

NELSON MANDELA
UNIVERSITY



INTEGRATED ANNUAL REPORT

to the Minister of Higher Education and Training

for the year ending 31 December 2017



Produced by the Office for Institutional Planning
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APPROVED BY COUNCIL
22 June 2018

Ms Nozipho January-Bardill
Chairperson of Council

Prof Derrick Swartz
Vice-Chancellor

VISION:

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

MISSION:

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

VALUES:

Diversity; Excellence; Ubuntu; Social Justice and Equality; Integrity and Environmental Stewardship

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Executive Summary

Nelson Mandela University – The Legacy Continues



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 launch of the University's new name in July 2017 offered the opportunity to rebrand Nelson Mandela University both continentally and globally, while also ushering in a new era of renewed vigour in advancing social, intellectual, curriculum and cultural transformation imperatives.

The University's positioning strategy is a crucial dimension of ensuring long-term sustainability since it will contribute to the attraction and retention of talented students and staff, 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.

As part of the University's endeavours to transform itself, various efforts have been underway to foreground what it means to carry Mandela's name, especially as it relates to how this should shape governance, management and stakeholder engagement; institutional identity, ethos and values; curriculum and scholarly endeavours; engagement and partnerships; as well as institutional support service delivery processes and systems. This was the focus of considerable reflection during 2017 to ensure that the University's identity and intellectual culture fully embody the privilege and responsibility of carrying the name of one of the world's most iconic leaders of all times.

This is particularly crucial as a precondition for the University to thrive within the context of the prevailing volatile, complex challenges confronting the higher education sector nationally and globally. 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, over the past 18 months since the advent of the Fees Must Fall protests in 2016, the University has been engaged in implementing various interventions to promote social justice and equality while ensuring long-term sustainability.

As part of this exercise, the University's Vision 2020 strategic plan was comprehensively reviewed and six strategic priorities were identified to guide planning and resource allocation from 2018 to 2020, namely to:

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

- Provide and sustain enabling systems and infrastructure that promote an exceptional experience for students, staff and key stakeholders.

The University is mindful that the higher education sector nationally is likely to experience ongoing complex challenges such as policy uncertainty, slow economic growth, increased enrolments and growing student expectations for expanded support, rigorous accountability and regulatory requirements, and fiscal constraints. Within this context, it is of paramount importance that the University prioritises strategies to safeguard medium- and long-term social, environmental and economic sustainability.

In addition to various sectoral challenges, Nelson Mandela University also experienced several institution-specific challenges during 2017 – many of which were an outflow of the protracted Fees Must Fall shutdown in 2016. Some of these challenges included:

- A decline in enrolments, relative to 2016, resulting in the University not meeting its DHET-approved student enrolment targets for 2017. In total, 27 621 students registered in 2017 compared to the University's 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.
- The student: staff ratio has increased to 30:1 after a substantial number of academic staff retired and resigned at the end of 2016. The filling of academic vacancies across all faculties has been prioritised to reverse this trend and various capacity development programmes are also in place to regenerate and diversify the academy with the next generation of academics.
- Despite a drop in permanent academic staff members which resulted in large classes and heavy teaching loads, academic staff published 313 articles in accredited journals in 2017 compared to 315 in 2016. The research output units for 2017 conference proceedings and books will only be available later this year.
- The University's student success rate has been increasing steadily from 75% in 2010 to a record high of 82% in 2016. However, in 2017, this trend reversed and the success rate declined to 78%. While more rigorous institutional research is being conducted to assess the reasons for this decline, some preliminary observations regarding the possible underlying causes of this decline include the following:

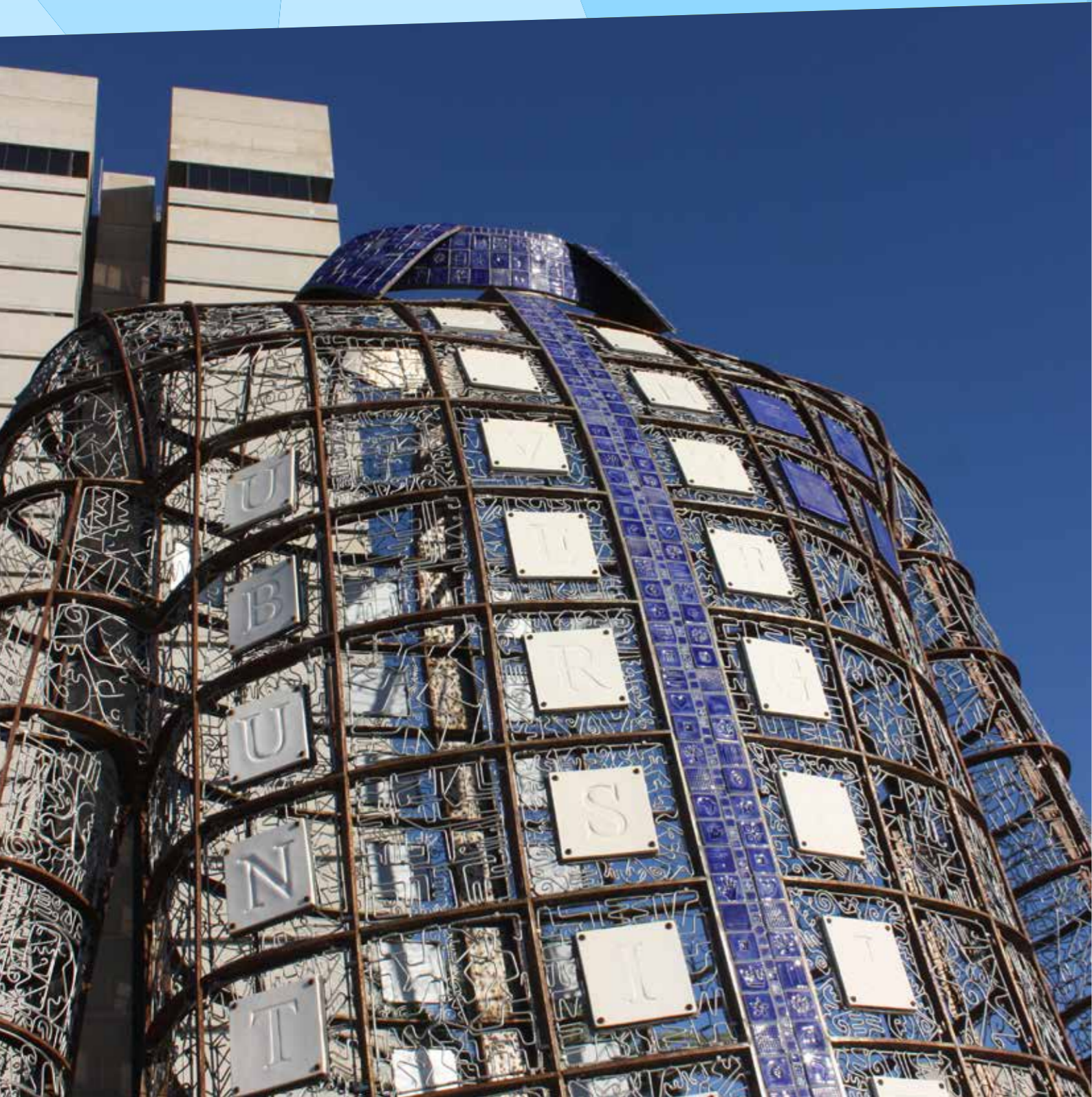
- o Due to financial challenges, many students registered late at the start of 2017 and therefore missed orientation and had to catch up on their own to prepare for first term assessments.
- o After the prolonged Fees Must Fall shutdown in 2016, the academic completion plan took up to May 2017 to reach its full conclusion. This would have impacted on the success rates of returning students as they were often simultaneously completing one academic year and starting a new one in disrupted ways.
- o As part of the academic completion plan, only the critical parts of the second semester syllabus could be taught in 2016 and some of the aspects that were not covered could have been critical for academic success in 2017.

In light of the abovementioned challenges, the University has initiated various sustainability interventions, including: implementing measures to enhance the strategic and financial viability of all academic programmes; re-assessing organisational design to ensure strategy alignment and fitness-for-purpose; and developing business models to re-engineer institutional operations, systems and processes, including the reintegrated outsourced services. Concurrently, Council mandated four game-changing development trajectories for the University to ensure that it differentiates itself strategically going forward, 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 African continent;
- Transforming health sciences education towards the establishment of the 10th 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.

The Annual Report for 2017 will provide a more detailed narrative of the highlights, successes, innovations and challenges in respect of the University's strategic trajectory and the impact thereof on our core mandate of promoting student access for success through quality, life-changing teaching and learning, research and engagement.

1. Organisational Overview



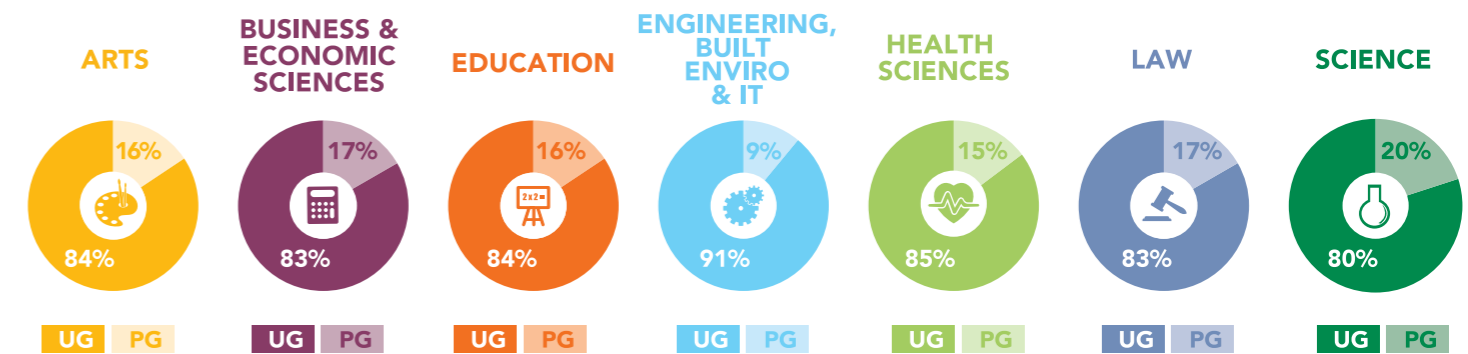
On 20 July 2017, Nelson Mandela Metropolitan University officially launched its new name - Nelson Mandela University. This offered the opportunity to rebrand Nelson Mandela University both continentally and globally, while also ushering in a new era of renewed vigour in advancing social, intellectual, curriculum and cultural transformation imperatives.

In 2017, 27 621 students were enrolled at the University across seven faculties, namely: Arts; Business and Economic Sciences; Education;

Engineering, Built Environment and Information Technology; Health Sciences; Law; and Science. The University spans seven campuses located in Port Elizabeth and George (in the Western Cape). The majority of our students (74%) reside in the Eastern Cape, which remains one of the poorest provinces in South Africa.

Our students are served by 2 111 employees (608 academic staff members and 1 503 from professional, administrative and support services). Of our academic staff, 45% have Doctoral qualifications.

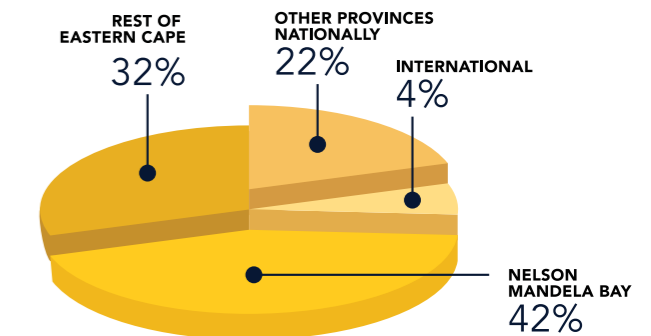
UNDER- & POSTGRADUATE STUDENT ENROLMENTS



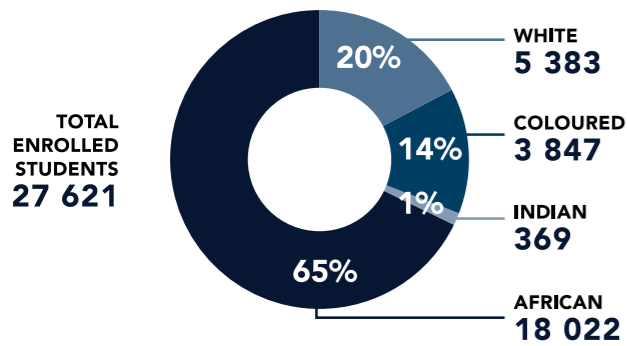
SA AND INTERNATIONAL ENROLMENTS



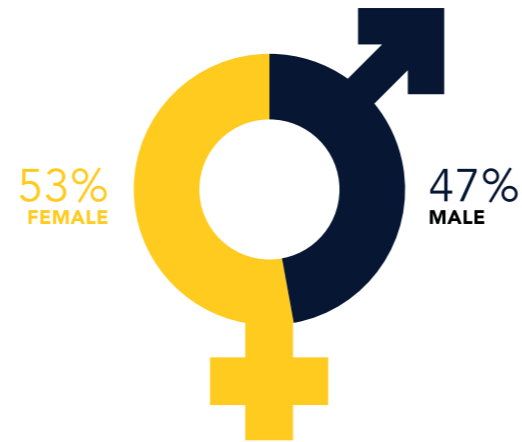
STUDENTS BY GEOGRAPHICAL ORIGIN



STUDENT HEADCOUNT

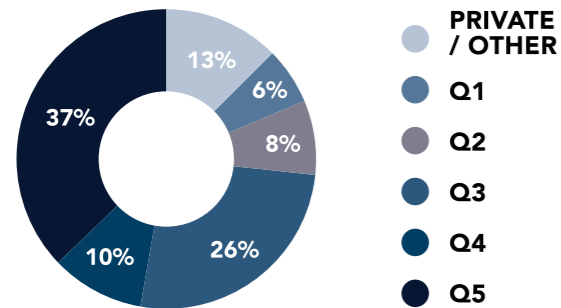


GENDER DISTRIBUTION

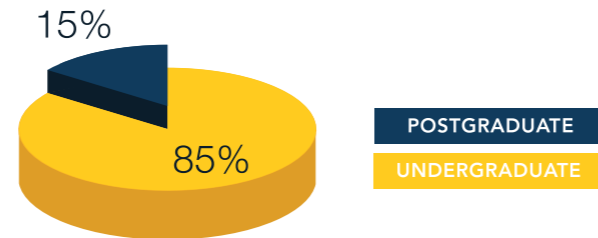


HIGH SCHOOL QUINTILE PROFILE

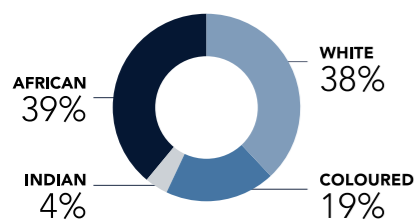
(EXCLUDING INTERNATIONAL STUDENTS)



UNDERGRADUATE / POSTGRADUATE

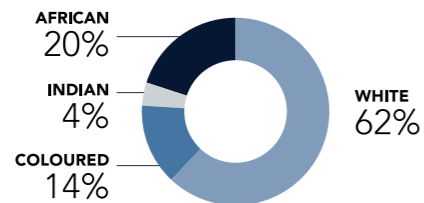


PROFILE OF STAFF POPULATION GROUPS



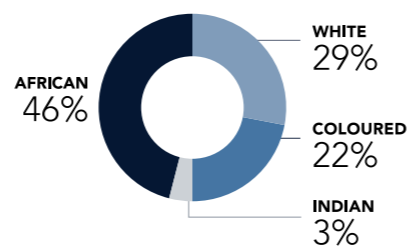
PERMANENT

TOTAL: 2 111



ACADEMIC

TOTAL: 608

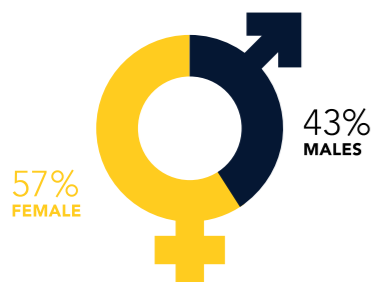


PASS*

*Professional, Administrative and Support Services

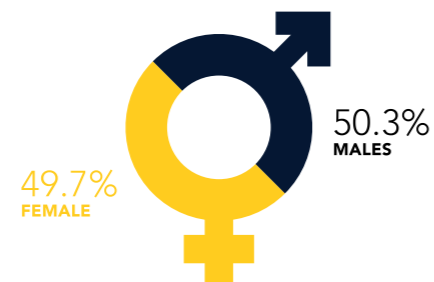
TOTAL: 1 503

GENDER PROFILE OF STAFF



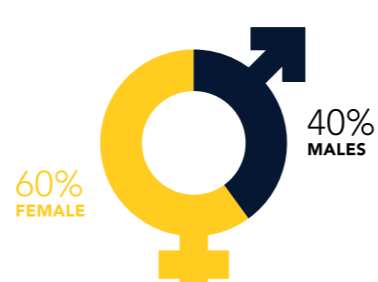
PERMANENT

TOTAL: 2 111



ACADEMIC

TOTAL: 608



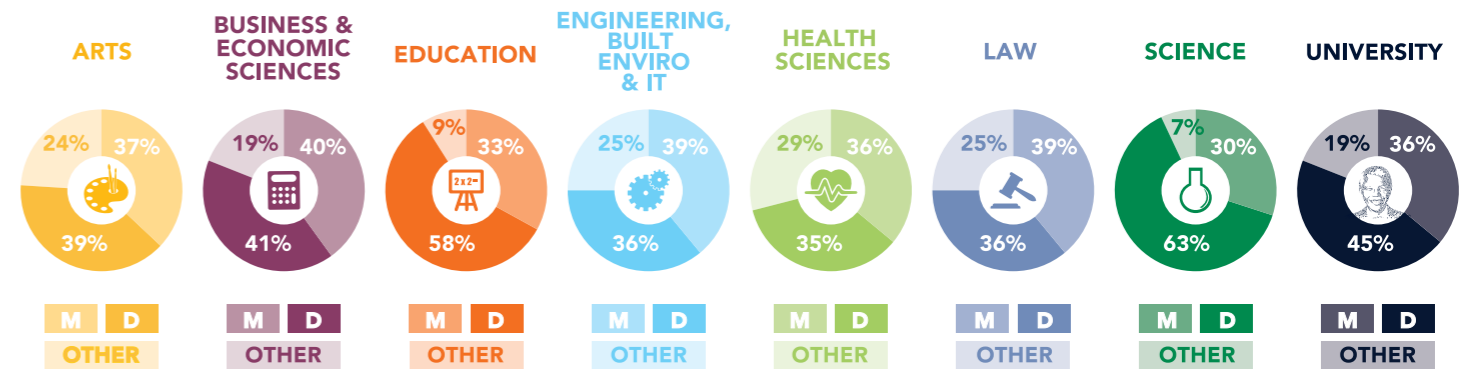
PASS*

*Professional, Administrative and Support Services

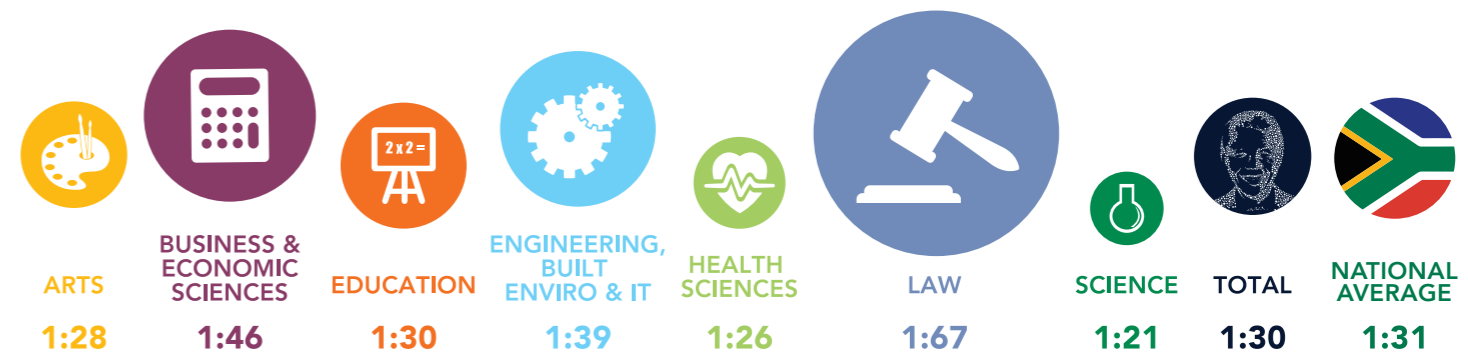
TOTAL: 1 503



% STAFF WITH M&D QUALIFICATIONS BY FACULTY



ACADEMIC FTE STAFF: STUDENT RATIO BY FACULTY



2. Leadership and Governance

CHANCELLOR

During her tenure, top businesswoman Ms Santie Botha used her extensive networks to actively position the University, particularly in the field of innovation and entrepreneurship. Her marketing and branding experience proved invaluable, but it is the consistent commitment she made to fundraising for students that will be her personal legacy. She inspired top corporates to fund students and even joined the Vice Chancellor in climbing Machu Picchu as part of the #trailblazing campaign. Ms Botha's term of office as Chancellor ended in December 2017 and the University has subsequently appointed Dr Fraser-Moleketi as her successor.



Ms N January-Bardill was appointed as the Chairperson of Council.

CHAIRPERSON OF COUNCIL

Ms Nozipho January-Bardill was appointed as the Chairperson of Council to take over from Judge Ronnie Pillay, who served as Chairperson of Council for more than a decade. Ms January-Bardill is the first black African female to take up the position at the University. She has extensive experience in the public, private, education and non-governmental sectors, and currently serves as a Senior Advisor to the Executive Director of the United Nations (UN) Women's Organisation and UN Global Compact Local Network. She also serves as a non-executive director on the boards of Anglo Gold Ashanti (AGA), Credit Suisse Securities, Mercedes Benz South Africa (MBSA) and the MTN Foundation.



Mr S Mhlaluka was appointed as the Vice-Chairperson of Council.

Mr Siya Mhlaluka was appointed as the Deputy Chairperson of Council after serving as a Council member since 2008. He is currently the General Manager of the Transnet Port Terminals in the Eastern Cape Region. He joined the parastatal in 1999 as a junior manager and worked his way up the ranks. Mr Mhlaluka is also a board member of the Nelson Mandela Bay Business Chamber.

2.2 MANAGEMENT

The University Executive Management Committee (MANCO), in cooperation with Council and Senate, is responsible for the strategic management and administration of Nelson Mandela University. MANCO members include:

Vice-Chancellor

Prof Swartz obtained his Master's and DPhil qualifications at Essex University. He completed his BA degree in History and Psychology at the University of the Western Cape. He founded the Fort Hare Institute of Government and served as its Director. In 1999, at the age of 38, Prof Swartz was appointed as Vice-Chancellor and Principal of Fort Hare University and is currently the longest serving Vice-Chancellor in the South African higher education sector.

Deputy Vice-Chancellor: Teaching and Learning

Prof Zinn holds a Doctoral degree in Teaching, Curriculum and Learning Environments (TCLE) from Harvard University Graduate School of Education. She was appointed in December 2014 as the

DVC: Teaching & Learning prior to which she was the Executive Dean of the Faculty of Education. Prof Zinn also served as the Executive Dean of the Faculty of Education at Fort Hare University before her move to NMMU.

Deputy Vice-Chancellor: Research and Engagement

Prof Leitch holds a PhD in Physics from the former UPE (1984) and a Post-Doctoral qualification from the Hirst Research Centre, Wembley, UK (1985). He has been in the employ of the University since 1982 and has risen through the ranks as Lecturer, Senior Lecturer, Associate Professor, Professor of Physics, Executive Dean of Science. Prof Leitch was appointed as Deputy Vice-Chancellor (Research and Engagement) in December 2014.

Deputy Vice-Chancellor: Institutional Support

Dr Muthwa holds an MSc in Development Policy and Planning from the London School of Economics and Political Science and a PhD from the School of Oriental and African Studies, University of London. From 2004 and 2010, she served as Director General of the Eastern Cape Provincial Government. Before joining government, she was Director of the Fort Hare Institute of Government, University of Fort Hare for five years. Prof Muthwa has been serving as the Deputy Vice-Chancellor Institutional Support at the University since 2011. In 2014, she was appointed as a Commissioner of the Financial and Fiscal Commission and, in July 2017, she was appointed as its Deputy Chairperson.

Executive Director: Human Resources

Ms Bam holds a Master's degree in Business Leadership (MBL) from UNISA. She has 24 years of experience in the human resources field and has occupied positions at Old Mutual, Media 24, and the City of Cape Town. Prior to joining the University, she was the Director of Human Resources at the University of the Western Cape.

Executive Director: Finance

Mr Monaghan is a registered member of the South African Institute of Professional Accountants (SAIPA) and holds a B Com degree from the former UPE and a B Com Honours degree in Accounting from UNISA.

Advisory members:

- The following members served in an advisory capacity on the Management Committee:
- Dr Faroon Goolam, Registrar
- Ms Roshni Gajjar, Senior Director Audit and Risk Management
- Prof Heather Nel, Senior Director Institutional Planning
- Dr Laura Best, Special Assistant to the Vice-Chancellor
- Mr Luthando Jack, Dean of Students
- Mr Lebogang Hashatse, Senior Director of Communication and Stakeholder Liaison

3. Strategic Priorities and Trajectories

Since 2010, the University has been guided by the strategic aspirations articulated in its Vision 2020 strategic plan. The fluid, ever-changing environment within which universities operate, demands an ongoing “sense-checking” of institutional strategies against contextual realities to enhance ongoing fitness-for-purpose and responsiveness.

In the spirit of good evaluative practice, Vision 2020 was reviewed during the course of 2017 to assess progress with implementation, while also extending the University’s planning horizons to 2025 and beyond to anticipate future strategic opportunities.

Vision 2020 sets out the University’s strategic trajectory towards optimising its niche as a dynamic, African university widely recognised for its life-changing, pioneering education, research and innovation that contributes to a sustainable future through advancing social justice and promoting the public good. During 2017, Vision 2020 was reviewed to ensure that the University is strategically poised to fulfil its core mandates, namely:

- Promoting student access for success by offering a wide range of sought-after, African-purposed academic qualifications from certificate to Doctoral level.
- Embracing humanising pedagogical approaches to teaching, learning and curriculum within and beyond the classroom to leverage the full potential of all students.
- Empowering staff and students to change the world for the better through innovative and engaged scholarship that contributes to the public good and planetary sustainability.
- Pursuing ongoing impactful engagement and partnerships with academia, government, business and civil society locally, nationally, on the African continent, and globally.

Council has mandated two transdisciplinary, game-changing academic trajectories for the University to ensure that it differentiates itself strategically within the higher education landscape nationally and globally, namely:

- Positioning the University as the leading Ocean Sciences university in the country, and in the longer term, the African continent as a whole; and
- Transforming health sciences education towards the establishment of the medical school in South Africa.

3.1 OCEAN SCIENCES

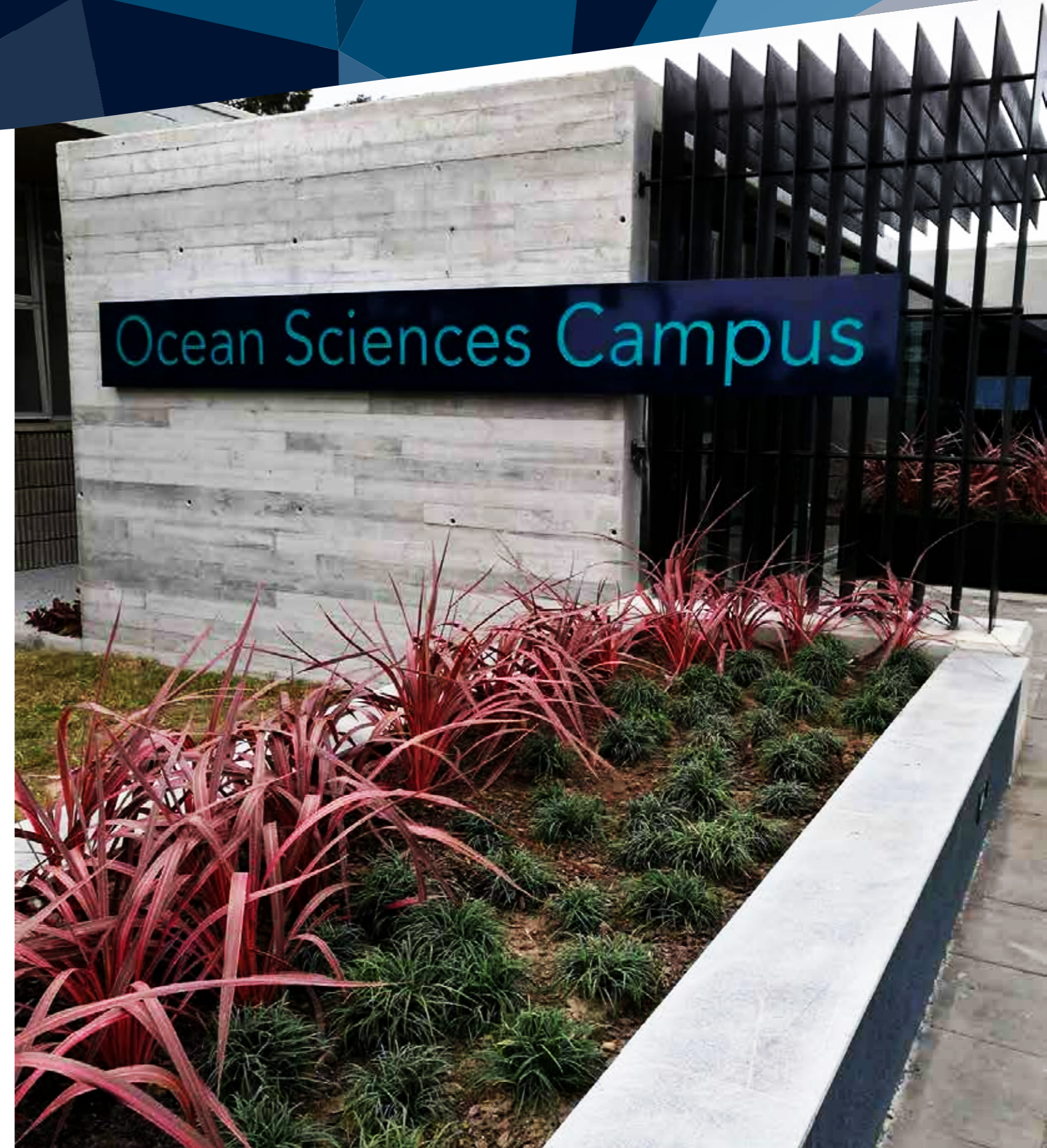
Significant progress has been made in implementing the University’s five-year ocean sciences strategy (2016-2020) in relation to four key pillars, namely:

- 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 the economic potential of the oceans for the benefit of coastal livelihoods while conserving marine biodiversity and ecological integrity. This requires 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. environmental, social and economic. 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 overarching ocean sciences thematic focus areas, namely:

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

Efforts are underway within all faculties to assess opportunities to expand under- and postgraduate academic offerings in fields such as oceanography, marine engineering, naval architecture, maritime economics and logistics, coastal and 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 capabilities such as the University’s 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.



The University has a growing portfolio of international partnerships in ocean sciences, which are yielding unique opportunities whilst unlocking concomitant resources. This 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. Together with the British Government and the Newton Fund, the University is also participating in a four-year international research programme (Solstice) worth 8 million pounds, 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.

Infrastructure developments and refurbishments on the Ocean Sciences Campus are being undertaken in phases, largely aligned

with the release of tranches of DHET Infrastructure and Efficiency Funding, as well as other revenue streams such as the research and equipment grants of research chairs located on the Campus. Phase 1 was completed during 2017 to ready the campus for its official launch on 22 September 2017. This phase made provision for the following:

- Accommodating the laboratory and related spatial requirements of the oceanography research group, ocean sciences research chairs, the South African International Maritime Institute (SAIMI), and the Institute for Coastal and Marine Research.
- Refurbishing the campus entrance, reception area and main corridor including embedding the new branding of Nelson Mandela University through visual imagery, messaging and landscaping aligned with the overarching ocean sciences thematic areas.

In addition to the R60 million upfront investment in the new campus, a further R75 million investment over the next three years will yield modernised infrastructure, laboratories and equipment to give effect to the purpose of the campus as a dedicated hub for innovative transdisciplinary ocean sciences postgraduate teaching, research and engagement.

In addition to generous funding received from national government to establish the campus, we are expanding and consolidating our 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.

3.2 MEDICAL SCHOOL

There is a dire need to increase the provision of adequately trained health care professionals, particularly medical doctors, to improve access to health care services in South Africa. 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 capita 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 the planning for the country's 10th medical school at Nelson Mandela University, which aims to offer a full undergraduate medical degree (MBChB) by 2020 and further evolve to include medical specialist training immediately thereafter. Establishing a medical programme at Mandela University will not only address the pressing need for additional medical doctors in the country, but will do so through a progressive curriculum embedded in a social accountability framework that aims to maximise the positive impact on marginalised communities.

To this end, 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. 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 Ngizwa Hospital. Attention was also given to how these investments can strengthen the Academic Health Complex as part of the University-Province partnership.

On 8 September 2017, the University 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.

In light of the above, the proposed total budget for the preparation year (2019) and the first six years of the programme (2020-2025) is R493 million. The project income from confirmed sources is R253 million. The projected total deficit for the seven years is R240 million. As is expected during the initial years of the new programme, income from confirmed subsidy and grant sources will be limited resulting in the programme running at a deficit averaging R38 million a year after the first year.

As in the case of other start up medical schools, 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.

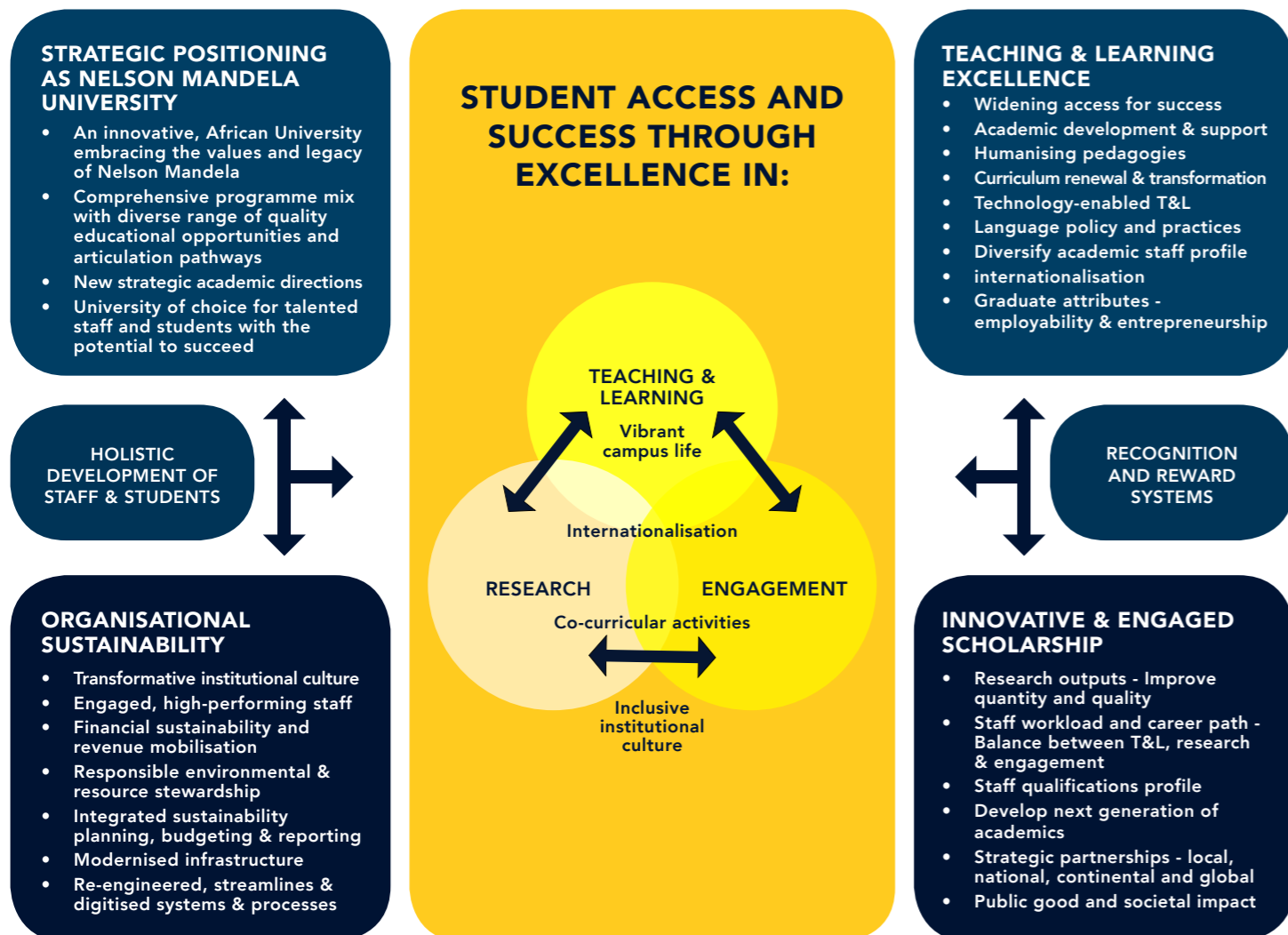


4. Institutional Performance Review – 2017

As depicted below, the University has developed an institutional monitoring, evaluation and reporting framework in terms of which institutional performance is systematically monitored and reported on.

This serves to ensure that the strategic directional aspirations 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.

This comprehensive M&E framework is underpinned by performance indicators that assess institutional effectiveness in terms of four key pillars, namely, (a) NMMU's strategic positioning and identity as a dynamic, African comprehensive university; (b) teaching and learning excellence; (c) the productivity and impact of research and engagement; and (d) organisational capability and sustainability. These pillars are monitored and evaluated using student success as a lens; in other words, the contribution of the core missions of teaching and learning, research and engagement are evaluated to assess the impact they have on enhancing student access and success.



Our performance for 2017, relative to the targets committed to in the Council-approved 2017 Annual Performance Plan is outlined below.

Key Performance Indicator	Target year n-3	Target year n-2	Target year n-1	Target year n	Target year n
	HEMIS 2014 Audited	HEMIS 2015 Audited	HEMIS 2016 Audited	2017 Targets	Based on preliminary 2017 data
A. Access					
Headcount totals					
First-time entering undergraduates	5955	5804	6022	6480	5270
Headcount enrolments	26510	26305	27780	28658	27621
Headcount enrolments (Foundation Provisioning)	1300	1373	1533	1607	1667
Headcount enrolments total UG	22079	22055	23168	23755	23071
Headcount enrolments total PG	3736	3811	4152	4473	4224
Occasional Students	695	439	460	430	326
Enrolments by major field of study					
Science, Engineering, Technology	9413	9638	10184	10784	10441
Business/management	10237	9396	9674	10353	9243
Education	2108	1734	1826	1922	1809
Other humanities	4752	5537	6096	5599	6128
Distance education enrolments	332	29	25	0	9
B. Success					
Graduates UG	4950	4923	5244	5145	5372
Graduates PG	1373	1335	1554	1537	1543
Success rate	79%	80%	82%	81%	78%

Undergraduate output by scarce skills

Engineering	369	384	387	419	384
Life and physical sciences	204	248	259	255	280
Animal and human health	362	552	578	531	544
Teacher education **	350	331	364	428	397
Scarce skills success rate	83%	87%	89%	85%	85%

**Includes PGCE as indicated in NELSON MANDELA UNIVERSITY Enrolment Planning Tables (2014-2019) - See below for breakdown of teacher education outputs.

Teacher Education

B Ed	280	267	282	352	304
PGCE	70	64	79	76	93
Total	350	331	361	428	397

Staff profile

% staff with doctoral degrees	46%	44%	43%	47%	45%
Number of NGAP staff	-	5	5	5	5
Ratio of FTE students to FTE instructional/ research staff	29:1	27:1	29:1	28:1	30:1

D. Research output

Publication units per FTE academic staff	0,51	0,53	0,57	0,60	Not Yet Available
Research masters graduates	316	266	292	330	271
Doctoral graduates	72	80	95	95	92
Publication units	366	399	429	371	Not Yet Available

M&D WEIGHTED RESEARCH OUTPUT UNITS (WROU)

	ARTS	BUSINESS & ECONOMIC SCIENCES	EDUCATION	ENGINEERING, BUILT ENVIRO & IT	HEALTH SCIENCES	LAW	SCIENCE
MASTERS WROU	38	74	17	26	50	13	54
DOCTORAL WROU	21	87	9	27	27	18	87

4.1 STUDENT ACCESS

The impact of the disruptions resulting from the #FeesMustFall student movement persisted into 2017 resulting in the University not meeting its 2017 enrolment target of 28 658. This affected most of the major fields of study, except for enrolments in the Humanities. Given the decline in the 2017 student enrolment intake, the University has put various strategies in place to improve the efficiency and responsiveness of student access and enrolment value chain including the following:

- The admissions testing booking system was changed to allow updating the admission status directly into ITS.
- A mechanism for students to confirm their offer of acceptance online was developed. This allowed students to inform the University whether they will be taking up the space or not, and will allow Admissions to re-allocate vacant spaces to other applicants where possible.
- Students are allowed to change their mind at least twice with regards to their application choice. The bulk of these changes

happen in January before registration when the programmes become full. A facility for students to indicate their changes online, which automatically updates the admission data and reduces the workload of the Admissions staff, was delivered in the first week of January 2018 and has been used by over 1 735 applicants to date.

- The auto-admissions programme, which automatically admits students once the final matric marks have been released in January based on predefined criteria, was enhanced to include a wider scope of qualification admission criteria.

While progress has been made, we are mindful that our access and enrolment value chain requires further re-engineering to ensure that the large number of offers made to applicants actually translate into enrolments. We will continue working progressively towards ensuring more functional and integrated systems and processes that will address the root causes of this challenge. In light of the above, the University adjusted its original enrolment plan targets in the 2018 Annual Performance Plan to an anticipated total headcount enrolment of 28 180.

4.2 STUDENT SUCCESS

Nelson Mandela University has made impressive improvements in student success rates, from 74% in 2005 to 82% in 2016. In view of the improvements already achieved, the success rate target for 2018 was increased to 83% from the previous target of 82%.

Unfortunately, in spite of the University's firm commitment to improving student success, our success rate decreased from 82% in 2016 to 78% in 2017. Possible reasons for this decline are set out below.

First-time entering students:

- Success rates of first-time entering students was 78.1%, which represents a drop of 3.4%, which is 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.
- At the start of 2017, many first-time entering students registered late due to challenges experienced with NSFAS at the start of 2017. As a result, some first-time entering students started attending classes late; missed first term assessments, lab 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.

Senior returning students:

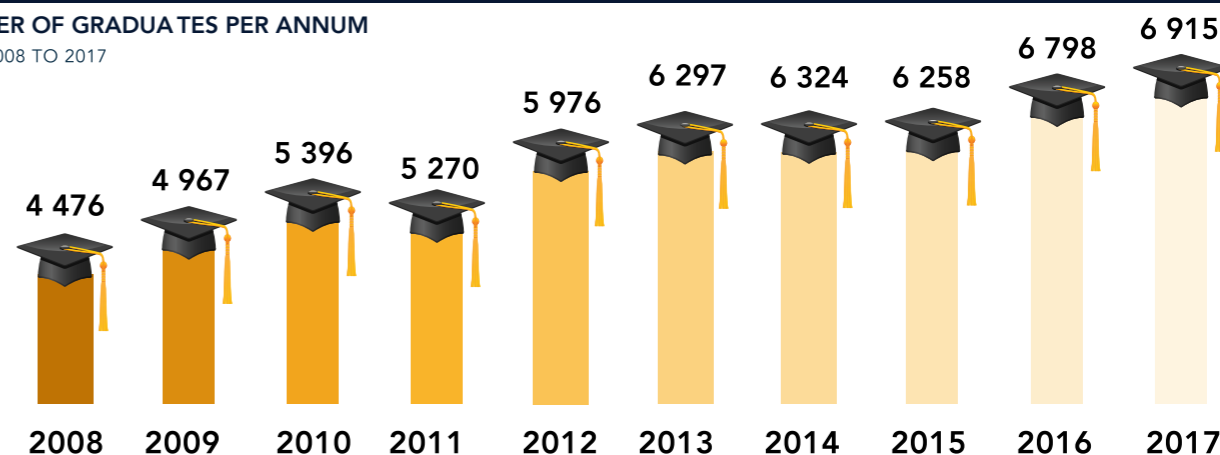
- After the prolonged Fees Must Fall shutdown in 2016, the academic completion plan took up to May 2017 to reach its conclusion. For example, the Faculty of Science had to run a mini-semester of laboratory work in the first term of 2017 to enable students to meet the practical requirements of modules. 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 2016 could have been critical for success in 2017 studies.

While plausible explanations can be provided for the significant drop in success rates, we are exploring the reasons for this in greater depth. Faculties are in the process of analysing module and programme success rates to see whether specific interventions are needed in 2018 to enhance student success.

Although the success rate has declined, it is encouraging that the graduate output of the University has increased from 6 798 graduates in 2016 to 6 915 in 2017.

STUDENT SUCCESS

NUMBER OF GRADUATES PER ANNUM
FROM 2008 TO 2017



4.3 SCARCE SKILLS

Nelson Mandela University has been successful in producing more graduates according to the targets in the scarce skills fields of life and physical sciences, as well as animal and human health sciences.

The University was, however, not able to reach the graduate output targets set for engineering and initial teacher education. In 2017, the University had 384 and 397 engineering and initial teacher education graduate outputs, compared to the targets of 419 and 428 respectively. There is a concerted effort in both faculties to improve student success and graduate outputs through various academic support and development interventions.

4.4 ACADEMIC STAFF PROFILE

Nelson Mandela University has sustained investments in capacity development for emerging scholars in an effort to recruit and develop the next generation of academic staff with doctoral qualifications. In spite of the high attrition of senior academics and professors due to retirements in recent years, the University has increased the percentage of permanent academic staff members with a doctoral qualification from 43% in 2016 to 45% in 2017.

Within the context of sectoral challenges in terms of declining subsidy levels for higher education in the current economic climate, Nelson Mandela University has not been in a financial position to ensure that the number of academic staff keeps pace with enrolment growth. Furthermore, in many of the scarce skills professions, it is difficult to attract talented, equity staff to replace retiring academics, resulting in academic vacancies remaining unfilled for protracted periods. This has led to a further increase in the full-time equivalent student: staff ratio from 1: 29 in 2016, to 1: 30 in 2017. Going forward, the University will make every effort to reverse this trend, particularly in disciplines where the student: staff ratios are well above institutional and national averages.

4.5 RESEARCH OUTPUT

The audited HEMIS data shows that Nelson Mandela University experienced a decline in research Master's graduate outputs from 292 in 2016 to 271 in 2017. Similarly, there has been a slight decline in Doctoral graduate outputs from 95 in 2016 to 92 in 2017.

Despite a drop in permanent academic staff members which resulted in large classes and heavy teaching loads, academic staff published 313 articles in accredited journals in 2017 compared to 315 in 2016. The research output units for 2017 conference proceedings and books will only be available later this year.

Targeted strategies to address these challenges will need to be implemented to improve the M&D graduate outputs, as well as the research productivity across all faculties, since these are important indicators of academic excellence.

5. Report of the Chairperson of Council



Council is the highest governance structure of the University, exercising its fiduciary responsibility relating to governance, institutional policy determination and its long-term financial sustainability.

The composition of Council is aligned with the prescripts of the Higher Education Act (1997) as well as the Institutional Statute.

The external members of the Council constitute more than 60% of its membership and are appointed for a four-year term, based on their competencies in fields such as governance, finance, law, information technology, business and higher education and training. Unless appointed ex officio, internal members are appointed to Council for a three-year term and students are appointed for one year.

5.1 PERFORMANCE OF COUNCIL

At Nelson Mandela University, the performance of Council is reviewed in terms of six key performance areas, namely:

- Strategic Plan: Vision 2020 - Oversight of management's progress in achievement of Vision 2020 apex priorities;
- Academic Excellence - Ensuring improvement of average student throughput rates and research output in line with national benchmarks;
- Improving Quality of Student and Staff Life - Ensuring the development of a vibrant culture of living and learning on all campuses;
- Operations and Infrastructure - Ensuring efficient operational systems and provision of adequate infrastructure to support University operations;
- Financial Viability - Ensuring Nelson Mandela University generates a budget for 2018 that provides for a reserve accumulation of between 5-10% of revenue from Council-funded activities

Council is provided with quarterly reports by the Vice Chancellor on the progress being made with each of these performance areas. These narrative reports are complemented by data-rich infographics relating to the following themes in each quarter:

- **Quarter 1: Access and Enrolments**
- **Quarter 2: Graduation and Student Success**
- **Quarter 3: Transformation**
- **Quarter 4: Sustainable resource stewardship**

This enables Council members to engage robustly in evaluating the progress, or lack thereof, in achieving the University's strategic aspirations thereby enriching its governance and oversight functions.

Council is proud to note that the achievements and strengths of Nelson Mandela University are increasingly being recognised nationally and internationally. Through exciting new academic directions, such as launching the first dedicated Ocean Sciences

campus in South Africa and transforming health sciences towards the establishment of the 10th medical school, the University is positioning itself to make a distinctive contribution to solving vexing societal challenges through innovative, transdisciplinary approaches to teaching, learning, research and engagement.

The mission of Nelson Mandela University is to offer a diverse range of life-changing educational experiences for a better world. As one of six comprehensive universities in the country, the University provides a range of access routes and learning pathways that attract and retain a diverse, talented student population. To optimise student access for success, the University cultivates a humanising ethos of teaching and learning along with research-informed, holistic development and support within and beyond the classroom. In doing so, the University equips its graduates with the knowledge, skills and attributes that will enable them to take their rightful place in society as competent, confident, compassionate global citizens who embrace the legacy of our iconic namesake, Nelson Mandela. It is a source of great pride that the University produced more than 6 900 graduates in 2017 thereby exceeding its target of 6 682.

Living our values is a key philosophy for Nelson Mandela University and this includes transforming how staff members and students engage with each other and how they experience life on campus. The University has been engaged in various pioneering interventions to foster a transformative, inclusive institutional culture that advances social justice and embodies the ethos of Nelson Mandela. Council approved the institutional transformation plan in 2017, which includes various targets that will form the basis of our transformation implementation trajectory over the next five years. This plan sets out the transformation agenda as it relates to key dimensions such as: transforming the curriculum; improving the throughput rates of students from historically disadvantaged backgrounds; promoting multilingualism; improving access and success of students and employees living with disabilities; diversifying the staff demographic profile; and fostering an institutional culture that promotes diversity, inclusivity, and social cohesion. These enlivening processes include a dedicated focus on repositioning teaching and learning to enhance the student learning experience, embrace diverse knowledge paradigms and intellectual cultures, and incorporate innovative pedagogical approaches.

In fulfilling its public good purposes, the University contributes to generating cutting-edge knowledge and places this at the disposal of society to change the world for the better by addressing the perennial challenges of poverty, inequality and unemployment. A challenge that confronts the higher education sector in South Africa is that a sizeable contingent of senior academics and professoriate will be retiring over the next five to ten years. As a response to this, the University has been developing succession plans to identify and develop the next generation of academics, as well as to support emerging and established scholars to obtain Doctoral qualifications and improve their research productivity. Council is pleased to note that the University's research output units have shown consistent increases over the past five years and will continue to support investments in research capacity development initiatives to ensure that this positive trend is sustained.

One of the aspirations articulated in Vision 2020 is to be an employer of first choice for talented, high-performing staff by providing a stimulating and welcoming environment complemented by a competitive total employee value proposition. The University recognises that a collegial and collaborative relationship with organised labour is key to advancing its strategic objectives. Despite this, adversarial relations between management and organised labour remained a challenge in 2017. This was exacerbated when, after protracted wage negotiations that lasted for eight months with no end in sight, the University served the unions with notice to terminate the Conditions of Service and Benefits (the CoS) agreement with the aim of returning to the bargaining table to craft a more sustainable agreement. However, concerted efforts are underway to restore a sound employee relations environment with the two recognised unions.

Significant progress was made during 2017 in implementing the 2015 Council resolution that all previously outsourced employees in catering, protection, cleaning and gardening services should be insourced. The reintegration process has been challenging, but the University has now permanently employed 874 previously outsourced employees. This decision – informed by Council's commitment to the principle of social justice – has required of the University to carefully consider the implications of reintegration for the existing staffing structure, the grading and remuneration of posts, as well as the management of reintegrated support service functions going forward. In July 2017, Council supported the proposal to develop business models for these reintegrated services to ensure efficient and cost-effective operations. To this end, a shared service function has been established to house overlapping support and back-end functions to enhance efficiencies and eliminate duplication.

Global political instability and increased pressure on universities worldwide to become more relevant in society, has necessitated a fundamental review of Vision 2020. The future sustainability of the University is a key priority, which will require a review of the prevailing institutional operating model to align it with the requirements of current and future strategic trajectories and aspirations in the midst of the fourth industrial revolution. This will include improving the efficiencies of business processes through digitisation and the use of state-of-the-art information and communication technologies. It will also extend to the modernisation of university infrastructure, facilities and equipment to optimally support academic excellence and a quality living, learning and working environments for students and staff.

Under the sterling leadership of the Vice-Chancellor and his senior management team, the University has managed to traverse this challenging environment to maintain financial sustainability. This has been possible through the implementation of wide-ranging austerity measures including a moratorium on filling professional and support services (PASS) vacancies and curtailing operational

expenditure. Improved cost-efficiencies and –effectiveness have been complemented by innovative strategies to significantly ramp up revenue generation. To this end, during 2017, the University Trust was restructured and the Strategic Resource Mobilisation Office (SRMO) was established in the Office of the Vice-Chancellor as part of a concerted effort to mobilise much-needed, third stream income to provide financial support to academically deserving, financially needy students and to resource the expansion plans of the University.

5.2 STATEMENT ON GOVERNANCE

Council, established in terms of section 27(4) of the Higher Education Act, 1997 (Act 101 of 1997) as amended, is the highest decision-making body of Nelson Mandela University and is responsible for the governance and good order of the University.

In practical terms, the above implies that Council is responsible for, inter alia:

- Governing the University in accordance with the relevant statutory requirements and with due regard to generally accepted governance principles and practices;
- Determining the overall strategic direction of the University;
- Overseeing the proper management of the financial resources and assets of the University;
- Adopting the vision, mission and value statements of the University;
- Approving and monitoring the implementation of institutional policies and structures;
- Identifying and monitoring the risks relevant to the business of the University;
- Monitoring the transformation process at the University; and
- Adopting its own rules, including the Code of Conduct for members of Council, in terms of which it conducts its activities.

The Audit and Risk Committee assisted Council in carrying out its risk responsibilities by, inter alia, reviewing the key risks to the University, considering and monitoring the risk management process and plan.

Meetings of Council

Council held four ordinary meetings during 2017. Attendance at these meetings averaged 85%. External Council members received honoraria for participation in meetings in accordance with University policies.

An overview of Council meeting attendance and approved minutes of the meetings during 2017 are included as supplementary information.

Committees of Council

Council has established seven committees to assist it in the execution of its functions, namely:

- Executive Committee
- Governance Committee
- Human Resources and Remuneration Committee
- Finance and Facilities Committee
- Audit and Risk Committee
- Higher Education Committee
- Nomination Committee

All committees are formally constituted with terms of reference and with their membership primarily consisting of external members of Council with the appropriate skills and experience chaired all committees. During the period under review, all matters that served at these committees were dealt with in accordance with the University's document on the delegation of decision-making authority. Attendance at the various committee meetings was good.

The composition and broad functions of Council committees, summaries of all Council members, as well as their meeting attendance of Council and committees of Council are available as supplementary information.

Some of the substantive approvals by Council during 2017 include the following:

- Various amendments to the Rules of the Council, Institutional Rules and Delegation of Decision-Making Authority Document.
- The submission of the 2016 Integrated Annual Report to the Department of Higher Education and Training (DHET).
- The submission of the 2017 Mid-Year Performance Review Report to DHET.
- The submission of the 2018 Annual Performance Plan to DHET.
- The 2018 Institutional Budget, as recommended by the Finance and Facilities Committee (FFC).
- The Three-Year Rolling Budget (2018-2020), as recommended by FFC.
- The extension of the Employment Equity Plan from 1 July 2017 to 30 September 2017.
- The submission of the Employment Equity Plan (2017-2022) to the DHET.

Detailed resolutions are contained in the various minutes of Council meetings and an extensive list of the substantive matters that were considered by Council during the year under review are provided in the supplementary information.

Senior management appointments

Council approved the following senior management appointments during the year under review:

- Dr Denver Webb, Senior Director: Strategic Resources and Mobilisation Office on a five-year fixed-term contract from 1 November 2017.
- Prof Andre Keet, Chair: Critical Studies in Higher Education Transformation on a seven-year, fixed-term contract from 1 October 2017.
- Prof Sibongile Muthwa, as Vice-Chancellor and Principal, on a five-year, fixed-term contract from 1 January 2018.

New policies approved

- Policy on Management of Redesign and Structural Changes

Revisions to substantive policies approved by Council

- General ICT Policy
- Rules and Procedures for Conferring of Honorary Awards
- Policy and Procedure on the Awarding of a Prestige Award
- Broad-Based Black Economic Empowerment (BBBEE) Policy
- Policy on Sexual Harassment and Sexual Offences

Presentations and workshops

- Overview of 2017 enrolment trends and 2016 student academic performance
- Integrated business model for reintegration of services
- Overview of the Faculty of Health Sciences
- New University Name in context of Vision 2030

Attendance of Council committee meetings by external consultants

The following external consultants attended meetings of Council committees during 2017 to address specific items:

Council: Ms W McCallum Item:	25 April 2017 (ordinary meeting) Strategic Edge Solutions Business model: Reintegration of services functions
Council: Ms W McCallum Item:	21 July 2017 (ordinary meeting) Strategic Edge Solutions Integrated business model for reintegration of services
ARC: Ms W McCallum Item:	17 November 2017 (ordinary meeting) Strategic Edge Solutions Risk analysis of the integrated business model for reintegration of services
HRREM: Mr D Munton: Item:	26 May 2017 (ordinary meeting) Alexander Forbes Statutory Valuation Report for Nelson Mandela University Retirement Fund 2016
HRREM: Ms W McCallum Item:	17 July 2017 (special meeting) Strategic Edge Solutions Reintegration of Services

5.3 STATEMENT ON WORKER AND STUDENT PARTICIPATION

Nelson Mandela University is a people-centred institution that supports the establishment of sound relationships with both internal and external stakeholders. The Council and management of the University are committed to co-operative governance. In this regard, staff and students serve on the official structures of the University, including but not limited to Council, Senate, Institutional Forum as well as management and Senate committees.

In accordance with the Recruitment and Selection Policy of the University, appointment committees were inclusive of staff and students during 2017.

As part of a comprehensive stakeholder engagement and communication strategy, we will be engaging in an University-wide listening campaign throughout the first quarter of 2018. Our engagement will also extend to external stakeholders during the second half of 2018. The campaign will enable senior leadership to listen to various publics to develop a comprehensive baseline

on the state of the University to inform a forward-looking strategy. With time, the campaign should also enable senior leadership to address contextual challenges facing the University, whilst enabling active stakeholder participation in shaping our strategic aspirations beyond 2020.

5.4 STATEMENT ON STAKEHOLDER ENGAGEMENT

Nelson Mandela University serves multiple internal and external stakeholders in its pursuit of providing life-changing educational opportunities for a better world. Engagements with key external stakeholders are discussed below.

Alumni

The Alumni Relations Office celebrated its 8th anniversary during 2017 when the University launched its new name and brand. Key annual alumni engagement activities and programmes included the Alumni Awards, Alumni Reflections during Diversity Month, Graduation Alumni Association Awareness Campaign, a Thanksgiving Breakfast to acknowledge alumni support and the national and international major centre alumni engagements. In total 16 engagement events were organised. The FIFA/CIES Sport Executive Programme celebrated its 10th anniversary with a reunion involving national and international alumni.

The University Shop was established by the Alumni Association and was rebranded to be a key vehicle to promote the new name and brand. Turnover for 2017 was R3 309 723 compared to R2 813 372 in 2016. The Alumni Association Executive Committee meets quarterly and reports annually at a public general meeting on all its activities and finances.

The Alumni Association bursary and project support for 2017 totalled R680 609 compared to R589 664 in 2016 and also the Student Alumni Society, a student society focusing on pre-alumni awareness and engagement.

A new alumni electronic newsletter platform was introduced to facilitate better tracking of article interest. Website improvements, updates and general promotion contributed to a 147% increase in page viewership compared to 2016. LinkedIn is the most popular social media platform with 19 775 alumni records updated during 2017.

Donors

The broader re-imagining of resource mobilisation at the University and restructuring of Nelson Mandela Trust, which was initiated in 2014, took effect in 2017. The main pillar of this strategy was to establish a Strategic Resource Mobilisation Office (SRMO) to coordinate all resource mobilisation within the University.

In excess of R102 439 587 (cash and in kind) was mobilised this year. In the year under review, R30 507 829 was mobilised from the corporate sector and individuals for bursaries and scholarships. A further R48 715 332 was raised from the public sector. In total, there were 1 874 beneficiaries of this funding stream.

A R7 million donation received from ABSA Bank (R2 million towards settling 2016 student debt and another R5 million for 2017 bursaries) as part of a three-year partnership entered into between the University and ABSA.

A total of 1 017 students received support from R52 562 844 contributed by various SETAs and Government Departments.

A comprehensive list of our donors is available in the supplementary information.

Memoranda of Understanding (MOUs)

A number of partnerships and MOUs were initiated with local and international stakeholders during 2017 to enable capacity building and research opportunities. These included:

- Nelson Mandela Bay Business Chamber
- Mandela Bay Composites Cluster NPC
- Ndalo World
- Water Research Commission
- SAEON and SAIAB



- Point Discovery Centre – the establishment of a center at Mossel Bay dealing with paleontological finds
- Khusel-Indalo South Africa t/a Conservation South Africa
- Cape Nature
- Eastern Cape Development Corporation
- Eastern Cape Philharmonic Society
- Western Cape Department of Health
- University of Venda
- Cyprus University of Technology
- Institute of Marine Biological Research of Russian Academy of Sciences
- Swedish University of Agricultural Sciences
- University of Tromsø, Norway

5.5 STATEMENT ON CODE OF CONDUCT

The Rules of Council, including a Code of Conduct for Council members, are primarily based on the Higher Education Act of 1997, the Institutional Statute and the principles enunciated in the King IV Report on Corporate Governance for South Africa, where applicable.

Nelson Mandela University is guided by various policies to reflect the commitment of all stakeholders to uphold the principles and values reflected in the Constitution and in alignment with regional and international human rights imperatives and ethical conduct. These include the following:

- Statement of Principles;
- Code of Ethical Behaviour;
- Code of Conduct for Researchers;
- Policy on Research Ethics;
- Policy on Master's and Doctoral Degrees; and
- Supply Chain Management.

Transgressions of the above are dealt with in accordance with the respective disciplinary codes of the University as it relates to staff and students.

The purpose of the Code of Conduct for Council members is to establish agreement on standards of morally acceptable behaviour within Council; to guide moral decision-making; to strengthen commitment to the University; and to enhance the reputation of Council among stakeholders of the University. The Code regulates, inter alia, conflicts of interest, prohibited activities, and transgressions of the Code. In addition, the University's core values commit all staff and students to act with integrity; requiring ethical, professional behaviour and acting in an accountable and transparent manner.

5.6 STATEMENT ON CONFLICT RESOLUTION

The employees and students of the University are guided by various policies to address and resolve any grievances relating to their working and/or learning experiences. These policies include:

- Employee disciplinary procedure and code
- Grievance procedure
- Picketing rules
- Student disciplinary code
- Conditions for holding student demonstrations or protest action within the university; and
- Student's academic grievance policy and procedure.

In addition to the above, labour disputes between Management and Organised Labour are guided by the respective Collective

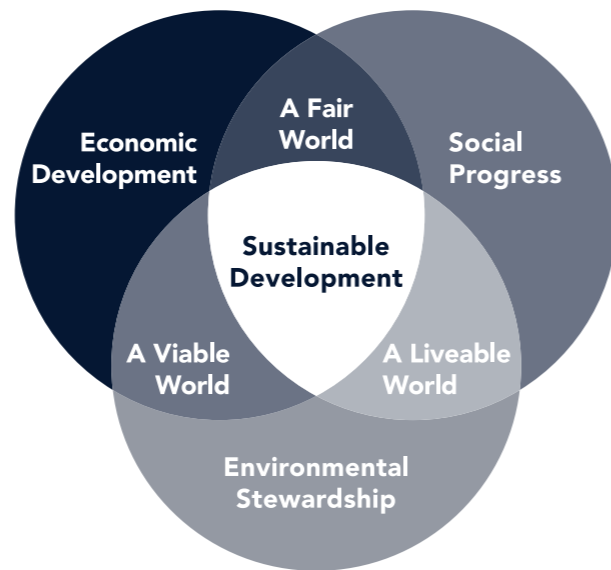
Agreements between the University and the two recognised unions as well as the relevant legislation, including the Labour Relations Act (1995).

5.7 STATEMENT ON SUSTAINABILITY

The King III Report on Corporate Governance defines sustainability 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.” (Institute of Directors of South Africa, 'Practice Notes. A guide to the application of King III for non-profit organisations', 2.)

As depicted diagrammatically below, the overarching focus of any sustainability imperative is to ensure that the University's decisions underpinning its academic offerings, research agenda, partnerships, resource deployment and operations across all campuses, are focused on ensuring a fair, liveable and viable world.



Given the ever-changing higher education landscape in South Africa, the long-term sustainability of the University is a critical condition for success. Despite the positive developments in terms of increased investment by Government in higher education, it is clear that South African universities will need to be both innovative and resourceful in securing their financial sustainability in the medium- and long-term. The three key pillars identified to enhance financial sustainability include the following:

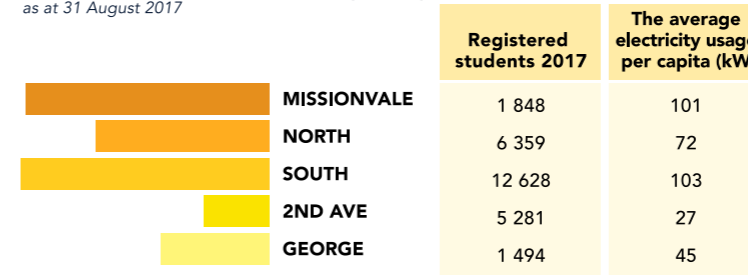
- Deploying and utilising financial and other resources more efficiently, effectively and economically;
- Re-imagining and implementing innovative ways so-called third-stream resources are mobilised; and
- Leveraging the maximum amount of funding from government for operational and capital costs as possible.

The following special projects are linked to the abovementioned pillars to ensure the medium- and long-term sustainability of the University:

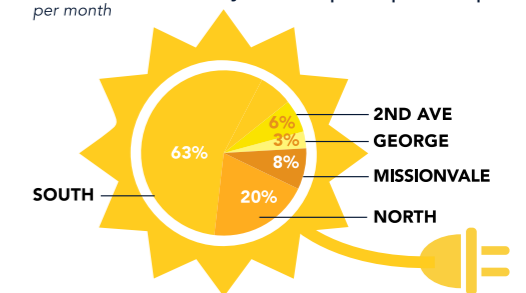
- Academic optimisation and strategic differentiation;
- Review of organisational structures, including business modelling of reintegrated services;
- Improving cost efficiencies;

ELECTRICITY USAGE

The average electricity usage per capita as at 31 August 2017

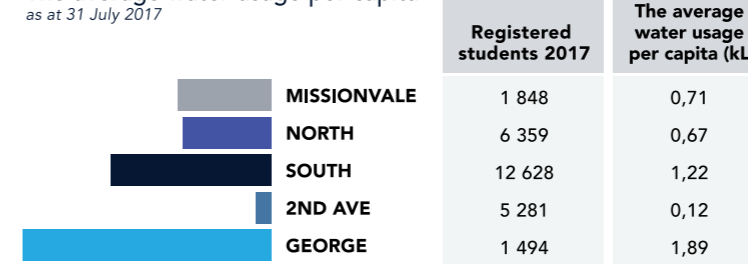


Overall % electricity consumption per campus per month

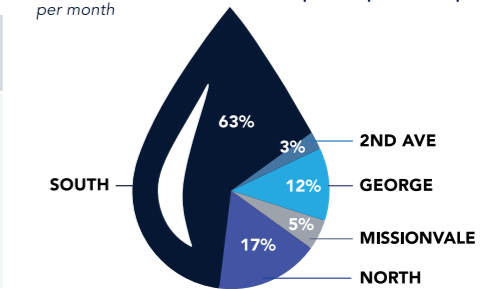


WATER USAGE

The average water usage per capita as at 31 July 2017

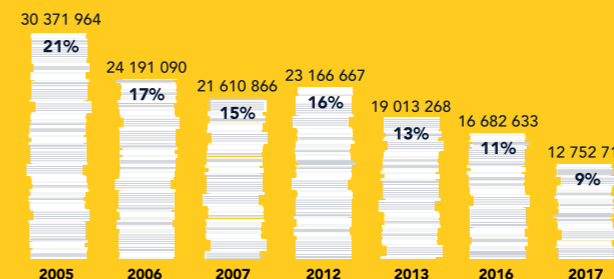


Overall % water consumption per campus per month



REPROGRAPHICS

Pages printed per year



RECYCLING INTERVENTIONS

Total average waste generated per month

MISSIONVALE	1 375m ³
NORTH	5 228m ³
SOUTH	14 280m ³
2ND AVE	9 894m ³
BIRD ST	182m ³

6192m³
AVERAGE AMOUNT BEING RECYCLED PER MONTH



- Re-imagining revenue mobilisation, commercialisation and overhead recovery; and
- Revisiting the institutional operating model.

Other ongoing projects to contribute to environmental sustainability include:

- Appointment of Sustainability Engineer to conceptualise, coordinate and drive sustainability initiatives going forward
- Reclaimed water project: Implemented under the guidance of the sustainability engineer.
- Paperless committee meetings: A project to investigate the fitness-for-purpose of OneNote as an alternative to PDFs in committee meetings has been initiated.
- A reverse osmosis plant has been completed as part of the new Education Building, and complements the rainwater harvesting project.
- The solar powered bicycle project is completed and operational between North and South Campuses.
- Establishing the first photovoltaic (PV) farm to start offsetting some of the University's electricity costs with renewable energy.

- A space optimisation and utilisation plan is being implemented to give effect to more effective and efficient space utilisation on all University campuses.

It is within the context of rapid shifts in our internal and external operating environments, that a thorough review of Vision 2020 was conducted in 2017 to evaluate progress with strategy implementation, while also extending our planning horizons beyond 2020 in anticipation of possible future challenges and opportunities.

Overall, Council is satisfied with the progress made towards achieving the outcomes associated with Vision 2020 and the leadership provided by the Prof Swartz and his management team. As this is the last year of his tenure, I would like to use this opportunity to sincerely thank Prof Swartz for his invaluable contributions to the University since his appointment in 2008.

N. January-Bardill
Chairperson of Council

Report of the Vice-Chancellor



Since my appointment as Vice-Chancellor in 2008, much has been accomplished by the University, most notably, the change in the name to that of the iconic leader in the liberation struggle of our country, Nelson Mandela. This change in name signals a unique opportunity to advance our transformation imperatives and align our University with Mandela's ideals, values and vision for a more equal, fair and just society. We therefore have a great responsibility to keep the legacy of Nelson Mandela alive through the way that we teach, learn, conduct research, engage with our communities and partners, and work and live as staff, students and alumni.

Some other significant milestones achieved during my tenure from 2008 to 2017 include the following:

- Launch of a new Ocean Sciences Campus, attracting in excess of R1.2 billion worth of new marine and maritime investment commitments;
- Ministerial approval for the establishment of South Africa's 10th Medical School by 2020;
- Adapting the Bird Street Campus into a dedicated Arts and Culture precinct, with a new Art Gallery, to support the creative arts sector;
- Growth in overall student numbers from 22 661 in 2008 to 27 621 in 2017, whilst graduation numbers rose from 4 464 in 2008 to 6 915 in 2017;
- Significant increase in postgraduate student intake, from 2 914 in 2008 to 4 224 in 2017;
- Increasing publication research outputs over the past five years from 311 to 429 units, while NRF-rated researchers increased from 73 to 88 over the same period, which includes two A-rated, 11 B-rated and 67 C-rated researchers;
- A total of fifteen prestigious Research Chairs of which nine are DST-NRF research chairs;
- A total of 42 research and engagement entities, including 5 institutes, 20 centres and 17 units;
- Total number of permanent employees grew from 1 524 to 2 111 in the same period, with numbers of Black (African, Indian, 'Coloured') employees rising from 42.3% to 62%, and women comprising 57% of total workforce in the same period;
- Total financial aid contributions to students amounted to R125.9 million in 2008 and increased to R554.2 million by 2017;
- Modernisation of the Missionvale and George Campuses, with capital investments in excess of R350 million from 2008 to date.
- Capital expansion in property, plant and intellectual capital since the original creation of the University, including three new Libraries, one Science Complex, a new Business School, two Engineering Buildings, one new Education Complex, a Biokinetics Complex, a High Resolution Transmission Electron Microscopy Centre, and three large lecture hall complexes in Port Elizabeth and George.

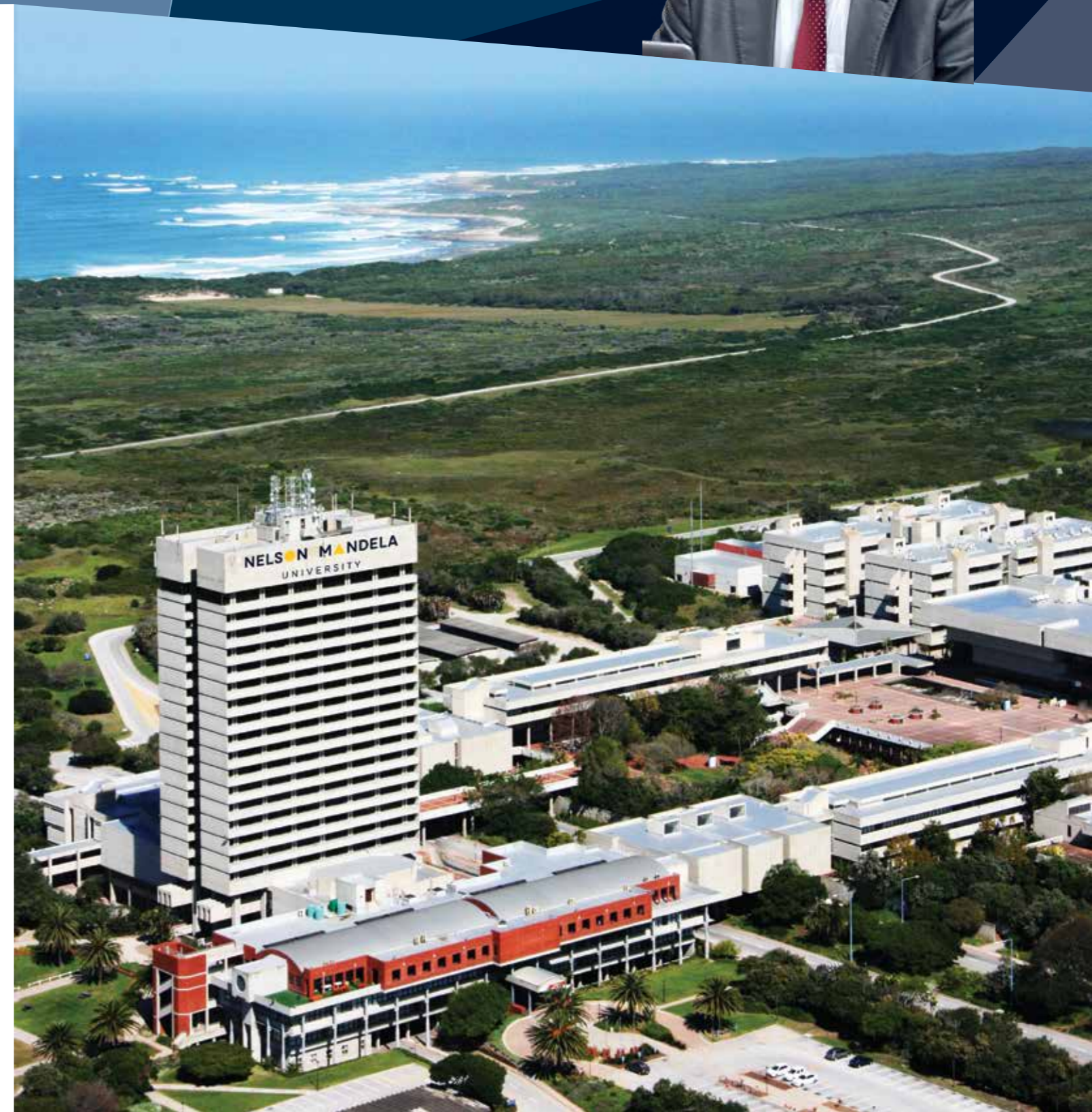
Key strategic developments, highlights and challenges during the year under review will be reported on below in terms of the following:

- Strategic planning and future development trajectories;
- Quality of student and staff life;
- Transformation;
- Improving the quality of operations, infrastructure and support services; and
- Financial sustainability.

6.1 STRATEGIC PLANNING

Going forward, the post-school education and training system will be steered towards greater diversity and differentiation to provide learners with access to significantly broadened education and training opportunities, beyond pursuing a university qualification. Added to the efforts to widen access, universities will continue to be expected to bolster their efforts to offer high-quality education conducive to improving student success and throughput.

- Institutional differentiation imperatives implemented nationally will require Nelson Mandela University to boldly articulate and position its distinctive organisational identity and ethos, particularly as this relates to its knowledge proposition as a comprehensive university. This presents the University with an ideal opportunity to position itself strategically in terms of the following key features:
- Our efforts to broaden student access to a comprehensive range of life-changing qualifications with multiple access and articulation possibilities.
- Our distinctive African ethos, which embeds the legacy and values of Nelson Mandela in our curriculum, scholarship, partnerships, institutional culture, stakeholder engagement, and operations.
- Our humanising pedagogical approaches and holistic student support within and beyond the classroom that optimise the full potential of our students to give them the best chance of success and to liberate their agency to change the world for the better.
- Our innovative scholarship, which contributes to generating cutting-edge knowledge that promotes the public good and planetary sustainability.
- Our deep commitment to engaging with multiple internal and external stakeholders to co-create and experiment with innovative approaches to addressing complex societal challenges such as by eliminating poverty, inequality and unemployment.
- Our partnerships with academia, government, business and civil society locally, nationally and globally to leverage strategic opportunities and mobilise resources.



As reflected earlier in this report (i.e., in Section 3), significant progress continues to be made with the two Council-mandated academic development trajectories – namely, ocean sciences and the establishment of a medical school. In addition, the University has conducted a review of Vision 2020 during 2017 to assess implementation progress, while also responding to significant shifts in the higher education sector in recent years. As an outcome of this strategic review, six strategic priorities were formulated to guide planning and resource allocation from 2018 to 2020, namely:

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

Key highlights and challenges in respect of the above will be discussed below as it pertains to University operations. Efforts to advance academic excellence through teaching, learning, research and engagement will be addressed in my report as Chairperson of Senate.

6.2 QUALITY OF STUDENT AND STAFF LIFE

The University continues to direct its efforts towards ensuring that all students and staff experience an excellent quality of life on all campuses.

6.2.1 QUALITY OF STUDENT LIFE

Student access and enrolment value chain

The student journey begins when a prospective student first makes contact with the university to enquire about study opportunities and then progresses through how the application and admissions processes are experienced, culminating with the arrival of the student on campus to register and begin their chosen course of study.

The admissions process has become fragmented over the years with different units involved in student on-boarding operating in a loosely connected fashion and not offering students a seamless, easy and effortless entry to the University. Recognising this, an integrated student access and enrolment value chain project involving all role players has been initiated to (re)-imagine an exceptional pre-arrival and arrival experience for our applicants.

Through multi-stakeholder engagements in various working groups and task teams, which include student representatives, the University has been working hard to address issues related to admissions, student accommodation, financial aid, transport, as well as meal and book allowances.

Student financial support

The demand for financial support remains a significant challenge as the demand continues to outstrip supply despite increased provision. In excess of R554.2 million in financial support was distributed to students during 2017. Similarly, the magnitude of funding provided via Council and other sources of funding have also increased.

The University's in-house instruments and financial concessions were fashioned in consultation with student representatives to broaden access for financially disadvantaged, academically deserving students. We are confident that Government's commitment to increasing expenditure for higher education to 1% of the country's Gross Domestic Product over the next five years will further support the expansion of access to affordable, quality post-school education for all.

STUDENTS RECEIVING FINANCIAL AID

38% Of all students are receiving some form of financial aid



*Other refers to sources other than NSFAS and University Council-funded financial aid, such as government (including SETAs) and corporate donors.

The University is acutely aware that the changed higher education funding regime will progressively widen access to more students who experience difficult material conditions. This will require institutional and sectoral responses that proactively address issues relating to student indigence to ensure that all students are given every opportunity to succeed.

Student accommodation

DHET infrastructure and efficiency funding has greatly assisted the University to continue to increase the number of beds available in Port Elizabeth and George. However, it is imperative that Nelson Mandela University continues to explore innovative strategies to massify the provision of affordable on-campus student accommodation.

In pursuit of enabling living and learning environments on- and off-campus, the University is also exploring the concept 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 student housing office accredited 4 693 beds in off-campus accommodation during 2017 with an additional 3 271 beds available across Port Elizabeth and George campuses. The maintenance of appropriate living and learning standards in off-campus accommodation 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.

Student transport

As with student housing, there was a marked increase in the demand for the shuttle service due to increased numbers of students in accredited off-campus accommodation and on the Missionvale campus. Consultative meetings have been held with students resulting in expanded provision through transitional

arrangements whilst the University finalises its medium- to longer-term student transportation plans.

An assessment of the current student mobility options has been completed and a strategy developed together with the cost implications. The University intends to adapt its Residence Accreditation policy to provide for different levels of transport service provision associated with the location and capacity of residences in order to spread the impact of the increased demand for transport.

Student nutrition

Campus Health Services supplied more than 3 000 students needing nutritional assistance with food parcels. This was made possible through generous sponsorship from Tiger Brands. The demand for nutritional support is increasing substantially on all campuses. To address this in a more sustainable and humane manner going forward, management is working with the SRC to implement the #MyMandela campaign, which includes a proposal for establishing a food bank.

Student health and wellness

Nelson Mandela University is one of seven universities selected

An overview of disability profile for each faculty is outlined below:

DISABILITY	ARTS	BUSINESS AND ECONOMIC SCIENCES	EDUCATION	EBEIT	HEALTH SCIENCES	LAW	SCIENCE	GRAND TOTAL
AWAITING ASSESSMENT	1	7	2	10	5	2	5	32
BLIND	5	1			1	1		8
CHRONIC ILLNESS	5	7		4	1	2	6	25
HARD OF HEARING				1				1
HEARING IMPAIRED	4	4		1	2		1	12
MULTIPLE	2	4	1	3	2		5	17
NEURO-DEVELOPMENTAL DISABILITIES	21	55	10	55	34	9	40	224
PARTIALLY SIGHTED	6	14	3	5	7	2	2	39
PHYSICAL DISABILITY	15	35	5	16	12	10	8	101
PSYCHOSOCIAL DISABILITIES	2	16	3	12	12	3	8	56
GRAND TOTAL	61	143	24	107	76	29	75	515

Safety and security

The Safety and Security Task Team continues its work through a number of initiatives aimed at improving the overall safety on University campuses. As a result, there have been noted improvements in access monitoring at the University entrances and visible patrols by Protection Services staff.

Much like in the attempts at curbing crime in the country, a myriad of challenges are encountered in the bid to adequately protect University students and staff. The University is developing a comprehensive strategy to further enhance safety and security, which includes key features such as:

to participate in a national pilot with HEAIDS to provide the pre-exposure prophylaxis pill, Truvada, to students. This intervention aims to advocate for an HIV and AIDS-free student population.

Our HIV and AIDS research unit participates in collaborative projects, both within and external to the University. External partnerships include the Nelson Mandela Metro and the broader Eastern Cape Province, involving projects that have an inclusive, health and transformational agenda.

Alcohol and substance abuse remains a challenge and the majority of GBV incidents reported by students are alcohol-related. The HIV and Aids Unit is partnering with the Eastern Cape Liquor Board to champion responsible drinking to reduce social harm and risky behaviour.

Students living with disabilities

The Disability Unit continues to provide support to students who have declared various forms of disabilities when they enrolled at the University. The Unit assesses students who require reasonable accommodations, so that they can be optimally supported. The number of students with disabilities have increased over the past few years and the Unit supported 515 students during 2017.

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

Internally, a number of processes were set in motion during 2017 to strengthen and improve efficiencies in dealing with incidents of gender-based violence (GBV). These included the revision of the University's Sexual Harassment Policy, which was approved by the University Council in December 2017.

STUDENT ACCOMMODATION

GEORGE CAMPUS	PORT ELIZABETH CAMPUS	TOTAL:	GEORGE OFF-CAMPUS	PORT ELIZABETH OFF-CAMPUS	TOTAL:
ON-CAMPUS BEDS:			ACCREDITED OFF-CAMPUS BEDS:		
421	2 850	3 271	248	4 445	4 693

More vigorous awareness campaigns, aimed at the wider University community, include the creation of an enabling space to hold critical engagements and education drives on the various issues that fall under the umbrella of GBV.

Sexual harassment and sexual offences training programmes have been undertaken among the various student leadership structures, while awareness campaigns have been conducted with first-year and senior students.

Student societies

The University encourages students to participate in extra-curricular activities to promote holistic development. To this end, in 2017, 72 student societies operated across all campuses categorised as follows:

- Academic (24);
- Developmental (21);
- Political (4); and
- Religious (23).

In addition, the University has established support to encourage social entrepreneurship amongst students. Several projects are ongoing, including residence-based tuckshops where students employ their peers, thereby assisting fellow students financially.

6.2.2 QUALITY OF STAFF LIFE

As with students, the University continues to prioritise various interventions to enhance staff wellness and morale.

Human Resources Development (HRD)

The University is committed to providing training and development to staff. With the retirement profile of our staff complement indicating that several senior staff members will be leaving the University in the next five years, mechanisms are being put in place to ensure the transfer of institutional knowledge as well as skills required for continuity of our operations. Ongoing

development of all employees is also aimed at preparing them for the knowledge revolution, which is impacting on all aspects of our teaching, learning, research, engagement and operations.

During 2017, training and development covered a wide variety of training needs throughout the University. One area of continued importance was that of leadership development. The annual Leadership Effectiveness Advancement Programme was conducted, starting in March and ending in November 2017. A total of 25 delegates enrolled and 15 successfully completed the programme, which includes a summative assessment. In addition, a "breakfast programme" was developed and introduced in 2017, addressing topics on leadership and management, as related to the specific requirements of the University. In total, 15 interventions were hosted, with 53 academic and 191 PASS staff members attending.

HRD interventions furthermore included workshops and short learning programmes and more than 1 400 employees took up these development opportunities covering topics such as:

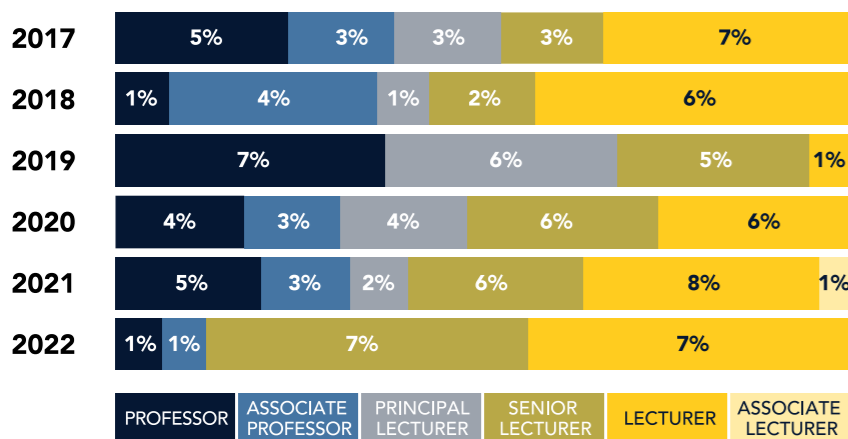
- Management and supervisory skills;
- 7 choices of successful women;
- Preparing, conducting and recording meetings; and
- Diversity and personal effectiveness.

Access to free formal studies is one of the many benefits associated with employment at the University. During 2017, 390 employees enrolled for formal studies at Nelson Mandela University, 20 enrolled at other universities, and 13 employees studied towards obtaining their National Senior Certificate.

Employee turnover and appointments

For the fourth quarter of 2017, employee turnover was 0.3% compared to 0.8% in the last quarter of 2016 (i.e., turnover is calculated on resignations only). The number of permanent employees who retired in 2017 was 67 comprising 17 Black (African, Coloured and Indian) and 50 White employees. Of these, 23 were academics and 44 were PASS employees.

ACADEMIC RETIREMENTS BY RANK FROM 2017 TO 2022



THE PERCENTAGE OF THE ACADEMIC STAFF RETIRING OVER THE NEXT 5 YEARS:

2017	21	(3,5%)
2018	14	(2,3%)
2019	19	(3,1%)
2020	23	(3,7%)
2021	25	(4%)
2022	16	(2,5%)

NOTE: Of the 118 Academic Staff, 48% will retire at age 60 and 51% at age 65. One staff member will retire at age 63.

During the year under review, 66 new permanent employees were appointed, comprising 46 Black (African, Coloured and Indian), 14 White and 6 foreign employees. New long-term contract appointments amounted to 17.

Employee relations

Much has changed at the University since the inception of the collective agreement entitled "Conditions of Service and Benefits Agreement" (CoS) in 2012. The resource constraints faced by the University have necessitated rigorous cost-cutting strategies, yet the formula used during wage negotiations to inform salary increments for employees has become unaffordable.

During the 2017 salary negotiations, numerous attempts were made by management to review aspects of the CoS Agreement relating to the salary formula, but both Unions rejected these. After protracted wage negotiations, the University subsequently served notice in December 2017 for the termination of the CoS Agreement, in accordance to the requisite provisions of the Labour Relations Act (1995).

A transitional arrangement for salary increases for 2018/19 will be required while the CoS review and the new approach to salary increments is being negotiated. It is Management's intention to retain existing conditions of employment and benefits contained in the current agreement, provided certain changes are made to the formula for salary increments to ensure long-term financial sustainability.

Staff wellness

The staff wellness programme aims to promote a positive culture of employee wellbeing and engagement thereby containing the costs associated with ill-health, including absenteeism and staff turnover due to incapacity. Various interventions were implemented in 2017 to enhance employee wellness, productivity and efficiency. An analysis of the utilisation of the wellness programme revealed that employees are well aware of the services provided through the wellness programmes and the participation rate is above the industry benchmark. Referrals remain consistent and the utilisation of the on-site counselling services was good given that this provides easy and convenient access to employees.

6.3 TRANSFORMATION

Institutional Culture Enlivening Process

One of the core strategic priorities embedded in Vision 2020 is to develop and sustain a transformative institutional culture that optimises the full potential of staff and students. As part of co-creating such an institutional culture, the university invested considerable strategic funding to implement a pioneering "institutional culture enlivening process" (ICEP) over a five-year period commencing in 2013.

Through the expert facilitation of the lead facilitator and her team, employees in various domains of the university have been encouraged to "deepen the conversations" to grapple with complex issues relating to power, privilege, inequality, social justice, and – more recently – decolonisation. This transversal culture change process has used innovative methods to gear the university system for the emergence of transformative change.

This pioneering process to foster a transformative institutional culture sought to explore new paradigms for organisational change and leadership, new ways of being and doing that emphasise active listening and participation, ensure diversity of voices, co-create our future and ultimately, create the conditions in which we can align more closely with our vision, mission and values. The ICEP process created spaces to enable diverse voices to collaborate with leadership at all levels to rethink curricula, explore new teaching and learning methodologies and pedagogies, as well as to reimagine work practices and ways of being.

Using a living systems and complexity-based "theory of change, the ICEP interventions worked with various domains of the "transformation journey" at the University, such as:

- Reframing the term "transformation" – from a deficit

approach (based on the idea of loss, losses of standards, opportunities, profits) or at times an empty signifier with no tangible meaning – into a grounded and aspirational vision;

- Developing critical diversity literacy – moving beyond a pluralistic understanding of diversity to explore issues of power, privilege and internalised dominance; and
- Doing the difficult emotional work of transformation through "courageous conversations".

These conversations required skillful facilitation processes, working with a range of "social technologies" and approaches. The reflections of the lead facilitator have been documented in a book, which was published by the Centre for the Advancement of Non-Racialism and Democracy, entitled 'Deepening The Conversations: Practice Reflections on the Institutional Culture Enlivening Process at Nelson Mandela University'. The book can be accessed using the link below:
<http://publications.mandela.ac.za/publications/media/Store/documents/Special%20Interest%20Newsletters/Deepening-the-Conversations-ICEP-process-Nov-2017.pdf>

Gender-based violence

Gender-based violence (GBV) is an existential reality that continues to confront particularly female students. The University is intent on addressing this social scourge. As part of improving awareness of GBV, the Memeza Whistle Blowing Campaign has been successfully piloted in the residences, with further roll out to first-year students planned for 2018.

In spite of this, there have been incidents of sexual assault and harassment of students reported to campus authorities and to the South African Police Service (SAPS) during 2017 that are under investigation. These incidents are of deep concern to the University and several impactful initiatives have been underway under the leadership of the Safety and Security Task Team to promote a culture of zero tolerance towards GBV. These include the following:

- The Policy on Sexual Harassment and Sexual Offences has been comprehensively reviewed after intensive consultations with all relevant stakeholders during the course of 2017. The Policy was approved by Council in December 2017.
- Developments are underway to establish a Centre for Gender and Women Studies at the University.
- Strategic funding has been allocated for the implementation of GBV awareness and prevention programmes during 2018.
- The Sexual Harassment Committee has formed a training and advocacy task team to collaborate on the development of a comprehensive institutional GBV programme of action for 2018 and beyond.
- The development of an automated case management and tracking system to improve the reporting of and responsiveness to GBV and sexual harassment complaints within the system.

We are mindful that our current policies, systems and processes to respond to complaints relating to racism, harassment, GBV and other forms of discrimination are in need of comprehensive review and this important task will be undertaken during 2018 to ensure that these policies provide unequivocal provisions to promote equality and protect the human rights of all.

In addition, the institutional reporting and discrimination complaints mechanisms will be streamlined to ensure that violations of anti-discrimination policies are addressed decisively. Until such time that this review has been concluded, management has approved a more integrated institutional protocol to respond to complaints of racism and other forms of discrimination given that the lack of responsiveness of our systems has been a source of concern for staff and students.

Employment equity

The University has developed a new five-year Employment Equity Plan (2017 to 2022) which was approved by Council in 2017. An Employment Equity Forum will monitor and drive the achievement of the University's equity targets, as outlined in the Plan.

As at 31 December 2017, the staff profile was 39% African, 19% Coloured, 4% Indian and 38% White, of which 57% are female. However, the academic staff profile differs significantly from the overall demographic profile, namely: 20% African, 14% Coloured, 4% Indian and 62% White, of which 50% are female. Measures have been put in place to use every retirement and vacancy as an opportunity to appoint suitably qualified equity candidates.

From the above, it is clear that the diversification of the academy is essential to ensure that the learning experience of our students is enriched. One such intervention is the New Generation of Academic Programme (NGAP) funded by the DHET to nurture postgraduate talent from under-represented population groups that are studying towards their Masters or Doctoral qualifications. The University recently submitted proposals to the DHET as part of the fourth phase of the NGAP programme and four new posts were allocated in the following areas:

- Mechatronics;
- Digital Humanities;
- Criminal and Procedural Law; and
- Archaeology.

Faculties are implementing other creative interventions to diversify the academy. These include the appointment of ten Postgraduate Associates (PGAs) during 2017 as part of the Law Faculty's transformation strategy. The PGAs are Master of Laws students who lecture on various diploma courses, conduct tutorials, and assist academics with marking. They participate in a tailor-made leadership programme run by the Faculty and obtain various forms of research support to assist them in completing their Master's qualifications.

Broad-based black economic empowerment

The Eastern Cape is the second poorest province in South Africa and the University is the largest employer in the Nelson Mandela Bay Metro. As such, the University remains committed to economically empower local business through diversifying supplier development and preferential procurement. Our Supply Chain Management Policy is currently under review to take into account new preferential procurement legislation and to make provision for supplier and enterprise development.

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

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

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

However, it must be noted that the amendments to the BBBEE Act have negatively affected the higher education sector since universities are assessed using the same criteria as 'for-profit' organisations. The primary source of income for most public Universities is government subsidy. In addition, most Universities receive vast amounts of earmarked funding from the DHET. However, despite various envelopes of earmarked funding being provided, these funds are deemed restricted funds and are therefore not taken into account when BBBEE verification is being conducted. The financially constrained environment has also impacted on supplier and enterprise development expenditure. Further engagement between the DHET, Universities South Africa and the Department of Trade and Industry is therefore essential to develop a set of criteria that would be more applicable and appropriate for the higher education sector.

Reintegration of outsourced services

Insourcing will have a significant impact on the sustainability of the University going forward and it will be necessary to streamline the organisational systems through which these services will be provided. Merely converging these services into existing structures is not be feasible and the University has therefore been exploring business models to drive down costs while optimising service delivery efficiencies.

Innovative business models for the four reintegrated services have been devised by the various role players, including workers, unions and students, by benchmarking good practices at other institutions and establishing what will work best in the University's particular multi-campus context.

These business models aim to achieve the following:

- Career opportunities and multi-skilling: With organisational structural changes and technology advances, there are opportunities for training and development of staff for more senior and/or new positions. A multi-skilling framework is being developed to allow for training across work and career disciplines.
- Enterprise development opportunities: In line with the entrepreneurial and innovative spirit of the University, opportunities will be created in the long-term for reintegrated employees to run their own businesses wherever this is feasible.
- Shared services: In an effort to integrate the back-end support for the four business models, a shared service unit will be established to reduce overlaps and duplication. This unit will house services such HR, Finance and IT support.

Lessons learnt through the reintegration process will be documented and applied during the more cross-cutting organisational redesign process to be undertaken during 2018.

Organisational redesign

Universities operate in an ever-changing environment, which necessitates agility and creativity in responding to the complexities

inherent in emerging futures. Management has approved organisational redesign guidelines to ensure that this important redesign imperative is undertaken in a consistent, equitable and transparent manner across the University during the course of 2018.

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

6.4 IMPROVING QUALITY OF OPERATIONS, INFRASTRUCTURE AND SUPPORT SERVICES

The University continues to invest in new and refurbished infrastructure to modernise the working and learning experience of our staff and students. During the year under review, several infrastructure projects were at various stages of completion at the time of compiling this report. These include the following:

- New transportation hub: All the necessary approval and consultative processes were completed in 2017. Construction is due to commence in 2018.
- Engineering building (phase 2): Completed
- Ocean Sciences campus: Phase 1 was completed and the planning phase for Phase 2 are underway.
- New student residences: The University will be following a turnkey approach with respect to the development of new residences. Architects have been appointed to undertake the specifications thereof.
- Establishment of photovoltaic farm: A Power Purchase Agreement has been signed. Construction to commence in 2018.
- Loubser Auditorium upgrade: Completion was due in early 2018.
- Student residences cooking facilities: Completed.

In addition to these developments, the University is continually expanding its core ICT infrastructure to remain in sync with the digital requirements of the knowledge economy. During 2017, an amount of R4.7 million was allocated to maintain and enhance ICT infrastructure, of which R1.25 million was earmarked for Wi-Fi densification in lecture venues with more than 50 seats. In addition to the above, DHET funding to the value of R13.5 million was approved for key ICT projects, including:

- ICT networking and connectivity infrastructure;
- Improving e-readiness of teaching and learning venues across all campuses;
- ICT projects in support of improved safety on campus; and
- Various business process improvements.

A new 63-seater general computer laboratory was installed at the Second Avenue Campus to reduce the student to PC ratio, which is the highest across all campuses. The technology-enabled facility at the South Campus Library, which enables multi-faceted technology investigations and training including online assessments, has also been completed.

A student-facing call logging portal was launched during 2017, which allows students the ability to "self-help" or log a call for ICT services, student housing and student finance related matters. It is envisaged that this system will be expanded to other student-facing departments during 2018/19.

Strategic funding has also been set aside to develop a staff-facing "self-help" portal, which will allow staff to track requests/issues raised with internal service departments, in a similar way as with ICT services. Development is ongoing regarding content management processes to improve document management (storage, easy retrieval and retention of relevant items).

Systematic reviews of business processes are ongoing to eliminate wastage with a particular focus on reducing printed material and switching to digitisation. Various business processes are being

automated across different divisions within the University to promote the strategic agility and responsiveness of decision-making and service delivery. In addition, the University is exploring opportunities for improved efficiencies, including scaling up blended learning and other innovative, digitised T&L delivery mode platforms that could alleviate the need for large lecture venues.

6.5 FINANCIAL SUSTAINABILITY

The past year has 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 challenge facing the sector over the next few years includes increased demands for student financial aid and for expanded student support for financially needy students, while absorbing the costs of insourcing.

While the University's financial statements indicate that we are on track to achieve a balanced budget in 2017, the shortfall on planned enrolments is likely to have a negative impact on future subsidy allocations and this trend needs to be reversed in coming years.

Council approved a balanced budget for 2018 after utilising the majority of investment income (i.e., a R15 million surplus after investment income; R78 million deficit from operations before investment income). Council has resolved that, in future, the University budget needs to realise a break-even point for recurrent operations before investment income in order to grow reserves. To this end, the University will continue to implement a cross-cutting plan to promote medium- and long-term financial sustainability. This includes various initiatives to promote sustainable resource stewardship with the desired outcomes as follows:

- Academic programme offerings are optimally consolidated to enhance strategic and financial viability.
- Strategic resource mobilisation diversifies revenue streams and contributes positively to funding new strategic growth opportunities and financial aid imperatives.
- Inclusive stakeholder engagement to promote collective ownership of responsible resource stewardship and cost-saving interventions.
- Re-engineered institutional processes to leverage digital technologies and integrated business intelligence systems in support of sustainability.
- Organisational redesign enhances strategy alignment, agility, adaptive capacity and organisational resilience through fit-for-purpose structures, systems and processes.

The establishment of the Strategic Resource Mobilisation Office (SRMO) is now a reality, with staff appointments currently being finalised. This new capability will serve as the co-ordination hub for strategic revenue mobilisation, whilst proactively diversifying current funding streams. A comprehensive multi-dimensional resource mobilisation strategy and campaign plan will kick off in 2018 to target the University's energies to securing new revenue sources from both within and beyond South Africa.

Acknowledgements

I wish to acknowledge the Chancellor, the Chairperson and Deputy Chairperson of Council and all Council members who conscientiously support the University in achieving its vision, mission, values and strategic priorities. I would also like to express my sincere appreciation to the senior management team, without whose commitment and dedication, the above milestones would not have been achievable. Finally, my heartfelt gratitude is extended to all our academic and support service employees and students who are the heartbeat of the University.



Prof D Swartz
Vice-Chancellor

BROAD-BASED BLACK ECONOMIC EMPOWERMENT

ELEMENTS	Weighted Points	2016 University Performance	2017 University Performance
Management Control	20	14.38	12.58
Skills Development	30	25.47	17.06
Enterprise Supplier Development	54	19.94	23.46
Socio Economic Development	5	5.00	5.00
TOTAL	109	64.80	58.10

*LEVEL 8 CONTRIBUTOR

Report by Chairperson of Senate



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

- In-depth disciplinary/interdisciplinary knowledge;
- Social awareness and responsible citizenship;
- Adaptive expertise;
- Creativity and innovation;
- Critical thinking;
- Excellent intra- and interpersonal skills; and
- Excellent communication skills

In an ongoing effort to educate graduates for success in work and life, advancing excellence in teaching, learning, research and engagement, constitutes the core focus of the University. Central to these pursuits, we recognise that learning is intrinsic to our development as human beings and to the full realisation of our potential to make a meaningful contribution to the world in which we live.

7.1 TEACHING AND LEARNING EXCELLENCE

As part of the repositioning of teaching and learning at Nelson Mandela University, various projects and activities have been introduced to shift the orientation of staff and students in relation to curriculum transformation, decolonisation, Africanisation, humanising pedagogies, technology-enhanced learning, and multilingualism.

Curriculum transformation

More than 85% of our student body are engaged in undergraduate studies, and to implement our grounding philosophical understandings and approach, it is in the arena of curriculum review and renewal that substantive shifts are required in teaching and learning. Included in these shifts, are the goals of Africanisation and decolonisation of the curriculum. This requires changes in mindsets and orientation, and is a fundamental part of our work.

We recognise that: “You cannot change the curriculum if you don’t change the curriculum maker”. To this end, efforts are underway to enlarge thinking about the curriculum to include not simply the content (or syllabus) of what is taught or learnt, but also the pedagogies, the environment created in which learning can be optimised, and purposeful ways of assessing knowledge learnt so that it is ‘owned’ and can be applied in relevant ways.

Most importantly, we need to build and continually enlarge our critical consciousness of the central purpose and relevance of the knowledge, skills and attributes acquired for its value and utilisation in the world and future for which we are preparing our students. All of these aspects are being given attention as we engage in curriculum transformation at our University.

As part of the curriculum transformation project, a wide range of initiatives was hosted throughout the year in an attempt to create an environment in which learning can thrive. Efforts toward curriculum transformation included:

- Hosting teaching and learning dialogues with various layers of the University including the deans, campus heads, faculty teaching and learning committee chairpersons, and the early career academics.
- Drafting a set of curriculum principles to frame and guide institutional curriculum transformation.
- Funding teaching development and innovation across more than twenty projects in all faculties to enhance teaching and learning innovation and experimentation.
- Embedding multilingualism through a review of the language policy in collaboration with staff and students.
- Mainstreaming humanising pedagogical practices in the classroom through interviews, videos and articles on the T&L website. Materials are being developed in the form of informational posters and other related content in preparation for the online portal to be launched during 2018.
- Launching the TLMandela website (<http://tl.mandela.ac.za/>) as a digital resource showcasing various curriculum and T&L projects at the University. To date, the website has received almost 4 000 hits from over 30 countries. The most accessed materials on the site include information related to teaching & learning, humanising pedagogy, indigenous knowledge systems and decolonisation.

Epistemological and curriculum statements

In line with our goal to reinvigorate the curriculum transformation process across all faculties, the T&L portfolio collaborated with staff and students, to develop a defined set of epistemological and curriculum statements that embed diverse knowledge paradigms to prepare our students as globally competent citizens. These statements have emerged from a series of workshops in which a cross-section of students, academic and PASS staff, and faculty management worked together to develop guidelines in respect of ten critical areas of curriculum transformation, namely: context; transformation; knowledge(s); curriculum; innovation; language; the voice of role players; relationships; space; and processes.

Revitalising the institutional Teaching and Learning Committee

The Teaching and Learning portfolio completed a review of the Teaching and Learning Committee framework and composition. The composition as of 2018 sought to include a cross-section of individuals who are involved with and affected by teaching and learning including students, George Campus representatives, timetabling and the Faculty Deans. This change of the composition has resulted in engagement that is more robust in addressing the issues affecting T&L. Furthermore, the inclusion of a slot to discuss trends in teaching and learning, which is open to all interested parties, has allowed for innovative T&L practices and experiments conducted at faculty and institutional level to be shared and debated by all interested stakeholders.

Reimagining assessment

Using interdisciplinary engagements and workshops with staff and students, T&L seeks to encourage a new assessment culture that values all three forms assessment, namely, assessment of learning, assessment for learning and sustainable assessment. To this end, the assessment policy has been reimagined to foster a learning-centred assessment culture through:

- Providing information about the expectations and principles related to assessment;
- Establishing the range of assessment and feedback activities needed to ensure that students achieve the required performance standards to graduate and develop lifelong learning skills to regulate and direct their learning; and
- Promoting a level of consistency in the implementation and management of assessment and feedback.

Reviewing the language policy

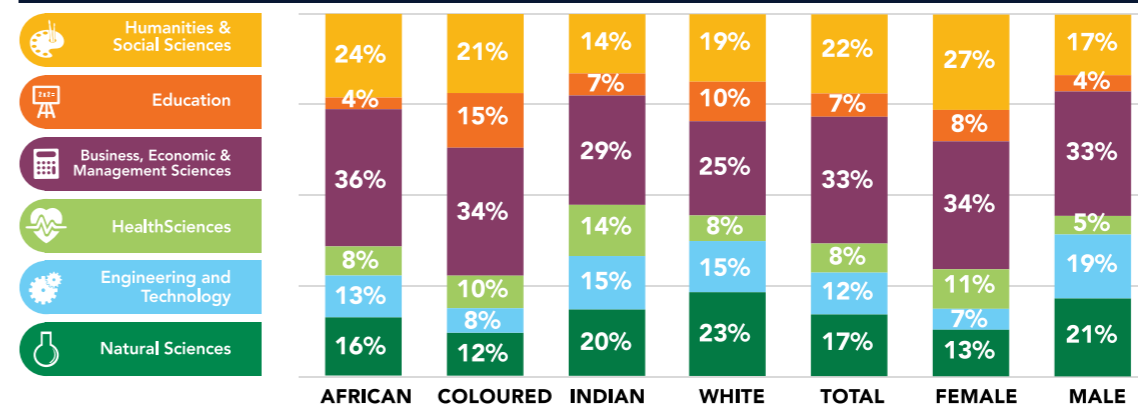
Multilingualism is a constant feature of conversations around success in T&L, identity, belonging and other critical aspects of

student success. The DVC T&L has collaborated with a group of language specialists and practitioners within faculties to explore “best practices” towards the development of a language policy that takes into account innovative practices in T&L ‘from the ground/classroom’. In order to get a sense of the breadth and depth of the language issues within the University, courageous conversations will be hosted in each faculty with the aim of developing a language policy that enables ‘linguistic citizenship’ underpinned by a principled commitment to multilingualism, particularly as it relates to supporting the use of the languages of the Eastern Cape.

Developing the next generation of academics

Concerted efforts are underway to diversify the academic staff profile through the rigorous implementation of employment equity targets and protocols. Earmarked provision is made in the University budget for an 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 to finance their integration and development within the academy.

ENROLMENTS BY MAJOR FIELD OF STUDY 2017

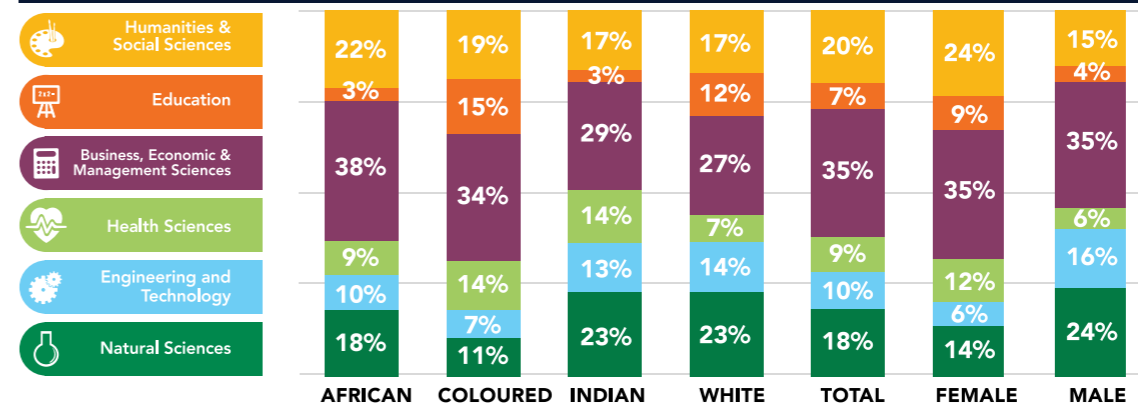


The distribution of population groups* and gender across major fields of study, 2017.

TOTAL:
27 621

*Population groups according to the Department of Labour equity categories

GRADUATES BY MAJOR FIELD OF STUDY 2017



The distribution of population groups* and gender across major fields of study, 2017.

TOTAL:
6 915

*Population groups according to the Department of Labour equity categories

GEOGRAPHICAL ORIGIN OF M&D GRADUATES

0.2% INTERNATIONAL STUDENTS

13.8% AFRICAN STUDENTS

86% SOUTH AFRICAN STUDENTS



MASTERS

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.

Enhancing the diversity and skills base of our academy remains a key priority. Several interventions funded through the UCDG are geared towards developing emerging/early career academic cohorts, including the following: nurturing emerging scholars and teachers (NEST); supporting early career academics as emerging and engaged teachers and researchers; supporting mid-career and senior academics; as well as teaching development linked to institutional and faculty priorities.

Fostering student success

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. The University recognises that student access must be accompanied by success and various strategies are in place to provide supportive living and learning environments conducive to improved academic performance.

This includes a range of student academic support and development services within and beyond the classroom such as peer support and mentoring, supplemental instruction, and various forms of extended curricula and foundation programme provisioning to assist underprepared students in transitioning effectively into university studies.

In supporting first-year student success, the University has launched the How2 @Mandela orientation week, which provides a space for peer-led programmes to orientate and prepare students for their first year of lectures. In the student orientation programme for new students, How2@NMMU, students work in small groups, facilitated by "How 2 Buddies", who are senior students in the same discipline. These peer mentors interact with their student groups for the whole of the first term, including through social media. Personal well-being and development opportunities are offered through career and personal counselling and workshops.

1.1% INTERNATIONAL STUDENTS

35.9% AFRICAN STUDENTS

63% SOUTH AFRICAN STUDENTS



DOCTORAL

In addition, experience has shown us that broadening access requires that the University also address broader systemic issues impacting negatively on the success of academically vulnerable students, most especially those from impoverished backgrounds. This includes student nutrition and food security, access to study materials, transport, accommodation, and access to computing devices and Wi-Fi connectivity.

A major student data analytics programme called Siyaphumelela (together we succeed), supported by grant funding from the Kresge Foundation, has made it possible to develop an integrated data tracking system to monitor student academic performance and optimise early intervention strategies to support students who are at-risk academically.

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 use this to design and implement targeted student support strategies. RADAR was piloted in the Faculty of Law in 2017 and will be rolled out to other faculties, starting with the Faculty of Engineering, the Built Environment and Information Technology in 2018.

In addition to the abovementioned range of student academic development and support initiatives, the University also offers a range of formalised co-curricular learning activities beyond the classroom. The University makes use of a student Co-Curricular Record (CCR), which is an official institutional instrument to recognise and record student involvement in co-curricular activities in an effort to develop themselves holistically. In 2017, the number of co-curricular activities recorded on the CCR grew to 650, the rewards, recognitions recorded grew to 100, and there were over 7 000 requests from students for co-curricular involvements, awards and recognitions to be added to their CCR.

In spite of this wide-ranging array of student development and academic support interventions, the University regrettably experienced a decline in student success from 82% in 2016 to 78% in 2017, largely due to the impact of the prolonged Fees Must Fall shutdown in 2016. Precursory observations regarding the possible reasons for this drop in success rates are provided in section 4.2 of this report, but this will be analysed in greater depth to design targeted interventions required to enhance student success in 2018.

Enhancing T&L capacity of academic staff

The University recognises that learning, as an intrinsically human endeavour, is at the heart of academic project. Thus, the focus on how we teach is considered to be of critical importance. In line with this philosophy, numerous projects have been launched to support the capability of staff at the University.

Through numerous programmes and workshops, efforts to support academics as teachers have been ongoing during 2017:

Induction Programme

The University hosted two three-day induction and orientation programmes for new academics, with a specific focus on teaching and learning.

Scholarship of teaching and learning (SOTL)

The SOTL Certificate programme is available to academics at any level. Staff may also choose to attend sessions on an individual topic that interests them.

Writing development

The Centre for Teaching, Learning and Media (CTLM) has been focusing more intentionally on assisting lecturers to develop student writing. 38 writing development sessions were provided which were attended by 1224 lecturers and students. Of the lecturers that attended the sessions, they in turn assisted 2330 students to develop their writing in their disciplines.

Advancing teaching and learning

Lecturers and professional academic development staff are funded to attend colloquia and conferences related to advancing T&L. Funding is made available for teaching sabbaticals – which must have clear aims & objectives and a scholarly T&L output. Two breakaways with a T&L focus were held to reposition the curriculum and its development at the University. During 2017, 12 workshops/seminars were offered by visiting scholars/T&L/facilitation experts. There was a strong focus on curriculum renewal and development, Africanisation of the curriculum, co-curricular learning and employability development. In total, 198 academics and academic developers engaged in T&L advancement opportunities.

Teaching and learning innovation

During 2017, 16 teaching development and innovation projects were awarded using the Teaching Development and Innovation Fund, totalling R619 000. The projects sought to enhance T&L innovation in the areas of pedagogy, indigenous knowledge systems, content creation, multilingualism, and technology enhanced learning.

A detailed list of the projects is available as supplementary information.

Academic planning

The Programme Qualification Mix (PQM) continually changes to align with the Vision and Mission of the University and to respond to the current and future capacity requirements relating to the fourth industrial revolution. Over the last few years, the University, like other Higher Education Institutions (HEIs) within the sector, has been involved with the Higher Education Qualification

Sub-Framework (HEQSF) alignment process of qualifications/programmes. The details of this process are available in the supplementary information.

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

In 2017, **6 915 qualifications** were conferred across our full range of qualifications, from certificates to doctorates.

A total of **442 masters** and **92 doctoral degrees** were conferred respectively

Quality advancement

The Quality Advancement Unit supported all internal and external reviews that were conducted during the course of 2017. External reviews conducted by professional bodies included:

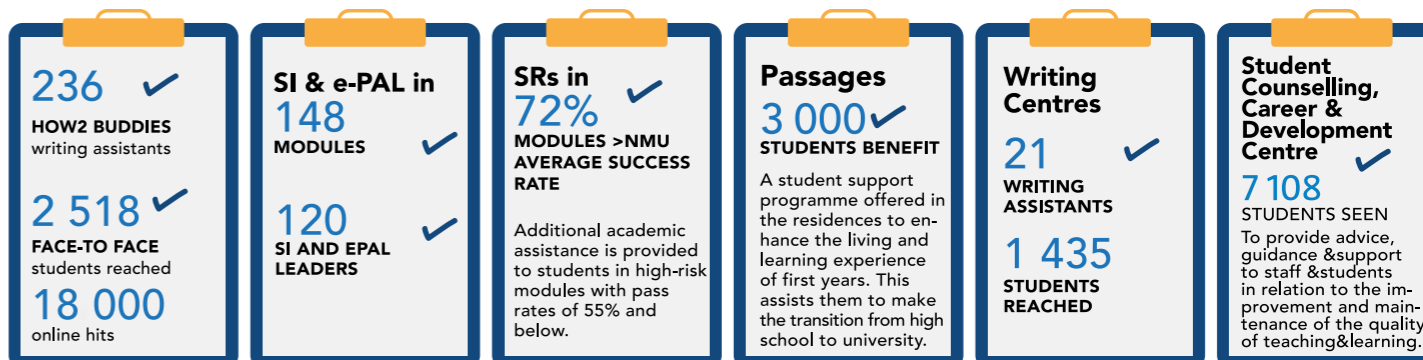
- Bachelor In Medical Laboratory Sciences – some conditions mainly around staff and facilities
- Bachelor in Construction Management
- Diploma and BTech in Construction Management
- Diploma in Civil Engineering

Internal programme reviews coordinated internally and using external peers included:

- Diploma in Game Ranch Management
- MCom Taxation
- HC in Accounting

The Office for Institutional Planning conducted pilot reviews of Service Module Viability focusing on two major service modules, namely language/communication skills offered by the Department of Applied Language Studies and computer skills offered by the Department of Applied Informatics. Using a set of approved criteria developed for this purpose, these reviews were conducted to address concerns regarding the adequate resourcing of service modules, as well as high staff: student ratios, which affect student learning in these service modules.

STUDENT SUPPORT INTERVENTIONS



Recognition for excellence in teaching and learning

The teaching and learning excellence awards have been in place for many years at both faculty and institutional levels.

During 2017, the following awards were granted for teaching and learning excellence:

Faculty Emerging Excellent Teacher

FACULTY	RECIPIENT
ARTS	Amina Jakoet-Salie
EDUCATION	Joy Turyagenda
EBEIT	Luzuko Tekeni
LAW	Glenwin Sefela

Faculty Excellent Teacher

FACULTY	RECIPIENT
ARTS	Jean-Pierre Basson
BES	Andrew Marriott
EDUCATION	Heloise Sathorar
EBEIT	Bertram Haskins
HEALTH SCIENCES	Mark Kramer
LAW	Gary Richards

Nelson Mandela University Excellent Teacher - Awardees

FACULTY	RECIPIENT
ARTS	Jean-Pierre Basson
EBEIT	Bertram Haskins

Nelson Mandela University Teaching Excellence Team Awards - Awardees

FACULTY/DIVISION/CENTRE/UNIT	RECIPIENT
FoE and LIS - A Team Effort To Support First Year Students' Information And Academic Literacies Acquisition	Dr Tobeka Mapasa, Dr Margie Childs, Mrs Marina Ward
FoL and ICT Services - RADAR	Dr Lynn Biggs, Deidre Els, Gary Richards

INAUGURAL LECTURES

Various members of academic staff were promoted to full professorship and the titles of their inaugural lectures delivered during 2017 are indicated below:

- Prof C Rootman - Research in financial services: Professing a way forward
- Prof J van Niekerk - Alice in cyberland – cybersecurity and the individual
- Prof L Stroud - The interplay between universal and unique contexts in shaping child developmental assessment.
- Prof M Roberts - Big thinking. Big science. Can Africa grow intellectual and research capacity to fix its developmental challenges? — Ocean science and marine food security at NMU as a test case.
- Prof S Masango - Democratization of State Institutions and Processes: A Critical Ingredient for Good Governance
- Prof S Blignaut - Two Decades of Curriculum Transformation: What have we learnt and where do we go from here?

7.2 EXCELLENCE IN RESEARCH

The University's research and engagement productivity has steadily grown over the past decade.

Nelson Mandela University is leading South Africa and the continent in a number of key research areas that are attracting talented researchers, lecturers and students from all over the world. These include:

- Ocean Sciences, for which a dedicated campus was launched in 2017; this will position Nelson Mandela as the leading ocean sciences university in the country and on the African continent;
- Physics research with the establishment of the Centre for High Resolution Transmission Electron Microscope (HRTEM), which has become the leading facility for advanced microscopy and nanoscale characterisation of materials on the African continent;
- Technology for sustainability, such as solar-powered charging stations for electric vehicles that can serve a dual purpose to electrify homes with a plug in from the vehicle;
- The Centre for Broadband Communication is developing novel optical fibre technology for the world's largest radio telescope, the Square Kilometre Array (SKA);
- The mHealth4Afrika (Mobile Health For Africa) project, led by Professor Darelle van Greunen, is the only European Union-funded Horizon 2020 project that was awarded to South Africa out of seven national submissions;
- The origins of human consciousness and cognitive development based on novel research done by the Centre for Coastal Palaeoscience along the Eastern and Southern Cape coastline;
- A scholarly approach to teaching and learning, student access and development, based on the university's signature, emancipatory approach to education known as humanising pedagogy;
- The work of Prof Patrick Vrancken, the NRF Chair in the Law of the Sea and Development in Africa, has been particularly noteworthy during 2017. He co-edited (and contributed to) the recently published book "The Law of the Sea – The African Union and its member states", which makes a significant contribution to this area of the law on the African continent.
- The Family Business Unit is doing key research on transgenerational, indigenous African family businesses and what can be done to increase the number of these, as they are a vital part of the economy and make substantial contributions to economic growth and social stability.

]Further information regarding research highlights for 2016/17 are contained in the Annual Research and Innovation Report, which can be accessed using the following link: <http://research.mandela.ac.za/research/media/Store/documents/Research-Innovation-Report-2016-2017.pdf>

To enhance the impact of our research and engagement, the University is driving trans-disciplinary projects across all our faculties to align with the following institutional research themes:

- Science, Mathematics and Technology Education for Society (SMTE);
- Sustainable Local Economic Development;
- Cyber Citizenship;
- Manufacturing Technology and Engineering;
- Nanoscale Materials Characterisation, New Materials and Processes;
- Strategic Energy Technologies;
- Sustainable Human Settlements;
- Coastal Marine and Shallow Water Ecosystems;
- Humanising Pedagogies;
- Democratisation, Conflict and Poverty;
- Biodiversity Conservation and Restoration;
- Health and Wellbeing; and
- Earth Stewardship Science.

Research excellence awards

Annually, the University recognises and rewards research excellence in the form of high impact and quality academic research outputs in various categories. In 2017, the following researchers received Research Excellence Awards:

Recipients of the various research award categories for 2017

FACULTY	RECIPIENT	CATEGORY
SCIENCE	ADAMS, J B	Researcher of the Year
SCIENCE	KERLEY, G I H	Research Excellence
SCIENCE	PERISSINOTTO, R	Research Excellence
EBEIT	VON SOLMS, R	Lifetime Research Excellence

Faculty researcher of the year for 2017

FACULTY	RECIPIENT
BES	Prof P le Roux
EBEIT	Prof R von Solms
HEALTH SCIENCES	Prof I Truter
LAW	Prof D Erasmus
SCIENCE	Prof G Kerley

Faculty emerging researcher of the year for 2017

FACULTY	RECIPIENT
EDUCATION	Dr K Pillay & Dr D C Geduld
EBEIT	Mr K Adesemowo
HEALTH SCIENCES	Dr D Morton
LAW	Ms L Coetzee
SCIENCE	Dr A Potts

Research chairs

The University currently has fourteen research chairs and nine of these are funded through the SARChI programme, which is supported by the Department of Science and Technology (DST) and the National Research Foundation (NRF). These research chairs are indicated below:

DST-NRF Research Chairs

NAME OF CHAIR HOLDER	NAME OF RESEARCH CHAIR	PRIMARY SCIENTIFIC FIELD
Professor Watts P.	Microfluidic Bio/ Chemical processing	Chemical Science
Professor Bell D.R.	Earth Systems Science	Earth & Marine Science
Professor Lombard A.T.	Marine Spatial Planning	Marine Science
Professor Perissinotto R.	Shallow Water Ecosystems	Marine Science
Professor Roberts M.J.	SA-UK Bilateral Chair in Food Security	Marine Science
Professor Botha J.R.	Nanophotonics	Physical Science
Professor Olivier W.	Mathematics Education	Mathematical Sciences
Professor Hurst A.M. *	Identities and Social Cohesion in Africa	Social Science
Professor Vrancken P.	Law of the Sea and Development in Africa	Law

*Effective April 2018

Research chairs funded from sources other than the DST are listed below:

Other research chairs

NAME OF CHAIR HOLDER	NAME OF RESEARCH CHAIR	PRIMARY SCIENTIFIC FIELD
Dr. Powell L.	Education, Work and Society	Education
Professor De Lange N.	HIV/Aids Education	Education
Professor Gorlach I.	GMSA Chair in Mechatronics	Engineering
Vacant	VWSA-DAAD International Chair in Automotive Engineering	Engineering
Professor Mbanga S.	Education in Human Settlements	Built Environment
Professor Keet A.	Critical Studies in Higher Education Transformation	Higher Education Transformation

NRF-rated researchers

Although the attainment of an NRF rating is a voluntary process, it nonetheless remains a proxy of the research standing of the University's researchers as assessed by their national and international peers. As can be deduced from the table below, the number of NRF-rated researchers at the University has grown steadily over the past five years. In 2013, there were 73 rated researchers, which has grown by 20.6% to 88 in 2017.

Total number of NRF rated researchers (2013-2017)

YEAR	NUMBER RATED RESEARCHERS
2013	73
2014	77
2015	80
2016	83
2017	88

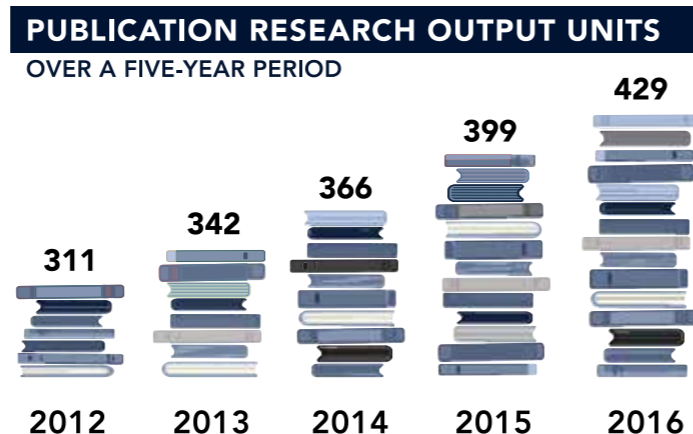
NRF ratings were historically linked to incentive funding. However, in 2017, the NRF policy on rating incentive funding was revised, resulting in the funds linked to ratings being drastically reduced (by up to 80%). This is expected to impact negatively on the research programmes of rated researchers, especially in cases where the incentive grant was their only source of research funds. The negative impact of this policy amendment by the NRF is likely to place pressure on increasingly strained internal resources and the University will therefore need to secure alternative financial support to sustain research productivity.

In addition, the lack of diversity in the profile of rated researchers at the University also continues to require dedicated attention.

RATING CATEGORY	2017
A1	1
A2	1
B1	2
B2	4
B3	5
C1	16
C2	34
C3	17
Y1	1
Y2	7
TOTAL	88

Research outputs

It is encouraging to note that the total number of accredited research outputs produced by the University has increased steadily over the past five years.

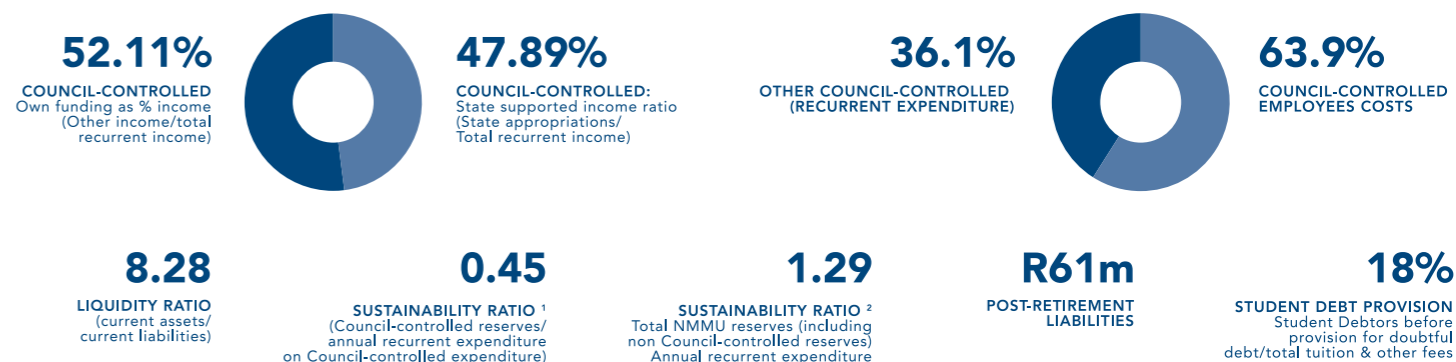


A recurring threat to scholarly outputs is the possibility of publication of research in predatory journals and conference proceedings. The University regularly and consistently communicates with the academic and research community on how to identify potential predatory publishers, as well as the reputational risks that both the individual researcher and the University faces should they fall prey to such publishers.

RESEARCH AND POSTGRADUATE FUNDING

NRF funding

The total scholarship, fellowship and research (freestanding) grant awards from the NRF was R60.8m in 2017, relative to R70.6m in 2016. This amount excludes the block grant for Honours bursaries and other block awards to the University. Of the total NRF free-standing grants, the Masters, Doctoral and Postdoctoral scholarships and fellowships made up 60.4% of the awards amounting to R36.7m (relative to R36.9m in 2016). The SARChi programme attracted R12.9m in grant funding in 2017, relative to R12.1m in 2016. Therefore, 81.2% of all grant awards from the NRF were allocated to postgraduate students, postdoctoral fellows (next generation researchers), as well as strategic programmes, viz. SARChi.



The group that appears to require attention with targeted and specific support is therefore the established researcher cohort. This is a strategic group, that has acquired sufficient independence, skills and knowledge (after the acquisition of the PhD), and this ought to be the future research engine of the University.

Other postgraduate funding

The awarding of Nelson Mandela University bursaries and scholarships remains driven by two main criteria: academic excellence and financial need. Academic excellence is (and has been) the primary criterion for awarding postgraduate bursaries. However, in response to the needs highlighted by students in 2016, we have brought in the added criterion of financial need. The gross income permissible for the academically eligible postgraduate students was determined by the "missing middle" criteria.

The bursary and scholarship funding allocations are awarded according to the following principles:

- Widening access: The bursaries and scholarships are spread across the spectrum of undergraduate, Honours, Masters, Doctoral bursaries and scholarships as well as postdoctoral and research fellowships.
- Academic merit: In the undergraduate portfolio, the emphasis is on recruiting excellent students to Nelson Mandela University and rewarding consistent academic achievement as a strategy for retaining students who show academic potential. This is essential to growing a strong pipeline of students that the University is able to retain for Honours studies and subsequent senior postgraduate degree studies.

- In 2015, a new category of funding was initiated for students pursuing BTech studies. This was in response to a request from the student body, as BTech students no longer qualify for NSFAS funding. This funding support will continue in 2018, as there are still BTech programmes that will be offered until the new HEQSF-aligned qualifications are in place.
- For 2016, based on a resolution of the Scholarships and Bursaries Committee, a new category of funding was introduced to cater for financially deserving students registering for Postgraduate Diplomas and Advanced Diplomas. These two categories of students have not been previously funded, but represent an important point of articulation to postgraduate degrees. Going forward, this funding category will therefore be continued to be supported.

The funding allocation from Council along with the Nelson Mandela University Trust was able to award over 600 students with postgraduate bursaries in 2016 and 2017. The following table outlines the number of students awarded Postgraduate Research Scholarships (PGRSs) by degree programme for 2016 and 2017. It should be noted that the total numbers for Doctoral and Master's level represent both new applications in that year and renewals.

Of the 137 Honours students awarded funding in 2016, 123 graduated in 2017 (more than 95%), with a further eight students to complete in 2018.

There was a shift in awards to an increase in the number of Master's by coursework and Honour's bursaries and a slight decrease in funding of students doing Doctoral and Master's qualifications by research. This may be due to the improved bursaries being provided by other agencies, including the NRF.

	2016		2017	
	AWARDED	AMOUNT	AWARDED	AMOUNT
DOCTORAL	158	5 351 850	150	5 040 300
MASTER'S (FULL RESEARCH)	255	7 053 750	247	6 640 770
MASTERS (COURSEWORK)	59	1 036 250	80	1 340 340
HONOURS	137	3 343 000	160	3 957 000
	609	16 784 850	637	16 978 410

	% TOTAL AWARDED		
	PhD	Masters	Honours
South African	46.7	81.7	90.6
SADC	19.3	8.3	5.0
Other African	29.3	9.5	4.4
Outside Africa	4.7	0.6	

In 2017, the majority of the PGRS awards were allocated to South Africans and students from the SADC region. Below is the overall percentage of PGRS awards made according to region and qualification level. It should be noted that these figures combine new and renewal applications submitted in 2017.

With limited funding, South African students take priority in PGRS awards, with more than 90% of the Honours scholarships allocated to South Africans.

Within the South African student PGRS awards, distribution of funding according to population group and gender are reflected below per qualification level. It should be noted that these figures combine new and renewal applications submitted in 2017.

	% TOTAL AWARDED					
	PhD		Masters		Honours	
	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE
AFRICAN	7.1	20.0	26.2	22.5	35.5	21.5
COLOURED	1.4	4.3	6.7	3.4	11.2	2.8
INDIAN	1.4	2.9	1.1	0.4		0.9
CHINESE		1.4	0.4	0.4		
WHITE	31.4	30.0	22.8	16.1	12.1	15.9

There was a greater proportion of funding for male Doctoral students relative to females (59% and 41% respectively). However, this has shifted toward females for both Master's and Honours degrees. The overall percentage of previously disadvantaged students to White students shows a similar trend with more white South African Doctoral students (61.4%) than all of the other population groups combined (38.6%).

Again, this trend is reversed in both the Master's and Honours degree programmes, with 61.1% of other population groups receiving funding. The funding profile also reflects the student demographic profile in the Doctoral programmes. Given that South Africa is the most unequal country in the world, it is therefore critical to keep this in mind when we implement our postgraduate financial support strategy. The University should ensure that students from disadvantaged socio-economic backgrounds receive sufficient financial support to continue with their doctoral studies as opposed to being compelled to work to provide for their families.

Postdoctoral fellows

Nelson Mandela University hosted 61 registered postdoctoral fellows in a concerted effort to maintain research and academic excellence.

Unlike postgraduate scholarships/bursaries, postdoctoral fellows

are nominated and appointed in partnership with a host within an academic department. Council's annual budget allocation covers all the postgraduate scholarships as well as the postdoctoral fellowships.

Postdoctoral fellows at the University also source funding from NRF (various programmes), CSIR, Claude Leon and research funds sourced by departmental hosts from other funders and classed as "departmental" funds. The number of Nelson Mandela University Council Fellowships awarded in 2017 is outlined below, full or partial, by region and gender.

REGION	FEMALE	MALE	TOTAL
South Africa	7	9	16
SADC	1		1
Rest of Africa	1	2	3
Rest of World	5	2	7
TOTAL	14	13	27

FUNDER	South Africa		SADC		*Rest of Africa		**Rest of the World		TOTAL
	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	
Council	7	9	1		1	2	5	2	27
Research Development Grant	2	2					1		5
NRF	12	10	1	1		2	2	4	32
Departmental	6	3	1	2	2	4	2	2	22
Claude Leon		1					1		2
CSIR		1					1		2

The funding allocation from Council provided for 27 of the 61 (or 44%) postdoctoral fellows with either full or partial (as top-ups) bursaries in 2017. The table below reflects the number of Postdoctoral Fellows funded in 2017 by different funding types

FUNDER	SOUTH AFRICA	SADC	REST OF AFRICA	REST OF THE WORLD	TOTAL
Council	R847 006	R16 000	R303 337	R757 234	R1 923 577
RDG	R604 170			R183 340	R787 510
NRF	R2 874 008	R96 667	R468 337	R698 754	R4 137 765
Departmental	R1 011 464	R300 333	R458 171	R188 338	R1 958 306
Claude Leon	R275 004			R277 164	R552 168
CSIR	R45 000			R150 000	R195 000
					R9 554 326

with some fellows being funded by more than one type at one time or shift through the year. The Research Development Grant (RDG) is funding from DHET.

From the above it is evident that just over R9.5 million was allocated to fund postdoctoral fellowships at the University in 2017. Nelson Mandela University Council funding accounted for 20% of that funding, with the largest contribution coming from the NRF at just over R4 million in 2017. Claude Leon Fellowships are prestigious, highly competitive countrywide, two-year fellowships and have the highest individual award per person along with travel funding. Nelson Mandela University was fortunate to have two such Fellows in 2017.

The Faculty of Science has traditionally hosted the greatest number of postdoctoral fellows and continued to do so in 2017, with 48. The other faculties combined only hosted 21% of the total number of postdoctoral fellows. An analysis of the demographic profile reveals that 54% of the postdoctoral fellows were White, with a nearly 50:50 split between males and females. Overall, there were 28 Black (African/Coloured/Indian) postdocs and, of those, only 42% were women.

South Africans made up over half of the postdoctoral fellows. The demographic profile mimics the trends within the overall profile, with White males making up the greatest proportion of the postdocs. International postdoctoral fellows constituted 41% of the total, with most coming from outside of Africa.

Summary of TIA projects – 2017/2018

ROUND NUMBER	1	2	3	4	5	6	7	TOTAL
NO. OF PROJECTS	6	4	4	5	4	4	2	29
FUNDING (million)	R2.543	R1.887	R1.943	R2.349	R1.813	R1.827	R1	R13.362

Please see the Innovation Office's annual newsletter for information on a selection of 2017 projects and initiatives - available at <http://innovation.mandela.ac.za/News/Newsletter-2017-2018>.

Technology stations

Nelson Mandela University has two Technology Stations funded by the Technology Innovation Agency (TIA):

- eNtsa, previously the Automotive Components Technology Station, headed by Prof D Hattingh; and
- Downstream Chemicals Technology Station, headed by Dr G Dugmore.

7.3 EXCELLENCE IN INNOVATION

During 2017, the Innovation Office processed 25 disclosures, filed three provisional patents, three Patent Cooperation Treaty applications and had five national phase patent applications granted. The Innovation Office also processed 164 research-related contracts during the year under review, with the numbers showing an upward trend.

The recipients of the 2017 Innovation Excellence Awards were as follows:

- Prof Darelle van Greunen for Innovation Excellence;
- The Electrical Discharge Machining Project's Controls and Automation Team for Innovation Excellence (Project); and
- Mr Jean-Pierre Basson for Emerging Innovation Excellence.

Technology Innovation Agency (TIA) seed funding

The Technology Innovation Agency (TIA) Seed Fund Programme, managed by the Innovation Office, has been a major source of funding that assists potential commercial projects to move from research towards commercialisation. The programme intends to create a pipeline of projects that can attract major TIA funding. The seed funds can be used for inter alia prototyping, piloting and technology scale-up, product and/or business plan development. An overview of the TIA funding for 2017/18 is provided below.

The aim of the Technology Station programme is to assist small, medium and micro-enterprises (SMMEs) to improve their competitiveness and innovation in a selected technical area. Our TIA stations contribute significantly to the local businesses in our Metro, with client-based projects including:

- Biofuel Testing Platform;
- Expanding Geo Footprint (Agro Refinery based on cactus pear plant);
- Industrial Growth - two potential commercialisations from the three project processes of Fynbos preservation; cold brew coffee; and insulin purification;
- Wild Wall Tiles - functional/decorative wall tiles for vertical gardens.

The supplier development initiatives, closely linked to the Technology Station Programme within eNtsa, is to support and stimulate local engineering innovation to improve the competitiveness of local manufacturers which will enable industry to exploit and develop new markets. With the support of the TIA and the DST, eNtsa continues to make much-needed engineering skills, services and training more readily available to small and medium-enterprises (SMEs) operating in the local manufacturing sector, aligning standard operating practices with international best practices.

It is noted that 78 projects, including an element facilitating of export readiness, and 60 projects involving assistance in accessing new markets showed a positive impact on local manufacturers through the interaction of eNtsa and the Technology Station Programme.

In the same period, eNtsa assisted 258 projects for 134 SMEs (this includes repeat business from a number of SMEs). A total of 187 projects were completed for an average of 22 large companies per quarter. The assistance offered to industry by eNtsa has covered a wide spectrum of testing, design, product/process development and manufacturing assistance.

Innoventon has been conducting a Microalgae to Energy project and completed its first three-year cycle in 2017. A new three-year cycle (2018-2020) was funded by the Department of Science and Technology for R15.5 million.

The establishment of the incubator Propella offers our academics and students a unique opportunity to contribute to job creation. Supported by the University through the Innovation Office, Propella provides full mentoring and nurturing support for SMMEs, some of which have been established as a result of successful student projects at under- and postgraduate levels. This exciting development will be further expanded to provide similar support for SMMEs in the townships, thereby strengthening the township economy.

7.4 EXCELLENCE IN ENGAGEMENT

The University has been acknowledging and celebrating excellence in engagement since 2012 through its annual Engagement Excellence Awards. In September 2017, the University recognised the important contributions of staff members to engagement excellence. The recipients of the various awards are reflected in the table below.

FACULTY	AWARD	NAME	PROJECT
BES	Engagement Excellence – Social & Economic Sciences	Prof E Venter	Family Business Projects
EDUCATION	Project Award	Dr M Gibbs	Eskom Expo for Young Scientists
EBEIT	Engagement Excellence – STEM	Prof D van Greunen	Community IT Projects
EBEIT	Team Award	Prof D Hattingh	eNtsa
HEALTH SCIENCES	Project Award	Prof C Walter	Dash Project
LAW	Project Award	Prof H van As	Fish Force Project
SCIENCE	Team Award	Prof J Adam	Coastal & Marine Research Institute

In 2017, the number of annual engagement awards was increased to eight to acknowledge, award and showcase the exceptionally high quality of engagement at Nelson Mandela University.

Centre for the Advancement of Non-Racialism and Democracy (CANRAD)

The higher education sector has inherited the full complexity of the country's apartheid and colonial legacy. Racism, sexism and class discrimination continue to manifest themselves in the core activities of teaching, learning and research. CANRAD hosted a highly successful colloquium of the national Anti-Racism Network in Higher Education, and explored "Anti-racism in an era of decolonization- upping the game". Central to the colloquium was the exploration of Western epistemologies and the decolonisation agenda in higher education.

Annual engagement colloquium

The third annual Nelson Mandela University Engagement Colloquium was hosted in 2017. This colloquium serves as a platform to showcase engagement excellence and best practice at the University. It is also an opportunity to evaluate institutional engagement priorities and goals and to identify specific needs

related to engagement training, funding, infrastructure and support.

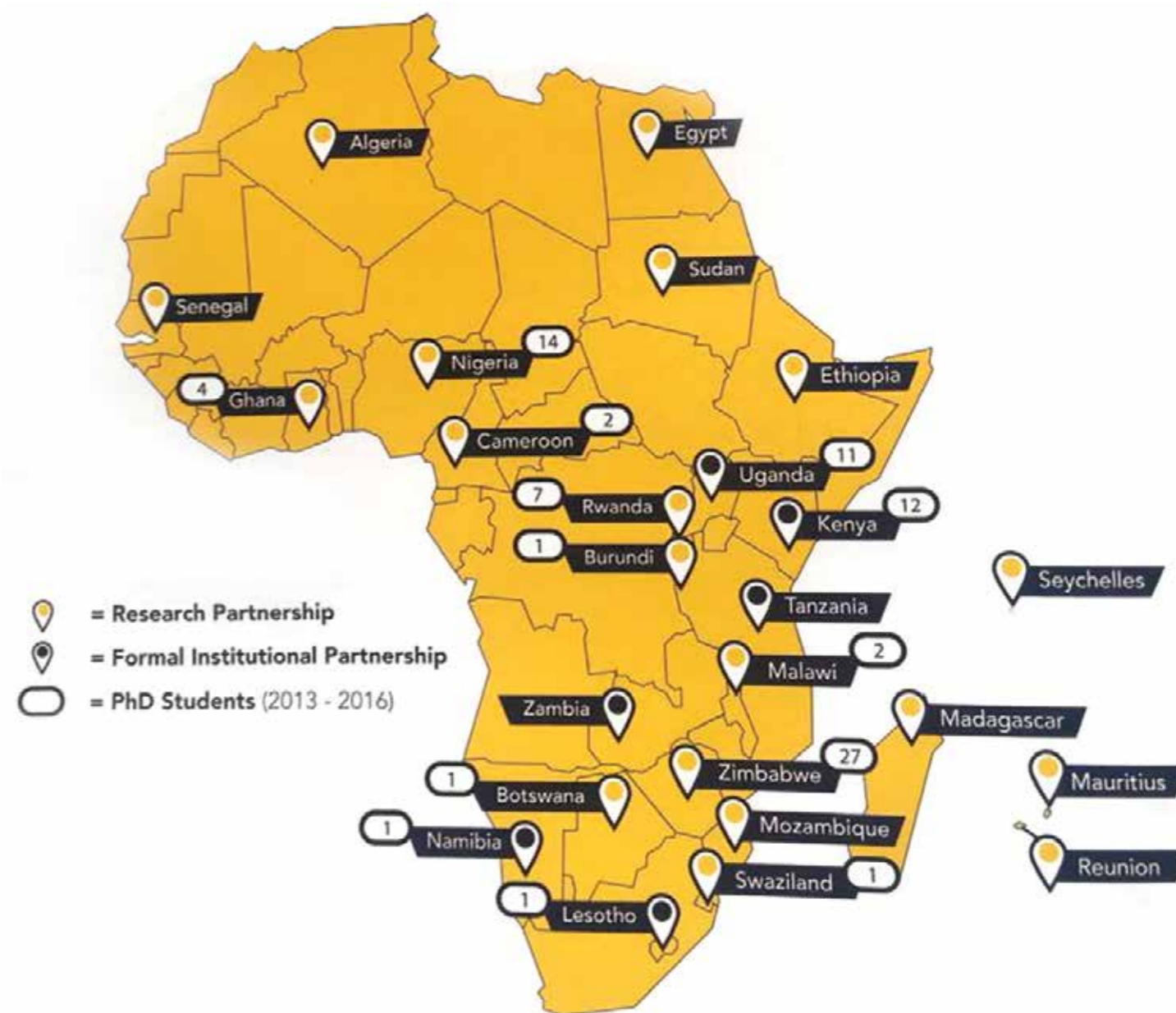
As a learning organisation, we are using recordings of these presentations as a tool for mentorship, building a community of practice, and developing the scholarship of engagement. To this end, the Engagement Information Development web pages contain an easily accessible and user-friendly repository of information and documents relating to engagement.

Internationalisation

Nelson Mandela University firmly believes in the benefits of actively developing and maintaining global networks and partnerships as a core part of its internationalisation strategy. The University not only uses these partnerships to enhance student mobility, but also to promote the internationalisation of our curriculum and research, as well as fostering an international orientation among academic staff.

Nelson Mandela University is committed to developing its international links with universities from developing countries, with specific reference to Africa.

The University is endeavouring to expand its footprint in Africa through: partnerships linked to research; formal institutional partnerships; and postgraduate doctoral student enrolments, as reflected below.



The number of international partnerships beyond the African continent also continues to expand, particularly as the University forges global partnerships in various trans-disciplinary domains of oceans sciences and other cross-cutting research focus areas.

Ongoing engagements with existing and new strategic partners continue to unlock opportunities for collaboration for at local, regional, national, continental and global levels. Identifying opportunities for beneficial collaboration with strategic partners for the furtherance of our strategic goals will contribute towards the future sustainability of the University.

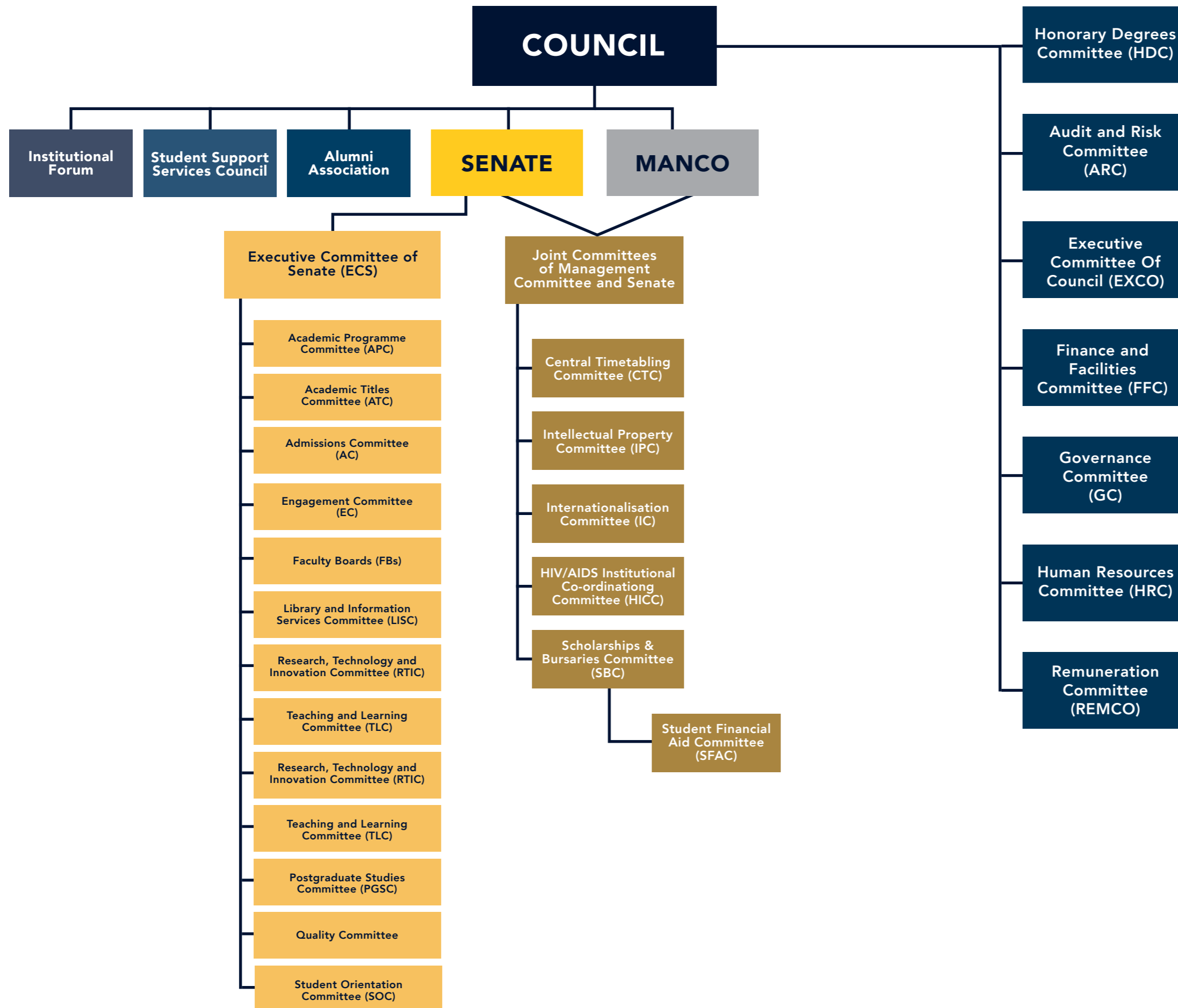
Who we are and what we are becoming as a 21st century institution of higher learning is our way of taking responsibility for the Mandela legacy and ensuring that it is reflected in the way that we teach, learn, do research, and engage with our communities and partners. Universities fulfil a critical role in creating innovative and supportive environments that are designed to enable under- and

postgraduate students to succeed and achieve their full potential, and to emerge as well-rounded competent global citizens.

Nelson Mandela University is committed to a knowledge agenda that brings questions of social justice and equity into focus as we develop into a globally recognised, cutting-edge, pioneering "laboratory" for original and applied knowledge that enlightens the management of the twin challenges of human development and sustainability. This approach extends to all of the University's disciplines and faculties to the extent that you can feel the pulse of possibility in the quest to change the world for a better future.

Prof D Swartz
CHAIRPERSON: SENATE

COMMITTEES OF COUNCIL AND JOINT COMMITTEES OF COUNCIL AND SENATE



8.

Report by Chairperson of the Institutional Forum



The Institutional Forum (IF) is a statutory structure where all stakeholders, as set out in the Higher Education Act (1997), advises Council on aspects relating to transformation and any other issue that Council may deem appropriate.

The report below provides an overview of activities undertaken by IF during the year under review.

The key areas captured in the University's Institutional Transformation Plan (ITP) include the following:

- Curriculum Reform: Review the curriculum to ensure that it is socially relevant and responsive to the development needs of the country.
- Student Support: Ensure the improvement of quality throughput rates of students, particularly those from historically disadvantaged groups.
- Language: Ensure the implementation of a language policy that promotes multilingualism in support of student access and success



- Disabilities: Improve access and success of students and employees with disabilities
- Employees Development and Equity: Ensure implementation of programmes and measures designed to accelerate focused recruitment, capacity development, greater representation and retention of designated and underrepresented groups in the academic workforce, professoriate and university management
- Institutional Culture: Develop and implement programmes and activities aimed at promoting diversity, inclusion and social cohesion
- Collaboration: Increase collaborations and partnerships with other institutional types to share knowledge, resources and assist with capacity building and articulation
- Governance: Improve the effectiveness of governance structures in their transformation oversight roles (Council, Institutional Forums, Senate, SRC)
- Complaints: Ensure that the University has accessible, effective and efficient complaints handling mechanisms and procedures
- Monitoring and Accountability: Ensure that the University has effective transformation oversight and accountability mechanisms in place

IF raised concern that the Institution's Employment Equity Protocol had not produced acceptable results for addressing the equity targets and concerns identified by the Department of Labour. The continued failure of the University to meet employment equity targets, particularly on academic staff appointments, was noted. IF recommended that the Human Resources Department assist IF in evaluating the effectiveness of the Employment Equity protocol as well as the departmental management response to transformation, with a view to enabling IF to make a recommendation to Council on possible remedial action.

Concerns regarding non-accountability of management in relation to transformation included, failure to identify potential in young black postgraduate students that could be developed into future academics and not providing promotion opportunities to candidates from the equity groups that would ensure that the Institution met its equity targets. Despite the University's Ombudsman directive in a previous visit to the University that recruitment and selection processes be standardised across the Institution, the processes remain unchanged. IF, therefore, recommended to Council to standardise all recruitment processes.

In relation to senior appointments, the forum recommended that engagements with structures such as EXCO of Council be initiated to discuss the concerns raised above, with a view to reiterate to Council of IF's advisory role, in line with its function of fostering an institutional culture which promotes transformation

Following a recommendation from the Department of Labour during their visit to the Institution, IF noted the effort to form an Employment Equity Forum as a sub-Committee of the Transformation Committee. The forum proposed that the composition of the Employment Equity Forum be amended to include Human Resource consultants in its membership.

Having discussed the Nelson Mandela University Employment Equity Report up to the last quarter of 2017, IF recommended to Council that feedback on statistics of recruited candidates across the institution, be provided in order to enable IF to monitor consistency in the implementation of the Employment Equity Policy. IF further recommended that institutional permanent staff targets by occupational levels be broken down in the same manner as in the academic equity profile, by faculty, to enable IF to view trends in terms of new permanent appointments within the faculties. In addition, IF raised concern regarding the continued appointment of non-designated groups (White males and females) in post levels 7-12.

The insourcing of 874 staff members according to Council's December 2015 resolution was noted.

IF alerted the employment equity office that the report on employment equity targets did not include a breakdown on statistics relating to disabled staff, as set out in the Nelson Mandela University Employment Equity Plan for the period 2012 – 2017. The importance of including all chronic diseases within the University's categories of disabilities was also discussed. As such, a communiqué was circulated to all staff members highlighting required information in order to encourage employees to disclose disabilities without fear of stigmatisation. IF requested the employment equity office to provide statistics of disabled staff per school and department, for the past five years, retrospectively, to enable IF to assess trends in this category.

IF noted the imbizos held on the Port Elizabeth and George campuses in order to deepen conversations in relation to institutional culture and to improve stakeholder engagement. An increase in early retirements and the effort required of the Institution in order to address succession planning and mechanisms for the transfer of institutional knowledge was also noted. The renaming and rebranding of the Institution's name to Nelson Mandela University was noted as a positive development for the university, save concerns around costs thereof.

IF raised concern about the escalation of reports on gender-based violence within the Institution. As such, the Sexual Harassment Policy, which had prompted discussion on security for students and the immediate response and prioritisation of cases relating to sexual violence has been reviewed.

Dr P Ntshongwana
Chairperson: Institutional Forum

9. Report on Internal Administrative/ Operational Structures and Controls

Nelson Mandela University maintains a system of internal controls that govern business processes, using information and communication technology (ICT) where possible. Such systems are designed to support the responsible pursuit of the University's business objectives in an efficient, effective and compliant manner.

Council, through the Audit and Risk Committee, is responsible for the governance of systems of controls in respect of the University's financial and non-financial processes. Management is responsible for the implementation of effective, feasible and compliant internal controls.

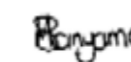
Risk-based external and internal audit plans are presented to the Audit and Risk Committee for approval. The Audit and Risk Committee monitors the progress of planned audits and ensures that the reported controls deficiencies are appropriately and timeously addressed by management.

Audit and assurance requirements are met through application of the combined assurance model. Annual statutory, compliance and required specialist audits are outsourced to third parties. Internal audits are performed by an in-house Audit and Risk Management department that is functionally accountable to the Audit and Risk Committee. An Internal Audit charter is in place and reviewed annually.

The University's ICT governance framework is contained in the ICT Policy. During the year, the ARC reviewed the ICT Policy in accordance with the annual requirement. In its commitment to sound ICT governance practices and effective functioning of the ICT Committee (ICTC), the DVC: Institutional Support was elected by MANCO as chairperson of the ICTC, replacing the Chief Information Officer, following a recommendation by the ARC.

Based on reports presented by assurance providers on the assessment of financial and non-financial controls The Audit and Risk Committee is satisfied with management's remedial plans to address identified internal controls weaknesses.

During 2017, Deloitte conducted an external quality assurance review of the University's internal audit processes and, during February 2018, concluded that the internal audit function partially conforms to the standards and stakeholder responses indicated that the department added high value to the University. Moderate findings were reported and the related corrective action plan will be presented to ARC at the June 2018 meeting.



M. Manyama
Chair: Audit & Risk Committee



R. Gajjar
Senior Director ARM

10. Report on Risk Exposure Assessment and Management

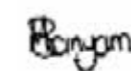
Nelson Mandela University risk management processes are aligned to and support the responsible pursuit of the University's strategic objectives as outlined in Vision 2020. The Audit & Risk Committee (ARC), on behalf of Council, is responsible for the governance of risk. MANCO, with the support of the Risk Management Committee, is responsible for the implementation of an effective and responsible system of risk identification, risk assessment and appropriate risk management.

The University's Audit & Risk Management department is responsible for administration of the risk management framework. The annual risk assessment process culminates in the preparation of departmental and faculty risk registers which, once completed, inform the Institutional Top Risks report. The ARC and Council review the progress of risk mitigation plans on a quarterly basis to ensure alignment with the University's strategic objectives.

During the year, the ARC strengthened its risk management oversight responsibilities in respect of the services reintegration

and business-modelling project, given the significance of these projects to the University's operational environment and related financial implications. In addition, the ARC also considered the implication of the pending Central Application Services system and its potential impact to the University's academic administration processes. Issues related to financial sustainability, emerging risks in the sector, human capital management, transformation and campus security continued to receive due focus.

At year-end, ARC was satisfied with the University's risk management processes applied to identify, evaluate and respond to material risks impacting the University's sustainability.



M. Manyama
Chair: Audit & Risk Committee



Prof D. Swartz
Vice-Chancellor

11. Report of the Nelson Mandela University Audit & Risk Committee



The Audit and Risk Committee (ARC) assists the Council in discharging its mandated oversight responsibilities in respect of financial reporting, risk management, internal controls, ICT governance, compliance, assurance, fraud management and the annual report. The ARC reports to the Council and engages with the Finance and Facilities Committee (FFC) and other committees, as necessary.

ARC comprises five independent, non-executive members, all representing historically disadvantaged persons, including three females. The Committee members contribute a relevant range of financial, commercial, legal and public sector experience and skills.

Ms Maureen Manyama was appointed as the Chairperson of ARC on 13 October 2017, following the conclusion of Mr Kamlesh Riga's term of office, which ended on 30 June 2017. During the interim period, Ms Nozpiho January-Bardill, served as Chair of the ARC for one meeting held on 10 October 2017, prior to her appointment as Chair of Council on 13 October 2017.

The Committee wishes to express its appreciation to Mr Riga for his exemplary leadership of ARC during his four-year term.

During the year, the Audit and Risk Committee carried out its mandated responsibilities in alignment with its Council-approved charter and annual work plan. In the execution of its duties, the Committee had unrestricted access to required information and/or to relevant sources of information, including technical guidance from independent advisors and/or experts where required.

The Committee undertook the following activities during the year under review:

- Reviewed the audited financial statements that were prepared in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the DHET and, together with the FFC, recommended that the reports be adopted by Council;
- Considered the reported findings presented by the internal and external assurance providers in respect of the University's system of financial controls, ICT governance controls and internal controls as well as management's corrective action plans in response to material findings and, where necessary, made recommendations to Council;

- Addressed any arising concerns or complaints relating to the following:
 - Accounting policies;
 - Internal audit;
 - The auditing or content of annual financial statements;
 - Internal financial controls;
 - Fraud and irregularities.
- Evaluated and assessed the effectiveness of the internal audit function, which is undertaken by the University's Audit & Risk Management department, and provided input to the annual performance assessment of the Senior Director: Audit & Risk Management;
- Confirmed the internal audit plan, monitored progress thereon and considered the sufficiency of internal audit resources;
- Reviewed the annual risk management reports and quarterly update reports and, where relevant, made recommendations to Council;
- Evaluated the effectiveness of risk management, controls and the governance processes;

- Verified the independence of the external auditors,
- obtained Council and the Auditor General's approval for the appointment of SAB&T as the external statutory auditors and EY as the certification auditors for the period December 2017 to December 2021;
- Approved the audit fees and engagement terms of the external auditors;
- Determined the nature and extent of allowable non-audit services and approved the contract terms for the provision of non-audit services by the external auditors;
- Fulfilled its ICT governance objectives through monitoring the ongoing relevance of the ICT strategy in relation to emerging operational requirements, technological developments and ICT risks;
- considered information pertaining to incidents of potential reputational risk and/or legislative and regulatory compliance risk; and
- Collectively evaluated the performance of the ARC and its members against its mandated objectives.

ARC meeting attendance

Four meetings were held during the year and ARC member attendance is summarised in the table below:

ARC MEMBERS	15 MARCH 2017	14 JUNE 2017	10 OCTOBER 2017	17 NOVEMBER 2017
Mr K Riga ¹	✓	✓	N/A	N/A
Ms N January-Bardill ²	N/A	N/A	✓	N/A
Ms M Manyama ³				✓
Ms H Adams-Abader ⁴	✓	✓	✓	Apology
Mr L Billings	✓	✓	✓	Apology
Mr M Mawasha	✓	✓	✓	✓
Adv L Ntsepe	Apology	Apology	✓	Apology

1 Mr K Riga (Chairperson) (01 July 2013 – 30 June 2017)

2 Ms N January-Bardill served as the interim Chairperson for the 10 October 2017 ARC meeting

3 Ms M Manyama was elected ARC Chairperson on 13 October 2017

4 The re-appointment of Ms Adams-Abader was approved by Council on 25 April 2017.

In addition to the Committee members, the following representatives are standard invitees to the ARC meetings:

- The Auditor General of South Africa;
- The University's external auditors;
- MANCO members including the Vice-Chancellor, the DVC: Institutional Support, the ED: Finance and ED: Human Resources; and
- Advisory MANCO/EMANCO members including the Registrar, Chief Information Officer and SD: Audit & Risk Management

Expertise and experience of the Executive Director: Finance

The ARC has satisfied itself that the Executive Director: Finance, Mr Michael Monaghan, has appropriate expertise and experience. Mr Monaghan was appointed as the Executive Director: Finance with effect from 1 January 2016.

Ms M Manyama
Chair: Audit and Risk Committee

12. Annual Financial Review

FINANCIAL OVERVIEW OF THE 2017 FINANCIAL YEAR

Governance and Controls

The financial statements have been prepared in accordance with the Department of Higher Education and Training reporting requirements for Higher Education and the accounting policies comply in all material respects with International Financial Reporting Standards. The Nelson Mandela University is committed to good corporate governance and sound financial management.

The consolidated annual financial statements for 2017 cover all activities of the university, which include audited results of the Nelson Mandela University Trust, companies and other partnerships where the university exercises control. The activities of the Trust are governed by the provisions of the Trust deed and an independent board of trustees. These consolidated financial statements provide a complete and comprehensive overview of the operations and financial position of the university.

Budgeting Process

Management annually sets budget directives for the ensuing budget year. Vision 2020, the apex priority objectives and strategy of the university informs the directives. The university's budget is based on an Institutional Resource Allocation Model that allocates high level block allocations of resources per funding category and activity i.e. Strategic Allocations, Academic Staffing Allocations,

CAPEX, Bursaries and other expenses that are further distributed via budgetary processes and allocations models. These processes are performed by various committees that are representative of directorates within the university to ensure inclusivity of stakeholders.

These committees allocate funds based on models and processes informed by Vision 2020, strategic plans and Council/Management's performance objectives. A three-year Annual Performance Plan (APP), cash flow and reserves accumulation plan supports the budget as to monitor and evaluate future sustainability.

Higher Education and Training Environment

Higher Education and Training as a national priority receives a significant portion of the national annual budget. There has been a significant increase in funding to public universities since 2015, including the funding allocated for NSFAS-qualifying students. This has assisted universities in responding to the capping of fee increases, providing debt relief concessions and the re-integration of certain outsourced contracts, which has affected the financial sustainability of institutions.

The pronouncement on fee free higher education in December 2017, including the commitment to increase subsidy allocations to universities, is most welcomed. The Nelson Mandela University will factor this into its sustainability plan.

Overview of 2017 financial position

Financial sustainability remains a challenge for the Higher Education Sector, striving to contribute to national objectives in difficult economic trading conditions.

The University once again posted positive results during the year under review. Short-term austerity measures, better than projected debt recovery, as well as the reduction in the cost of debt relief concessions for academically deserving but financially needy students now funded through the NSFAS programme, contributed to better than expected results.

A financial sustainability plan has been embarked on to ensure that in the medium to long term, the recurrent cost structures are financed from recurrent revenue streams excluding finance

income, and that earmarked reserves for funding five year capital maintenance, replacement of teaching and research equipment and IT infrastructure plans are maintained.

The statement of comprehensive income reflects a consolidated surplus of R360 million (2016: R53 million) after other comprehensive income, of which Council controlled operations amounted to R192 million (2016: R58 million), Student accommodation R5 million (2016: R5 million) and the Trust R115 million (2016: R45 million). Specifically funded activities (restricted) realised a net surplus of R48 million (2016: R55 million deficit).

The re-measurements of post retirement obligations and revaluation of investments to market value disclosed under other comprehensive income has reduced consolidated net surplus by R23 million (2016: R31 million).

FINANCIAL INDICATORS 2015 - 2017	2017	2016	2015
Council controlled :- State support income (State appropriations /total recurrent income)	47.89%	47.57%	44.68%
Council controlled :- Own funding as % income (Other income/total recurrent income)	52.11%	52.43%	55.32%
Council controlled :- Staff cost as % total recurrent expenses - Total Staff costs (Council controlled - AFS) /Recurrent expenditure (council controlled)	63.77%	59.00%	58.62%
Council controlled :- Staff cost as % total recurrent income - Total Staff costs (Council controlled - AFS) / Recurrent income (council controlled)	56.69%	56.96%	54.56%
Council controlled :- Net surplus as % including finance income	11.12%	3.47%	6.92%
Council controlled :- Net surplus as % excluding finance income	4.25%	-3.37%	1.27%
Student debt ratio :- Student Debtors before provision for doubtful debt/Total Tuition & Other Fees	17.64%	21.81%	12.17%
Short Term Liquidity ratio (current assets/current liabilities)	8.28	7.31	8.36
Sustainability ratio (Council-controlled reserves only)	0.46	0.26	0.18
(Council-controlled reserves/annual recurrent expenditure on Council-controlled expenditure)			
Sustainability ratio (Total NMU reserves)	1.29	1.08	1.19
Total NMU reserves / annual recurrent expenditure			
Post-retirement Liabilities (balance sheet)	R61m	R35m	R25m

The institutional financial indicators show that the university has maintained a relatively healthy financial position.

The statement of financial position reflects an increase in total assets of R635 million with equity funds increasing by R335 million and total liabilities by R300 million, mainly due to deferred income on government grants for infrastructure. Retirement benefit obligations increased by R26 million and now amounts to R61 million. The liquidity position is sound as indicated by the liquidity

ratio. The consolidated statement of changes in equity indicates that Restricted use funds decreased to R 613m (2016: R 680m), Residence funds increased to R22 million (2016: R21 million) while Council unrestricted funds increased to R777 million (2016: R471 million) of which the General Reserve is R458 million.

We would like to thank the Council, Finance & Facilities Committee, and Audit & Risk Committee for their guidance and commitment to the financial sustainability of the university.


A L Biggs
Chairperson: Finance & Facilities Committee


M R Monaghan
Executive Director: Finance





CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at 31 December 2017

COUNCIL'S STATEMENT OF RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Council is responsible for the preparation, integrity and fair presentation of the financial statements of the Nelson Mandela University ("NMU"). The financial statements, presented on pages 51 - 58, have been prepared in accordance with International Financial Reporting Standards and as required by the Minister of Education in terms of section 41 of the Higher Education Act 1997 (Act No. 101 of 1997), as amended. The financial statements include amounts based on judgements and estimates made by Management.

The Council also prepared the other information included in the Annual Report and is responsible for both its accuracy and consistency with the financial statements.


The going concern basis has been adopted in preparing the


Ms N January-Bardill
CHAIR OF COUNCIL

financial statements. Council has no reason to believe that the NMU will not be a going concern based on forecasts, reasonable assumptions and available cash resources. The current viability of the NMU is supported by the financial statements.

The financial statements have been audited by the independent audit firm, Nexia SAB&T, who were given unrestricted access to all financial records and related information, including minutes of meetings of the Council and relevant sub-committees.

The Council believes that all representations made to the independent auditors during their audit were valid and appropriate. The consolidated financial statements on pages 54 - 58 were approved by the Council of the Nelson Mandela University on 22 June 2018 and signed on its behalf by:


Prof D Swartz
VICE-CHANCELLOR

	2017 (R)	2016 (R)
ASSETS		
Non-current assets	1 734 460	1 652 798
Property, plant and equipment	1 523 283	1 439 258
Investments	211 177	213 540
Current assets	2 313 085	1 760 004
Inventories	2 833	3 237
Trade and other receivables	255 380	211 885
Short-term investments	1 939 000	1 401 000
Cash and cash equivalents	115 872	143 882
Total assets	4 047 545	3 412 802
EQUITY AND LIABILITIES		
Equity funds	2 648 209	2 314 457
Property plant and equipment	1 235 057	1 141 548
Restricted use funds	635 830	701 387
Student Residence Funds	22 329	21 279
Other	613 501	680 108
Unrestricted use funds – Education and General	777 321	471 522
Non-current liabilities	1 120 079	857 509
Interest-bearing borrowings	39 603	47 749
Retirement benefit obligations	61 321	34 982
Accumulated leave liability	84 230	91 712
Long service award accrual	4 379	4 298
Deferred income	930 547	678 768
Current liabilities	279 257	240 835
Accounts payable and accrued liabilities	265 881	226 860
Current portion of borrowings	13 376	13 975
Total equity and liabilities	4 047 545	3 412 802

CONSOLIDATED STATEMENT OF CHANGES IN FUNDS

at 31 December 2017

	General Reserve Fund	Accumulated Fund	Council Unrestricted Funds Sub-total	Contract/Private Funds Restricted Use	The University Trust/Restricted Funds Restricted Use	Other Funds Restricted Funds Restricted Use	Restricted Use Funds Subtotal	Residence Funds Restricted	Property, Plant and Equipment Fund	Total
Balance at 1 January 2017	158 660	312 862	471 522	133 069	191 012	356 027	680 108	21 279	1 141 548	2 314 458
Net surplus	197 767	12 923	210 691	48 070	120 129	-	168 199	4 786	-	383 676
Other comprehensive income	(18 467)	-	(18 467)	-	(5 038)	-	(5 038)	-	-	(23 505)
Other additions	68 224	-	68 224	-	-	-	-	-	176 291	244 515
Funds utilised	(230 061)	-	(230 061)	(32 440)	(4 698)	-	(37 138)	(3 736)	-	(270 935)
Transfers – credit	350 533	-	350 533	-	-	33 715	33 715	-	34 306	418 554
Transfers – debit	(68 021)	(7 101)	(75 121)	(93 108)	(115 130)	(18 106)	(226 344)	-	(117 088)	(418 554)
Balance at 31 December 2017	458 636	318 685	777 321	55 591	186 275	371 636	613 501	22 329	1 235 057	2 648 210
Balance at 1 January 2016	30 913	264 289	295 202	134 392	216 549	404 049	754 990	18 386	1 162 381	2 230 959
Net surplus	25 160	38 241	63 401	(55 571)	71 709	-	16 138	4 814	-	84 353
Other comprehensive income	(4 908)	-	(4 908)	-	(26 787)	-	(26 787)	-	-	(31 695)
Other additions	-	15 624	15 624	-	44	-	44	(1 921)	109 576	123 323
Funds utilised	(92 458)	(24)	(92 482)	-	-	-	-	-	-	(92 482)
Transfers – credit	391 993	-	391 993	55 368	-	30 465	85 833	-	107 480	585 306
Transfers – debit	(192 040)	(5 267)	(197 307)	(1 120)	(70 503)	(78 487)	(150 110)	-	(237 889)	(585 306)
Balance at 31 December 2016	158 660	312 862	471 522	133 069	191 012	356 027	680 108	21 279	1 141 548	2 314 458

CONSOLIDATED STATEMENT OF CASH FLOWS

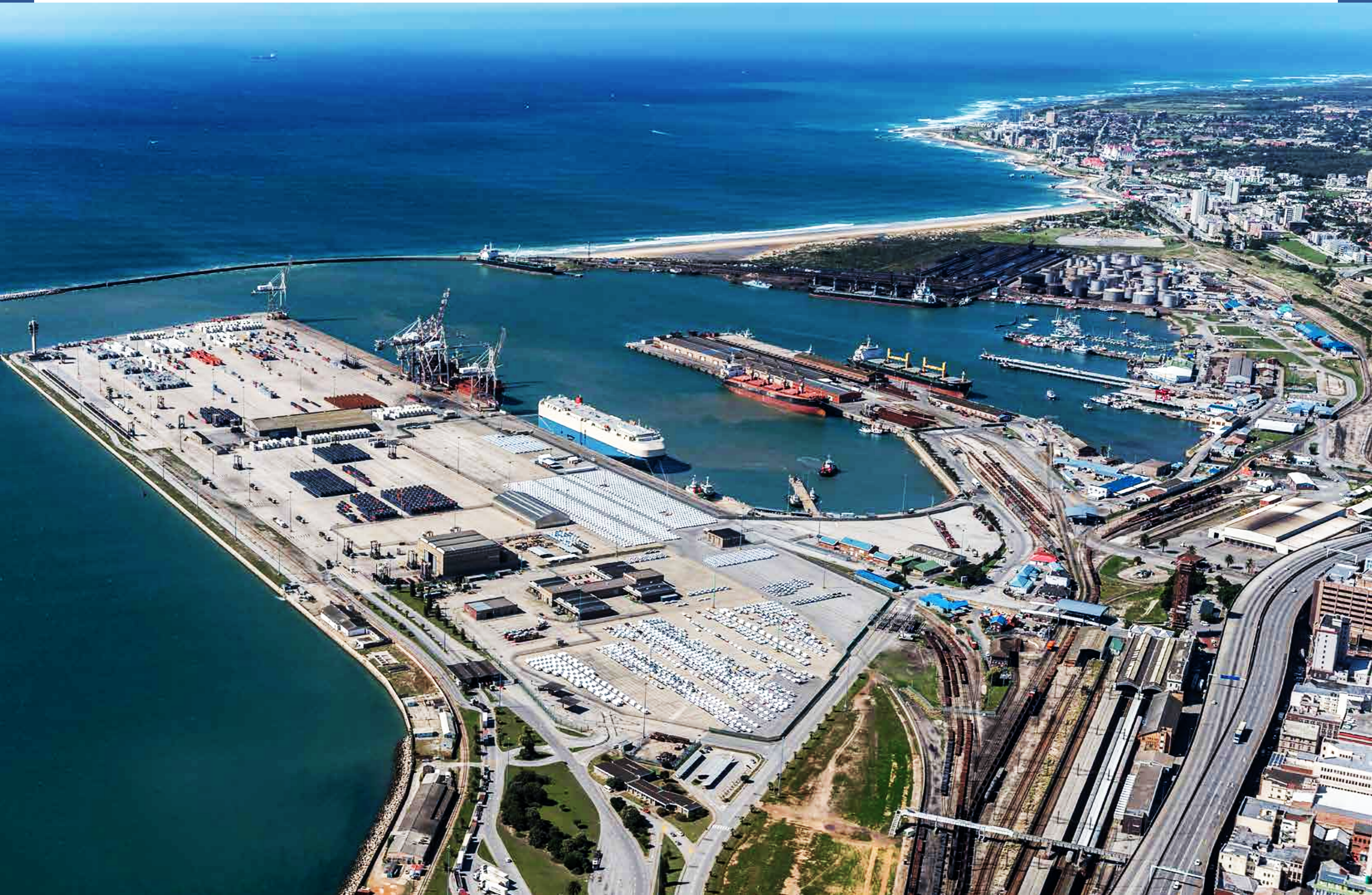
at 31 December 2017

	2017 (R)	2016 (R)
Cash flow from operating activities		
Cash generated by operations	264 079	73 412
Interest received - short term	161 481	129 893
Net cash inflow from operating activities	425 560	203 305
Cash flow from investing activities		
Interest received	3 949	4 091
Dividends received	2 651	3 111
Purchase of property, plant and equipment (own funds)	(178 006)	(151 483)
Disposal of property, plant and equipment	3 168	-
Increase in short-term investments	(538 000)	(165 000)
Net (increase)/decrease in investment portfolio at cost	15 546	(5 060)
Increase/(decrease) in deferred income	251 779	180 037
Net cash outflow from investing activities	(438 914)	(134 304)
Cash flow from financing activities		
Finance costs	(5 911)	(6 146)
Decrease in interest-bearing borrowings	(8 746)	(9 522)
Net cash outflow from financing activities	(14 657)	(15 668)
Increase in cash and cash equivalents	(28 011)	53 333
Cash and cash equivalents at beginning of year	143 882	90 549
Cash and cash equivalents at end of year	115 871	143 882



Acronyms

BES	Business and Economic Sciences
CCR	Co-Curricular Record
CoS	Conditions of Service
CTLM	Centre of Teaching, Learning and Media
DHET	Department of Higher Education
DST	Department of Science and Technology
DVC	Deputy Vice-Chancellor
EBEIT	Engineering, the Built Environment & Information Technology
eNtsa	Engineering Services Technology Station
FRE	Framework for the Recognition of Excellence
FTE's	Full-time equivalent
HEIs	Higher Education Institutions
HR	Human Resources
ICT	Information and Communications Technology
MANCO	Management Committee
MIP	Master Implementation Plan
NRF	National Research Foundation
NSFAS	National Student Financial Aid Scheme
PASS	Professional, Administrative, Support Services
PG	Postgraduate
PGAs	Postgraduate Associates
PGRSs	Postgraduate Research Scholarships
RADAR	Risk Analysis and Detection to Assist and Retain Students
SARChI	South African Research Chairs Initiative
SETAs	Skills Education Training Authorities
SMEs	Small and Medium-Enterprises
SMMEs	Small, Medium and Micro-Enterprises
SRC	Student Representative Council
SSTS	Student and Staff Transportation Strategy
TIA	Technology Innovation Agency
UG	Undergraduate
V2020	Vision 2020



COUNCIL 2017



Mr D Argyrakis



Mr A Biggs



Dr G Govender¹⁷



Mr D Gozo¹



Ms M Manyama²



Mr M Mawasha



Mr S Mhlaluka⁴
& 5



Judge R Pillay^{6& 5}



Mr R Piyose



Prof M Singh¹⁷



Prof E
Thihe-Mokhuane⁷



Ms Z Tshefu⁹



Mr K Blöse^{8 & 17}



Prof H Jeffery



Dr C Beck-
Reinhardt⁹



Ms N January-Bardill^{3 & 10}
(Chairperson)



Mr L Mosana⁹



Mr A Mohamed¹¹



Prof R Parsons¹¹



Mr K Riga¹¹



Rev M Sibeko⁹



Mr S Somdya⁹



Prof D Swartz¹²



Prof A Leitch



Dr S Muthwa



Prof D Zinn



Prof C Arnolds



Dr M Moeng¹³



Mr M Mzileni



Mr R Tahula



Prof D
van Greunen



Ms V Bongela¹⁴



Ms L Roodt¹⁵



Dr P Ntshong-
wana



Mr C Neethling¹⁶



Ms C Williams

KEY:

1 Resigned 1 March 2017
2 As from 1 July 2017, Acting ARC Chairperson from 30 October 2017 - 13 December 2017, ARC Chairperson from 13 Dec 2017

3 Acting Chairperson of ARC as from 31 August 2017 - 13 October 2017
4 Vice-Chairperson of Council as from 13 Oct 2017
5 Acting Chairperson of HRREM as from 31

August 2017- 13 December 2017, HRREM Chairperson from 13 December 2017.
6 Resigned 13 October 2017
7 Resigned as Vice-Chairperson from 13 Oct 2017, resigned as a member from 31 Dec 2017

8 As from 1 April 2017
9 As from 15 August 2017
10 Chairperson of Council as from 13 Oct 2017
11 Until 14 August 2017
12 Until 31 December 2017

13 As from 1 January 2017
14 Until 30 June 2017
15 As from 1 July 2017
16 co-opted until 31 August 2017
17 Appointed to GC / NC as from 13 Dec 2017