NELSON MANDELA

UNIVERSITY

Annual Performance Plan: 2019

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FOREWORD BY CHAIRPERSON OF COUNCIL

Vision 2020 sets out the strategic pathway Nelson Mandela University is taking to optimise its strategic advantage as a distinctive comprehensive university widely recognised for its life-changing, pioneering education, research and innovation that contributes to a sustainable future and promotes the public good. Over the past two years, Vision 2020 was comprehensively reviewed to take cognisance of the rapidly changing environment in which the University operates. As part of this strategic review, Nelson Mandela University has been exploring ways of enhancing immediate, medium- and long-term sustainability, which is defined by the King III Report as follows: *"Sustainability means conducting operations in a manner that meets existing needs without compromising the ability of future generations to meet their needs. Sustainability also refers to the ability of an organisation to consistently, continually and efficiently raise, manage and deploy funds with which to implement programmes and to achieve set goals that ultimately benefit the communities in which they operate."*[1]

Under the leadership of the Vice Chancellor and her senior management team, the University has initiated various sustainability interventions, such as: implementing measures to enhance the strategic and financial viability of all academic programmes; re-imagining and diversifying revenue mobilisation; re-assessing organisational structures to ensure fitness-for-purpose; and re-engineering institutional operations and business processes, including the reintegrated outsourced services. Concurrently, Council has mandated four key, game-changing development trajectories for the University to ensure that it differentiates itself strategically, namely:

- Building the new brand and identity of Nelson Mandela University, nationally and internationally;
- Positioning the University as the leading Ocean Sciences university in the country, and in the longer term, the continent as a whole;
- Transforming health sciences education towards the establishment of the tenth medical school in the country; and
- Developing capacity for strategic resource mobilisation through the restructuring of the University Trust and the establishment of appropriate internal institutional capacity for fundraising.

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[1] Institute of Directors of South Africa, 'Practice Notes. A guide to the application of King III for non-profit organisations', pg 2.

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OFFICIAL SIGN-OFF

It is hereby certified that the Nelson Mandela University Annual Performance Plan for 2019:

- Was developed by the senior management of the Nelson Mandela University under the guidance of the Vice Chancellor, Professor Sibongile Muthwa;
- Was prepared in alignment with Nelson Mandela University's revised Vision 2020 Strategic Plan; and
- Accurately reflects the performance targets which Nelson Mandela University will endeavour to achieve given the resources made available in the budget for 2019/20.

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MS NOZIPHO JANUARY-BARDILL
CHAIRPERSON OF COUNCIL

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PROFESSOR SIBONGILE MUTHWA
VICE-CHANCELLOR

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SECTION A: SITUATIONAL ANALYSIS

1. Performance delivery environment

Higher education plays a major role in the development of a vibrant society and is key to delivering the knowledge requirements for development that will enhance the quality of life for all citizens. Universities play three main functions in modern society. Firstly, they are responsible for the education and training of professionals and other high-level human resources for the wide range of employment needs of the public and private sectors of the economy. Those who graduate from universities are the job creators, policy-makers, social innovators, business leaders and competent global citizens of the future. The second function of higher education is to produce new knowledge and find new applications for existing knowledge locally and globally. Thirdly, higher education provides opportunities for social mobility and simultaneously strengthens equity, social justice and democracy.

Nelson Mandela University uniquely carries the name of one of the most revered political leaders of our time, the late Dr Nelson Rolihlahla Mandela, and we are inspired to emulate his values to create a socially just and democratic society. The University's positioning strategy offers the opportunity to rebrand Nelson Mandela University both continentally and globally, while simultaneously cultivating actively supportive and engaged stakeholders – for the purposes of policy support, funding, and partnerships. This is particularly critical in a context of intensifying global competition for talent and funding, as well as the need for greater differentiation in the higher education sector nationally.

The uncertain environment, within which all universities operate, requires that universities continuously assess their strategic priorities against current realities and adapt these where required to enhance competitiveness and make judicious choices about how best to deploy scarce resources in a sustainable manner. To this end, the University's Vision 2020 strategic plan (2018-2020) has been comprehensively reviewed and Council approved the revised version on 28 September 2018. The University is poised to honour the legacy and values of Nelson Mandela by *changing the world* for the better through our qualification mix, curricula, scholarship and innovation, engagement and partnerships, institutional culture, and service delivery.

To achieve this, the requisite 2018-2020 institutional planning processes and timelines are depicted diagrammatically below:

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2017
- Comprehensive review of Vision 2020
- Institutional Transformation Plan approved by Council
- Updated portfolio-based strategic plans (2018-2020)

2018
- VC's listening campaign
- VC's inaugural address
- Revised Vision 2020 (2018-2020) strategic plan approved by Council

2019/2020
- Craft Vision 2030 in consultation with key stakeholders
- Vision 2030 approved by Council in 2020 for implementation from 2021

As part of the strategic planning process, the context within which the University operates must be continuously evaluated to assess the impact of external and internal environmental trends on decision-making, strategy and resourcing.

2. Legislative mandate

Within the context of higher education and training, key legislation and policy frameworks guide the purpose and mandate of public universities in South Africa. These are summarised below:

The Higher Education Act, 1997 (Act 101 of 1997) provides for a unified and nationally planned system of higher education, as well as the arrangements at sectoral and institutional level to promote quality. The Act provides for the oversight and guidance of universities in respect of institutional planning, funding

and quality assurance. The Act has been amended to make provision for new institutional types, alongside the development of policy by the Minister in dealing with transformation and related matters within the higher education and training sector.

The National Qualifications Framework Act, 2008 (Act No. 67 of 2008) provides for the National Qualifications Framework (NQF) as the principal instrument through which national education and training qualifications are recognised and quality assured. The objectives of the NQF are to:
- Create a single integrated national framework for learning achievements;
- Facilitate access to, and mobility and progression within, education, training and career paths;
- Enhance the quality of education and training; and
- Accelerate the redress of past unfair discrimination in education, training and employment opportunities.

The National Development Plan (2012) affirms the importance of education, training and innovation as core elements in eliminating poverty, reducing inequality, and promoting equality. To this end, the NDP outlines three main functions of universities, namely to: provide people with high-level skills for the labour market; produce new knowledge, assess and find new applications for existing knowledge, and validate knowledge and values through their curricula; and provide opportunities for social mobility and strengthen social justice and democracy, thus helping to overcome historical inequities. It is widely acknowledged that higher education plays an important role in equalising individuals' life chances, advancing economic growth, creating employment, eradicating poverty and reducing inequality by providing opportunities for social mobility.

The central thrust of the Presidency's Medium Term Strategic Framework (MTSF) for 2014-2019 is to place the economy on an upward growth path that eliminates poverty, creates jobs and sustainable livelihoods, and substantially reduces inequality. The overarching goal is that, by 2030, South Africa should have access to education and training of the highest quality, leading to significantly improved learning outcomes. Furthermore, the education, training and innovation system should produce graduates that have the skills and knowledge to meet the present and future needs of the economy and society. To achieve these aspirations, the following outputs have been identified:
- A credible institutional mechanism for labour market and skills planning;
- Increase access and success in programmes leading to intermediate and high level learning;
- Increase access to and efficiency of high-level occupationally directed programmes in needed areas; and
- Increase access to occupationally directed programmes in needed areas and thereby expand the availability of intermediate level skills with a special focus on artisan skills.

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This mandate is elaborated on in the White Paper for Post-School Education and Training (2013) which asserts that: *"Universities are crucial institutions in terms of reaching our national development objectives. This includes supporting the rest of the post-school system and aligning curricula and research agendas to helping to meet national objectives."* In keeping with the NDP and MTSF targets, the White Paper seeks to enhance access to universities by increasing the participation rate from 17.3 per cent to 25 per cent to give effect to a total enrolment of approximately 1.6 million by 2030. Furthermore, the enrolment planning targets set by universities are informed by the national imperative to encourage expansion in teacher education, health, as well as particular areas of science, engineering and technology. The White Paper furthermore correctly emphasises that, while enhancing access, universities need to focus on improving student performance, as measured by success and throughput rates, to move towards achieving the benchmarks of 80% and 25% respectively.

The DHET is currently engaged in sector-wide consultations in finalising the draft National Plan for Post-School Education and Training (2017). 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. 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 and global sustainability challenges. 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.

Despite increasing levels of investment in education and training over the last decade, South Africa still has more than 3.2 million youth that are not in employment, education or training (NEETs). To address this challenge, the National Integrated Human Resource Development (NIHRD) Plan (2014-2018), developed by the Human Resources Development Council of South Africa, identified five strategic goals, namely:

- Strengthen basic education and university foundation programmes in Science, Technology, Engineering, Mathematics and Languages;
- Expand access to quality post-schooling education and training;
- Produce appropriately skilled people for the economy;
- Develop a capable state with effective and efficient planning and implementation capabilities; and
- Improve research and technological innovation outcomes.

Against this backdrop, Nelson Mandela University acknowledges the need to enhance access to high quality, affordable post-school educational opportunities. To respond to the national imperatives of reducing inequality, unemployment and poverty, the University will continue to define itself as a university that

makes a decisive contribution to the changing relationship between higher education and society through innovative approaches to the curriculum, teaching and learning, research and engagement. This is in keeping with the legislative mandate endowed upon us as a public higher education institution within a democratic society.

3. State of the University

In her inaugural address[1], Vice-Chancellor, Professor Sibongile Muthwa, asserted that: *"We are a world, a continent and a nation in transition. Both the higher education sector and our University are also in a state of change. We, as Nelson Mandela University, stand on the threshold of the next exciting stage of our evolution. It is up to us to define the trajectory we take into the future in the context of national, continental and global challenges."*

The University is mindful that, for the foreseeable future, universities will be beset by complex, multi-dimensional challenges such as policy uncertainty, stagnant economic growth, increased enrolments and growing student expectations for expanded support, as well as rigorous accountability and regulatory requirements. This is echoed in the foreword of the 20-year review of higher education in South Africa, as follows: *"The successes and limitations of policy in steering the system, the responses of the system to global trends to which it is vulnerable, and the agency of institutions in shaping the system, are all aspects which lend themselves to careful unpacking from various perspectives, in order that the past may inform the future."*

From the above it is clear that, Nelson Mandela University needs to contextualise forward planning by taking cognisance of the strengths, challenges, opportunities and threats confronting higher education nationally and globally. During the first half of 2018, the Vice Chancellor (VC) led an institution-wide listening campaign to facilitate active stakeholder participation in shaping the University's strategic aspirations up to and beyond 2020. This campaign provided a valuable platform for senior leadership to engage with various internal stakeholders to develop a comprehensive baseline on the current state of the University.

3.1 Strengths

Given its distinctive niche as a comprehensive university, Nelson Mandela University seeks to provide enhanced access and articulation opportunities within a wide range of general formative and vocational, career-focused qualifications from certificate to doctoral levels. We recognise that access must be linked to success and various strategies are in place to provide supportive living and learning environments conducive to improved academic performance, including

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[1] Muthwa, S. (2018) *Taking Nelson Mandela University Boldly into the Future in Service of Society*, Inaugural Address, 17 April 2018

providing a range of student academic support and development services within and beyond the classroom. These services include peer support and mentoring, supplemental instruction, and providing various forms of extended curricula and foundation programme provisioning to assist underprepared students in transitioning effectively into post-schooling education. Experience has shown us that broadening access, most especially to students from impoverished backgrounds, carries additional costs. Opening the doors of learning to all requires that universities address broader systemic issues impacting negatively on the academic success of economically and academically vulnerable students. This includes student nutrition and food security, access to study materials, transport, accommodation, and access to computing devices and Wi-Fi connectivity. The University has sought to create an enabling environment for teaching and learning through modern, technology-enabled facilities, Wi-Fi connectivity on all campuses, as well as new infrastructure.

The University makes a considerable investment in student development and support, which has yielded a remarkable improvement in success rates from 75% in 2010 to 83% in 2016. Unfortunately, this pleasing trend did not continue into 2017 largely due to the rolling impact of the prolonged Fees Must Fall student protests and shutdown in 2016 and the student success rate declined to 78%. However, a student data analytics programme called _Siyaphumelela_ (together we succeed), supported by grant funding from the Kresge Foundation, has made it possible for the University to develop an integrated early-warning, data tracking system to monitor student academic performance to identify students who are academically vulnerable to implement impactful support interventions. This will significantly boost our capacity at institutional and faculty levels for using cohort analyses to better understand underlying causes of high student attrition, throughout the academic cycle of a student, and to use this information to structure targeted student support strategies.

Nelson Mandela University is also widely recognised for its innovative and engaged scholarship, which seeks to respond to a broad spectrum of government, industry and societal needs in collaboration with multiple stakeholders at local, regional, national and international levels. There are high expectations that our research and engagement will impact on and improve the lives of all our communities – from Nelson Mandela Bay to the rest of Africa and the World. In diverse ways, our University's research endeavours seek to better understand humanity and our planet, with the aim of achieving a healthier, more sustainable, better future for all. Our scholarship and engagement need to reduce inequality and poverty, through adopting a transdisciplinary where the arts meet the sciences. As a comprehensive university, we furthermore converge "blue sky" and applied research with community engagement as a centrepiece of our multi-stakeholder partnerships.

3.2 Challenges

South Africa is one of the most unequal countries in the world and it is widely recognised that the expanded provision of quality higher education will

contribute to breaking the cycle of inter-generational poverty and unemployment. Nelson Mandela University is acutely aware of the burden these pernicious societal challenges have placed on our students, particularly given that more than 70% hail from poor, rural parts of the Eastern Cape. The past two years have been an extremely challenging time for higher education across South Africa due to escalating cost pressures arising from the near freeze on fees while simultaneously absorbing the costs of financial concessions and debt rescheduling for students, as well as insourcing large cohorts of support service employees. In short, the major financial challenges facing the sector in the next few years include declining subsidy, uncertainty in respect of the higher education funding framework, student debt recoverability, the increased demand on universities to contribute to student financial aid, as well as the cost of insourcing. On a positive note, the University welcomes the introduction of fee-free higher education for the poor, as well as the commitment of Government to increase its investment in post school education and training (PSET) to at least 1% of the GDP over the next five years.

Cognisant of the financial challenges that lie ahead, the University has established the Strategic Resource Mobilisation Office (SRMO) to unlock funding from different sources including public, private, own resources, partnerships and international funding envelopes. This new Office will serve as the fundraising co-ordination hub, whilst proactively researching new avenues of funding. In the meantime, the Trust has been ramping up resource mobilisation initiatives in collaboration with faculties.

Among the student support services required to give our students the best chances of academic success, it is imperative that Nelson Mandela University continues to explore innovative strategies to expand affordable on-campus student accommodation. The majority of our students live off-campus largely due to insufficient on-campus accommodation facilities and affordability factors. This sees large numbers of students traveling to the various campuses on a daily basis. For manageability and affordability, the backbone of the student mobility strategy is a reliable and affordable shuttle service running along various routes across the city. Nelson Mandela University established its own shuttle service some three years ago, largely because of delays and uncertainties associated with the Metro public transport system, but this is costly.

The challenge of providing more on-campus accommodation remains. We have been allocated DHET Infrastructure and Efficiency Funding for the purpose of public-private partnership student housing with Nelson Mandela University expected to fund 33.3% of the total costs through a loan. In pursuit of enabling living and learning environments on- and off- campus, we are also exploring the idea of a 'Student Village in the City' in conversation with the Nelson Mandela Bay Municipality and the housing development agency. The idea is to partner in an inner city renewal initiative which will deliver large numbers of beds for off-campus student accommodation whilst regenerating the inner city as a business hub that caters for the needs of students to be housed there. This is a long-range project and in the interim, we continue to maintain an off-campus housing model with those accommodation establishments who successfully apply for accreditation. The maintenance of appropriate living and learning standards proves challenging at times and proactive engagements are ongoing, including a recent "health drive" in accredited off-campus residences in partnership with the campus health services.

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Achieving a demographically diverse academic staff profile remains a further challenge for the higher education sector as a whole, with huge pressures on our universities to transform in alignment with South Africa's policy goals. Nelson Mandela University has not progressed sufficiently in respect of achieving major shifts in the academic staff profile, although we have fared better at executive management level and in our professional/administrative support services. Concerted efforts are being made to diversify the academic staff profile through the rigorous implementation of employment equity targets and protocols. A further innovation in the 2016 budget was to make provision for an earmarked *Academic Staff Equity Development Fund*, held in the Office of the Vice Chancellor, to target the most promising black postgraduates wishing to develop academic careers, and finance their integration and development within the academy. Talent continuity strategies will be especially critical as increasing numbers of senior academic staff with PhDs retire over the next few years.

The University Capacity Development Grant (UCDG) will provide funding from 2018 onwards to enable the University to scale up the development of the next generation of academics. In particular, capacity development opportunities will target four different groups of academics and researchers, namely:

- Emerging academics and researchers from designated equity groups;
- Established academics from designated equity groups who need to be supported in preparation for future academic management roles (such as Heads of Departments and Directors of Schools);
- Established academics from designated equity groups who wish to grow into internationally renowned researchers and scholars; and
- Academics nearing retirement who need to be prepared for future mentoring roles.

As from 2018, 874 previously outsourced catering, protection services, cleaning and gardening employees have been reintegrated. Insourcing such a large cohort of employees will have a significant impact on the University's financial sustainability going forward. The University has therefore invested in the development of innovative business models that will simultaneously drive down costs and optimise service delivery across these service platforms. Currently, role players are considering what is required to support the delivery of all four services, in an effort to integrate the back-end of the four business models and through that, establish a shared service unit to reduce overlaps and duplication in respect of services such HR, Finance and IT support.

The constrained national economic climate and the resultant impact on the University's financial position, have surfaced the need to undertake an institution- wide "fit-for-purpose" organisational design initiative. Once the initial re-organisation has been conceptualised within each management portfolio, a second layer is required to look at organisational structure implications of transdisciplinary spaces such as ocean sciences, as well as to revisit structural anomalies, which have perpetuated from the merger. The human resource realities of significant expansion projects on the horizon, such as the medical school, also need to be quantified and incorporated into a long-range human resources plan for the University.

In addition to the abovementioned challenges, the VC's listening campaign has surfaced concerns relating to the following:
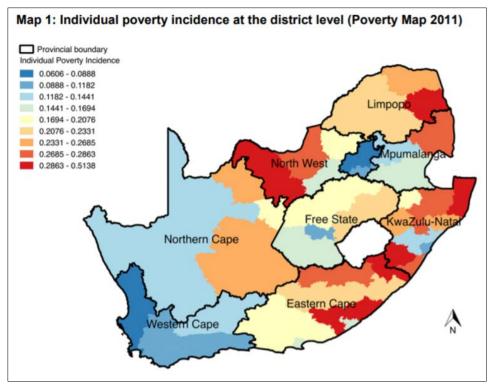
- Ensuring that our human resource policies, procedures and management systems are agile, people-friendly, responsive and efficient.
- Devoting attention to improving staff morale and wellness.
- Dealing decisively with issues relating to gender-based infractions and other exclusionary and discriminatory practices.
- Resetting the relationship between management and organised labour.
- Re-engineering institutional processes, systems and structures to improve service delivery excellence.
- Building the financial sustainability of the University.
- Rethinking support systems that define student life and learning – from safety and security, to transportation and accommodation - to ensure that we enable all students to live and learn on a relatively equal footing.

These challenges will inform the conceptualisation of a change agenda, which will have to be owned and collaboratively implemented by all stakeholders.

3.3 Threats

The National Development Plan refers to the need to address the triple challenge of poverty, inequality and unemployment. An environment of low economic growth, which has not generated sufficient jobs, exacerbates overcoming these challenges. The Statistics South Africa report on Overcoming Poverty and Inequality in South Africa, 2018 indicates that key determinants for households to achieve economic stability in South Africa include a higher level of education of the household head and having access to stable labour market income. Living in a household where the head has attained some tertiary education reduces the average risk of poverty by about 30 percent compared to those living in households where the head has no schooling. From this, it is clear that improving access to quality higher education, easing labour market access, and improving the quantity and quality of employment opportunities are important prerequisites to reduce poverty.

While strong progress in reducing poverty levels was made from 2006 up to 2011, this trend has been reversed and poverty levels are on the increase again. Based on the food poverty line, 25.2% of South Africans were seen as poor in 2015, up from 21.4% of South Africans seen as poor in 2011.The Eastern Cape had the highest share of poor residents at 72.9% and this particularly impacts on the University given that 74% of our students are from this province. In 2015, of the 55 million citizens, 30.4-million of South Africans lived in poverty, or below the upper poverty line of R992 per person per month. One in three South Africans lived on less than R797 per month, with more women affected than men, and children and the elderly hardest hit, while racial inequalities continue to define poverty as disproportionately affecting black Africans.

Map 1: Individual poverty incidence at the district level (Poverty Map 2011)

☐ Provincial boundary
Individual Poverty Incidence

- 0.0606 - 0.0888
- 0.0888 - 0.1182
- 0.1182 - 0.1441
- 0.1441 - 0.1694
- 0.1694 - 0.2076
- 0.2076 - 0.2331
- 0.2331 - 0.2685
- 0.2685 - 0.2863
- 0.2863 - 0.5138

Limpopo
Mpumalanga
North West
Free State
KwaZulu-Natal
Northern Cape
Eastern Cape
Western Cape
N

Source: https://www.southafricanmi.com/sa-poverty-map-3jul2018.html

In the map above, the darker the blue, the fewer the incidences of poverty within a specific district in South Africa, while the darker the red the more incidences of poverty per district. The darkest blue shows poverty levels of between 6% and 8.8% for a particular district, while the darkest red shows poverty levels between 28.6% and 51.4%. It is clear that the Western Cape and Gauteng have the lowest incidences of poverty at district level, while the Eastern Cape, North West, Limpopo and KwaZulu-Natal have the most significant incidences of poverty.

The South African economy is negatively impacted by a combination of international and domestic factors such as slow economic growth, continuing high unemployment levels, lower commodity prices, higher consumer prices especially for energy and food, lower investment levels, and greater household dependency on credit. South Africa's stubbornly high unemployment rate reflects that the job creating capacity of the economy is not sufficient to absorb
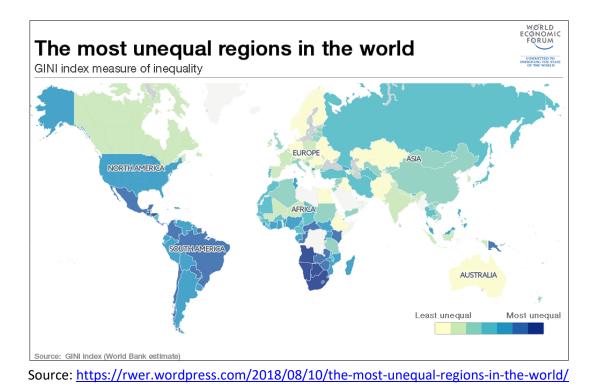
an expanding labour force and this is particularly acute in the Eastern Cape.

According to the Quarterly Labour Force Survey for the second quarter of 2018, South Africa's official unemployment rate (27.2%) increased slightly by 0.5 of a percentage point compared to the first quarter of 2018. Compared to a year ago, employment increased by 1.2% (188 000), unemployment decreased by 1.5% (94 000) and the number of persons who were not economically active increased by 3.5% (521 000) with 503 000 being discouraged work-seekers. During the same period, employment increased in six of the nine provinces, with Western Cape recording the largest increase of 77 000 jobs, while employment losses were recorded in Eastern Cape (13 000) and North West (1 000). In Q2: 2018, the unemployment rate for the youth was 38.8% compared to 17.9% for adults. The unemployment rate reduces as the level of education increases. However, young graduates have an unemployment rate of 11.9%, which is more than two times higher than that of their adult counterparts at 4.4%. Compared to Q2: 2017, the percentage of youth aged 15–34 years who were not in employment, education or training (NEET) increased by 0.4 of a percentage point to 39.3% in Q2: 2018. In Q2: 2017 and Q2: 2018 the highest NEET rate of over 40% was recorded among black females.

In the World Economic Forum (WEF) Global Competitiveness Index (GCI) for 2017-2018, South Africa dropped 14 positions compared to last year to 61st out of 137 countries, largely due to a GDP growth forecast at just 1% in 2017 and 1.2% in 2018. Among the factors, contributing to the lack of global competitiveness, of particular concern from a higher education perspective (ranked 85th overall), is that South Africa was ranked 128th in Maths and Science education; 106th in the quality of the education system; and 100th in the availability of scientists and engineers.

In addition to the above challenges, South Africa remains a dual economy with one of the highest inequality rates in the world, perpetuating both inequality and exclusion. According to Statistics South Africa, the Gini coefficient is 0.69 based on income data (including salaries, wages, and social grants). The poorest 20% of the South African population consume less than 3% of total expenditure, while the wealthiest 20% consume 65%. According to the NDP, by 2030, there should be a reduction in the number of people who live in households with a monthly income below R419 per person from 39% to zero. Furthermore, inequality should be reduced from a Gini coefficient of 0.69 to 0.6 over the same timeframe.

In its 2018 South Africa Economic Update, the World Bank reports that the gap between the poor and a small emerging middle class and the established middle-class and rich households is widening in South Africa while the gap between the established middle class and rich households is narrowing. While race remains a central determinant of inequality, income inequality is increasingly being determined by educational attainment and job status: employed versus unemployed; and skilled versus unskilled. The poorest 20% of the South African population consumes less than 3% of total expenditure, while the wealthiest 20% consumes 65%. As a microcosm of the broader society, the negative effects of such stark inequalities have an impact on University students – many of whom experience difficult material conditions that impact on their ability to realise their full academic potential.

Source: https://rwer.wordpress.com/2018/08/10/the-most-unequal-regions-in-the-world/

Progress in reducing inequalities since the 2000s, notably in respect of access to education, is slowly leading to more skilled workers from the poorest backgrounds. This trend needs to be nurtured and amplified, along with persistent efforts to increase domestic competition and improve access to university studies for those from poor and working class backgrounds.

3.4 Opportunities

The United Nations Sustainable Development Goals (SDGs) are the blueprint to achieve a better and more sustainable future for all. These interconnected goals address the global challenges confronting the planet and humankind, including those related to poverty, inequality, global unemployment, climate change, environmental degradation, natural hazards and disasters, and competition for natural resources. Of the 17 SDGs, the 2030 Agenda for Sustainable

Development highlights education as a stand-alone goal (SDG 4) and one of its targets aims to *"ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university"* by 2030. This SDG focuses on increased and expanded access, inclusion and equity, quality and learning outcomes at all levels, within a lifelong learning approach. SDG 4 is inspired by a vision of education that transforms the lives of individuals, communities and societies, leaving no one behind.

Source: https://www.un.org/sustainabledevelopment

The renewed attention to the purpose and relevance of education for human development and economic, social and environmental sustainability is a defining feature of the 2030 Agenda for Sustainable Development. It articulates a vision that understands education as crucial in promoting democracy and human rights, enhancing responsible global citizenship, tolerance and civic engagement, facilitating intercultural dialogue, and fostering respect for cultural, religious and linguistic diversity, which are vital for achieving social justice and cohesion. In addition to imparting job skills, universities play a vital role in stimulating

critical and creative thinking and generating and disseminating knowledge for social, cultural, ecological and economic development. Through their research function, universities contribute to creating knowledge and developing analytical and creative capacities that enable innovative problem solving.

Against a background of rapidly changing labour markets, growing unemployment, and technological advancements, it is imperative to increase and diversify learning opportunities for all youth and adults, using a wide range of education and training modalities, so that they can acquire relevant knowledge, skills and competencies for decent work, entrepreneurship and life. The content of such education must be relevant, with a focus on cultivating the knowledge, skills, values and attitudes required by citizens to lead productive lives, make informed decisions, and assume active roles in resolving global challenges.

It is encouraging that the African Union Agenda 2063 also emphasises the importance of catalysing education and promoting science, technology, research and innovation to build knowledge, human capabilities and skills to drive innovations for the African continent. It aims to do so through:

- Expanding universal access to quality early childhood, primary and secondary education;
- Expanding and consolidating gender parity in education.
- Strengthening technical and vocational education and training through scaled up investments, establishment of a pool of high-quality TVET centres across Africa.
- Fostering greater links with industry and alignment to labour markets, with a view to improve the skills profile, employability and entrepreneurship of especially youth and women, and closing the skills gap across the continent.
- Building and expanding an African knowledge society through transformation and investments in universities, science, technology, research and innovation; and through the harmonisation of education standards and mutual recognition of academic and professional qualifications.
- Establishing an African Accreditation Agency to develop and monitor educational quality standards, with a view to expanding student and academic mobility across the continent.
- Strengthening the Pan African University, building the Pan African Virtual University, and elevating Africa's role in global research, technology development and transfer, innovation and knowledge production.
- Harnessing universities and their networks to enable high quality university education.

Given the University's commitment to contributing to a sustainable future through cutting-edge knowledge, it is important to assess the alignment of Vision 2020 with the global, continental and national development goals articulated in the United Nations 2030 Agenda, the African Union Agenda 2063, and the South African National Development Plan (NDP) respectively.

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UN Sustainable Development Goals 2030	African Union Agenda 2063: The Africa we want	National Development Plan 2030	Medium-Term Strategic Framework 2014-2019	Vision 2020 strategic priorities and goals
1. End poverty in all its forms everywhere 2. End hunger, achieve food security and improved nutrition and promote sustainable agriculture 3. Ensure healthy lives and promote well-being for all at all ages 4. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all 5. Achieve gender equality and empower all women and girls 6. Ensure availability and sustainable management of water and sanitation for all 7. Ensure access to affordable, reliable, sustainable and modern energy for all 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	1. A prosperous Africa based on inclusive growth and sustainable development 2. An integrated continent, politically united based on the ideals of Pan Africanism and the vision of Africa's Renaissance 3. An Africa of good governance, democracy, respect for human rights, justice and the rule of law 4. A peaceful and secure Africa 5. An Africa with a strong cultural identity, common heritage, values and ethics 6. An Africa, whose development is people-driven, relying on the potential of African people, especially its women and youth, and caring for children 7. Africa as a strong, united, resilient and influential global player and partner	**Six pillars of NDP:** 1. Uniting South Africans of all races and classes around a common programme to eliminate poverty and reduce inequality 2. Raising economic growth, promoting exports and making the economy more labour absorbing 3. Focusing on key capabilities of both people and the country 4. Capabilities include skills, infrastructure, social security, strong institutions and partnerships both within the country and with key international partners 5. Building a capable and developmental state 6. Strong leadership throughout society that work together to solve our problems **NDP 2030 education goals:** By 2030, South Africa needs an education system with the following attributes: • High-quality, universal early childhood education	• Radical economic transformation, rapid economic growth and job creation • Rural development, land and agrarian reform and food security • Ensuring access to adequate human settlements and quality basic services • Improving the quality of and expanding access to education and training • Ensuring quality health care and social security for all citizens • Fighting corruption and crime • Contributing to a better Africa and a better world • Social cohesion and nation building **MTSF higher education goals:** • Graduates have adequate skills and knowledge to meet the current and future needs of the economy and society • Research and development expanded to contribute	• 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 effective resource mobilisation and 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.

UN Sustainable Development Goals 2030	African Union Agenda 2063: The Africa we want	National Development Plan 2030	Medium-Term Strategic Framework 2014-2019	Vision 2020 strategic priorities and goals
9. Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation 10. Reduce inequality within and among countries 11. Make cities and human settlements inclusive, safe, resilient and sustainable 12. Ensure sustainable consumption and production patterns 13. Take urgent action to combat climate change and its impacts 14. Conserve and sustainably use the oceans, seas and marine resources for sustainable development 15. Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss		• Quality school education, with globally competitive literacy and numeracy standards • Further and higher education and training that enables people to fulfil their potential • An expanding higher-education sector that can contribute to rising incomes, higher productivity and the shift to a more knowledge-intensive economy • A wider system of innovation that links universities, science councils and other research and development role players with priority areas of the economy	towards building an inclusive, growing and competitive economy • Articulation between higher and further education institutions and skills development programmes will be improved and education and training institutions will be better connected to the world of work, including greater opportunities for work-based training and experience • Improved efficiency and effectiveness of the administration of post-school institutions, as well as the quality of their outputs • Increased number of students enrolled in foundation programmes to provide enrichment for students who are not adequately prepared for post-school education to reduce the dropout rate • Increased number of lecturers with PhDs	

UN Sustainable Development Goals 2030	African Union Agenda 2063: The Africa we want	National Development Plan 2030	Medium-Term Strategic Framework 2014-2019	Vision 2020 strategic priorities and goals
16. Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels 17. Strengthen the means of implementation and revitalise the global partnership for sustainable development			• Produced next generation of lecturers by increasing research output and the pool of postgraduate students	

The global and continental agendas for sustainable development have progressed from the conceptualisation to the implementation phase. Parallel to the SDGs, the implementation of the first Ten-Year Implementation Plan for the African Union Agenda 2063 has started along with the implementation of the NDP through the Medium-Term Strategic Framework (MTSF). South Africa has developed an integrated indicator framework to outline the alignment of the NDP indicators in the MTSF, Agenda 2063 (first ten years of implementation) and the Sustainable Development Goals to evaluate progress in improving the lives of all citizens.

Against this background, Nelson Mandela University is poised, through its own strategic priorities and goals, to change the world through generating cutting-edge knowledge for a sustainable future. In this regard, the University is breaking exciting new ground in respect of two key strategic trajectories mandated by Council, namely, ocean sciences and the establishment of a medical school.

3.4.1 Ocean sciences

Our aspiration is to develop Nelson Mandela University into a globally recognised, pioneering "laboratory" for generating original and applied knowledge to

deepen our understanding of ocean dynamics. To this end, the University has adopted a bold new Ocean Sciences strategy to drive a research, training and innovation agenda to find better tools for managing the twin challenges of human development and ecological sustainability. Significant progress has been made in implementing this strategy in relation to four key pillars, namely:

- Establishing distinctive ocean sciences academic programme offerings at under- and post-graduate 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 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 strategy seeks to unlock transdisciplinary ways of thinking drawn from various disciplines to tackle scientific and societal challenges that exist at the interfaces of multiple fields that span the three spheres of sustainability, i.e. social, economic and environmental. This will promote sustainable livelihoods for coastal communities by tapping the economic potential of the oceans while preserving marine biodiversity and ecological integrity for the benefit of future generations. As such, the Ocean Sciences campus will comprise transdisciplinary clusters of researchers, entities, postgraduate students, postdoctoral fellows, and other partners who are co-located in spatial precincts that align with the University's overarching ocean sciences thematic focus areas, namely:

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

As a key dimension of our ocean sciences strategy, significant progress is being made to expand our academic offerings in fields such as oceanography, marine engineering, maritime economics and logistics, marine tourism, port development and management, marine spatial planning and the law of the sea, including fisheries law enforcement. Developing our ocean sciences niches leverages off our existing strategic advantages such as our four NRF-funded SARChI (South African Research Chairs Initiative) Chairs in Marine Spatial Planning, Ocean Science and Marine Food Security, Shallow Water Ecosystems, and Law of the Sea and Development in Africa. In addition, the University established the South African International Maritime Institute (SAIMI) in 2015 to focus on maritime skills development and innovation, with a R265 million grant from the National Skills Fund. In 2016, we launched three new research and training entities – the Institute for Coastal and Marine Research (CMR), the FishFORCE Academy focused on fisheries protection (with a R50 million Norwegian government grant), and the Centre for Coastal Paleoscience doing discovery research on early human origins along the southern coastline of South Africa.

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Generous infrastructure funding received from DHET to establish the ocean sciences campus is beginning to yield modernised laboratories, facilities and equipment to create a dedicated hub for innovative transdisciplinary ocean sciences postgraduate teaching, research and engagement. The University is also expanding and consolidating partnerships with relevant marine and maritime industries, donor agencies and post-school educational institutions nationally and internationally to enhance our capacity to respond optimally to the Operation Phakisa imperatives of growing South Africa's oceans economy in a sustainable manner.

The University's growing portfolio of international partnerships in ocean sciences includes the universities of Southampton and Plymouth (UK), Agder and NTNU (Norway), Gothenburg (Sweden), Oldenburg (Germany), North Carolina State University (Wilmington, US), Alto (Finland) and Zanzibar. In addition, we recently held discussions with "MARUM", a leading Marine Science Institute at the University of Bremen (Germany), to establish research collaboration in the marine sciences. An MOU with the University of Nairobi (Kenya) will soon be entered into focusing on the offering of Short Learning Programmes linked to the FishFORCE Academy. Together with the British Government and the Newton Fund, the University is participating in a 8 million pounds, four-year international research programme (Solstice) that will focus on the health of the oceans and the collapse of two key fisheries in South African and East African waters that support more than 60 million people.

3.4.2 Expanding the Faculty of Health Sciences towards the establishment of a medical school

There is a dire need to significantly increase the provision of adequately trained health care professionals, particularly medical doctors, to improve access to health care services. It is widely known that there are not enough doctors in the South African public health system. For every 1000 people, the country has less than one doctor available. With a similar gross national product per capital to South Africa, Brazil has nearly two physicians for every 1000 people.

The current output of medical schools across South Africa is between 1 200 and 1 300 doctors a year, while the rollout of improved national healthcare and National Health Insurance requires more than double this number. Aggravating this is the fact that about 75% of the country's doctors are in the private sector, with the remainder servicing public hospitals and thus presenting a ratio of about 3.7 doctors per 10 000 people. This underscores the need to rapidly advance our planning for the medical school, which aims to offer a full undergraduate medical degree (MBChB) by 2020 and further evolve to include medical specialist training immediately thereafter.

To this end, the Minister of Higher Education has officially given permission to proceed with plans to develop South Africa's much-needed tenth medical school. The new MBChB curriculum has been developed and the University has crafted a Master Implementation Plan (MIP) for engagement with national

and provincial government regarding the terms of support required for the full-scale medical school project. The MIP provides a common understanding to all key stakeholders of the work to be completed between 2018 and 2025 to ensure the realisation of the first undergraduate medical student intake in 2020. In determining the resource requirements for the MIP, careful attention was given to the resource-constrained environment in which the new medical programme must be implemented. On 8 September 2017, we signed a landmark Multilateral Partnership between the four Universities in the Province and the Eastern Cape Department of Health to better coordinate and share resources in the provision of health care training, including medical training, across the Province. This agreement means that Nelson Mandela University students and staff working in the health care field will have access to all the public facilities such as clinics, hospitals and other related public health assets in the Province.

With one of the largest cost drivers being human resources, the University 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 on the national fiscus, the University has 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.

As in the case of other medical school start-ups, the University will need to secure watertight funding to ensure full-cost recovery until the Medical School achieves maturity of income relative to cost. Strategies to mitigate this deficit will include a proposal to DHET for the start-up funding required for the Medical School. The raising of additional private sector funding will continue to be prioritised.

To respond to the national imperatives of reducing inequality, unemployment and poverty, Nelson Mandela University will continue to define itself as a university that makes a decisive contribution to the changing relationship between higher education and society through innovative approaches to the curriculum, teaching and learning, research and engagement. This is in keeping with the legislative mandate endowed upon us as a public higher education institution within a democratic society.

4. Planning assumptions

Planning assumptions describe projected external and internal conditions important to achieving the strategic aspirations, goals and targets articulated in a strategic plan. Within the context of the above situational analysis, Nelson Mandela University's Vision 2020 strategic plan is based on the following planning assumptions:

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4.1 Student enrolments and success

- Nelson Mandela University will continue to be a predominantly undergraduate institution with a strong emphasis on teaching and learning, while postgraduate enrolments and research outputs will be gradually increased to generate knowledge and innovation that has a positive impact on industry, government and society.
- A large proportion of the incoming undergraduate student population will continue to be comprised of first-generation, low-income school leavers.
- Competition for talented students will increase nationally and globally.
- Process improvements to the student access and enrolment value chain will contribute to the University achieving its enrolment targets.
- There will not be any dramatic shifts in the diversity of our student demographic profile.
- Student academic development and support strategies will be prioritised within and beyond the classroom to enhance student retention, success, throughput and graduation rates.

4.2 Teaching, learning, research and engagement

- Curriculum transformation and renewal will deepen in a concerted effort to embrace decolonisation and enhance contextual responsiveness.
- The University will continue to cultivate strong disciplinary knowledge foundations whilst fostering transdisciplinary thinking in our scholars and students.
- Instructional delivery models will diversify as blended, flexible and collaborative learning strategies are increasingly adopted.
- Demands for experiential learning (such as student research, internships, work-integrated learning, service learning, and volunteerism) will increase in an effort to enhance graduate employability and entrepreneurship.
- Research, scholarship and innovation will make a constructive contribution to local, national and global sustainability by addressing the challenges of poverty, inequality and unemployment in a transdisciplinary manner.
- The University will continue to play an important educational, social, cultural and economic role in the local, regional, and national community by prioritising engagement, outreach and partnerships.

4.3 Human resources

- The University must compete in an increasingly competitive job market to attract, hire, and retain talented, demographically diverse staff, particularly in scarce skills areas.

- Talent continuity and capacity development strategies will be implemented to replace the retiring professoriate with the next generation of academics.
- The business models for the reintegration of outsourced employees will be implemented in manner that contributes towards enterprise development initiatives and secures the long-term sustainability of the University.
- Organisational redesign interventions will enhance integration, agility and organisational resilience through fit-for-purpose structures, systems and processes.
- Ongoing employee engagement will contribute to progressively building a conducive, cordial relationship between management and organised labour.

4.4 Financial sustainability

- The University will continue to implement responsible and sustainable resource stewardship systems, processes and practices.
- Financial sustainability strategies will need to ensure that recurrent costs are financed from recurrent revenue streams (excluding finance income).
- Fundraising for bursaries and scholarships will be prioritised to widen access for academic deserving, financially needy students.
- The University will need to adapt to the prevailing economic climate by implementing various financial sustainability interventions, including:
    - Optimally consolidating the academic programme portfolio to promote strategic alignment and financial viability.
    - Promoting collective ownership of responsible resource stewardship and cost-saving interventions.
    - Re-engineering institutional systems and processes to leverage digital technologies and explore innovative, shared services models.
    - Mobilising alternative sources of funding, including grants, third stream income opportunities and philanthropic giving.

4.5 Infrastructure and technology

- The demand for modernised and technology-enabled infrastructure will increase, particularly to accommodate enrolment growth in new strategic academic directions such as ocean sciences and the establishment of a medical school.
- The University will continue to invest in responsive and student-focused ICT platforms in a technologically innovative and feasible manner.
- Existing infrastructure and space will be optimally utilised to enhance efficiencies and cost effectiveness.
- Earmarked reserves for funding five-year capital maintenance, replacement of teaching and research equipment and IT infrastructure will be maintained.
- The demand for access to on- and off-campus accommodation, transportation, access to mobile devices, and Wi-Fi connectivity will continue to increase.
- The shift to cloud environments may lead to potentially decreasing needs for additional IT infrastructure.

4.6 Governance, management and stakeholder engagement

- Nelson Mandela University will remain committed to fostering a transformative, values-driven and humanising institutional culture at all levels to advance the legacy of our iconic namesake.
- The University will maintain active engagement with all relevant stakeholders in a spirit of co-creation and cooperative governance.
- The highest standards of ethics and professionalism will continue to be upheld in governance and management decision-making, practices and culture.
- An integrated business intelligence platform and sustainability indicator framework will inform evidence-based institutional monitoring, evaluation, quality enhancement and reporting.

In preparing our Annual Performance Plan for 2019, we have been mindful of the imperatives contained in the strategic direction and priorities that are articulated in our revised Vision 2020 strategic plan.

SECTION B: STRATEGIC OVERVIEW

The Vision 2020 Strategic Plan outlines the University's vision, mission, values, educational purpose and philosophy, distinctive knowledge paradigm, desired graduate attributes, and strategic priorities.

1. Vision

To be a dynamic, African university recognised for its leadership in generating cutting-edge knowledge for a sustainable future.

2. Mission

To offer a diverse range of life-changing educational experiences for a better world.

To achieve our vision and mission, we will ensure that:

- Our values inform and define our institutional ethos and distinctive educational purpose and philosophy.

- We are committed to promoting equity of access and opportunities to give students the best chance of success in their pursuit of lifelong learning and diverse educational goals.
- We provide a vibrant, stimulating and richly diverse environment that enables staff and students to reach their full potential.
- We develop graduates and diplomates to be responsible global citizens capable of critical reasoning, innovation, and adaptability.
- We create and sustain an environment that encourages and supports a vibrant research, scholarship and innovation culture.
- We engage in mutually beneficial partnerships locally, nationally and globally to enhance social, economic, and ecological sustainability.

3. Values

We hold ourselves accountable to our core values in the execution of our vision and mission, the design of our academic programmes and curricula, the delivery of our services, the ways in which we interact with our stakeholders, and in the evaluation of our performance.

3.1 Respect for diversity

- We reflect and serve diverse regional, national and global communities.
- We promote an open society where critical scholarship and the expression of a multiplicity of opinions and ideas are actively encouraged.
- We foster an environment in which diversity is appreciated, respected and celebrated.
- We foster a culture that welcomes and respects diverse identities, heritages and life experiences.

3.2 Excellence

- We promote, recognise and reward excellence in our teaching, learning, research, engagement and service delivery.
- We provide a supportive and affirming environment that enables students and staff to reach their full potential.
- We pursue inclusive excellence by embedding equality of access and opportunity to all persons in our policies, processes, systems and practices.

3.3 Ubuntu

- We are a people-centred university.

- We respect the dignity of others.
- We recognise our mutual interdependence.
- We promote compassionate and responsible citizenship.

3.4   Integrity

- We commit ourselves to the highest standards of personal honesty and exemplary moral character.
- We conduct our activities in an accountable and transparent manner.
- We ensure the integrity of our information, systems and processes.
- We acknowledge our personal responsibility for ethical and professional behaviour towards others.
- We accept responsibility for our actions and the consequences thereof.

3.5   Environmental stewardship

- We care about the natural environment and recognise our responsibility to conserve, protect and properly manage natural resources for current and future generations.
- We promote the integration of sustainability principles into our academic practices, operations and design of physical infrastructure.
- We encourage mutually beneficial and sustainable approaches to community service and engagement.
- We inspire students and staff to embrace responsible environmental stewardship.

3.6   Social justice and equality

- We are dedicated to the realisation of a socially just, democratic society that promotes equality for all irrespective of race, gender, sex, pregnancy, marital status, ethnic or social origin, sexual orientation, age, physical and learning abilities, national origins, religion, conscience, belief, culture and language.
- We cultivate living, learning and work environments that enable students and staff to realise their full potential, without fear of discrimination or harassment.
- We develop our graduates as globally competent citizens who generate, apply and transfer knowledge to contribute actively to advancing social justice, inclusion and equality.

4. Distinctive Knowledge Paradigm

In responding to the opportunities that arise from being a comprehensive university, Nelson Mandela University will adopt a distinctive knowledge paradigm characterised by the following principles:

- An open-ended, discursive paradigm based on critical thinking, open-endedness, the primacy of rational discourse in the disputation and scrutiny of all ideas, and the provisional nature of all truth claims.
- The idea of the University as an 'open society' of scholars committed to the production and dissemination of knowledge that can have a liberating effect on our world.
- A commitment to the application of knowledge to advance democracy, social justice, public good and liberation of the human condition from all forms of discrimination and injustice.
- Freedom of expression and thought in speech, writing and all art forms.
- Advancement of strong disciplinary knowledge whilst aspiring to foster trans-disciplinary thinking in our scholars and students.
- A commitment to ethical knowledge, neither harmful to the natural nor the social environment, such that it promotes a sustainable future for our planet and all its inhabitants.

5. Educational Purpose and Philosophy

- We provide transformational leadership in the service of society through our teaching and learning, research and engagement activities. To achieve this, we are committed to developing the human potential of our staff and students in the full spectrum of its cognitive, economic, social, cultural, aesthetic and personal dimensions in the pursuit of democratic citizenship.
- We adopt a humanising pedagogical approach that respects and acknowledges diverse knowledge traditions and engages them in critical dialogue in order to nurture a participative approach to problem-posing and -solving, and the ability to contribute to a multi-cultural society.
- We inspire our stakeholders to be passionate about and respectful of an ecologically diverse and sustainable natural environment.
- We will be known for our people-centred, caring, values-driven organisational culture that will encourage all members of the university community to contribute optimally to its life.

6. Desired Graduate Attributes

Through benefitting from a life-changing educational experience, Nelson Mandela University graduates will be known for demonstrating the following

graduate attributes:

6.1   In-depth disciplinary/interdisciplinary knowledge

- The ability to engage in the expanding knowledge base of their disciplines/professions.
- Excellence in both the art and science of their disciplines/professions.
- Awareness of the latest advances in and technical competencies required by their disciplines/professions.
- Leadership in the production of new knowledge and understanding through inquiry, critique and synthesis.
- An appreciation of the interdisciplinary nature of knowledge that combines breadth and depth of understanding.
- An awareness of the global context of their disciplines/professions.

6.2   Social awareness and responsible citizenship

- Commitment to ethical conduct, social awareness and responsible citizenship.
- An acknowledgment of and respect for constitutional principles and values such as equality, diversity, inclusion and social justice.
- Commitment to improving local, national and global sustainability.
- Make a meaningful and positive contribution to society as visionary, globally competent citizens who can show leadership in different contexts.

6.3   Adaptive expertise

- The ability to apply knowledge and skills in a range of contextual and conceptual frameworks.
- Ability to anticipate and accommodate change, ambiguity and differing views.
- Self-management including the ability to work autonomously, exercise initiative, and apply time management and organisational skills.
- Demonstrate resilience and perseverance in dealing with complex, difficult and unpredictable situations and challenges.

6.4   Creativity, innovation and entrepreneurial mind-set

- Ability to think creatively and to generate a range of innovative ideas that are appropriate to the particular context.

- Innovative and imaginative in their approach to problem solving.
- Commitment to innovative thinking to advance scholarly excellence.
- Demonstrate a proactive 'can-do' attitude with the drive to identify novel opportunities and possibilities.

6.5   Critical thinking

- The ability to understand, interrogate and apply a variety of theoretical and philosophical positions and objectively assess the merits of competing and alternative perspectives.
- The capacity for critical reflection and the ability to use appropriate knowledge and skills to solve complex, open-ended problems.
- Ability to conduct research and think analytically to provide insight into contemporary problems in a constructive way.

6.6   Excellent intra- and interpersonal skills

- Self-awareness and emotional intelligence.
- The capacity to sustain intellectual curiosity and a willingness to improve personal performance through self-reflection, the pursuit of lifelong learning, and building networks.
- The ability to relate to and collaborate with others, individually or in teams, to exchange views and ideas and to achieve desired outcomes.
- Openness to objective and constructive feedback from supervisors and peers.
- Able to negotiate difficult situations, diffuse conflict and engage constructively in purposeful debate.
- The ability to function in a multi-cultural and -lingual context.

6.7   Excellent communication skills

- The ability to articulate knowledge, skills, and ideas confidently and coherently in visual, verbal, written and electronic forms in a variety of contexts.
- Respect for the multitude of voices, stories, perspectives and knowledge systems.
- Ability to articulate ideas assertively and persuasively.

7. Strategic priorities and goals

Six strategic priorities underpin Nelson Mandela University's Vision 2020 strategic plan and high-level goals have been articulated for each of these priorities to ensure that the University achieves its strategic aspirations.

Strategic priority	Goals
1. **Embrace a distinctive educational purpose and philosophy that contributes to student access and success.**	• Diversify and modernise the Nelson Mandela University branding, student recruitment and enrolment management strategy to expand our national footprint and recruit talented students and staff. • Provide a range of access routes and learning pathways that attract and retain a diverse, talented student population reflective of a vibrant, African university. • Cultivate a humanising ethos of teaching, learning and assessment where all students are empowered to achieve their full potential. • Encourage staff to use reflective teaching practices and embrace multiple forms of technology to enhance the flexibility of learning and programme delivery. • Enhance student success through effective, ongoing tracking of student academic performance and the provision of holistic support and development within and beyond the classroom. • Design curricula that embed diverse knowledge paradigms to prepare our students as democratic citizens with adaptive expertise and a critical consciousness. • Reinvigorate the curriculum transformation process across all faculties with a defined set of epistemological and curriculum statements that embrace decolonisation, social justice, democracy, equality, sustainability,

Strategic priority	Goals
	ecological justice, globalisation, technological change and the changing nature of work.
2. Develop and cultivate an engaged, innovative scholarship culture that generates knowledge recognised for its contribution to sustainability.	• Promote responsiveness of research, scholarship and innovation to local, national and global needs. • Provide leadership in generating cutting-edge, impactful scholarship that contributes to addressing complex sustainability and national developmental challenges such as poverty, inequality and unemployment. • Develop and sustain distinctive transdisciplinary niche areas and institutional research themes, which optimise existing and emerging research, scholarship and innovation capabilities. • Recruit and retain established and emerging scholars and research chairs who are leaders in their fields and who will contribute positively to the research strategy of the University. • Develop and promote the research capacity and productivity of emerging and established scholars, as well as postgraduate students. • Support research and engagement entities as institutionalised mechanisms to promote trans-disciplinarity and the scholarship of engagement. • Engage in strategic partnerships that enhance the local, national and global profile of the University, support the development of staff and student exchanges, contribute to access to funding, and broadening international networks especially on the African continent.
3. Enhance long-term financial sustainability through effective resource mobilisation and responsible resource stewardship.	• Embed sustainability and stewardship in the culture and practices of the University, through the broadest engagement with staff, students, employers and partners in the community and in government.

Strategic priority	Goals
	• Accelerate the implementation of the institutional financial sustainability plan, including strategic revenue mobilisation and cost management strategies. • Optimise the academic programme portfolio of each faculty to promote financial viability and maximise subsidy yield. • Improve financial sustainability by diversifying and growing income streams. • Develop and implement models to promote strategy-aligned budgeting and resource allocation that foster innovation and sustainable growth.
4. Foster an affirming, transformative institutional culture that promotes diversity and social cohesion.	• Foster a transformative, values-based institutional culture that gives expression to the legacy and values of Nelson Mandela and creates affirming, collegial spaces for all students and staff. • Develop and implement instruments to effectively deal with all forms of discrimination and gender-based violence. • Effectively monitor and evaluate the implementation of transformation interventions at all levels and across multiple dimensions to enhance responsiveness to national policy mandates. • Enhance competitiveness by implementing strategies to improve the University's contribution to advancing broad-based black economic empowerment (BBBEE). • Accelerate the diversification of the equity profiles at senior occupational levels, as well as for academic employees. • Promote social cohesion, multi-culturalism and diversity through vibrant intellectual, social, cultural, sport, recreational and other campus life events for staff and students.

Strategic priority	Goals
	• Embed inclusive language practices in policies, systems and processes at all levels within and beyond the classroom. • Implement integrated health and wellness interventions for students and staff on all campuses, including nutritional support for indigent students.
5. Position the University as an employer of first choice by investing in talented, high-performing staff.	• Position the University favourably as an employer of first choice for talented staff through a progressive remuneration strategy, employee wellness programmes, and an integrated promotions and performance management system. • Embrace a transformational leadership philosophy that contributes to developing the next generation of leaders at all levels. • Embed a culture of accountability that encourages staff to take responsibility for their conduct and performance. • Design and implement learning, development, reward and recognition systems that motivate staff to achieve their full potential. • Implement values-driven institutional culture and change management interventions at all levels to facilitate social cohesion and respect for diversity. • Nurture constructive, mutually respectful employee relations that promote fair and equitable treatment of all staff.
6. Provide and sustain enabling systems and infrastructure that promote an exceptional experience for students, staff and key stakeholders.	• Review governance, stakeholder engagement, institutional operations and organisational design arrangements to promote fitness-for-purpose, effectiveness and efficiency. • Develop, maintain and refurbish flexibly designed, modernised living and learning infrastructure on- and off- campus.

Strategic priority	Goals
	• Progressively expand on-campus student accommodation through innovative partnership arrangements and funding models. • Continuously improve efficiencies in space optimisation and utilisation in a multi-campus context. • Implement automated systems and processes to promote the strategic agility and responsiveness of decision-making and service delivery. • Strengthen the University's capacity to support online delivery of courses, programmes and library content, and the use of technology-enhanced teaching and learning including access to mobile devices.

Progress in achieving the above strategic priorities and goals will be monitored using a range of key performance indicators informed by national higher education policy goals.

The Higher Education Act (1997) establishes the regulatory framework for accountability by public higher education institutions to the Department of Higher Education and Training (DHET). The University has developed a multi-dimensional institutional monitoring, evaluation (M&E) and reporting framework to track institutional performance as it relates to strategy implementation, transformation and sustainability. This serves to ensure that the strategic directional aspirations articulated in Vision 2020 are translated into action at all levels of the University and that Council is provided with comprehensive quarterly performance reports which outline progress, or the lack thereof, in respect of strategy implementation.

The main purpose and strategic intent of the Integrated M&E and Reporting Framework is to facilitate and coordinate the efforts of the University in monitoring and reporting on progress in the implementation of Vision 2020 and the Institutional Transformation Plan (ITP). A graphic depiction of the institutional M&E and reporting framework is provided below:

STRATEGIC POSITIONING AS NELSON MANDELA UNIVERSITY

- An innovative, African University embracing the values and legacy of Nelson Mandela
- Comprehensive programme mix with diverse range of quality educational opportunities and articulation pathways
- New strategic academic directions
- University of choice for talented staff and students with the potential to succeed

TEACHING & LEARNING EXCELLENCE

- Widening access for success
- Academic development and support
- Humanising pedagogies
- Curriculum renewal & transformation
- Technology-enabled T&L
- Language policy and practices
- Diversify academic staff profile
- Internationalisation
- Graduate attributes – employability and entrepreneurship

STUDENT ACCESS AND SUCCESS THROUGH EXCELLENCE IN:

Teaching & Learning

Vibrant campus life

Internationalisation

Research

Engagement

Co-curricular activities

Inclusive institutional culture

Holistic development of staff & students

Recognition and reward systems

ORGANISATIONAL SUSTAINABILITY

- Transformative institutional culture
- Engaged, high-performing staff
- Financial sustainability and revenue mobilisation
- Responsible environmental & resource stewardship
- Integrated sustainability planning, budgeting & reporting
- Modernised infrastructure
- Re-engineered, streamlined & digitised systems & processes

INNOVATIVE & ENGAGED SCHOLARSHIP

- Research outputs – Improve quantity and quality
- Staff workload and career path - Balance between T&L, research & engagement
- Staff qualifications profile
- Develop next generation of academics
- Strategic partnerships – local, national, continental and global
- Public good and societal impact

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The institutional monitoring, evaluation and reporting framework places student access and success at the centre of the University's purpose and is underpinned by a range of performance indicators that assess institutional effectiveness in terms of four key pillars, namely:

- The University's strategic positioning and identity as a dynamic, African comprehensive university;
- Teaching and learning excellence;
- The productivity and impact of research and engagement; and
- Organisational capability and sustainability.

These strategic imperatives reported on to Council on a quarterly basis using the thematic areas and indicators outlined below:

	QUARTER 1	QUARTER 2	QUARTER 3	QUARTER 4
OVERARCHING QUARTERLY REPORTING THEMES	• Performance review of previous year • Access and enrolments	• Graduation, student success and throughput	• Transformation	• Sustainable resource stewardship • Plans for following year

QUANTITATIVE INDICATORS TO BE MONITORED EACH QUARTER	• Headcount enrolments by ethnicity and qualification type
	• Headcount enrolments by delivery mode (contact, distance) and major field of study
	• Average annual growth rate by qualification type
	• First-time entering students per faculty:
	  o Actual numbers
	  o Growth rates
	• Quintile profile of first-time entering students
	• Number and profile of students admitted via alternative access routes:
		• Student success rates (coursework modules only):
		  o Per faculty
		  o Per ethnic group
		• Number of graduates per annum per faculty and ethnicity
		• Average annual growth in enrolments relative to average annual growth rate in graduates
		• Completion and drop-out rates of latest cohort (most recent):
		
		At Undergraduate level:
			• Alternative access routes
			• Quintile profile of first-time entering students
			• Diversity of student profile according to qualification, major field of study, ethnic group, gender, and disability
			• Student success rates (coursework modules only):
			  o Per faculty
			  o Per ethnic group
			  o Gender
			  o Disability
			• Number of graduates per annum per faculty and ethnicity
				• University staff (academic and PASS) profile (permanent and temporary) based on ethnicity and gender
				• Staff turnover (excluding retirements) per ethnic group
				• Number of grievances reported to Employee Relations office based on ethnicity of aggrieved staff member
				• Sources of income (subsidy, tuition, third stream)
				• Personnel costs as percentage of :
				  o Subsidy and tuition
				  o Total expenditure

	QUARTER 1	QUARTER 2	QUARTER 3	QUARTER 4

	o Access assessments
	o Extended curriculum studies
	o NCV
	o RPL
	o Age-exemptions
		o 3 year diplomas and 3 year degrees at 3 years and 6 years
		o 4 year degrees at 4 years and 6 years
		o B Tech degrees at 1 year and 6 years
		
		At Postgraduate level:
		
		o PG Diplomas and Honours at 1 year and 6 years
		o Masters coursework, Masters research, PhD degrees) at 3 years and 6 years.
		• Staff: student FTE ratio per faculty and total ratio
		• Academic staff according to highest qualification per faculty
		• Weighted graduate produced per permanent academic staff member
		• Research outputs per annum according to:
		  o Publications (articles, conference proceedings, books)
		  o Masters (Research)
		  o PhD
		• University weighted graduate output units per permanent
			• Throughput rates at UG and PG levels
			• University staff (academic and PASS) profile (permanent and temporary) based on ethnicity, gender and disability
			• Staff turnover (excluding retirements) per ethnic group
			• Number of grievances reported to Employee Relations office based on ethnicity of aggrieved staff member
			• Number of complaints (discrimination, by staff and students reported to TME unit
			• Financial investment in transformation-related initiatives
				• Liquidity ratio, i.e. current assets/current liabilities, relative to other comprehensive universities and the national norm
				• Sustainability ratio, i.e. cumulative reserves/annual expenditure relative to other comprehensive universities and the national norm

	QUARTER 1	QUARTER 2	QUARTER 3	QUARTER 4
		academic staff member relative to national averages • University weighted research output units per permanent academic staff member relative to national average		

In addition to the above, institutional performance is also monitored against key performance indicators and targets that underpin the Annual Performance Plan.

2019 ANNUAL PERFORMANCE PLAN: KEY PERFORMANCE INDICATORS

Nelson Mandela University's academic size and shape targets constitute the basis for monitoring and evaluating progress at institutional level in meeting our Vision 2020 strategic priorities as it pertains to key performance indicators such student enrolments, student success, instructional staff headcounts and qualifications profile, as well as research outputs. It is important to note that the 2019 APP targets have been extracted from the University's preliminary enrolment plan for 2020-2025, which may change slightly pending feedback from the Department of Higher Education and Training in November 2018.

Due to our commitment to high-quality educational provision, the University pursues a sustainable growth strategy in terms of its student enrolments, staff capacity, financial resources, and infrastructural facilities. Of particular significance in this regard is the need to maintain a delicate balance between undergraduate diploma and degree enrolments, as well as between under- and postgraduate enrolments, as well as various fields of study. Furthermore, enrolment targets have been informed by a complex set of considerations including the following, namely the:

• Academic character of the institution;

• Current and emerging capabilities, qualifications profile and research outputs of academic staff;

• Student intake profile; and

• Impact of the implementation of the HEQSF on curriculum renewal and the development of articulation pathways.

In terms of its enrolment profile, while the majority of students continue to be enrolled at undergraduate level, Nelson Mandela University will strive to

progressively increase its share of enrolments at postgraduate level given the demand for high-level skills, knowledge generation and innovation, and the development of a new generation of demographically diverse academics. Postgraduate enrolment growth will be managed responsibly after careful consideration of the postgraduate supervisory capacity of permanent academic staff and the proportion who have Doctoral qualifications.

Nelson Mandela University's Enrolment Plan (2020-2025) informs the key performance indicators outlined below, which is pending approval by the Department of Higher Education and Training. These targets are monitored on an ongoing basis and trends are frequently reported to key internal stakeholders to inform planning and decision-making.

Key performance indicator	Target year n-3	Target year n-2	Target year n-1	Target year n	Mid-year performance targets
			2018	2019	2019
	Hemis 2016 Audited	Hemis 2017 Audited	Based on preliminary 2018 data for A as well as reviewed APP2018 targets for B & D	Reviewed targets based on recent trends	
A. Access					
Headcount totals					
First-time entering undergraduates	6 022	5 088	6 296	6 384	6 384
Headcount enrolments	27 780	27 621	28 582	29 124	28 945
Headcount enrolments (Foundation Provisioning)	1 533	1 667	1 747	1 824	1 824
Headcount enrolments total UG	23 168	23 071	24 030	24 464	24 300
Headcount enrolments total PG	4 152	4 224	4 223	4 343[2]	4 342
Occasional Students	460	326	329	317	303

[2] The postgraduate enrolment targets are determined within the parameters of the availability of permanent academic staff with PhD qualifications with the capacity to supervise postgraduate students, particularly at M&D levels.

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Enrolments by major field of study					
Science, Engineering, Technology	10 184	10 441	11 044	11 286	11 216
Business/management	9 674	9 243	9 045	9 124	9 047
Education	1 826	1 809	1 948	2 003	2 003
Other humanities	6 096	6 128	6 545	6 711	6 679
Distance education enrolments	25	9	11	14	14
Key performance indicator	**Target year n-3**	**Target year n-2**	**Target year n-1**	**Target year n**	**Mid-year performance targets**
			2018	**2019**	**2019**
	Hemis 2016 Audited	**Hemis 2017 Audited**	**Based on preliminary 2018 data for A as well as reviewed APP2018 targets for B & D**	**Reviewed targets based on recent trends**	
B. Success (APP 2018 Targets)					
Graduates UG	5 244	5 395	5 592	5 603	5 603
Graduates PG	1 554	1 544	1 685	1 607	1 607
Success rate	82%	78%	83%	79%	79%
Undergraduate output by scarce skills					
Engineering	387	384	428	421	421
Life and physical sciences	259	280	270	292	292
Animal and human health	578	544	600	584	584
Teacher education (including PGCE)	364	397	400	411	411
Scarce skills success rate	89%	85%	89%	87%	87%

NELSON MANDELA UNIVERSITY ANNUAL PERFORMANCE PLAN: 2019

Key performance indicator	Target year n-3	Target year n-2	Target year n-1	Target year n	Mid-year performance targets
			2018	**2019**	**2019**
	Hemis 2016 Audited	**Hemis 2017 Audited**	**Based on preliminary 2018 data for A as well as reviewed APP2018 targets for B & D**	**Reviewed targets based on recent trends**	
Teacher Education					
B Ed	282	304	320	314	314
PGCE	79	93	80	97	97
Total	361	397	400	411	411
C: Staff profile					
% staff with doctoral degrees	43%	43%	45%	46%	46%
Number of NGAP staff	5	5	7	8	8
Ratio of FTE students to FTE instructional/ research staff	29:1	29:1	30: 1	30:1	30:1
D. Research output (APP 2018 Targets)					
Publication units per FTE staff	0.6	0.6	0.6	0.7	0.7
Research masters graduates	292	304	316	328	328
Doctoral graduates	95	92	99	100	100
Publication units	399	416	401	435	435

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The unaudited 2018 enrolment targets quoted in the "Nelson Mandela University Enrolment Narrative Report 2020 – 2025" submitted on 1 October 2018 to the Department of Higher Education and Training were based on a HEMIS extraction done at the end of August 2018. The 2018 data used in this report for 2018 are based on a HEMIS extraction on 10 October 2018 and the numbers have increased since August 2018 and therefore differ slightly from the numbers quoted in the Enrolment Narrative Report.

Access

Over the period 2014 to 2018, the total undergraduate enrolments increased by 2.1% on average per annum from 22 079 to 24 030, while postgraduate enrolments increased by 3.1% on average per annum over the 2014 to 2018 period from 3 736 to 4 223. Total enrolments for the University grew at 1.9% on average per annum from 26 510 in 2014 to 28 582 in 2018.

Figure 1 – Deviations of Nelson Mandela University actual headcount enrolments from the target headcount enrolments, 2015 – 2018

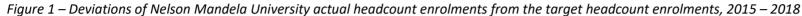# NELSON MANDELA UNIVERSITY ANNUAL PERFORMANCE PLAN: 2019

Figure 1 shows the deviations of Nelson Mandela University's headcount enrolments from the enrolment targets (which were adjusted in the annual performance plans based on the most recent trends). It is very difficult to achieve the exact headcount enrolment targets due to the volatility of the context within which higher education institutions operate. An example of this is the deviation in 2017 (-3.6%) which can be attributed to the impact of the protracted #FeesMustFall 2016 campaign. In 2018, the headcount enrolments surpassed the Annual Performance Plan target by 1.4% due to the expanded financial assistance to students after the introduction of fee-free higher education for the working class and poor. Most of the increases were experienced in returning senior students who would previously have dropped out due to financial reasons.

As a result of debt relief measures implemented in 2016, Nelson Mandela University experienced a 5.6% growth in headcount enrolments from 2015 to 2016. First-time entering enrolments increased by 3.8% from 2015 to 2016 compared to the total increase of 5.6%. This implies that a higher growth has occurred in returning senior students. However, in 2017, the University experienced a drop in enrolments of -0.6% which has resulted in the University not achieving the enrolment planning target of 28 658. The University is working progressively towards more integrated, digitised and responsive enrolment management systems and processes to ensure that the large number of offers made to applicants translates into actual enrolments. In 2018, headcount enrolments increased to 28 582 compared to 27 621 in 2017, which represents an increase of 3.5%.

In spite of this encouraging upward trend, especially from 2017 to 2018, the University has tempered its original enrolment plan targets since it is anticipated that the enrolment growth will become more stable. The University is also mindful that student: staff ratios are unacceptably high in some faculties and the overall student success rate has declined. Consequently, a moderate headcount enrolment growth is proposed to enable the University to ensure that it promotes student access **for** success through a range of support interventions within and beyond the classroom. It is estimated that the total headcount enrolments will increase from the current 28 582 to 29 124, which is an increase of 1.9%. Undergraduate enrolments are expected to increase from 24 030 in 2018 to 24 464 in 2019 (1.8% increase), whilst postgraduate enrolments are estimated to increase by 2.8% from 4 223 in 2018 to 4 343 in 2019.

The original enrolment plan targets for 2019 were 29 947 total headcount enrolments, 24 561 undergraduate enrolments and 4 946 postgraduate enrolments. It was necessary to lower the estimated growth of postgraduate enrolments, since the University has experienced much lower Masters' enrolments than originally projected. Master's degree enrolments for 2018 were 1 972 compared to the enrolment target of 2 478, for example.

The mid-term revised targets for 2018, as well as the actuals, are indicated in the table below:

NELSON MANDELA UNIVERSITY ANNUAL PERFORMANCE PLAN: 2019

	Enrolment plan target for 2018 (Mid-term revised)	Mid-year actual for 2018
First-time entering undergraduates	6 785	6 296
Headcount enrolments Total	29 440	28 582
Headcount enrolments UG	24 222	24 030
Headcount enrolments PG	4 793	4 223
Occasional students	425	329
Distance education enrolments	0	11

Since Nelson Mandela University has grown more in contact enrolments, in the SET fields and at postgraduate level, the University has remained close to the expected increase in teaching input units. The deviation from the approved TIUs and actual TIUs is outlined below.

	2015	2016	2017	2018
*Approved TIUs	47 719	49 730	51 064	52 978
**Actual TIUs	46 918	49 985	51 014	52 560
Deviation	-1.7%	0.5%	-0.1%	-0.8%

* 2017 and 2018 is preliminary

* 2018 is preliminary

The actual teaching input units in 2015 were 46 918 compared to the approved funded teaching input units of 47 719, which is 1.7% less than the approved target, but still falls within the acceptable range (2% range). Similarly, the audited actual teaching input units for 2016 which determined the 2018 subsidy were 49 985, compared to the approved funded teaching inputs of 47 730, which is a small deviation of 0.5% and again within the allowed acceptable range. The 2017 teaching input units were 51 014 compared to the preliminary approved teaching input units of 51 064, which is -0.1% below the approved target. Preliminary calculations of the 2018 teaching input units estimate a -0.8% deviation from the preliminary approved teaching input units.

Enrolments by major field of study

Figure 2 below shows that the Nelson Mandela University student enrolments according to major field of study have changed considerably over the period 2014 to 2018.

Figure 2 – Percentage distribution of student headcount enrolments by major field of study, 2014 to 2018 and projected 2019

Enrolments in SET increased from 35% to 39% of enrolments and the human and social sciences enrolments changed from 18% to 23%. Enrolments in business and management sciences declined from 39% to 31%, largely due to changes in admission requirements for diploma programmes. Enrolments in education remained stable at 7% of total enrolments. Growth rates in all three sub-fields of SET increased considerably over the period with average annual growth rates of 6.7% in health sciences, 4.1% in engineering and technology, and 2.5% in natural sciences. It is expected that enrolments in business and management fields of study will begin to increase again, although the proportionate impact on the academic size and shape will only reflect in a number of years.

Although differential growth rates are projected for the various major fields of study, the shape of enrolments in the various major fields of study are projected to constitute more or less the same proportions of the total enrolments in 2019 as in 2018. It is projected that enrolments will increase as follows in the four major fields of study from 2018 to 2019:

- Science, engineering and technology increasing from 10 411 to 11 044 (39% of total enrolments);
- Business and management sciences from 9 243 to 9 045 – it is expected that enrolments will start growing again (31% of total enrolments);
- Education from 1 809 to 1 948 (7% of total enrolments); and
- Human and social sciences from 6 128 to 6 545 (23% of total enrolments).

Student success

Nelson Mandela University has been very successful in improving the academic performance of students from all population groups over the period 2010 to 2016. In total, the success rate went up from 76% in 2010 to 83% in 2016. The national benchmark for student success is 80%, which the University exceeded from 2014 to 2016.

Figure 3 below details the University success rates in coursework modules from 2010 to 2017. The University has progressively improved the success rates of African and Coloured students respectively from 72% and 81% in 2010 to 75% and 84% in 2016. These improvements in success rates were the result of a range of student success initiatives, including interventions designed to bridge the gap between school and higher education studies.
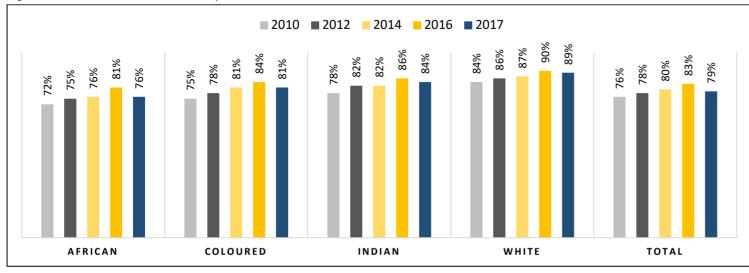
Figure 3: Nelson Mandela University Success Rates in Coursework Modules, 2010 - 2017

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In spite of the considerable investment in student support, the University has regrettably experienced a decline in the success rates of all population groups from 2016 to 2017. The most significant declines in success rates were experienced by African students (declined from 81% in 2016 to 76% in 2017), followed by Coloured students with a decline in success rate from 84% in 2016 to 81% in 2017. The success rate of Indian students declined from 86% in 2016 to 84% in 2017, whilst the success rate of White students declined from 90% to 89% over this period. The overall success rate of the University declined by four percentile points from 83% in 2016 to 79% in 2017.

Possible reasons for the decline in success rate from 2016 to 2017 are set out below, mostly related to the impact of the prolonged Fees Must Fall shutdown in 2016.

a) **First-time entering students:**

At the start of 2017, many first-time entering students registered late due to challenges experienced with NSFAS. As a result, some first–time entering students started attending classes late; missed first term assessments, laboratory work and orientation; and had to catch up on lost academic time as best they could. This would have had a negative impact on success rates.

The success rate of first-time entering students was 78.1%, which represented a drop of 3.4%, which was slightly less than the decline in the overall success rate. This probably suggests that the success rates of senior returning students is where the most significant decline was experienced.

b) **Senior returning students:**

After the prolonged Fees Must Fall shutdown in 2016, the academic completion plan took up to May 2017 to reach its conclusion. For example, the Faculty of Science had to run a mini-semester of laboratory work in the first term of 2017 to enable students to meet the practical requirements of modules. This would have impacted on the success rates of senior returning students as they were often both completing one academic year and starting the new one in disrupted ways. In addition, only the critical parts of the second semester syllabus were completed in 2016. Consequently, some of the aspects that were not covered in the syllabus in 2016 could have been critical for academic success in 2017.

An analysis of the student pass rates following the June examinations in 2018, showed an average pass rate of 78% for 2018. Although this is different from success rates, it is highly correlated with success rates. It thus indicates that the success rates are still not improving compared to 2017 and therefore a success rate of 79% is predicted for 2019.

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Another factor to be taken into account is that the student demographics of the University have changed considerably over recent years. Table 1 below shows that in 2011, 72% of our enrolments were African and Coloured students, and that these two groups increased to 82% of enrolments in 2018. Furthermore, 74% of our students are from the Eastern Cape and a significant proportion are from disadvantaged socio-economic and schooling backgrounds. This significantly increases the demand for academic and other forms of student support to ensure that academically vulnerable students are given the best chances for success.

The University expects that it will take a number of years to improve the success rates and this will require even more intense student success interventions on a wider scale. In view of these factors, the University estimates a 79% success rate in 2019.

Table 1: Nelson Mandela University student enrolments by population group, 2011 to 2018

	African	Coloured	Indian	White
2011	57%	15%	2%	27%
2012	58%	15%	1%	26%
2013	59%	14%	1%	25%
2014	60%	14%	2%	24%
2015	60%	14%	2%	24%
2016	62%	14%	2%	22%
2017	65%	14%	2%	19%
2018	68%	14%	1%	17%

It is encouraging to note that Nelson Mandela University has been successful in producing more graduates according to the 2017 targets in the scarce skills fields of life and physical sciences and in animal and human health sciences. The University was, however, not able to reach the original targets set for engineering and initial teacher education (B Ed) graduates.

Table 2: Nelson Mandela University undergraduate output by scarce skills, 2017

Undergraduate output by scarce skills	APP 2017 Target	Actual 2017 Output
Engineering	419	384
Life and physical sciences	255	280

Undergraduate output by scarce skills	APP 2017 Target	Actual 2017 Output
Animal and human health	531	544
Teacher education	428	397
B Ed	352	304
PGCE	76	97

In 2016, the University had 384 engineering graduates, which is 35 less than the target of 419. The gap has, however, been narrowed from 2016, where 101 fewer graduates were produced than the 2016 target. Based on recent enrolment and graduation trends, the targets for engineering have been scaled down from the original enrolment plan target of 525 for 2017 to 419, and from 535 in 2018 to 428. The University finds it difficult to substantially increase enrolments in engineering due to the poor mathematics and physical science results of applicants especially those coming from quintile 1 to 3 schools in the Eastern Cape. There is a concerted effort in the Faculty of Engineering, the Built Environment and Information Technology to improve student success to increase the number of students that complete their qualifications.

It is estimated that enrolments and, consequently, graduation trends in initial teacher training are improving and slightly higher targets for 2017 and 2018 have been set in the enrolment plan. The enrolments in initial teacher training are highly correlated to the number of available bursaries. The University had 21 more graduates in the PGCE than the 2017 target of 76. However, the University had 48 fewer B Ed graduates in 2017 than the target of 352.

The Faculty of Health Sciences has historically produced more graduates than the targets, although there was a slight drop in the number of graduates in Human Health Sciences from 552 in 2015 to 515 in 2016. In 2017, there were 544 graduates in animal and human health sciences, 13 more than the target of 531. In light of the enrolment growth that will be required as part of the establishment of the medical school, the University has increased the target for Animal and Human Health in the mid-term revised enrolment plan (2014-2019), from 426 in 2017 to 533, and from 526 to 564 in 2018.

In view of these trends, the following graduate output targets were set for 2019:

- Engineering – 421
- Life and physical sciences - 292
- Animal and human health – 584
- Teacher education – 411 (B Ed – 314; PGCE – 97)

Academic staff profile

In analysing the highest formal qualification of the permanently appointed academic staff at Nelson Mandela University, it is apparent that the percentage of staff with Doctoral qualifications has decreased from 46% in 2014 to 43% in 2017. This was largely because of retirements and resignations of highly qualified, senior academic staff members, as well as challenges in filling vacancies that arise in faculties, particularly in scarce skills fields of study. This has resulted in the University's student: staff ratio increasing to 30:1, which is above the national average of 26:1. This increases the teaching load of academic staff and can have a detrimental impact on student success and postgraduate supervisory capacity over time.

The intention is to reverse these trends through investing in developing the next generation of academics, supporting staff to obtain their Doctoral qualifications so that they are equipped to supervise Master's and Doctoral candidates and produce quality research publications, and prioritizing the filling of academic vacancies across all faculties particularly those with the highest student: staff ratios. Preliminary data for 2018 indicates that the percentage of staff with doctorates has improved to 45% in 2018. This can be attributed to new appointments of staff with Doctorates, as well as existing staff who have obtained their Doctoral qualifications during 2017. This is made possible through significant investments in research capacity development interventions such as the Teaching Replacement Grant (TRG) and the Research Development Fund (RDF). These grants are specifically targeted at improving the University's accredited and subsidisable research outputs by funding teaching replacements for academic staff who wish to spend dedicated time to improve their qualifications or to write for publication in DHET-accredited publications.

The estimated target for staff with doctorates has been set at 46% for 2019. This target will be achieved through appointments of staff with Doctorates to replace retiring highly qualified staff, filling of vacancies with highly qualified staff where possible, and encouraging existing staff to obtain Doctoral qualifications. This is especially crucial given the high correlation between academic staff with a Doctoral qualification and research outputs, as well as the need to enhance the capacity of academic staff to supervise higher proportions of M&D enrolments.

Research output

The audited HEMIS data shows that the University experienced an increase in Master's research output units from 276 in 2013 to 316 in 2014, accounting for an increase of 14.5% in one year. This dropped to 266 in 2015, but increased to 292 in 2016, accounting for a 9.8% increase from 2015 to 2016. In 2017, the University had 304 Master's research outputs. The University needs to devote special attention to improving the Master's research outputs back to the former higher levels.

An analysis of enrolment trends from 2016 to 2018 shows that Master's enrolments grew at an average annual growth rate of 1.4%. In 2017, the University showed

a growth of 1.6% with 2 016 Master's enrolments, up from 1 984 enrolments in 2016, but these enrolments dropped to 1 972 in 2018. Since the targets in the mid-term review enrolment plan are now deemed too optimistic, Nelson Mandela University has adjusted its target to increase the research Master's outputs to 316 in 2018 and 328 in 2019.

The University currently has 274 academic staff members with PhDs. The current ratio of Master's student enrolments to academic staff with doctorates is 7.5: 1 and the ratio of doctoral student enrolments to academic staff with doctorates is 2.2: 1. It is important to increase the number of academic staff members with PhDs to ensure that the postgraduate supervisory capacity keeps pace with the growth in Master's and doctoral student enrolments.

Nelson Mandela University has experienced a steep increase in doctoral student enrolments over the period 2014 to 2018. The doctoral enrolments increased from 527 in 2014 to 581 in 2015, which represents a 10% increase in one year. This was followed by another 10% increase from 2015 to 2016 with enrolments increasing to 641. However, the doctoral enrolments declined to 602 in 2017, but increased to 627 in 2018. The doctoral enrolments grew at 2.6% on average per annum over the period 2015 to 2018. The University had 95 doctoral graduates in 2016, 92 in 2017, and the targets are now 99 and 100 for 2018 and 2019 respectively.

The breakdown of the various publication unit types for 2016 and 2017 was as follows (2017 still to be approved by DHET):

Type	2016	2017	% change
Journal articles	315.24	313.08	-0.7%
Books/chapters	83.09	58.79	-29.2%
Conference proceedings	30.84	43.73	41.8%
TOTAL	429.17	415.6	-3.2%

The table shows that, in total, the publication units declined by -3.2% from 429.17 in 2016 to 415.6 in 2017. Book publications and chapters in books declined by -29.2% from 83.09 to 58.79, whilst conference proceedings increased from 30.84 to 43.73 which is a 41.8% increase.

Taking into consideration the number of publication units produced for the period 2015 to 2017, the University has set a target of 435 for 2019. The University would possibly produce more publication units in 2018 than the target of 401, which was set in the APP 2018.

Publication units	2015	2016	2017
	399	429	416

NELSON MANDELA UNIVERSITY ANNUAL PERFORMANCE PLAN: 2019

EARMARKED GRANTS: 2018/19

EARMARKED GRANTS FOR YEAR 2019/20 (FUNDING ENVELOPES AND INFRASTRUCTURE PROJECTS)					
		Breakdown of allocation			
Grant	**Earmarked Allocation**	**Budget**	**Projects**	**Linkage to performance indicators**	**Midyear performance indicator**
Clinical Training Grant As per DHET award letter received for 2018/2019 allocation	R11 253 967	R 1 485 530	Pharmacy	Project plan submitted to DHET on 28 February 2018 as per paragraph 2.1 in award letter. History shows 100% performance on projects.	50% of budget spent by 30 June
		R 7 797 897	Nursing Sciences		
		R 501 900	Biomedical technology		
		R 392 770	Emergency Medical Care		
		R 755 140	Radiography		
		R 320 730	Dietetics		
Infrastructure & Efficiency Grants (2017/2018)	R61 801 582	R6 736 365	University Projects- ICT	Increased / upgraded university infrastructure	Planning commenced
		R29 565 217	Maintenance CSIR	Increased / upgraded university infrastructure	Construction commenced
		R25 500 000	Ocean Sciences Building	Increased / upgraded university infrastructure	Planning commenced
	R50 000 000	R50 000 000	Student Housing	Increased / upgraded university infrastructure	Construction tender issued

EARMARKED GRANTS FOR YEAR 2019/20 (FUNDING ENVELOPES AND INFRASTRUCTURE PROJECTS)

Grant	Earmarked Allocation	Breakdown of allocation		Linkage to performance indicators	Midyear performance indicator
		Budget	**Projects**		
	R49 965 168	R49 965 168	various	Increased / upgraded university infrastructure	Planning commenced
	R116 585 393	R116 585 393	various	Increased / upgraded university infrastructure	Planning commenced
	R35 855 925	R4 855 925	Felsted building re-purposes - Bird street	Increased / upgraded university infrastructure	Contractor appointed
		R6 000 000	Water reservoir – George	Increased / upgraded university infrastructure	Planning commenced
		R8 000 000	Furntech building – George	Increased / upgraded university infrastructure	Construction tender issued
		R10 000 000	Law faculty additions – Embizweni		Planning commenced
		R7 000 000	Reclaimed water scheme – South		Construction tender issued
Research Development Grant		R 1 182 245	Project 2: Nurturing Emerging Scholars and Teachers (NEST)	Increase in activities to nurture emerging scholars and teachers who are Senior Buddies, SI Assistant Coordinators, Teaching and Research Assistants, and Writing Coordinators	50% of budget spent by 30 June
		R 6 514 939	Project 3: Supporting Early Career Academics as Emerging and Engaged Scholars	Enhancing and increasing activities to support early career academics in terms of induction activities, mentoring, teaching practice development, supporting masters & doctoral studies, developing research supervision practice, and article writing capacity development	50% of budget spent by 30 June

EARMARKED GRANTS FOR YEAR 2019/20 (FUNDING ENVELOPES AND INFRASTRUCTURE PROJECTS)

Grant	Earmarked Allocation	Breakdown of allocation		Linkage to performance indicators	Midyear performance indicator
		Budget	**Projects**		
		R 5 676 499	Project 4: Supporting Mid-Career & Senior Academics	Enhancing and increasing activities to support mid-career & senior academics ito enhancing teaching facilitation, academic leadership development, mentoring & coaching, innovation grants, and supervision practice development	50% of budget spent by 30 June
		R 4 566 773	Project 5: Teaching Dev linked to Institutional & Faculty Priorities	Opportunities for teaching development linked to discipline-based T&A practices, Blended learning and TEL, Humanising pedagogy, teaching innovation grants and recognition, and rewarding T&L excellence	50% of budget spent by 30 June
		R 1 498 264	Project 6: Curriculum Development	Increase T&L and curriculum development opportunities and creating space (time) for curriculum development activities	50% of budget spent by 30 June
		R 912 150	Project 7: Project Management	Appoint staff (project manager and researchers) to manage the UCDP projects	50% of budget spent by 30 June
Foundation Provision Grant As per November 2016 Ministerial Statement. Allocations for 2016/2017 and 2017/2018 only.	No DHET allocation confirmation to date. An **estimate** of R9 928 000 is included in the budget NMU additional allocation R10 852 903 **Total:** **R20 780 903**	R 1 300 972	Arts	75% success rate	50% of budget spent by 30 June

EARMARKED GRANTS FOR YEAR 2019/20 (FUNDING ENVELOPES AND INFRASTRUCTURE PROJECTS)					
		Breakdown of allocation			
Grant	**Earmarked Allocation**	**Budget**	**Projects**	**Linkage to performance indicators**	**Midyear performance indicator**
		R 4 653 480	Business & Economic Sciences	75% success rate	50% of budget spent by 30 June
		R 1 022 113	Engineering, Built Environment & IT	75% success rate	50% of budget spent by 30 June
		R 2 976 461	Law	75% success rate	50% of budget spent by 30 June
		R 9 524 930	Science	75% success rate	50% of budget spent by 30 June
		R 1 302 948	Teaching & Learning	75% success rate	50% of budget spent by 30 June

NELSON MANDELA UNIVERSITY ANNUAL PERFORMANCE PLAN: 2019

LONG-TERM CAPITAL EXPENDITURE PLAN AND PROPOSED LONG-TERM BORROWINGS

Description	Project value	Source of funds			2018	2019	2020	2021
		DHET	Own funding	Borrowings				
Student residences: Development of 2000 beds	R596.6m	R66,6m R75m R50m R44.6m Note 1 R50m Note 4	R7.5m	R302.9m Note 2		R 246.8m	R 259.9m	R 89.8m
Infrastructure & Efficiency funding	R102.2 Note 5	R102.2m					R59.7m	R42.5m
Development of the initial phase of a Life Rights Retirement Village	R 87.4m		R 87.4m Note 3			R 44m	R41m	R 2.4m
Infrastructure damaged due to #fees must fall (insurance claim)	R5.8m		R5.8m			R5.8m		
Re-integration of previously outsources contracts infrastructure as per new business model.	R10m		R10m			R10m		

NELSON MANDELA UNIVERSITY ANNUAL PERFORMANCE PLAN: 2019

Description	Project value	Source of funds			2018	2019	2020	2021
		DHET	Own funding	Borrowings				
Capital maintenance as per 5 year plan Residence capital maintenance projects	R50m					R9m	R21m	R21m
General capital maintenance projects	R128m					R40m	R53.7m	R34.5m
Transportation Hub	R5.9m		R5.9m			R5.9m		

Note – Long-term capital expenditure plan and proposed long term borrowings excludes efficiency funded capital projects.

Note 1 – Interest earned on DHET allocated student accommodation funding

Note 2 – Subject to Ministerial approval

Note 3 – Seed funding to be recouped by sale of units. Ministerial approval to be obtained

Note 4 – Estimated additional allocation from DHET

Note 5 – Infrastructure & Efficiency funding to be received from DHET as per allocation letter

2019 BUDGET AND THREE-YEAR FINANCIAL PROJECTIONS (2019-2021)

Budget process and overview

An institutional **Resource Allocation Model (RAM)** informs the total budget and allocation of funding. Within this framework more definitive funding models and processes are employed to distribute block funds across the University.

The institutional RAM process is summarised as follows:
- Estimate revenue resources
- Top-slice for institutional overheads and strategic allocations
- Allocate earmarked income (all earmarked income identified is allocated according to the applicable business plan, contract or agreement i.e. student accommodation, earmarked funding, facilities etc.)
- Allocate salary block funding
    - The salary budget (Council Funded) benchmark will be revised during the 2019 budget cycle, taking into account the organisational redesign, remuneration harmonisation process, revised baseline of the academic block allocation and change in operational subsidy funding in the medium term
    - The resource allocation model and budget directives will determine the block amount available for the salary budget allocation.
        - Academic staff budget
            - An Academic RAM is utilized to allocate funding to faculties
        - Professional Administrative Support Staff (PASS) budget
            - Management Committee of Council (MANCO) members are given an block allocation based on the budget directives
        - Provision is made for a remuneration contingency to fund adjustments of the staffing costs including annual increase costs
- Allocate operating block funding
    - Operating block allocations are split between Academic block funding and Professional Administrative Support Staff (PASS) block funding.
        - The Academic Block allocation is determined based on the current budget allocation as the baseline adjusted with the inflationary increase and growth in student FTE's prescribed in the budget directives

        - The Academic RAM model is then applied and allocated to faculties who are required to distribute their allocations per school & department

- The Professional Administrative Support Staff (PASS) operating block allocations are informed by the budget directives for the applicable budgeting cycle. MANCO members will receive operating budget for their core business in two block allocations where applicable:
  - Corporate Overheads/ earmarked allocations as per budget directive and allocated from a zero base
  - MANCO member's operational allocation as per budget directive.

  MANCO members will be requested to distribute operating budget within their directorates

Assumptions used in preparing the budget (2019 – 2021)

- Inflation rate used in estimates: 2019 5.5%; 2020 to 2021– 5%

1. **Subsidy**
   - The latest MTEF and correspondence from DHET was used as a basis to inform the calculations

   - Net Block Grant Subsidy for operations is an estimated increase of 19% for 2019 (includes GAP funding subsidy); 5 % 2020 & 5 % 2021

   - Other subsidy sources that are earmarked allocations from the DHET, reflected in central budget are for Foundation Programmes and Interest & Redemption. Other DHET earmarked grants i.e. Clinical Training Grant and University Capacity Development Grant are managed as a ring fenced funds. Budgets are based on latest MTEF.

2. **Fees**
   - Tuition
     - 2 % growth in 2019 to 2021 as per academic plans
     - 5.3% = fee increase scenario (2019); 6% (2020 - 2021)
     - Bad debt provision of 6% provided for 2019 - 2021

   - Residences
     - Fee increase scenario of 7.3% for 2019; 7% (2020 - 2021)
     - Bad debt provision of 3% provided for 2019 - 2021
     - Off Campus – agency fund therefore only commissions receivable budgeted for. Net position reflected.

3.   Other Income

The following activities fall under other income which have their own assumptions
- International Office
  - 2019 budget assumptions + growth of 1 % applied for 2020 & 2021
  - levy increase of inflation +1 % for 2020 to 2021
  - 30% of revenue applied in central budget
  - 70% of revenue applied to salary & operating budgets of this activity

- Facilities
  - Revenue estimated on all facilities for 2019 (new baseline) increased by 8% for 2020 & 2021

- Sundry Income
  - Forecasts use 2019 budget as baseline
  - Average increase of 10% for 2020 & 2021

- Trust / Strategic Resource Mobilisation Office (SRMO)
  - Bursaries received from Trust – no allocations for 2019 - 2021
  - SRMO operational expenses recouped – the corresponding salary & operating budgets are reflected under the expenditure line items

4.   Strategic Allocations
- 2019 adjusted baseline used for 2020 to 2021. This is non recurrent key institutional projects

5.   Salaries
- The Academic salary block amount for 2019 is calculated using the 2015 (pre fees must fall) sector average student: staff ratios, weighted per CESM per faculty. This standard is then used by dividing it into the latest audited faculty enrolled FTE's to determine the number of Senior Lecture Units (SLU). Total SLU's for all faculties x Average CTC of a Senior Lecturer, using 2018 rand values = Academic Block Allocation for 2019 (excluding annual salary adjustments). This is increased by 8% for 2020 and 2021, taking student growth of 2% into account.

- The PASS salary block amount for 2019 is the adjusted 2018 approved salary block allocation, adjusted with 2018 MANCO approved recurrent additions if applicable, as well as the effect of the 2018 salary increase.
- A contingency is budgeted for the organizational re-design project. This is the difference between 63.5% of fees + subsidy (less provision for GAP funding phase out) and the total of the Academic + PASS block amounts.
- An average increase in salary budget of 6.5% applied to the baseline for 2020 & 2021.
- Residences, Foundation Programme, SRMO, International Office & Facilities budget within their business model and a 6.5% increase for 2020 to 2021 is applied to these line items. The impact of re-integration of approved previously outsourced service workers has increased the Residences and Facilities baselines. The full earmarked grant for the Foundation Programme is ring fenced and applied.

6.   Supplies & Services

The following activities fall under supplies & services which have their own assumptions:

- Strategic Resource Mobilisation Office (SRMO) – 2019 budget zero based with inflation + 1 adjustments for 2020 & 2021
- Operations & Overheads – 2019 budget used as baseline (overheads, academic budgets (increased by inflation + growth) and operations average increase of 8% for 2019 & 2020
- Building Maintenance Projects – mainly funded from earmarked reserves for 2019 to 2021 with a budget from operations being   R 5 m
- International Office – 70% funding model – operations balancing amount from 70% revenue less salary costs
- Facilities – 2019 budget used as baseline increasing by 7% for 2020 to 2021
- Residences –new baseline increase by 7.5% 2020 to 2021
- Foundation Programme – total earmarked allocation (DHET earmarked grant)+ central allocation (Council) minus salary budget
- Bursaries and financial aid allocation baseline in 2019 includes GAP funding phase out now managed by institutions. Baseline not increased in 2020 – 2021 due to phase out

7.   Provisions

- Depreciation – 2019 to 2021 budget based on current fixed asset register adjusted for CAPEX movement
- Accumulated leave – 2019 to 2021 budget based on leave balance estimates per staff adjusted by the estimated salary adjustments

8.   Finance Costs

- Forecasts made according to existing amortization tables

9.   Other operations
- Post-retirement benefits – 2019 budget based on latest actuary evaluations. 2020 & 2021 adjusted by 8%

10.   Investment Income
- Investment income based on cash flow / investment forecasts and estimates

11.   Specific Provisions
- Efficiency funding escalation provision – based on latest estimates available
- Transfer to reserves are budgeted for to build up earmarked reserve funds

12.   Non-recurrent income & expenditure represent earmarked funding for capital projects. This budget is based on approved allocations by the DHET (revenue) and the cash flow projections on how the funds will be spent during 2019 and the following years (expenditure). As funds will not necessarily be spent in the year received/ funded/ budgeted, there needs to be transfers from previous years. This budget also includes other non-recurrent project expenditure on deferred maintenance and new capital projects funded from reserves.

13.   Transfer from reserves reflect the funding of projects from reserves

14.   Non-Council funded income and expenditure represent activities that include research, engagement, projects, etc. that are controlled via funds. It is assumed that all revenue generated is expensed.

BUDGET 2018 – 2021

NELSON MANDELA UNIVERSITY
CONSOLIDATED INCOME STATEMENT

	2018	2019	2020	2021
	Forecast	Forecasted Budget	Forecasted Budget	Forecasted Budget
INCOME	1 859 614 219	2 128 969 340	2 262 026 549	2 403 696 921
SUBSIDY	1 031 028 840	1 228 847 223	1 290 288 593	1 354 802 030
FEES	745 426 287	809 470 291	872 622 852	941 527 858
Teaching	644 890 481	719 122 007	775 947 106	838 022 874
Residences	100 535 806	90 348 284	96 675 746	103 504 984
OTHER INCOME	83 159 092	90 651 826	99 115 105	107 367 033
EXPENDITURE	1 829 962 910	2 124 389 677	2 255 743 314	2 396 998 141
STRATEGIC ALLOCATIONS	48 431 825	70 202 516	70 202 516	70 202 516
SALARIES	1 113 722 875	1 275 128 132	1 366 172 320	1 463 787 249
SUPPLIES AND SERVICES	537 685 142	630 411 233	667 391 301	707 282 650
PROVISIONS	102 725 921	122 551 767	125 154 780	127 793 975
Depreciation	94 915 518	112 501 542	114 501 542	116 501 542
Accumulative Leave	7 810 403	10 050 225	10 653 238	11 292 433
FINANCE COSTS	10 585 267	9 768 929	9 189 128	8 887 822
OTHER OPERATIONS	16 811 880	16 327 100	17 633 268	19 043 929
Post-retirement benefits	16 811 880	16 327 100	17 633 268	19 043 929
SURPLUS/(DEFICIT) from OPERATIONS	29 651 309	4 579 663	6 283 236	6 698 780

NELSON MANDELA UNIVERSITY ANNUAL PERFORMANCE PLAN: 2019

**NELSON MANDELA UNIVERSITY
CONSOLIDATED INCOME STATEMENT**

	2018	2019	2019	2021
	Forecast	Forecasted Budget	Forecasted Budget	Forecasted Budget
SURPLUS/(DEFICIT) from OPERATIONS C/F	29 651 309	4 579 663	6 283 236	6 698 780
INVESTMENT INCOME	133 766 685	150 000 000	128 539 264	110 208 008
LESS : SPECIFIC PROVISIONS	44 036 644	119 247 690	113 076 983	108 928 018
Escalation - Efficiency Funded Projects	34 036 644	34 247 690	28 076 983	23 928 018
Transfer to reserves	10 000 000	85 000 000	85 000 000	85 000 000
SURPLUS/(DEFICIT) from OPERATIONS & INVESTMENT INCOME	119 381 350	35 331 973	21 745 517	7 978 770
NON RECURRENT INCOME	99 965 168	109 730 179	75 000 000	75 000 000
DHET / Donor Grants - Efficiency funding	99 965 168	109 730 179	75 000 000	75 000 000
NON RECURRENT EXPENDITURE	479 160 329	485 078 427	125 000 000	126 800 000
Deferred maintenance / projects funded from reserves	43 733 910	79 234 927	50 000 000	51 800 000
Efficiency Funding	435 426 419	405 843 500	75 000 000	75 000 000
TRANSFER FROM EFFICIENCY FUNDED RESERVES	335 461 251	296 113 321	-	-
TRANSFER FROM RESERVES	43 733 910	79 234 927	50 000 000	51 800 000
SURPLUS/(DEFICIT) (COUNCIL FUNDS)	119 381 350	35 331 973	21 745 517	7 978 770
NON COUNCIL FUNDED SURPLUS / (DEFICIT)	-	-	-	-
Income	411 349 103	411 349 103	436 030 049	462 191 852
Expenditure	411 349 103	411 349 103	436 030 049	462 191 852
SURPLUS/(DEFICIT) (ALL FUNDS)	119 381 350	35 331 973	21 745 517	7 978 770

NELSON MANDELA UNIVERSITY ANNUAL PERFORMANCE PLAN: 2019

CASH FLOW PROJECTIONS OF REVENUE AND EXPENDITURE FOR 2019 – 2021

	2019	2020	2021
Opening Bank balance	90 389 401	90 000 000	90 000 000
Income (A)	**2 972 423 515**	**3 063 457 969**	**3 188 517 111**
Subsidy	1 333 997 134	1 360 750 590	1 424 541 720
Tuition & residence fees	840 487 889	853 228 505	866 183 243
Fee shortfall subsidy			
Earmarked grants			
Investment Income	150 431 604	128 539 264	110 208 008
Other Income	647 506 889	720 939 609	787 584 140
Expenses (B)	**3 034 443 694**	**3 091 664 871**	**3 310 187 672**
Staff Costs	1 364 417 920	1 450 628 275	1 537 665 972
Other Expenses (operational & capital)	1 670 025 774	1 641 036 596	1 772 521 701
Inflow/(Outflow) (A-B)	**-62 020 179**	**-28 206 903**	**-121 670 562**
Bank Balance before transfer from earmarked investments	**28 369 222**	**61 793 098**	**-31 670 562**
Transfer from/(to) earmarked investments	**61 630 778**	**28 206 902**	**121 670 562**
Closing Bank balance	**90 000 000**	**90 000 000**	**90 000 000**

NELSON MANDELA UNIVERSITY ANNUAL PERFORMANCE PLAN: 2019

INSTITUTIONAL RISKS AND MITIGATING STRATEGIES

An institutional risk assessment has been conducted to identify inherent risks that would potentially have an impact on the achievement of Nelson Mandela University's Vision 2020 strategic priorities and goals. A multi-dimensional set of mitigating strategies have been identified which are outlined below.

Risk No.	Risk factor	Impact	Likelihood	Existing risk mitigation plans
1	**Human Resources:** Delays in recruitment and selection processes. Lack of optimal working relationship between Organised Labour and Management. Complexities and lack of capacity to implement HR Operating Models. Staffing strategies which are not strategically aligned and no leadership development opportunities. Organisational design not fit for purpose. Ineffective HR systems impacting on the institutional culture, progress on institutional objectives, including attraction and retention of high calibre employees as an employer of choice.	**Catastrophic**	**Almost certain**	1) Finalise the review of Conditions or Service for PL5 to PL17. 2) Review Recognition Agreements to be in line with the new Employment Relations 3) MANCO commissioned a special Task Team to assist with labour relations tension with both Unions. 4) Policy on the redesign and structural changes approved in 2017. 5) Recruitment of specialist skills/equity development has been ring-fenced via a Central Fund residing within the VC's Office. 6) Identify priority vacancies and recruitment constraints to fast track the implementation of recruitment plans. 7) Finalise the review of the Recruitment and Selection Policy for PL1 to PL17. 8) Conclude mapping process between workload analysis and future structure. 9) Development of staffing strategies for Faculties and Directorates to identify People Pipeline. 10) Determination factors resulting in a lack of retention and corrective measures. 11) Establish benefits unite and align University policies with external third party policies. 12) Creation of enabling systems to support core business, add value and introduce more effective and efficient services.

Risk No.	Risk factor	Impact	Likelihood	Existing risk mitigation plans
2	**Financial Sustainability:** Unpredictable funding impacting the sector and financial sustainability of the institution, uncertainty regarding the quantum of state funding and administrative challenges at NSFAS, finance capacity, non-viable academic modules and schools.	**Critical**	**Uncertain**	1) Policy on the redesign and structural changes approved in 2017. 2) Recruitment of specialist skills/equity development has been ring-fenced via a Central Fund residing within the VC's Office. 3) Recruitment of all PASS posts has been frozen and critical posts require ED: F and ED: HR approval for an interim period. 4) Council benchmark of 67.5% subsidy plus tuition fees. 5) Business model for reintegrated services implementation currently in progress. 6) Approval framework is in place to govern the review and sign-off of expenses. 7) The working relationship between Nelson Mandela University and NSFAS, as well as systems, has improved but is still reactive in nature. Dedicated NSFAS service agent appointed for Nelson Mandela University. 8) 3rd stream income policy. 9) Overhead recovery/levy is in place. 10) Compliance with NIPMO full cost of recovery for intellectual property. 11) Review of entities. 12) 2017 funding announcement by the President. 13) Strategic Resource Mobilisation Office has been established.
3	**Reintegration and business models** Complexities related to implementation the reintegration and business models within the current HR and operational systems – differentiated norms and business process systems, integrating a commercial culture, effective implementation and management of the enterprise development model.	**Critical**	**Probable**	1) The reintegration of service functions is complete. 2) The period until end March will be a transition phase focusing on the new business models for catering, cleaning, gardening, sports field maintenance and security services, including the redesign of the Estate and Facilities Management portfolio. 3) Shared services function approved by MANCO.

Risk No.	Risk factor	Impact	Likelihood	Existing risk mitigation plans
4	**Management capacity and culture:** Lack of collective accountability across the various levels of management to actively drive and support an institutional culture of responsive and responsible stewardship – experiential gap at the line management level, level of engagement between line managers and centralised support functions to uphold good governance, compliance and internal controls, lack of succession plans.	**Critical**	**Almost certain**	The Senior Director: Organisational Development has been appointed and is consulting with relevant stakeholders in order to formulate an implementation plan.
5	**Lack of transformation architecture:** lack of an integrated, institutional convening capacity for transformation and discrimination-related complaints handling mechanisms resulting in delays in responding to allegations of racism, GBV, sexual harassment and other forms of discrimination, as well as constrained capacity to address compliance with the BBBEE Act, DHET transformation directives and interventions to foster an inclusive, socially just institutional culture.	**Catastrophic**	**Uncertain**	1)Transformation has been identified as an institutional priority area in revised Vision 2020 strategic plan (2018-2020). 2) Institutional transformation plan was approved by Council and submitted to DHET in December 2017. 3) Transformation monitoring, evaluation and reporting framework was approved by Council in June 2018 and will inform tracking of progress in achieving transformation priorities and goals. 4) Transformation progress is reported on annually to Council and DHET as part of University governance processes. 5) MANCO working group has been established to develop BBBEE strategy for the University and earmarked funding has been set aside to diversify the supplier database and promote preferential procurement. 6) The proposed organisational design has sought to foreground the transformation function. It is envisaged that the portfolio will report directly to the Vice-Chancellor, and it will coordinate and consolidate all transformation efforts across the University, and will work with the sector to leverage best practices.

Risk No.	Risk factor	Impact	Likelihood	Existing risk mitigation plans
6	**Project management capacity and increased workload:** Lack of dedicated institutional project management capacity and systems to drive transversal strategic projects – the scale of the new Ocean Sciences, Medical programme and reintegration projects, silo management culture, project teams are reliant on existing employees who may already face high workloads.	**Critical**	**Probable**	1) Medical programme project management structure and resources approved by MANCO. 2) Institutional project steering committee chaired by the VC has been established to oversee medical programme developments. 3) Expertise being leveraged to support key projects such as Ocean Sciences. 4) Selected employees have been designated to the Shared Services function to support the reintegration project. 5) External capacity has been sourced to provide project management support for the reintegration project. 6) External capacity has been sourced to provide project management support for the reintegration project. 7) Dedicated capacity for strategic project management has been identified as a priority in the organisational redesign process.

Risk No.	Risk factor	Impact	Likelihood	Existing risk mitigation plans
7	**Attractiveness of academic offering to high performance students:** The sustainability of the current academic strategies which are based on a comprehensive university model, growing competition from public and private universities, CAS, the impact of a growing student base, declining quantum of per capita funding, carrying loss making academic modules, schools and campuses .	**Critical**	**Almost certain**	1) Using SARChI Chairs to aggressively advertise and attract new students from across SA and internationally, in selected PG research fields (including Ocean Sciences). 2) Growing number of RAs and HEAVA appointees, to provide more expertise for PG student supervision. 3) Purchased "SciVal" analytical software to strategically select institutions who will be good research partners. 4) Two exciting new developments in the Academic arena will attract top students and scholars: The Ocean Sciences campus and related academic offerings, which are wide ranging and interdisciplinary; the medical school, with a unique community based approach that is starting in 2020, with multiple access points. 5) Concerted efforts are being made in all the faculties to renew their curricula, taking into account issues of relevance to 21C skills, to the world of work, to imperatives of transformation (such as calls for decolonisation and africanisation), and to technology-enhanced learning initiatives and innovations. 6) Entities have also been established that will pay particular attention to these imperatives (e.g. CRiSHET, CCT, Centre for Philosophy in Africa). 7) There are also numerous departmental research and engagement entities doing cutting-edge work in collaboration with industry partners – eg Innoventon, eNTSA, SAIMI, CCT, etc etc. 8) Consistent progressive work being done around humanising pedagogies and related curriculum development that sets us apart.

Risk No.	Risk factor	Impact	Likelihood	Existing risk mitigation plans
8	**Outdated governance processes and academic administration systems:** Lag in the evolution of institutional governance and academic administrative processes to support responsiveness in a dynamic landscape - enabling systems to respond decisively to emerging needs (Medical Programme, Ocean Sciences, shared services model), student access value chain, student assessment processes, innovative library services.	**Critical**	**Probable**	1) Research: (i) Software upgrades in progress for fast-tracking of ethics application approvals from staff and students. (ii) Several research policies are being updated to improve decision-making. 2) Academic Admissions: (i) In a collaborative approach between the Centre for Community Technologies, ICT Services and the Registrar's Division, a proposal to streamline governance committee administration by implementing a governance software package is underway. (ii) A multi-stakeholder project called Student Access and Enrolment Value Chain project, which started in 2017 in view of the unsatisfactory enrolment numbers in 2017 and the need to provide an exceptional pre-arrival and arrival experience for prospective students and ensure that Nelson Mandela University becomes university of first choice for students will continue this year.
9	**Sustainability of infrastructure investments, including ICT investments:** Outdated infrastructure growth in student numbers constraining the current model of space utilisation and effective delivery of related student services and – low return on assets due to a legacy approach to management of space conceptualisation, infrastructure management and contact-based academic delivery methods.	**Moderate**	**Probable**	1) 5 year rolling plans with dedicated reserves in place. 2) Space utilisation and optimisation model developed. 3). Review of approaches to sourcing ICT infrastructure and move towards cloud services.

Risk No.	Risk factor	Impact	Likelihood	Existing risk mitigation plans
10	**Security and safety across campuses:** Effective security management strategy and systems, high cost of investment in security systems, inherent risks related to easy access campuses, high crime rates, recent incidents threatening student safety, lack of a SHE management strategy, lack of a formalised BCP, fire hazard.	**Critical**	**Uncertain**	1) Key solutions to enhance safety and security are being implemented as part of business model implementation team. 2) Capex approved. 3) Increased control of access points to the University for vehicular and pedestrian traffic, including installation of required infrastructure in phases. 4) Efficiency funding request to DHET for interventions in support of a closed campus for the Summerstrand University complex was approved to be funded over a period of three years. The University needs to make a contribution. 5) Skills assessment has been completed. 6) Technology strategy for enhanced safety and security developed and implementation of elements thereof underway.

CRITICAL STRATEGIC ENABLERS

The University recognises that the successful implementation of Vision 2020 and the Annual Performance Plan 2019 will depend on the following critical strategic enablers, namely:

- **Ownership and mobilisation**: Effective communication and stakeholder engagement to drive sustained and inclusive development and transformation.
- **Resources** to accelerate transformation, sustainable growth and excellence.
- **Visionary and accountable leadership** with robust and transparent planning, implementation, monitoring and evaluation mechanisms at all levels.
- **Capable staff** to implement the strategic change agenda effectively.
- **Changed attitudes and mindsets** to rekindle and strengthen values aligned with the legacy and ethos of Nelson Mandela.

CONCLUSION

Nelson Mandela University is strategically positioned to profile itself as the only university in the world carrying the name of its global iconic namesake. Along with the opportunities this brings, it also carries a significant responsibility to embody the ethos of Nelson Mandela – most notably his lifelong struggle for a non-racial, non-sexist, democratic society where all citizens are treated with dignity. In our quest to honour Mandela's legacy, the University will need to ensure that its core missions of teaching, learning, research, innovation and engagement promote a better life for all characterised by social justice, equality, inclusive economic growth and freedom from all forms of oppression and discrimination. This will require that the University be taken to greater heights through targeted strategic interventions to: further enhance access for success; promote strategic and academic coherence; deepen and accelerate transformation across multiple dimensions; invest in motivated and high-performing staff; re-engineer and modernise institutional processes, systems and infrastructure; and promote long-term financial sustainability.