

NELSON MANDELA
UNIVERSITY



Mid-Year Performance Report

2023

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NELSON MANDELA UNIVERSITY MID-YEAR PERFORMANCE REVIEW REPORT 2023

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FOREWORD BY CHAIRPERSON OF COUNCIL

Council have set the course for Nelson Mandela University through the Vision 2030 Strategic Plan (Vision 2030), which outlines the University's vision, mission, values, educational purpose and philosophy, distinctive knowledge paradigm, desired graduate attributes, and strategic focus areas and enablers. The vision of the University is to be a dynamic African university recognised for its leadership in generating cutting-edge knowledge that promotes social justice and enhances social, economic, and ecological sustainability.

The University will differentiate itself as a higher education institution of distinction within a diverse national and global post-school education and training system by 2030, through:

- Consolidating excellence in our strategic trajectories including the medical school, ocean sciences, revitalising the humanities, and transdisciplinary sustainability sciences.
- Pursuing inclusive student access for success through vibrant student life experiences and humanising pedagogical approaches that release the full potential of our graduates.
- Positioning the University globally, by ramping up research outputs and postgraduate studies, while also expanding our internationalisation footprint, especially in Africa and the global South.
- Advancing social embeddedness through transformative engagement to co-create socially just and sustainable futures with our communities.
- Deepening a values-driven, inclusive institutional culture and empowering high-performing, socially diverse employees.
- Accelerating digital transformation in pursuit of improved efficiencies, agile systems and processes, and adaptive institutional operating models that facilitate innovation and continuous improvement.
- Promoting the long-term sustainability of the University through innovative resource mobilisation, strategy-aligned budgeting, and responsible resource stewardship.

As the University cascades Vision 2030, it will monitor, track and report on its progress via the Institutional Monitoring, Evaluation, Reporting and Learning (MERL) Framework indicators and measures of success, that underpin the University's pursuit of its academic missions in the service of society whilst embodying the spirit of its iconic namesake through living out its core values. The MERL Framework provides well-defined and collectively owned indicators for each of the strategic focus areas and selected enablers and provides both Council and executive management with the information required to promote organisational learning and continuous improvement.

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Indeed, Council believes that a key golden thread that brings together all the University's endeavours is the commitment to and maintenance of the highest standards, ethical principles, and core values. Council recognises that it is ultimately responsible for ensuring these are effectively implemented through appropriate ethical codes for Council members, staff, and students. To this end, Council upholds the University's core values in all its interactions, whether with students, employees, alumni, business, government, civil society, or other stakeholders.

As a comprehensive university, with a specific focus on providing life-changing educational opportunities from certificate to doctoral levels across a wide range of disciplines and fields of study, the University continues to invest in student access for success. This includes implementing various cross-cutting interventions to enhance the efficiency and responsiveness of the student access and enrolment value chain under the auspices of the institutional Enrolment Management Committee. This is a critical precondition for achieving the University's enrolment targets at under- and postgraduate levels thereby enhancing long-term sustainability.

Consequently, the University has been systematically increasing access to higher education for first-generation students from socio-economically deprived backgrounds, particularly those from quintiles one to three schools. In drawing a higher percentage of students from more disadvantaged schooling backgrounds, the University has experienced a high growth at undergraduate level, assisted by the exceptionally high first-time entering intake in 2022, the introduction of several Advanced Diplomas, and a rapid increase in extended programme enrolments. This has resulted in a higher than targeted student: staff FTE ratio in some fields of study and the University is mitigating the potential negative impact of this on the quality of learning and teaching by investing in holistic, wraparound student support for all students to ensure that all have an equal chance of success irrespective of their socio-economic status.

It is of concern that the University has experienced a gradual decline in postgraduate and international student enrolments over the last few years. These declines have mainly been at the Master's and Doctoral level. This, together with the exceptionally high first-time entering intake in 2022, led to the University adjusting its enrolment projections for 2023 to 2025 as part of the mid-term enrolment planning review in 2022. Limited financial support for postgraduate students, restricted postgraduate supervisory capacity due to a decline in the proportion of academic staff with doctoral qualifications, as well as declines in international postgraduate student enrolments remain the most significant impediments to increasing postgraduate enrolments, and graduate outputs. In addition, the University's research publication targets for 2023 have not been met. The intention is to reverse these trends through investing in developing the next generation of academics, supporting early career academic staff to obtain their Doctoral qualifications, producing quality research publications, as well as prioritising the filling of academic vacancies across all faculties. The University has also initiated an institutional research study to explore the reasons why

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postgraduate applicants who were admitted to the University do not actually register. The findings of this study will inform recruitment and enrolment efforts, as well as other aspects of the postgraduate student experience.

Council will continue to support the Vice-Chancellor, executive management, as well as all employees and students in positioning Nelson Mandela University as a higher education of first choice that promotes the public good through its pioneering learning, teaching, research, innovation, internationalisation, and transformative engagement. Council believes that a firm foundation has been established towards realising the University's vision and advancing our mission of offering a diverse range of life-changing educational experiences for a better world. Council wishes to express its appreciation to the Vice-Chancellor, senior management, employees, and students for their extraordinary efforts to ensure that Nelson Mandela University is widely recognised as a dynamic, socially embedded, and responsive African university.

COMPLIANCE WITH REPORTING REGULATIONS

In accordance with the Regulations for Reporting by Public Higher Education Institutions, Section 41, read with Section 69 of the Higher Education Act, 1997 (Act. No. 101 of 1997), Nelson Mandela University's Mid-Year Performance Report (MYPR) provides an overview of the progress that had been made up to 30 June 2023 against targets set out in the 2023 Annual Performance Plan (APP) regarding the following:

- Enrolment performance against Ministerial approved targets;
- Progress and expenditure with respect to earmarked funding allocations; and
- Financial performance up to 30 June for the year under review, detailing income, and expenditure for the six-month period, as well as a comparison between the actual and budgeted revenue and expenditure for the period.

According to the Reporting Regulations, the MYPR must be approved by Council and submitted during the fourth quarter for the year under review.

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OFFICIAL SIGN-OFF

It is hereby certified that the Nelson Mandela University Mid-Year Performance Review (MYPR) Report for 2023 accurately reflects the mid-year performance of the University relative to the 2023 targets submitted to the Department of Higher Education and Training in its annual performance plan.

AMBASSADOR NOZIPHO JANUARY-BARDILL
CHAIRPERSON OF COUNCIL

PROFESSOR SIBONGILE MUTHWA
VICE-CHANCELLOR

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INSTITUTIONAL PERFORMANCE AGAINST MINISTERIAL APPROVED TARGETS FOR 2023

The table below provides an overview of the 2023 key performance indicators (as submitted in the Annual Performance Plan for 2023) and progress made in relation to student access and success, staff efficiency and research outputs. Where targets were not fully achieved, reasons are provided for the variances.

Important note: The data in the shaded section of the table is being reported against the APP 2022 targets, because the 2023 data is either unavailable due to the timing of the submission of the report and/or is too provisional in view of the HEMIS auditing timeframes, relative to the approved 2023 targets. Thus, the 2023 student access key performance indicators are compared to the APP 2023 targets, and the 2022 student success, staff efficiency and research outputs are compared to the APP 2022 targets.

Key performance indicator	Target percentage or number	Mid-year performance targets as per APP 2023	Actual mid-year performance 2023	Reason for variance
A. STUDENT ACCESS				
Headcount totals (2023 compared to APP 2023 targets)				
First-time entering undergraduate	7 185	7 185	6 979	8 706 first-time entering students registered in 2022, which was 2 126 more than the target of 6 580. The actual first-time entering undergraduate student enrolments were 32% higher than the target. Before 2022, the University did not achieve the first-time entering undergraduate enrolment targets and the University initiated a comprehensive study to assess the reasons why a considerable proportion of applicants who were admitted to the University did not actually register. Based on the findings of this study, the University worked progressively towards more integrated, digitalised, and responsive enrolment management systems and processes to ensure that the substantial number of

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Key performance indicator	Target percentage or number	Mid-year performance targets as per APP 2023	Actual mid-year performance 2023	Reason for variance
				offers made to applicants translated into actual enrolments. This contributed to the significant increase in first-time entering undergraduate enrolments in 2022. The uptake rates were, however, much higher than what was envisaged and the sharp increase in the number of first-time entering students that enrolled has placed a strain on the available resources of the University, such as lecturing venues and the student transport system. In addition, the overall student: staff FTE ratio increased from 27:1 in 2021 to 29:1 in 2022. Considering these factors, the University set lower first-time entering undergraduate enrolment targets in the revised Mid-Term Review Enrolment Plan for 2023 to 2025 to ensure that the quality of learning and teaching is not adversely affected by enrolment growth. The first-time entering student intake for 2023 was 6 979, which was 2.9% below the target of 7 185. This has been the smallest deviation from the target in recent years, although it is beyond the acceptable deviation of 2% (above or below).
Headcount enrolments	31 360	31 360	31 673	The University slightly exceeded the total APP 2023 headcount enrolment target of 31 360 with 31 673 enrolments in 2023, which is 1% above the target. The University has been growing consistently in terms of enrolments at undergraduate level but has experienced a decline in postgraduate enrolments in recent years.
Headcount enrolments (Foundation Provisioning)	3 371	3 371	3 765	As part of its mandate as a comprehensive university, the University enrolls high proportions of students from quintiles 1 to 3 schools. Drawing a higher percentage of students from more disadvantaged schooling backgrounds has led to a rapid increase

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Key performance indicator	Target percentage or number	Mid-year performance targets as per APP 2023	Actual mid-year performance 2023	Reason for variance
				in extended programme enrolments. The higher intake in first-time entering undergraduate students therefore also led to a higher-than-expected enrolment in extended programmes. The actual enrolment of 3 765 in extended programmes was 394 more than the target of 3 371 and was 11.7% above the target.
Headcount enrolments - Total UG	27 300	27 300	28 378	The University exceeded the undergraduate enrolment target of 27 300 for the year by 1 078. A contributing factor to the high growth at undergraduate level, was the introduction of several Advanced Diplomas which are experiencing strong growth. Another factor contributing to this growth is the movement through the system of the exceptionally high first-time entering intake in 2022. The 2023 enrolment of 28 378 represents an 1.1% decrease in the undergraduate headcount enrolment of 28 698 in 2022. This decline in relation to 2022 was experienced based on the decision to lower the target for the first-time entering undergraduate intake for 2023.
Headcount enrolments - Total PG	3 820	3 820	3 113	The University did not achieve its APP 2023 postgraduate enrolment target, with 3 113 postgraduate enrolments compared to the target of 3 820. This is 18.5% below the target. The most important impediments to increasing enrolments at postgraduate level continue to be funding for postgraduate bursaries and scholarships, as well as restricted supervisory capacity in some fields of study. Declines in international student enrolments also contributed to the decline in postgraduate enrolments from 3 731 in 2020 to 3 537 in 2022, with a further decline to 3 113 in 2023. The declines are mainly at Master's and Doctoral level. The

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Key performance indicator	Target percentage or number	Mid-year performance targets as per APP 2023	Actual mid-year performance 2023	Reason for variance
				University has initiated a study to explore the reasons why postgraduate applicants who were admitted to the University did not actually register and this will inform continuous improvement interventions.
Occasional	240	240	182	Occasional student enrolments are erratic, and it is therefore difficult to set targets in this regard. In 2023, 187 occasional students enrolled compared to the target of 240. This was 22.1% lower than the target. However, these students are usually just registered for one module, so these enrolments do not significantly impact on the Teaching Input Unit targets of the University.
<i>Enrolments by major field of study (2023 compared to APP 2023 targets)</i>				
Science, Engineering, Technology	10 983	10 983	10 498	The University currently has 10 498 enrolments in SET, compared to 10 976 in 2022, which is 478 fewer enrolments. The 2023 enrolments in SET are 485 below (4.4% below) the target of 10 983. The decline in SET enrolments can mainly be attributed to declines in enrolments in the Faculty of Engineering, Built Environment & Technology (EBET) in the following qualifications: Higher Certificates in IT and Engineering and the B Eng Tech degrees. The enrolments in the Faculty of EBET experienced a decline of 516 enrolments from 2022 to 2023 due to intense competition within the higher education sector for the small pool of school leavers with the requisite Grade 12 performance in Mathematics and Physical Science, especially in the Eastern Cape. This is being mitigated by engaging and communicating with provisionally accepted students, building a faculty profile on

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Key performance indicator	Target percentage or number	Mid-year performance targets as per APP 2023	Actual mid-year performance 2023	Reason for variance
				social media, visiting schools, and engaging with school learners through student competitions (e.g., Lego league; Solar boat race; etc) and career exhibitions. In some cases, enrolment declines were experienced in certain programmes due to the phasing out of National Diplomas and B Tech degrees, but these enrolments will normalise once this transition has been concluded.
Business/Management	10 042	10 042	11 322	Current enrolments in Business and Management Sciences are 11 322, which exceeded the target of 10 042 by 1 280 or 12.7%. The high growth can be attributed to increased enrolments in the diploma programmes, almost all degree programmes, and advanced diplomas. Whilst most faculties had a negative growth in enrolments from 2022 to 2023 (because of the capping of first-time entering students), the Faculty of Business and Economic Sciences experienced a growth of 3.6% in total enrolments from 2022 to 2023.
Education	2 510	2 510	2267	The University had 243 Education enrolments short of the target of 2 510. The decline was mostly experienced in the PGCE and postgraduate qualifications, where the enrolment targets were not achieved. The decline in PGCE enrolments is mainly because there is no funding from NSFAS and the Funza Lushaka bursaries have few specialisations. At postgraduate level, the Postgraduate Diploma in Education did not achieve its target, because students prefer to register for Honours, since this enables them to move directly into Master's studies. The Advanced Diploma (TVET) remains popular, and has experienced a growth of 17.1% from

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Key performance indicator	Target percentage or number	Mid-year performance targets as per APP 2023	Actual mid-year performance 2023	Reason for variance
				2022 to 2023. The B Ed in Foundation Phase Teaching also increased by 14.0%.
Other humanities	7 845	7 845	7 586	The enrolments of the Faculty of Humanities and the Faculty of Law are both reflected in this field of study. These faculties experienced a sharp decline in enrolments from 2022 to 2023, with the enrolments in the Faculty of Humanities declining by 9.2%, while the enrolments in the Faculty of Law declined by 6.2%. In the Faculty of Humanities, there were declines in most undergraduate programmes, as well as Honours and Master's degrees. In the Faculty of Law, there was a sharp decline in the B Com (Law) programme (-30.4%) as well as the H Cert in Criminal Justice (-43.4%). The decline in the higher certificate resulted from the capping of intake since the programme was considerably over-enrolled in 2022.
Distance education enrolments	20	20	21	The University only has one distance programme (Master's in Nanoscience) with low enrolments.
B. STUDENT SUCCESS (2022 graduate outputs compared to APP 2022 Targets)				
Graduates UG	6 093	6 093	6 102	The total number of graduates in undergraduate programmes increased by 1.3% from 6 025 in 2021 to 6 102 in 2022. This was on target with 9 more graduates than the target of 6 039 in the APP 2022. The number of graduates at undergraduate level has shown a good growth rate in line with the growth in enrolments. Undergraduate enrolments continue to grow at a high rate and increased from 26 134 in 2021 to 28 698 in 2022, which was a 9.9% increase. Graduate output at undergraduate level is thus

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Key performance indicator	Target percentage or number	Mid-year performance targets as per APP 2023	Actual mid-year performance 2023	Reason for variance
				expected to continue to grow at a higher rate as these intakes of students at undergraduate level complete their qualifications.
Graduates PG	1 476	1 476	1 271	The graduates at postgraduate level declined from 1 421 in 2020 to 1 242 in 2021, with a slight increase to 1 271 in 2022. This is a direct result of the decline in postgraduate enrolments in recent years. Declines in international postgraduate enrolments also contributed to the decline in graduates at postgraduate level. The 2022 postgraduate graduates were 1 271, or 205 below the APP 2022 target of 1 476. While Council has invested significantly in postgraduate bursaries and scholarships, funding for postgraduate studies remains a barrier for those students who received NSFAS funding at undergraduate level and for those who qualify for the postgraduate scholarships but cannot take them up due to historic debt. Restricted postgraduate supervisory capacity as a result of the retirement of senior academics with doctoral qualifications is a further challenge impeding the number of enrolments and graduates at postgraduate level.
Success rate	82%	82%	81%	The success rate increased from 79% in 2019 to 85% in 2020 but decreased slightly to 84% in 2021. The high increases in success rates in 2020 and 2021 were a national trend. The reasons for this can potentially be attributed to the fact that continuous assessment was widely implemented, and students were given multiple opportunities for assessment due to the challenges emerging from the transition to emergency remote learning during the COVID-19 pandemic. In 2022, the success rate

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Key performance indicator	Target percentage or number	Mid-year performance targets as per APP 2023	Actual mid-year performance 2023	Reason for variance
				dropped to 81% when students returned to campus and summative assessment practices and examinations resumed.
<i>Undergraduate output by scarce skills (2022 graduate outputs against APP 2022 Targets)</i>				
Engineering	399	399	402	In 2022, the University had 402 engineering graduates which is 3 more than the APP 2022 target of 399. While the University aspires to produce higher numbers of engineering graduates, it continues to find it difficult to substantially increase enrolments in engineering due to the poor mathematics and physical science results of applicants, especially those originating from Quintile 1 to 3 schools in the Eastern Cape. Competition for high-performing school-leaving students with Mathematics and Physical Science has intensified within the higher education sector with the introduction of the NSFAS fee-free bursary scheme since these students can opt to study at any university in the country. However, there is a concerted effort in the Faculty of EBET to improve student success to increase the number of students who complete their qualifications.
Life and physical sciences	222	222	193	In life and physical sciences, there were 193 graduates, which was 29 fewer graduates than the target of 222. In 2021, there were 256 graduates which was 31 more (or 13.8% higher) than the target of 225. One possible explanation for the number of graduates declining in 2022 is that the University is enrolling much higher percentages of students from Quintile 1 to 3 schools, who require more academic support to be academically successful.
Animal and human health	420	420	344	Historically, the Faculty of Health Sciences has produced more graduates than the targets set, although in recent years the

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Key performance indicator	Target percentage or number	Mid-year performance targets as per APP 2023	Actual mid-year performance 2023	Reason for variance
				number of graduates in Human Health Sciences has been declining sharply. In 2022, there were only 344 graduates compared to the target of 420, which was 18.0% below the target. The discontinuation of certain programmes in Pharmacy and Nursing with historically high enrolments due to professional accreditation challenges, led to a sharp decline in enrolments and graduates in the human health sciences, which led to fewer graduates. The new MBChB programme will improve the situation but will only produce the first graduates in 2026.
Teacher education	465	465	390 (117 PGCE and 273 B Ed)	There was a sharp decline in graduates in the B Ed programme, declining from 395 in 2021 to 273 in 2022, which is a 31% decline. However, graduates in the PGCE increased by 19.4% from 98 in 2021 to 117 in 2022. In total, however, the graduates for initial teacher education were 75 short of the target (16.1% below the target). This year, the University also experienced declines in enrolments in the PGCE programmes, which will result in lower numbers of graduates in the PGCE. The underperformance in graduates in the scarce skills fields points to the need for targeted and integrated student recruitment strategies to attract talented students to pursue qualifications in these fields.
Success rate	88%	88%	84%	The University achieved a higher-than-expected increase in the success rate in 2020 and 2021. The reasons for this can potentially be attributed to the fact that continuous assessment was widely implemented as part of the rapid transition to emergency remote learning. Students in the scarce skills fields also attained a higher success rate than students in other fields of study due to the higher

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Key performance indicator	Target percentage or number	Mid-year performance targets as per APP 2023	Actual mid-year performance 2023	Reason for variance
				admission criteria for these qualifications. The success rate in the scarce skills fields was 84% in 2022, which was higher than the success rate of 81% for the University yet considerably lower than the APP 2022 target of 88%. In 2022, students returned to campus and assessment practices were not as flexible as during the COVID-pandemic and success rates therefore declined.
C. EFFICIENCY				
<i>Instructional/Research Professional Staff (2022 staff compared to APP 2022 targets)</i>				
% Staff with doctoral degrees	46%	46%	45%	The percentage of staff with doctoral qualifications was 46% in 2021 but declined to 45% in 2022. The decline was largely due to retirements and resignations of highly qualified, senior academic staff members, as well as challenges in filling vacancies that arose in faculties, particularly in scarce skills fields of study. The intention is to reverse these trends through investing in developing the next generation of academics, supporting staff to obtain their Doctoral qualifications so that they are equipped to supervise Master's and Doctoral candidates and to produce quality research publication outputs, and prioritising the filling of academic vacancies across all faculties. Increasing the percentage of staff with doctoral qualifications is vital for improving postgraduate supervisory capacity within the University.
Number of NGAP staff	16	16	19	Performance is in line with funding allocated by DHET for NGAP appointments.
Ratio of FTE students to FTE instructional/research staff	28:1	28:1	29:1	The FTE student: instructional/research staff increased from 27:1 in 2021 to 29:1 in 2022 due to the significant increase in first-time entering undergraduate students from 2021 to 2022. The

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Key performance indicator	Target percentage or number	Mid-year performance targets as per APP 2023	Actual mid-year performance 2023	Reason for variance
				University will have to reconsider the budget available for academic staff appointments to enable faculties to fill more vacancies and recruit additional academic staff to mitigate an ever-increasing student: staff ratio in some fields of study that could impact negatively on the quality of learning and teaching, as well as student success rates.
D. RESEARCH OUTPUT (2022 research outputs compared to APP 2022 Targets)				
Publication units per FTE staff	0.8	0.8	*0.79	This is provisional data and final figures will only be available by the end of 2023, once the DHET has approved the final publication unit allocations. The preliminary ratio is almost the same as in the target of 0.8. Since 2020, the ratio has declined from 0.84 to 0.79. The number of research output units is directly correlated to the percentage of academic staff with doctoral degrees, as well as the undergraduate teaching loads of academic staff. The University will therefore have to intervene in respect of both these indicators.
Research Master's graduates	265	265	219	The University had 219 Research Master's graduates which was 46 (or 17.4%) below the target. Funding for postgraduate studies and restricted supervisory capacity remain the most important impediments to increasing graduates at postgraduate level. Declines in international postgraduate enrolments also contributed to the decline in postgraduate graduate outputs. The sharp decline in Master's programme enrolments is now being reflected in declines in graduates, pointing to the need for interventions to reverse this trend.

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Key performance indicator	Target percentage or number	Mid-year performance targets as per APP 2023	Actual mid-year performance 2023	Reason for variance
Doctoral graduates	85	85	83	The doctoral graduates were 2 below the target of 85, which is a negligible variance.
Publication units	565	565	*571	The number of articles declined from 495 in 2021 to 471 in 2022, which is a 4.9% decline. The total publication units (including books, chapters in books and conference proceedings) declined from 581 in 2021 to 571 in 2022. As pointed out above, this requires a dedicated focus on investing in the percentage of academic staff with doctoral degrees.

*This data is preliminary. Final data will only be available by the end of 2023 once DHET has reviewed the publication output units for books, chapters in books and conference proceedings.

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EARMARKED GRANTS

Nelson Mandela University received allocations from DHET associated with the following grants:

- University Capacity Development Grant
- Foundation Provision Grant
- Clinical Training Grant
- Infrastructure and Efficiency Grant
- COVID 19 Responsiveness Grant

EARMARKED GRANTS FOR 2023 (FUNDING ENVELOPES AND INFRASTRUCTURE PROJECTS)

Grant	Earmarked allocation	Breakdown of allocation		Linkage to performance indicators	Mid-year performance indicator	Progress/Variance Report
		Budget	Projects			
Clinical Training Grant	R20 820 000	R4 594 973	Pharmacy	Project plan already submitted to DHET - History shows 100% performance on projects.	50% of budget spent by June 2022 Remaining 50% spent by March 2023	40% of budget allocation received and spent. Awaiting 60% release.
		R10 149 751	Nursing Sciences			
		R1 430 334	Biomedical technology			
		R1 361 629	Emergency Medical Care			
		R2 438 021	Radiography			
		R439 302	Dietetics			
		R405 990	Biokinetics			

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Grant	Earmarked allocation	Breakdown of allocation		Linkage to performance indicators	Mid-year performance indicator	Progress/Variance Report
		Budget	Projects			
Infrastructure & Efficiency Grants (2017/2018)	R61 801 582 Efficiency 4	R6 736 365	University Projects - ICT	Increased / upgraded university infrastructure	Complete	Not applicable. Complete.
		R29 565 217	Maintenance CSIR	Increased/ upgraded university infrastructure	100% of budget to be spent by June 2023	71% of budget spent
		R25 500 000	Ocean Sciences Building	Increased / upgraded university infrastructure	50% of budget to be spent by June 2023	100% of budget spent.
	R50 000 000 Efficiency 6	R50 000 000	Student Housing	Increased/ upgraded university infrastructure	Complete	Not applicable. Complete.
Infrastructure & Efficiency Grants (2018/2019)	R155 550 561 Efficiency 7	R155 550 561	Various	Increased/ upgraded university infrastructure	50% of budget to be spent by June 2023	100% budget spent.
Infrastructure & Efficiency Grants (2019/2020)	R53 130 179 Efficiency 7	R 53 130 179	Various	Increased/ upgraded university infrastructure	50% of budget to be spent by June 2023	98% budget spent.

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Grant	Earmarked allocation	Breakdown of allocation		Linkage to performance indicators	Mid-year performance indicator	Progress/Variance Report	
		Budget	Projects				
Infrastructure & Efficiency Grants (2020/2021)	R37 744 345 Efficiency 7	R37 744 345	Various	Increased/ upgraded university infrastructure	50% of budget to be spent by June 2023	65% budget spent.	
	R35 855 925 Interest utilised	R4 855 925	Felsted building re-purposes - Bird Street	Increased/ upgraded university infrastructure	Complete	Not applicable. Complete.	
		R6 000 000	Water reservoir - George	Increased/ upgraded university infrastructure	Complete	Not applicable. Complete.	
		R8 000 000	Furntech building - George	Increased/ upgraded university infrastructure	Complete	Not applicable. Complete.	
		R10 000 000	Law faculty additions - Embizweni	Increased/ upgraded university infrastructure	Complete	Not applicable. Complete.	
		R7 000 000	Reclaimed water scheme - South			100% of budget to be spent by June 2023	100% budget spent
Infrastructure & Efficiency Grants (2018/2019)	R11 000 000 Efficiency 7	R11 000 000	University Projects - ICT	Increased / upgraded university infrastructure	Complete	Not applicable. Complete.	

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Grant	Earmarked allocation	Breakdown of allocation		Linkage to performance indicators	Mid-year performance indicator	Progress/Variance Report
		Budget	Projects			
Infrastructure & Efficiency Grants (2019/2020)	R6 600 000 Efficiency 7	R6 600 000	University Projects - ICT	Increased / upgraded university infrastructure	Complete	Not applicable. Complete.
Infrastructure & Efficiency Grants (2020/2021)	R4 750 000 Efficiency 7	R4 750 000	University Projects - ICT	Increased / upgraded university infrastructure	100% of budget spend by 30 June 2023	80% spent by June 2023. Remaining 20% expected spend by December 2023
Budget Facility for Infrastructure (BFI Funding) for Student Housing 2018/19	R33 500 000 Efficiency 8	R33 500 000	Student Housing	Increased/ upgraded university infrastructure	Complete	Not applicable. Complete.
Budget Facility for Infrastructure (BFI Funding) for Student Housing 2019/20	R33 500 000 Efficiency 9	R33 500 000	Student Housing	Increased/ upgraded university infrastructure	Complete	Not applicable. Complete.

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Grant	Earmarked allocation	Breakdown of allocation		Linkage to performance indicators	Mid-year performance indicator	Progress/Variance Report
		Budget	Projects			
University Capacity Development Grant	R22 224 251, revised to R11 249 000 as per latest DHET letter dated 12.10.2022. Budgets reflected are based on the previous allocation and are in progress of being revised.	R4 045 389	Project 1: Learning Development to enhance Student Success	To improve students' academic performance	100% of budget spent by 30 June 2023	45% 30 by June 2023. Some projects are only weighted towards the end of the year, hence the lower percentage vs target for mid-year.
		R775 415	Project 2: Student Employability and Entrepreneurship Development (SEED)	To equip Nelson Mandela University students with the skills to develop an entrepreneurial mindset.	100% of budget spent by 30 June 2023	47% 30 by June 2023. Some projects are only weighted towards the end of the year, hence the lower percentage vs target for mid-year.
		R1 913 740	Project 3: Enhancing Postgraduate Student Research Development	To increase postgraduate students' research skills	100% of budget spent by 30 June 2023	41% 30 by June 2023. Some projects are only weighted towards the end of the year, hence the lower percentage vs target for mid-year.
		R2 747 000	Project 4: Teaching development for transformative teaching practices and	To enhance the quality of teaching and learning and advance reflective teaching practice	100% of budget spent by 30 June 2023	37% 30 by June 2023. Some projects are only weighted towards the end of the year, hence the lower percentage vs target for mid-year.

NELSON MANDELA UNIVERSITY MID-YEAR PERFORMANCE REVIEW REPORT 2023

Grant	Earmarked allocation	Breakdown of allocation		Linkage to performance indicators	Mid-year performance indicator	Progress/Variance Report
		Budget	Projects			
			learning experiences			
		R4 432 811	Project 5: Digital transformation of Learning and Teaching	To capacitate staff and students to effectively utilise online technology platforms	100% of budget spent by 30 June 2023	59% 30 by June 2023
		R5 621 840	Project 6: Supporting and Strengthening Staff Research Development	To improve the effectiveness of research endeavours of currently employed staff	100% of budget spent by 30 June 2023	63% 30 by June 2023
		R1 629 500	Project 7: Curriculum Development and Mapping	To ensure that the teaching programmes of the University are of high quality and meet the needs and expectations of students	100% of budget spent by 30 June 2023	39% 30 by June 2023 Some projects are only weighted towards the end of the year, hence the lower percentage vs target for mid-year.
		R1 058 556	Project 8: UCDG programme management, monitoring and evaluation	To efficiently and effectively implement, monitor and evaluate the	100% of budget spent by 30 June 2023	43% 30 by June 2023 Some projects are only weighted towards the end of the year, hence the

NELSON MANDELA UNIVERSITY MID-YEAR PERFORMANCE REVIEW REPORT 2023

Grant	Earmarked allocation	Breakdown of allocation		Linkage to performance indicators	Mid-year performance indicator	Progress/Variance Report
		Budget	Projects			
				University UCDG plan		lower percentage vs target for mid-year.
Foundation Provision Grant	R14 502 000	R946 359	Humanities	75% success rate	100% of budget spent by 30 June 2023	85% of budget spent.
		R6 559 662	Business & Economic Sciences	75% success rate	100% of budget spent by 30 June 2023	52% of budget spent.
		R859 202	Engineering, Built Environment & Tech	75% success rate	100% of budget spent by 30 June 2023	56% of budget spent.
		R1 181 115	Law	75% success rate	100% of budget spent by 30 June 2023	69% of budget spent.
		R3 751 410	Science	75% success rate	100% of budget spent by 30 June 2023	100% of budget spent.
		R1 204 251	Learning & Teaching (academic life skills)	75% success rate	100% of budget spent by 30 June 2023	91% of budget spent.
COVID - 19 Responsiveness Grant (CRG1)	R9 312 257	R9 312 257	Academic Recovery and Campus Readiness Plans	To recover and complete the 2020 Academic year and ensure readiness of	N/A - 100% of budget already spent in 2020	Complete

NELSON MANDELA UNIVERSITY MID-YEAR PERFORMANCE REVIEW REPORT 2023

Grant	Earmarked allocation	Breakdown of allocation		Linkage to performance indicators	Mid-year performance indicator	Progress/Variance Report
		Budget	Projects			
(Existing interest approved by DHET for use)				campus considering COVID-19		
COVID - 19 Responsiveness Grant (CRG2)	R15 431 000	R15 431 000	Academic Recovery and Campus Readiness Plans	To recover and complete the 2020 Academic year and ensure readiness of campus considering COVID-19	100% of budget spent by June 2022	Complete

NELSON MANDELA UNIVERSITY MID-YEAR PERFORMANCE REVIEW REPORT 2023

FINANCIAL PERFORMANCE NOTES: BUDGET VS REVENUE AND EXPENDITURE AS AT 30 JUNE 2023

EXECUTIVE SUMMARY

The financial performance takes in to account the comparison between the actual and budgeted revenue and expenditure for the period. The revised budget indicates any mid-year budget adjustments to the original Council approved budget, while forecasts are done against revised budgets to consider projected savings in expenditure or shortfalls in revenue. A benchmark of 50% (6/12) for the period to date is used to compare the financial position of Nelson Mandela University as of 30 June 2023. A year-to-date budget is included, however, due to the cyclical nature of revenue and certain categories of expenditure at a tertiary institution, the financial results on a month-to-month basis must consider material timing differences and therefore should be examined per line item where mid-year expectations will be indicated.

There is a continued pressure on the budget, so a reprioritisation process continues in 2023 for the virement of budgets to assist in addressing new and reprioritised needs and hybrid way of work as we transition into an adjusted operating model. This will be a continuous process for 2023 as future savings and additional costs become known. As the resourcing envelope is largely dependent on subsidy and fees, any material variances on the current assumptions will have a significant impact on the financial projections.

INCOME

Subsidy for operations is accounted for when received. The first subsidy payment is received in April for the period January to March. During May, subsidy is received for the period April to June. Payments for July to November are received monthly, one month in advance. The University is therefore in line with the benchmark of 58%. The block allocation for operations in 2023 is forecasted at 0.45% up on 2022 block grant subsidy. This amounts to R5.8 million more than the budgeted amount, while the Foundation Grant is R5.2 million more than budgeted for. The only Interest and Redemption subsidy applicable is on State guaranteed loans where the State pays the loan repayments, nets off the subsidy and this is recouped in the final subsidy payment. Foundation Programme subsidy is earmarked funding for extended programmes which are sub vented with Council funds.

Tuition fees were below the expectation at mid-year as enrolment targets had not been met year to date. A bad debt provision of 8% is budgeted and is in line with mid-year expectations. Recoverability is being monitored carefully following concessions granted around access for 2023 together with the impact of the economy on family household incomes.

NELSON MANDELA UNIVERSITY MID-YEAR PERFORMANCE REVIEW REPORT 2023

Residence fees are below mid-year expectations mainly due to the delay in the finalisation of the last phase of the new residences that were expected to have been completed and available for occupation in 2023. As a self-funding entity, residence budgets will be reviewed after second semester registrations. A bad debt provision of 3% has been budgeted. Off-campus accommodation is treated as an agency fund. The net surplus / (deficit) is disclosed in the income statement.

Other income includes Facilities, Trust contributions, Office for International Education etc. and are in line with mid-year expectations except for Facilities. Budget review adjustment and assumptions will be performed for Facilities to determine the accuracy of the revenue projections in the second half of the year.

EXPENDITURE

Strategic allocations are non-recurrent in nature and are allocated to specific projects in line with the strategy of the institution. Spend to date is on par with mid-year expectations and will continue to be monitored accordingly.

Salary forecasts are done monthly, reviewing vacant positions and fixed commitments. The current austerity measures on vacant Professional and Administrative Support Staff (PASS) and resultant savings will be returned to central funds to assist in funding urgent operational matters.

The forecast assumes that funds as requested and approved for operations will be fully utilised and spent by year end. Management will continue to review operational budgets during the year for possible underspend and savings. A mid-year budget review will be performed to adjust the baseline budgets and reprioritise funds as required, to stay within the budgeted surplus.

Depreciation and accumulative leave provisions, as budgeted for, are expensed pro rata, monthly to the income statement.

The finance costs as budgeted for, are for reporting purposes, expensed monthly to the income statement.

INVESTMENT INCOME

The investment income is based on the latest cash flow forecast.

SPECIFIC PROVISIONS

Estimated post-retirement benefits provision as budgeted for is expensed monthly on a pro rata basis to the income statement. Interest earned on unutilised Infrastructure and Efficiency Project Funds is earmarked to build up reserves to accommodate infrastructure inflation costs as prescribed by the DHET.

NELSON MANDELA UNIVERSITY MID-YEAR PERFORMANCE REVIEW REPORT 2023

NON-RECURRENT INCOME AND EXPENDITURE

Non-recurrent income and expenditure represent non-recurrent / once off projects that are not funded by the operational budget. Sources of funds include DHET, reserves, donor, and long-term borrowings.

FORECASTED STATUS

As at the end of June, the forecasted surplus of R138.7 million after investment income.

NELSON MANDELA UNIVERSITY MID-YEAR PERFORMANCE REVIEW REPORT 2023

FINANCIAL PERFORMANCE: BUDGET VS REVENUE AND EXPENDITURE AS AT 30 JUNE 2023

MID YEAR PERFORMANCE REPORT 2023 - BUDGET VS ACTUAL REVENUE EXPENDITURE

	30 JUNE 2023					Notes
	YTD Actual	YTD Budget	Approved Budget	Revised Budget	Forecast	
INCOME	2 000 289 421	1 300 603 605	2 578 150 749	2 601 111 379	2 588 111 379	
SUBSIDY	768 787 000	662 070 920	1 316 179 479	1 327 126 479	1 327 126 479	
Operations	760 921 000	652 228 000	1 298 673 000	1 304 456 000	1 304 456 000	In line with mid year expectation
Medical School	-	-	2 984 640	2 984 640	2 984 640	Received in in line with expectation and allocation to be done at the end of the year
Interest & Redemption	-	9 920	19 839	19 839	19 839	To be received in final subsidy reconciliation payment
Foundation Programme	7 866 000	9 833 000	14 502 000	19 666 000	19 666 000	Earmarked funding revised per original subsidy allocation
FEEES	1 206 233 830	594 011 874	1 178 385 696	1 184 943 276	1 171 943 276	
Teaching	972 387 043	477 067 115	966 540 211	971 560 146	971 560 146	
Tuition fees	943 966 075	490 806 043	975 541 222	981 612 085	981 612 085	In line with adjusted mid year expectation
Medical School	17 821 761	-	17 318 144	17 425 916	17 425 916	In line with adjusted mid year expectation
Registration & application fees	49 863 690	25 525 555	50 735 381	51 051 111	51 051 111	In line with adjusted mid year expectation
Less: provision for bad debt	(39 264 483)	(39 264 483)	(77 054 536)	(78 528 967)	(78 528 967)	Pro rata of provision
Residences	233 846 787	116 944 759	211 845 486	213 383 130	200 383 130	
Residence fees	192 566 814	100 834 256	199 884 511	201 668 512	188 668 512	In line with adjusted mid year expectation
Off campus Accommodation (net surplus / (deficit))	44 060 504	19 026 492	13 847 146	13 659 146	13 659 146	Agency fund
Vacation accommodation/ rentals	191 733	420	4 000 000	4 000 000	4 000 000	In line with adjusted mid year expectation
Less: provision for bad debt	(2 972 264)	(2 916 409)	(5 886 171)	(5 944 528)	(5 944 528)	Pro rata of provision
OTHER INCOME	25 268 591	44 520 812	83 585 574	89 041 624	89 041 624	In line with adjusted mid year expectation

NELSON MANDELA UNIVERSITY MID-YEAR PERFORMANCE REVIEW REPORT 2023

MID YEAR PERFORMANCE REPORT 2023 - BUDGET VS ACTUAL REVENUE EXPENDITURE

30 JUNE 2023

	YTD Actual	YTD Budget	Approved Budget	Revised Budget	Forecast	Notes
EXPENDITURE	1 140 609 247	1 265 714 890	2 566 292 637	2 568 864 399	2 568 864 397	
STRATEGIC ALLOCATIONS	34 334 947	35 789 644	70 901 030	71 579 288	71 579 286	In line with adjusted mid year expectation
SALARIES	727 947 466	799 638 366	1 607 914 936	1 611 138 084	1 611 138 084	
Academic	319 148 051	351 003 023	695 903 592	702 006 045	702 006 045	In line with mid year expectation
Admin and Academic Support	344 641 378	378 579 792	727 572 510	757 159 583	757 159 583	In line with mid year expectation
Remuneration Contingency	-	4 635 840	44 451 209	9 271 679	9 271 679	Annual salary adjustment provision allocated
Other	64 158 037	65 419 713	139 987 624	142 700 777	142 700 777	Includes residences, facilities etc.
SUPPLIES AND SERVICES	290 617 627	351 089 705	712 058 257	710 728 614	710 728 614	In line with mid year expectation
PROVISIONS	56 314 205	56 314 205	112 628 410	112 628 410	112 628 410	
Depreciation	50 338 716	50 338 715	100 677 431	100 677 431	100 677 431	Pro rata of provision
Accumulative Leave	5 975 490	5 975 490	11 950 979	11 950 979	11 950 979	Pro rata of provision
FINANCE COSTS	22 882 971	22 882 971	45 765 941	45 765 941	45 765 941	In line with mid year expectation
OTHER OPERATIONS	8 512 031	-	17 024 063	17 024 063	17 024 063	
Post-retirement benefits	8 512 031		17 024 063	17 024 063	17 024 063	Pro rata of provision
SURPLUS/(DEFICIT) from OPERATIONS	859 680 174	34 888 715	11 858 112	32 246 979	19 246 982	

NELSON MANDELA UNIVERSITY MID-YEAR PERFORMANCE REVIEW REPORT 2023

MID YEAR PERFORMANCE REPORT 2023 - BUDGET VS ACTUAL REVENUE EXPENDITURE

30 JUNE 2023

	YTD Actual	Approved Budget	Revised Budget	Forecast	Notes
SURPLUS/(DEFICIT) from OPERATIONS C/F	859 680 174	11 858 112	32 246 979	19 246 982	
INVESTMENT INCOME	105 553 629	211 107 258	211 107 258	211 107 258	In line with mid year expectation
LESS : SPECIFIC PROVISIONS	6 356 139	91 677 930	91 677 930	91 677 930	Further transfers to be done at year end
SURPLUS/(DEFICIT) from OPERATIONS & INVESTMENT INCOME	958 877 664	131 287 440	151 676 307	138 676 309	
NON RECURRENT INCOME	9 800 000	-	-	9 800 000	Defered revenue adjustment on IEG Grant funding
NON RECURRENT EXPENDITURE	57 065 333	415 837 602	377 680 831	377 680 831	Spend expected to accelerate in second semester
TRANSFER FROM EFFICIENCY FUNDED RESERVES	31 985 413	211 626 060	194 683 380	184 883 380	
TRANSFER FROM RESERVES	15 279 919	204 211 542	182 997 451	182 997 451	
SURPLUS/(DEFICIT) (COUNCIL FUNDS)	958 877 664	131 287 440	151 676 307	138 676 309	
NON COUNCIL FUNDED SURPLUS / (DEFICIT)	51 434 834	-	-	-	
Income	505 378 908	718 594 038	718 594 038	718 594 038	Institutional budgets not set for these activities and
Expenditure	453 944 074	718 594 038	718 594 038	718 594 038	funding group i.e. restricted research funds
SURPLUS/(DEFICIT) (ALL FUNDS)	1 010 312 499	131 287 440	151 676 307	138 676 309	