences campus.

The infrastructure developments and refurbishments on the Ocean Sciences Campus have been informed by a design philosophy that spans the three spheres of sustainability, i.e. environmental, social and economic. As such, our Ocean Sciences strategy seeks to unlock the economic potential of the oceans for the benefit of coastal livelihoods while conserving marine biodiversity and ecological integrity. To do so, requires transdisciplinary ways of thinking drawn from various disciplines to tackle scientific and societal challenges that exist at the interfaces of multiple fields.

It is envisaged that the Campus will comprise transdisciplinary clusters of researchers, entities, postgraduate students, and postdoctoral fellows, who are co-located in spatial precincts that align with the overarching ocean sciences thematic focus areas, namely:

- Oceans and cultures;
- Oceans and economy;
- Ocean health; and
- Ocean governance and marine protection.

A key principle embedded in our Ocean Sciences Strategy is the effective coordination of academic initiatives in a way that contributes to the development of the dedicated Ocean Sciences Campus without denuding existing resource capabilities and strengths within faculties. The ocean sciences campus will serve as the central “hub” for locating transdisciplinary, postgraduate teaching, research, innovation and engagement initiatives. Existing and new undergraduate programmes will continue to operate on campuses where the home faculties are currently located. The Campus will function in a complementary manner in collaboration with faculties and entities to develop both undergraduate programmes (offered on existing campuses), as well as transdisciplinary postgraduate qualifications and research niches (to be concentrated on the Ocean Sciences Campus). Further work is being done to refine strategies and processes to realise these intentions. Council will be kept abreast as developments unfold.

Infrastructure developments and refurbishments on the Ocean Sciences Campus are being undertaken in phases, largely aligned with the release of tranches of DHET Infrastructure and Efficiency Funding, as well as other revenue streams such as the research and equipment grants of research chairs and scientists located on the Campus.

During 2018, attention will also be devoted to the following key deliverables, namely:

- A multi-dimensional funding, resource mobilisation and cost-sharing model for the Campus that fosters transdisciplinary initiatives;
- A business modelling capability to assess the financial viability and return on investment of potential future developments on the Campus;
- A shared services model for the seamless provision of support services on the Campus; and
- Organisational, governance and campus management arrangements that foster optimal interfaces between the Ocean Sciences Campus, faculties, research and engagement entities, and relevant institutional support services.

Medical School:

Our Faculty of Health Sciences has developed a Master Implementation Plan (MIP) for 2018 to 2025, which sets out the core activities, expected outcomes and financial requirements for the new

undergraduate medical programme at the Nelson Mandela University. Using this plan, key stakeholders will have a common understanding of what will be required to ensure the successful graduation of the first intake of undergraduate medical students in 2020.

Regarding the Nelson Mandela Fidel Castro Collaboration, the faculty will be one of the 10 faculties of health sciences nationally to receive returning Cuban-trained doctors. A trilateral agreement will be signed between the University, and the Eastern Cape and National Departments of Health. Funding for the project will come from NDoH. Dr Khanyisa Makhamba (from Nelson Mandela University) was nominated at the last South African Committee of Deans Workshop to be part of the National Curriculum Delegation going to Cuba in April to speak to students and study the curriculum before the students return in July 2018.

The value proposition for a new medical programme at Nelson Mandela University is clear. South Africa has a long-standing shortage of medical doctors both at an entry and specialist level. Attempts over the past ten years to increase production of medical doctors have not been sufficient to narrow the gap between demand and supply in the labour market. Establishing a medical programme at Mandela University will not only address this pressing need for additional medical doctors in the country, but will do so through a progressive curriculum embedded in a social accountability framework that aims to maximise the positive impact on marginalised communities.

In determining the resource requirements for the MIP, careful attention was given to the resource constrained environment in which the new programme must be implemented. To this end, with one of the largest cost drivers being human resources, the Faculty took particular note of staffing models and norms. The Faculty will be highly dependent on joint appointments of senior and specialist medical doctors with the Eastern Cape Department of Health. The department will be responsible for 70% of the total cost of the joint appointments.

Infrastructure and equipment is another major cost-driver in the initial years of delivery. Again, having noted the constraints, the Faculty focused on renovating and upgrading existing facilities at the Missionvale campus and Dora Nginza Hospital. Attention was also given to how these investments can strengthen the Academic Health Complex as part of the University-Province partnership.

The University has submitted detailed proposals for the first phase of infrastructure developments for the medical school to be funded through the next cycle of DHET infrastructure and efficiency funding. We are awaiting the outcome of the Minister's decision regarding the quantum of infrastructure funding to be allocated to Nelson Mandela University from 2019/20 to 2020/21, which is expected by the end of April 2018.

As would be expected, during the initial years of the new programme, income from confirmed subsidy and grant sources will be limited resulting in the programme running at a deficit averaging R38 million per annum after the first year. The total budget for the preparation year (2019) and the first six years of the programme (2020-2025) is R493m and the projected total deficit for the seven years is R240m. Strategies to mitigate this deficit could include a proposal to DHET for a start-up fund similar to the one provided to the University of Limpopo, as well as raising additional private sector funding.

Through extensive lobbying and stakeholder engagement by the Executive Dean, the University has recently received written confirmation that the Health Professions Council of South Africa will conduct a site visit in 2019 to accredit the facilities for the medical programme. While this is an exciting step forward, it also signals the urgency of building readiness for this important accreditation visit by commencing with the requisite refurbishments on the Missionvale Campus. To this end, we have established an institutional reference group convened by the Vice Chancellor to oversee this important project and ensure that all implementation blockages are decisively addressed.

2. ENGAGED, INNOVATIVE SCHOLARSHIP CULTURE THAT GENERATES KNOWLEDGE RECOGNISED FOR ITS CONTRIBUTION TO SUSTAINABILITY

Strategic priorities for research and engagement for the next three years include the following:

- Position the University as a leading institution, recognised for its research and engagement excellence across the continent and globally;
- Increase the diversity of the academic and research staff;
- Increase the qualifications and supervisory capacity of our staff;
- Increase the throughput rates of our postgraduate students;
- Attract more postgraduate students (including post-docs) and Research Fellows to the University;
- Ensure that our identified focus areas remain relevant for the needs of society;
- Ensure inter-, cross- and trans-disciplinary research and engagement are encouraged and nurtured;
- Ensure the foundational principles of research and engagement are embedded in the formal curriculum of the academic project, alongside teaching and learning;
- Ensure the policies, processes and support mechanisms in the R&E portfolio are optimised;
- Ensure the R&E portfolio can respond quickly and efficiently to new opportunities that open up to the University; and
- Ensure our research and engagement activities and successes are widely publicised.

In pursuit of the above strategic goals, we were delighted to hear that we have been awarded a new SARChI Chair in “Identities and Social Cohesion in Africa”, which was awarded by the NRF to Prof Andrea Hurst in our Faculty of Arts. Plans are in place for the Chair to commence on 1 April 2018.

One of our existing SARChI Chairs (Prof Paul Watts) recently underwent a successful five-year review and has been upgraded to a Tier 1 Chair, with increased funding from the NRF.

The recent appointment of Prof Andre Keet into the newly created Council-funded Chair “Critical Studies in Higher Education Transformation” is already having great impact across the University, as he gives focused attention to transformation from an academic and research perspective. The proposals to establish a “Gender Studies Centre”, as well as a “Centre for Philosophy in Africa”, are proceeding through the various University Committees. Once approved later this year, both entities are intended to place a key role in driving transformation across the academy.

In terms of Oceans Sciences activities, we are in extensive discussions with an international network of institutions led by Brunel University (UK), for a new proposal to the Global Challenge Research Fund.

The project “Marine Waste and Society” has been shortlisted from more than 300 proposals, and the final full proposal will be submitted in mid-April. Our role in the project will be significant, as the Swartkops River Estuary has been identified as one of the case study sites for the project. If approved, the project will commence later this year.

We are also preparing a joint proposal to the Norwegian SANOCEAN for an international partnership in the broad field of Oceanography. The collaboration is based on our membership of the Nansen-Tutu Centre for Marine Environmental Research, hosted by University of Bergen.

We have prepared a proposal with the University of Basel, Switzerland to jointly host a UNESCO Chair “Physical Activity and Health in Educational Settings”. The Chair will bring together the growing collaboration led from our side by Prof Cheryl Walter (Faculty of Health Sciences) that focus on addressing health and development of pre-adolescent learners from disadvantaged schools around Port Elizabeth. The project, called “KaziBantu: Healthy Schools for Healthy Communities”, has entered its next phase with R6.4m support from the Norvatis Foundation (Switzerland).

The generous financial support from the Trust has enabled our African Centre for Coastal Palaeoscience to commence with growing their exciting transdisciplinary research activities, which focus on the emergence of early modern humans from our southern coastal regions of South Africa.

The Council and Trust funding allocated for postgraduate bursaries has been disbursed and many new research projects have been defined. Senior (postgrad) students bring in considerable subsidy to the University and so this forms part of our efforts to grow our financial sustainability.

As a new transformation initiative, aimed at enhancing postgraduate student success, our Department of Research Capacity Development, ran a very successful two-day Orientation Programme for new postgraduate students (Hon, Masters and Doctoral), on March 2018. The need for this programme has been evident and from the feedback received from the 200 students who attended, we are encouraged that it assisted PG students greatly. We are planning a follow-up meeting later this year, and this will become an annual activity.

Our application to the DHET for the University Capacity Development Grant (UCDG) proposal, submitted late last year, has been approved, and R26m has been allocated for 2018. The Grant will provide funding to enable the University to prepare a transformation agenda for the development of the next cohort of academics.

We are emphasising the importance of quality research outputs, and are delighted to mention that since the beginning of this year, we have had three papers appearing in the prestigious *Nature* suite of journals.

The table below reflects the quantitative data associated with permanent academic staff and those, including PASS staff, involved in publishing during 2014 to 2016. The data shows that 76% of permanent academics did **not** publish during this period. This is a concerning trend that needs to be reversed.

Nelson Mandela University	2014	2015	2016
Permanent academic Staff headcount	604	624	623
Staff who published (<i>including PASS staff etc</i>)	243	263	290
Permanent academics who did not publish	391	416	476

The table below provides the number of publication units generated from journal articles for 2014 to 2016.

	2014	2015	2016
Publication (journal) units	281.4	324.8	319.4

From the above, it is clear that our research outputs declined from 2015 to 2016 after a marked improvement the previous year. As part of ensuring our long-term sustainability and competitiveness, we will need to implement concerted strategies under the leadership of our DVC: R&E to improve the research productivity of established academics, while simultaneously creating a supportive environment for emerging equity academic staff to pursue their Master's and Doctoral qualifications and publish research outputs.

3. TRANSFORMATIVE INSTITUTIONAL CULTURE THAT PROMOTES DIVERSITY AND SOCIAL COHESION

3.1 Inauguration of the Chancellor and Vice Chancellor

We are honoured to have a woman of Dr Fraser-Moleketi's calibre join our University as Chancellor for a four-year period starting on 1 April 2018. We wish her every success as we embark on an exciting new era for Nelson Mandela University. Dr Fraser-Moleketi is a leader of high integrity who has devoted her life and career to issues of human rights, equality and social justice. This drive and commitment over many decades towards empowering others aligns directly with those of our namesake, making her the ideal titular head of our University. The former activist is no newcomer to the University after being awarded an honorary doctorate last year for her extensive contribution to leadership in social and economic transformation, with the specific emphasis on the empowerment of women.

Processes are underway to plan for the inauguration of the Chancellor and Vice Chancellor, planned to take place on 17 April 2018.

3.2 Mandela centenary programme

This year marks the centenary of the birth of Nelson Mandela. It is a year that will be celebrated in South Africa and beyond to mark the life, times and legacy of the internationally renowned first President of post-apartheid and democratic South Africa. The Mandela centenary is also the year the University will celebrate the first anniversary of its new name following the launch of Nelson Mandela University in July 2017.

While the focus in 2017 was on the launch of the new name, 2018 will see the University embark in earnest on the process of deepening, embedding and enhancing the meaning of its Mandela identity in its core teaching, learning, research and engagement mandate and ethos. As an integral focus of the centenary year, senior leadership and the faculties have been collectively reflecting on what holding this name means at this significant moment in history. For Nelson Mandela University, it is imperative that we root the centenary activities in the academic project as an integral part of an intentional strategy to contribute to building a *'dynamic African university, recognised for its leadership in generating cutting-edge knowledge for a sustainable future'*. Several of the commemorative activities being launched this year as part of the centenary programme are planned to have a life beyond 2018 to ensure that they become an integral part of the academic programme.

Given the strategic objectives, it is essential that the proposed academic conferences, colloquia and public lectures constitute the core and centre piece of the Nelson Mandela University centenary programme. This will include:

- Scholarship on Mandela – Prof Andre Keet (Chair: Critical Studies in Higher Education Transformation)
- Being Human(e) in the 21st Century: A conference celebrating the centenary and global legacy of Nelson Mandela – Prof Rose Boswell (Faculty of Arts)
- Celebrating the South African Constitution and Mandela's leadership and contribution to its making – Prof Avinash Govindjee (Faculty of Law)
- National Student Leadership Convention to discuss the contribution of student activism to reshaping and enhancing higher education – Mr Luthando Jack (Dean of Students) and students

In addition to these scholarly activities, the University will also mark the centenary year by launching a consultative process to name and rename residences, lecture halls, administration and other buildings, as well as certain campuses to deepen our sense of identity as Nelson Mandela University. Furthermore, as part of our ongoing commitment to being an engaged University, an innovative programme will be embarked upon by our Faculty of Education in partnership with the Cala based iKamvelihle Community Trust, Mvezo Community (in partnership with Chief Zwelivelile 'Mandla' Mandela) and the Mandela schools (in partnership with Ndileka Mandela, Mandela's eldest granddaughter). Our Faculty of Science will implement a science communication and engagement strategy with its focus on rural schools and the building of a virtual science centre, and our Faculty of Health Sciences will launch its transformative commitment to universal access to health in the country's rural areas by hosting 100 student doctors returning from Cuba in July 2018.

3.3 Institutional transformation plan

The University developed an institutional transformation plan during the course of 2017 and this has been submitted to DHET. An important next step was to design a monitoring, evaluation and reporting framework with indicators and targets to assess our progress towards achieving our transformation intentions as it relates to the key dimensions of our ITP, namely:

- Curriculum Reform: Review the curriculum to ensure that it is socially relevant and responsive to the development needs of the country.
- Student Support: Ensure the improvement of quality throughput rates of students, particularly those from historically disadvantaged groups.
- Language: Ensure the implementation of a language policy that promotes multilingualism in support of student access and success
- Disabilities: Improve access and success of students and employees with disabilities
- Employees Development and Equity: Ensure implementation of programmes and measures designed to accelerate focused recruitment, capacity development, greater representation and retention of designated and underrepresented groups in the academic workforce, professoriate and university management
- Institutional Culture: Develop and implement programmes and activities aimed at promoting diversity, inclusion and social cohesion
- Collaboration: Increase collaborations and partnerships with other institutional types to share knowledge, resources and assist with capacity building and articulation
- Governance: Improve the effectiveness of governance structures in their transformation oversight roles (Council, Institutional Forums, Senate, SRC)
- Complaints: Ensure that the University has accessible, effective and efficient complaints handling mechanisms and procedures
- Monitoring and Accountability: Ensure that the University has effective transformation oversight and accountability mechanisms in place

Progress in implementing the ITP will be monitored against the intended goals, targets and key deliverables agreed to by the MANCO portfolios. The transformation M&E process will involve both formative and summative approaches to assess:

- Qualitative improvements and changes in the behaviour, capacity, functioning, and relationships of stakeholders associated with transformation goals and outcomes.
- Quantitative shifts using data analytics to determine whether the relevant transformation goals and targets have been achieved or not.

The Office for Institutional Planning has developed a quantitative indicator framework to monitor transformation from various perspectives on a quarterly basis. Discussions are underway with senior management to identify qualitative indicators of transformation and, more importantly, appropriate developmental evaluation methodologies to gather the requisite data.

3.4 Curriculum transformation

Curriculum transformation is integral to teaching and learning, as part of our effort to offer programmes that are globally relevant and informed by our African context, whilst preparing students for the fourth industrial revolution. Institutionally the T&L portfolio has focused on curriculum transformation by way of interdisciplinary, multi-faculty engagements with students, academics and PASS staff about curriculum renewal.

Efforts toward curriculum and academic transformation include:

- **Teaching and Learning dialogues** to contribute to the thinking about curriculum transformation with various layers of the institution including the Deans, campus heads, the Teaching and Learning Committee Chairpersons, and the Early Career Academics.
- The development of a set of **draft curriculum principles**, which seek to enhance the pedagogical encounter, but offering a set of considerations, which should inform curricula. The latest of the workshop series on the 31st - 2 February 2018, culminated in 10 draft curriculum principles, which outline considerations such as context, diverse knowledge systems, multilingualism etc.
- Creating space for curriculum development using the **Teaching Development and Innovation Fund**. The 20+ TDIF projects fund individual and group projects across the faculties which enhance Teaching and Learning innovation through experiments in relation to the classroom, digitally enhanced learning, multilingualism, curriculum development, indigenous knowledge systems and the like.
- Multilingualism in the faculties by means of the institutional **review of the language policy** in collaboration staff and students. The Faculty Teaching and Learning Committees (FTLCs) will host faculty courageous conversations on language during the second quarter to assess how the faculty-specific community thinks about language, language ideologies and multilingual practices. This will inform the language policy being developed.
- The **humanising pedagogy** project has tracked academic participation in and usage of humanising pedagogy practices in the classroom through interviews, videos and articles on the T&L website. The project has also led to materials being developed in the form of informational posters and other related content to be launched in April 2018, in preparation for the digital resource, which is the humanising pedagogy online portal to be launched later this year.
- The **TLMandela website** (<http://tl.mandela.ac.za/>) was launched in February 2018, as a digital resource show casing various curriculum and T&L projects at the University. To date, the website has received almost 4000 hits from over 30 countries. The most accessed materials on the site include information related to teaching & learning, humanising pedagogy, indigenous knowledge systems and decolonisation.

Concerns raised by faculties in relation to transformation include the following:

- **Workload pressures:** Due to the large number of vacancies in many faculties, staff are placed under further workload pressure. Coupled with a lack of administrative support, the academic staff in some faculties are feeling demotivated and unable to extend themselves to engage in the effort required for rearticulation, and academic transformation.
- Several cases of alleged racism and sexism have become an area of concern for the faculties who are spending extra time and energy in attending to these issues.

3.5 New Generation of Academics Programme (NGAP)

The University recently submitted proposals to the DHET as part of the fourth phase of the NGAP programme. I am pleased to inform Council that the University has been allocated four new posts for NGAP Phase 4 in the following areas:

- Mechatronics
- Digital Humanities
- Criminal and Procedural Law

- Archaeology

The contribution by the Department to support the new nGAP appointees over the six years of the programme is R2.5m per post. The first tranche funds to support these posts will be transferred by 31 March 2018.

3.6 Graduation transformation

An exciting project is currently underway to reimagine our graduation ceremonies as part of our transformation journey. Focus group sessions with all stakeholder groupings are being conducted on all campuses to obtain the inputs, comments and suggestions of staff and students regarding graduation ceremonies.

The upcoming autumn graduation ceremonies will take place from 13 to 26 April 2018 and four honorary doctoral degrees will be conferred during the above graduation period.

3.7 Gender-based violence

The scourge of gender-based violence (GBV) remains one of the darkest and most difficult blemishes to remove from our society. There have been incidents of sexual assault and harassment of students reported to campus authorities and to the South African Police Service (SAPS) this year that are under investigation by both the University and police. These incidents are of deep concern to the University – which is still reeling from the horrific rape incident in October 2017 on one of our campuses. Safety and security efforts have been geared towards ensuring the protection of University staff and students from external criminal elements.

Internally, a number of processes were set in motion last year to strengthen and improve efficiencies in dealing with issues of gender-based violence. These included the revision of the University's Sexual Harassment Policy, with the revised document having been approved by the University Council in December 2017. Key amendments to the policy include the establishment of an alternative formal disciplinary process for both staff and students, in which the hearing panel will now comprise a legal professional or a legal academic with expertise in human rights law and/or gender equality, as well as an appropriate professional who works in the gender-based violence sector.

The revised policy also includes improvements to the provision of psychosocial support for both the complainant and the alleged perpetrator. The principles of restorative justice and advocacy are embedded in the revised policy to ensure that perpetrators take responsibility for their conduct. The aim is to work towards preventing a recurrence of the incident – whether they remain at the University or go elsewhere as a consequence of disciplinary outcomes. The University also reviewed the existing Staff and Student Disciplinary Codes, to emphasise the gravity of such transgressions by having a dedicated section that deals specifically with matters of sexual harassment and sexual offences.

More vigorous awareness campaigns, aimed at the wider University community, include the creation of an enabling space to hold critical engagements and education drives on the various issues that fall under the umbrella of gender-based violence. Sexual harassment and sexual offences training

programmes have been provided to the various student leadership structures, while awareness campaigns – in keeping with the Memeza Yellow Whistle initiative launched last year – have been conducted with first year students and will be continuing.

Other initiatives planned for this year include the provision of ‘first responder training’ to relevant critical staff and student leaders and a ‘rape escape’ self-defence programme. The SRC has also been conducting ‘Diba Dialogues’ through the campus radio station, to facilitate conversations around gender issues.

3.8 BBBEE and preferential procurement

Senior management has established a working group to develop a strategy to improve our BBBEE rating from its current level 8. The main areas for improvement include:

- Centralised co-ordinated tracking and reporting of all skills development interventions for Black staff;
- Identification, tracking and reporting on institutional internships and/or learnerships for Black students and graduates;
- Preferential procurement of Black-owned suppliers.
- Enterprise and supplier development initiatives for Black-owned businesses.

The University is committed to diversifying supplier development and preferential procurement, and achieving the deliverables of the MANCO-approved BBBEE action plan. The Supply Chain Management Policy is also currently under review to take into account new preferential procurement legislation and to address the enterprise development strategy that the University is embarking on.

The BBBEE working group aims to enhance accountability regarding the implementation of measures to enhance the level of BBBEE recognition of the University over time and to develop integrated monitoring and reporting systems to improve the tracking of BBBEE interventions.

3.9 Employment equity

The University (Employment Equity Department) has developed a new five-year Employment Equity Plan (2017 to 2022) which was approved by Council in September 2017. The process to establish the Employment Equity Forum is nearing completion. Given the need for the University to improve and diversify its employment equity profile, the Forum will need to aggressively monitor and drive the achievement of the University’s equity targets, as outlined in the Plan.

4. EMPLOYER OF FIRST CHOICE BY INVESTING IN TALENTED, HIGH-PERFORMING STAFF

4.1 Review of Conditions of Service agreement

In late November 2017, the University served notice for the termination of the Conditions of Service and Benefits (the CoS) agreement, which requires an urgent review as the terms of the collective agreement signed in 2012 are no longer sustainable. The 2012 collective agreement, among other

things, provided a formula used at the University during wage negotiations. This formula was negotiated and agreed upon at a time when the University and its coffers were far different than they are now, requiring the University to embark on a rigorous cost-cutting strategies.

During the 2017 wage negotiation period, numerous attempts were made to review aspects of the CoS agreement relating to the salary formula, but these were rejected by Nehawu and NTEU. After protracted wage negotiations that lasted for eight months with no end in sight, the University served the unions with notice to terminate the CoS agreement with the aim of returning to the bargaining table to craft a more sustainable agreement.

A legal dispute ensued, with the termination notice ultimately nullified by a Labour Court judge on 19 December 2017. While the court confirmed the University's right to terminate the collective agreement, it found the one-month notice to be unreasonably short. No alternative notice period was prescribed by the court.

The University has since served a new, three-month notice for termination of the CoS at the end of December, effectively giving a notice period until 31 March 2018.

There appears to be a general concern on the part of the unions in that the question as to what would happen to conditions of service if the agreement is terminated has not been canvassed. It is management's view that various provisions of the agreement would remain applicable for existing staff employed on Grades 5-17, but it is necessary that aspects of the current agreement are reviewed to ensure that the agreement is in line with the University's sustainability measures in the new context of pressured resource environment.

Management, at its meeting of 24 January 2018, approved and mandated the Management negotiating team to review the salary negotiations approach with the Unions before the actual 2018 negotiations commence. To this end, management notified the Unions of its intentions and held the first wage negotiations meeting on 1 March 2018. At this meeting it became evident that a transitional arrangement for salary increases for 2018/2019 is required while the CoS review and the new salary increment approach are being negotiated.

It appears that those negotiation processes might be prolonged, considering that NTEU has lodged a CoS termination dispute with the CCMA. NEHAWU, on the other hand, has proposed that the CoS termination notice be withdrawn before any review discussions take place. These issues are likely to affect the University's readiness to implement a wage increment by 1 May 2018. Such a delay might negatively affect staff morale.

4.2 Staff wellness

The main objectives of the Wellness@NelsonMandelaUniversity Programme include the following:

- Managing and containing the costs associated with employee ill-health such as absenteeism and staff turnover due to incapacity;
- Establishing a positive culture of employee wellbeing and engagement;
- Supporting HR strategies to increase and maintain a high level of productivity and efficiency; and

- Increasing engagement with HR as a wellness champion and driver.

Specific initiatives aimed at increasing the visibility and awareness of the wellness programmes with a specific focus on the newly integrated support staff, are being pursued.

4.3 Improving the experience of academic staff

Improving the experience of academic staff has become a focal area in the teaching and learning portfolio, with the aim of fostering an enabling environment that supports individual success and innovation. Institutional projects in this area consist of the following:

- “Learning Leadership in a Time of Change” support programme for Deans. The first set of support initiatives for the Deans and Campus Principals was launched in January 2018 in collaboration with the University South Africa (USAf) Higher Education and Leadership Management Programme (HELM) programme. The HELM programme intends to support Deans in the areas related to 1) institutional rules, regulations, policies, processes and systems, 2) role, location and authority of the Dean in the institutional landscape and 3) national policies and priorities and the implications and impact of these at the institutional and faculty levels. The second support programme available to the Deans, is the coaching course offered by the Coaching Centre, which offers personal and leadership support, and personal coaching to each Dean over the 2018 period.
- The Early Career Academics Programme (ECAP), launched on 25 January 2018, is conceptualised to support holistic career development of academics at the University. The programme creates a space for formal and informal knowledge sharing across disciplinary boundaries with academics from various faculties of the institution. The purpose of the ECAP is to support emerging academics and to address issues related to the academic journey by means of discussions, colloquia and workshops, complemented by a mentorship component.
- The Teaching Enhancement Programme, previously referred to as (Scholarship of Teaching and Learning (SOTL) hosted its first session on 27 February 2018. The programme’s objectives are to work collaboratively with academics, especially emerging academics, to enable life-long learning and self-directed reflective practitioners. It positions a scholarly approach to teaching and learning as a pathway to excellence.

Faculties are complaining about the slow rate of filling vacancies, which results in potential talent being lost due to the lengthy appointment process. The high number of vacancies in some faculties is also placing an additional workload on academic staff whose capacity is already stretched.

4.4 Reintegration of outsourced services

We had the pleasure of officially welcoming hundreds of previously outsourced service employees to the University on 23 February. Insourcing of the 384 employees in Cleaning and Horticulture services brings the total number of insourced staff who accepted the appointment offers at the University since June 2016 to 711, broken down as follows:

- Catering Services – 70
- Protection Services – 257
- Cleaning Services – 286
- Horticulture Services – 98 (69 Gardening Services; 29 Sport Fields maintenance)

This insourced staff complement brings the total number of permanent University employees in these services to 874. Prior to the reintegration, the University had 93 permanent staff in catering, 10 in protection services, 23 in cleaning and 42 in horticulture, supplemented by the then outsourced services.

In July last year, Council supported the proposal to develop business models for the operation of these reintegrated services, in a manner that would ensure the sustainable, efficient and cost-effective running of divisions and the institution. Council also approved the costing for the new business models made up of the operations and capital expenditures and total employee remuneration package. The costing applicable to the new business models, which needed to be affordable, was deemed appropriate if the University was to remain sustainable.

The provision of the opportunity for enterprise development involving service level employees is premised on the following key principles:

- Enterprises are established based on a principle of shared ownership, where employees and the University (initially) are shareholders of companies established;
- Reduce dependency of a large number of employees on the University's central budget for their primary source of higher income earning potential; and
- Enterprise development is one of the ways the University can contribute in demonstrable ways in the development and empowerment of employees in ways that enable them to get themselves out of the poverty trap.

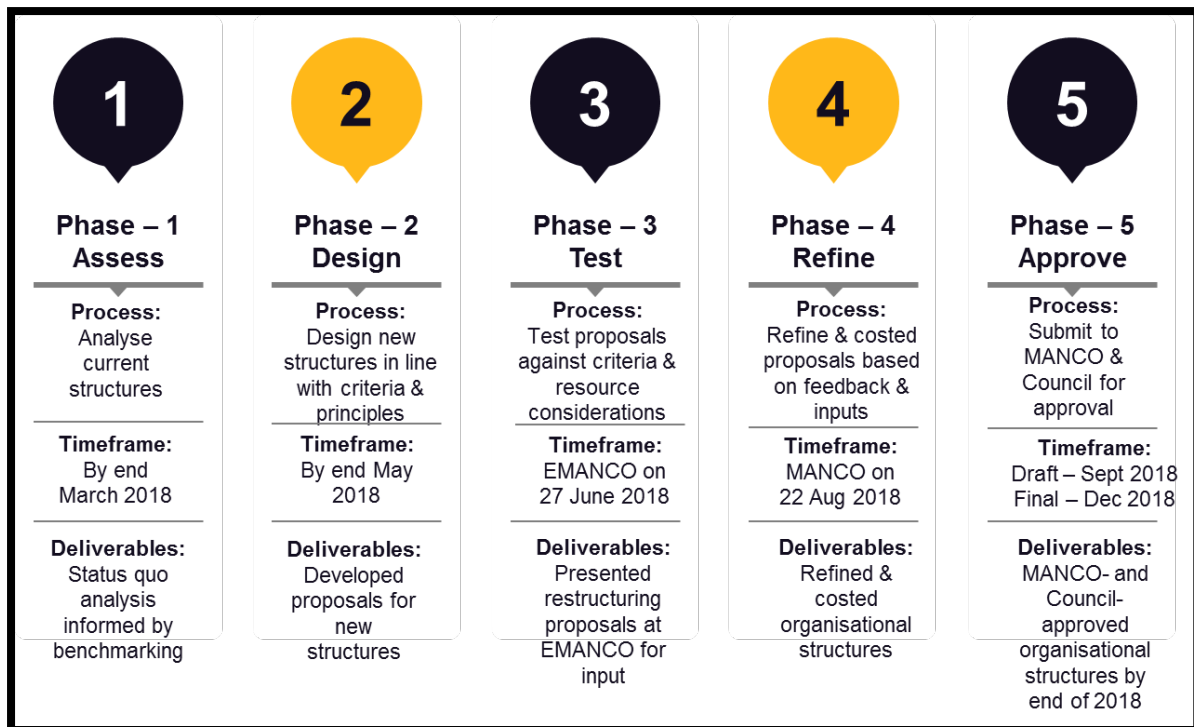
4.5 Organisational redesign

An increasingly complex and turbulent environment necessitates an organisational design that is agile to foster creativity and respond innovatively to the complexities inherent in emerging futures. Management has approved organisational redesign guidelines to ensure that this important task is undertaken in a consistent, equitable and transparent manner across the University during the course of 2018.

A small advisory panel has been constituted to oversee the organisational redesign process at institutional level to ensure that the overall process results in a coherent, integrated organisational design that is fit-for-purpose and strategy aligned. This panel will assist senior management by compiling a master implementation plan to indicate the sequencing of the phases of organisational redesign, including transversal change management interventions required, such as ongoing employee engagement.

It is envisaged that the draft proposals for organisational redesign be completed by the third quarter of 2018, following which these will be submitted to Council for inputs. Senior management will refine their proposals for final approval by Council by the end of 2018 for implementation during 2019.

An overview of the organisational redesign process and timelines is outlined below:



The overall redesign process will be launched in the next few weeks with the VC’s Office and Institutional Support serving as pilot cases to inform the rollout of organisational redesign through the rest of the University.

5. ENABLING SYSTEMS AND INFRASTRUCTURE THAT PROMOTE AN EXCEPTIONAL EXPERIENCE FOR STUDENTS, STAFF AND KEY STAKEHOLDERS

On 5 February 2018, Nelson Mandela University welcomed 26 000 students across 7 campuses in Port Elizabeth and George and lectures commenced with 6000 first-year students, the first cohort to register under our new name.

5.1 Student access and enrolment value chain

Since the resumption of administrative operations in early January, the University has made remarkable strides in addressing the myriad of challenges that often come with the start of an academic year. Through multi-stakeholder engagements in various working groups and task teams, which include student representatives, the University has been working hard to address issues related to admissions, student accommodation, financial aid, transport, as well as meal and book allowances.

Various business process improvements have been implemented to enhance the efficiency and responsiveness of the student access and enrolment value chain including the following:

- The CAAR test booking system was changed to allow updating the admission status directly into ITS.
- A mechanism for students to confirm their offer of acceptance online was developed in December 2017. This allowed students to inform the University whether they will be taking up the space or not, and will allow Admissions to re-allocate vacant spaces to other applicants where possible.

- Students are allowed to change their mind at least twice with regards to their application choice. The bulk of these changes happen in January before registration when the programmes become full. A facility for students to indicate their changes online, which automatically updates the admission data and reduces the workload of the Admissions staff, was delivered in the first week of January 2018 and has been used by over 1735 applicants to date.
- The auto-admissions programme, which automatically admits students once the final matric marks have been released in January based on predefined criteria, was enhanced to include a wider scope of qualification admission criteria. Between 2-11 January 2018, 3761 applicants were admitted and 2062 applicants were rejected or referred for testing.
- A development for the postgraduate online application routing of emails to generic groups, instead of individual staff members for each department, is currently in progress. This will reduce the amount of postgraduate applications not attended to due to staff being on leave, as more than one staff member will be responsible for the emails at any point in time.

While progress has been made, we are mindful that our access and enrolment value chain requires further re-engineering to ensure that the large number of offers made to applicants actually translate into enrolments. We will continue working progressively towards ensuring more functional, integrated and responsive systems and processes that will address the root causes of this challenge.

5.2 Registration

A presentation will be made to Council at this meeting to provide a more detailed breakdown of the latest registration trends. I will therefore only highlight the key trends that are worth noting.

In our 2018 Annual Performance Plan, we revised our enrolment targets downwards due to the sharp decline in 2017 enrolments after the 2016 Fees Must Fall shutdown. Generally, it is encouraging to note that the University is once again on a healthy enrolment growth trajectory and it should be possible for us to achieve our target headcount enrolments of 28 180 students for 2018.

As at 19 March, 26 633 students were successfully registered, which is 5.4% more than the 25 280 students who were registered at the same time last year.

At undergraduate level, the average annual growth rate was 6.2% with the highest growth in the Faculty of Arts (20.5%) and the lowest growth rate in the Faculty of Business and Economic Sciences (0.5%).

The first-time entering undergraduate enrolments increased by 23.8% from 2017 to 2018, which is a very positive trend since the University experienced a 13.4% decline in first-time entering undergraduate enrolments from 2016 to 2017.

At postgraduate level, the enrolment growth from 2017 to 2018 was only 0.4% and this is cause for concern if the trend does not improve. Postgraduate enrolments normally continue during the course of the year and a large number of students register at the beginning of the second semester so this will need to be closely monitored.

In terms of our overall academic size and shape, currently 87% of the University's enrolments are at undergraduate level (including occasional students) and 13% at postgraduate level. The target for postgraduate enrolments for 2018 was 15%, indicating that there is room for an increase in these enrolments.

Registration is ongoing as the late registration period ends on 29 March 2018. We are aware that late registrations result in the late arrival of students midway through the semester, which puts both the University and the students at risk, especially those from impoverished backgrounds who are financially and academically vulnerable. The influx of late registrations also results in overcrowding in classes and laboratories.

About 92 instances of overcrowding have been reported to date, with 18 of those remaining unsolved. The team is working towards the speedy resolution of these issues.

5.3 Financial Aid

Up until last week, the University's Financial Aid office had received 7 488 applications for financial assistance. Of these, 6 199 received the necessary assistance and have been able to register. About 1 700 students from the assisted 6 199 qualified for NSFAS funding under the new funding dispensation and their applications have been forwarded to the financial aid scheme as additional applications. The University is awaiting feedback in this regard and is pressing to receive responses soon so as not to hamper progress already made in the financial aid area.

NSFAS alerted the universities in January 2018 that they were allowing late applications for certain qualifying applicants, but required the universities to handle the applications and preliminary vetting of the applicants. ICT Services, together with Student Accounts and Financial Aid, enhanced the GAP funding online application system to cater for NSFAS applications, including the initial validations and reporting, and identifying first time entering students with a family income below R350 000 per annum and senior students with a family income below R250 000 per annum. The system went live on the first day of registration, enabling 4213 applicants, who qualified without needing the initial down payment, to register.

NSFAS, in collaboration with AdaptIT, have provided an electronic integration between ITS and the NSFAS database. This has been implemented on our production servers and allows the Financial Aid Department to query the NSFAS status of a student, as well as to electronically pull and upload NSFAS information into ITS.

In the interim, arrangements have been made for those first year students who are awaiting feedback from NSFAS and are in University residences to receive meals daily. Arrangements have also been made for postgraduate students who will be financially assisted from the University coffers to receive an allowance that they can use at their discretion for food, accommodation or transport needs. The Financial Aid office is submitting claims to NSFAS on a daily basis in an effort to get all qualifying students' allowances paid as soon as possible.

The Financial Aid Task Team continues to meet to review and oversee the implementation of the financial concessions agreed to between management and the SRC to ensure access for academically deserving, financially needy students. Daily operational meetings between the Student Accounts Department and the SRC further assist this.

5.4 Student Accommodation

The demand for student accommodation remains a national challenge as the need still far outweighs supply. This has been compounded in 2018 by the new funding dispensation that has seen many more poor and working class students qualifying for fee-free higher education.

The student housing office has accredited 6337 beds in off-campus accommodation in 2018 compared to 4453 beds in 2017. The number of beds available in on-campus student housing remains an ongoing challenge, but we have received provisional feedback from the DHET that the University's intention to massify student housing is fully endorsed. The Department furthermore expressed appreciation to the University for its pioneering model to massify on-campus student accommodation since this can be replicated across the higher education sector.

During the course of the year, once we have received official feedback from DHET about our infrastructure funding allocation, the University will unveil concrete medium- and long-term plans to address the perennial issue of student housing.

5.5 Staff and Student Transport Strategy (SSTS)

As with student housing, there was a marked increase in the demand for the shuttle service because of increased numbers of students in accredited off-campus accommodation and on the Missionvale campus. Consultative meetings have been held with students resulting in transitional arrangements whilst we finalise our medium- to longer-term student transportation plans.

An assessment of the current student mobility options has been completed and a strategy has been developed with an indication of costing implications. To spread the impact of the increased demand for transport, the University will have to adapt its Residence Accreditation policy to provide for different levels of transport service provision associated with the location and capacity of residences.

Key components of the envisaged student and staff transportation strategy (SSTS) include the following:

- The SSTS will be available to all students and staff of the University and envisaged routes will be named and colour coded.
- In support of its academic and other activities, the University will provide transport between accredited student residences, the University campuses and training facilities to satisfy minimum needs. Such transport shall be provided through a contract with an external service provider with the intent that, wherever possible, an effort will be made to transfer the responsibility for transport provision to the local municipality.

- The ideal is that every student pays a transport availability levy whilst students requiring special transport for academic activities will have an additional course-related transport levy applied.
- Residence accreditation is to include categorisation in terms of the transport accessibility of the facility, which categorisation must be undertaken by the transport management team.

5.6 Student Nutrition

Campus Health Services supplied more than 3 000 students needing nutritional assistance with food parcels, which has been made possible by Tiger Brands. This included students who are still awaiting their NSFAS allocation, residing in off-campus accommodation, those not yet registered, and those qualifying for debt relief.

The demand for food is increasing substantially at the Port Elizabeth and George campuses. To address this in a more sustainable and humane manner going forward, management is working with the SRC to implement their 2018 #MyMandela campaign, which includes a proposal for establishing a food bank.

5.7 Safety and Security

The Safety and Security Task Team continues its work through a number of initiatives aimed at improving the overall safety on University campuses. There are noted improvements in access monitoring at the University entrances and visible patrols by Protection Services staff around campuses, among others.

Much like in the attempts at curbing crime in the country, a myriad of challenges are encountered in the bid to adequately address safety and security related issues at the University. The University is currently working on a comprehensive safety and security strategy. Key features of the strategy include the following:

- Increasing the use of digital platforms and biometrics to identify security threats on our campuses;
- Establishing a central control room with mini replicas on all campuses to ensure that response teams are rapidly deployed to deal with incidents; and
- Equipping security personnel with handheld devices and training them in how to respond at the scene of an incident.

5.8 Digitisation and business process improvements

The university's core ICT infrastructure is continually being expanded to remain in sync with digital requirements. During 2017, an amount of R4.7m was approved to maintain and enhance ICT infrastructure, of which R1.25m was earmarked for Wi-Fi densification in lecture venues with more than 50 seats.

A new 63-seater general computer laboratory at the Second Avenue Campus is due to open this month. The laboratory is part of initiatives to reduce the digital "access" divide of university students. Second Avenue has traditionally had the highest student to PC ratio.

The technology-enabled facility at the South Campus Library, which will enable multi-faceted technology investigations and training, including online assessments, is nearing completion. All furniture has been delivered and the installation of the fixed technologies, like computers, audio-visual equipment, access control and networking, is near completion.

A phone application, called **MapBuddy**, developed mainly by a PhD student in the Department of Computing Sciences in conjunction with ICT Services, went live in February 2018. It assists users in locating buildings on our campuses and plotting the shortest route to get there.

During 2018, the following large ICT infrastructure deployments are planned:

- Teaching and Learning Wi-Fi Densification (targeting lecture venues with less than 50 seats)
- Intel Server Replacements
- Storage replacement / expansion
- Replacement of 255 end-of-life Wi-Fi access points
- Replacement of end-of-life network switches

DHET funding to the value of R13.5m has been approved for key ICT Projects including the following:

- ICT networking and connectivity infrastructure
- Improving e-readiness of teaching and learning venues
- ICT projects in support of improved safety on campus
- Improved data centre redundancy for disaster recovery and business continuity

A student-facing call logging portal was launched during 2017, which allows students the ability to “self-help” via knowledge base articles or log a call for ICT Services, Student Housing and Student Finance related matters. It is envisaged that this system will be expanded to other student facing departments during 2018 – 2019.

Strategic funding has been set aside to develop a staff-facing “self-help” portal, which will allow staff to track requests/issues raised with internal service departments, in a similar way as with ICT Services. The Human Resources department will be incorporated into the CRM system during 2018. The latter will be project-driven with a team of external professionals doing the analysis, planning and implementation based on university stakeholder engagement.

5.9 Infrastructure and Efficiency Funding: 2018/19 – 2020/21

On 9 March 2018, a small delegation from the University met with officials from the Department of Higher Education and Training to discuss the 2018/19 – 2020/21 cycle of DHET Infrastructure and Efficiency Funding. The Department has developed a Macro-Infrastructure Framework for the sector to ensure that infrastructure is developed and maintained in line with institutional and national development priorities.

DHET emphasised that each university needs to embrace an integrated planning approach to ensure that infrastructure development aligns with the University’s strategic, academic, staffing and financial

aspirations, intentions and capabilities. To this end, the institutional and national strategic priorities that informed the project proposals submitted by Mandela University included the following:

- Strategic positioning through a distinctive institutional mission and mandate;
- Responsiveness to national developmental priorities:
 - Medical School: Quality health care for all and the implementation of the NHI;
 - Ocean Sciences Campus: Unlocking the potential of the oceans economy;
- Expanded on-campus student accommodation;
- Quality, technology-enabled teaching and learning for student access and success; and
- Sustainable environmental and resource stewardship.

Within this overarching strategic framework, the following infrastructure funding proposals were submitted by the University for consideration by the Department:

Name of project	Estimated total cost of project (2018/19 to 2020/21)
Medical School (Refurbishment of Missionvale Campus)	R121 722 384
Ocean Sciences (Science Centre & Block E Extension)	R91 729 108
Student Housing (2000 beds)	R414 100 000
ICT improvements in support of T&L	R27 350 000
Interventions in support of a closed campus for the Summerstrand university complex	R27 192 420
Return Effluent Irrigation scheme - North/South Campus Phase 2 & 3	R15 000 000
New Water pipeline & distribution network - North/South Campus - Concept/Feasibility	R700 000
Electronic Water Meters - North/South/2nd Ave Campuses	R250 000
Photovoltaic renewable energy – North, 2nd Ave & George Campuses	R3 000 000
Establishment of a transportation hub for students utilising public transportation to campus	R9 000 000
Total	R710 043 912

In principle, the Department supported all the infrastructure projects submitted by the University and we were commended for the quality of integrated planning that informed the submission. While it is not likely that the University will receive the total request of R710m over three years, the Department did express its support for the projects rated as our 1st and 2nd priority, most notably, the infrastructure requirements associated with the medical school, ocean sciences, student housing, ICT and campus security enhancements, and the return effluent irrigation scheme. We will inform Council of the outcome of our application as soon as the Department informs the University officially of its approved I&E funding allocation, most probably in April 2018.

6. LONG-TERM FINANCIAL SUSTAINABILITY THROUGH RESPONSIBLE RESOURCE STEWARDSHIP

As Council is aware, the past two years have been an extremely challenging time for the higher education sector across South Africa from the viewpoint of escalating cost pressures on universities. Declining subsidy, limitations on fee increases, student debt recoverability, the increased demand on universities to contribute to financial aid of students, as well as the cost of insourcing, are negatively impacting on the ability to adequately fund operations and infrastructure. Due to these additional costs and constrained resources, the institutional budget has not been in a position to make provision for the transfer to the earmarked five-year replacement reserves. In 2018, we are working with a balanced budget, after utilising the majority of investment income (i.e. R15.6m surplus after investment income; R78.8m deficit from operations before investment income). However, this is not sustainable in the medium- to long-term and the institutional budget needs to return to a break-even point for recurrent operations before investment income, while growing reserves to maintain, replace, upgrade and expand property, plant and equipment and funding strategic initiatives.

6.1 Institutional sustainability plan

The University has embarked upon an institution-wide sustainability plan to ensure that we are in a position to respond to multiple and often competing demands from various stakeholders in a resource constrained environment. These sustainability interventions include the following:

Academic optimisation and strategic differentiation – includes optimising the current programme and qualification mix (PQM) across all faculties, accelerating curriculum renewal and transformation, and pursuing a differentiation strategy by clearly defining the University's distinctive academic identity as a comprehensive university. An implicit dimension of having a focused differentiation strategy is not only defining what we are going to invest in, but also clearly articulating what we are no longer going to pursue. As new strategic academic directions are embarked upon, existing programme offerings need to be curtailed or discontinued if they are no longer viable.

Review of organisational structures, including business models for reintegrated services – involves a review all organisational structures to assess strategic alignment and fitness for purpose. This includes implementing the business models for the reintegration of support services since the outcomes of this modelling will need to inform a holistic review of the organisational structures for all professional, administrative and support service (PASS) divisions.

Catering, security, cleaning, and gardening represent significant costs in the University budget, and insourcing these services has a significant impact on our operating budgets. Given the constrained financial environment, there is an urgent imperative to streamline the organisational systems through which insourced services are to be managed and operated. We are therefore in the process of implementing innovative business models that will drive down costs and optimise service delivery across these services.

Improving cost efficiencies – Management has taken decisive steps to implement austerity measures since August 2016. The core purpose of these measures is to eliminate unnecessary duplications and wasteful expenditure, while also implementing cost-cutting measures to reduce expenditure,

especially as it relates to printing, travel, catering, water and energy consumption, and use of off-campus venues. In this regard, a moratorium on filling PASS vacant posts has been in place until the revised organisational structures have been approved later this year.

Re-imagining revenue mobilisation, commercialisation and overhead recovery – the existing policies for private work and secondary contracts, as well as the overhead recovery models for short learning programmes, need to be reviewed to ensure that the University generates fair return for the use of its infrastructure, facilities and brand. Attention also needs to be devoted to opportunities for commercialisation and strategic revenue mobilisation to generate additional income in creative ways.

Institutional operating model – this initiative seeks to assess the existing institutional operating model, to explore opportunities for improved efficiencies and revenue generation, including scaling up blended learning and other innovative modes of delivery. Institutional systems and processes also need to be re-engineered and digitised, wherever possible, to improve efficiencies and reduce costs by working smarter. The distinctive niche of each campus, as well as the optimal blend of centralisation and decentralisation, will also be reviewed within a multi-campus context.

Revising the RAM (Resource Allocation Model):

The ED: Finance and his team are reviewing the existing resource allocation model to enable the University to deploy available resources more strategically in high-growth and high-yield areas. Our listening campaign with the faculties has revealed that the RAM needs to be reviewed particularly as it relates to the following:

- The **staff: student ratios** in many faculties are much higher than the national benchmark and this places considerable strain on already stretched staff capacity.
- As we expand in strategic academic growth areas such as the Medical School and Ocean Sciences, faculties that provide **service/fundamental modules** for these programmes experience a growth in student numbers, which the RAM only rewards two years later. In the interim, staff: student ratios in these modules increase significantly and service departments struggle to teach large classes with limited staff and infrastructural capacity.
- Faculties' ability to attract **talented equity academic staff** due to the perceived inability to offer competitive remuneration packages. Added to this, Faculties also need to fund *ad personam* promotions within the constraints of the RAM, which is particularly challenging in faculties where resources are constrained. The consequence of this that it is becoming difficult to attract and retain talented academic staff who are offered better packages and benefits elsewhere.

Revisiting the space utilisation philosophy

The University should move to implement its already approved space utilisation philosophy to improve efficiencies through optimal utilisation and sharing of infrastructure and facilities. We will also need to assess the extent to which new digitised delivery mode platforms could alleviate the need for large lecture venues.

6.2 Strategic resource mobilisation

The financial sustainability of the University will depend largely on our ability to grow and diversify our resource base to simultaneously optimise subsidy and tuition yield and reduce the overall over-dependency on government subsidy and tuition fees as sources of income.

Within the faculties, numerous efforts to ensure optimum and effective resourcing are underway, including the following:

- Many faculties have submitted external grant applications and are awaiting responses on the status of these requests.
- The FoA has reviewed the protocol and allocation of primary and secondary contracts within the faculty and has set new guidelines of how this will be implemented in future in order to efficiently manage increasingly diminishing faculty funds.
- The FoE has secured a bursary to support the development of indigenous languages by 2021, as the Department of Applied Language Studies, together with the Department of Language and Literature responded to a call by the Department of Arts and Culture (DAC). The faculty was awarded just over R3m for 2018-2019, 2019-2020 and 2020-2021 for under- and postgraduate students.
- In the FoHS, the infrastructure requirements of the medical programme have been submitted and presented by the institution to DHET (as part of institutional submission) for the next cycle of DHET infrastructure and efficiency grant funding.

The Strategic Resource Mobilisation Office, under the leadership of Professor Denver Webb, has been established to provide high-level planning, implementation and reporting for enhanced resource mobilisation across the University and to conduct fundraising and internal investment campaigns in support of strategic projects.

These issues require our concerted attention in 2018 such that we figure out ways to free up existing resources where possible and find new resources to address mission-critical needs. Failure to do so will impact negatively on the University's competitiveness and ability to provide quality education.

Key issues going forward:

- Embedding our Mandela institutional identity and ethos
- Implementation of institutional sustainability plan and indicator framework, including targets and ownership by MANCO members
- Implementation of institutional transformation plan and monitoring framework
- Sustainable ocean sciences and medical school strategies
- Integrated strategic enrolment management
- Expanding on-campus student accommodation
- Implementation of organisational redesign process
- Implementation of reintegration business models