



Mid-Year Performance Review Report: 2021

Compiled by the Office for Institutional Strategy
2 December 2021

NELSON MANDELA UNIVERSITY MID-YEAR PERFORMANCE REVIEW REPORT 2021

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FOREWORD BY CHAIRPERSON OF COUNCIL

The volatile environment within which universities operate requires that scarce public resources are judiciously mobilised and utilised to promote a more socially just, sustainable future for all. To this end, The University's Vision 2030 strategy is an articulation of Nelson Mandela University's strategic intentions and aspirations as we seek to embody the soul of our iconic namesake through living our core values and pursuing our academic missions as a placed university in the service of society.

The University Council has mandated several game-changing strategic trajectories to ensure that Mandela University differentiates itself as a higher education institution of distinction within a diverse national and global post-school education and training system, namely:

- Advancing the frontiers of knowledge through impactful research and innovation which is recognised for its leadership in generating cutting-edge knowledge for a sustainable future.
- Re-centering Africa by awakening African scholarship, epistemologies and systems of thought, expanding our partnership footprint on the continent, and developing the next generation of African scholars and academics who advance excellence through their scholarly contributions.
- Revitalising the humanities and advancing the praxes of a transformative, engaged university.
- Becoming the leading ocean sciences destination in the country, and in the longer term, on the African continent.
- Establishing the tenth medical school in the country recognised for its pioneering interprofessional and community-based approach to health sciences education.

As a comprehensive university, we continue to invest in student access for success, 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. Through our humanising pedagogies and student-centric approaches, Mandela University cultivates graduates as responsible, innovative global citizens who make a positive impact on society by contributing meaningfully to promoting social justice and equality. Mandela 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. More than half of new first-time entering students enrolling at Mandela University are from schools in poorer areas and this has significant implications in respect of the need for expanded financial and academic support to ensure that these students are given every opportunity to achieve their full potential. To this end, the University continues to invest in holistic, wraparound student support services to ensure that all students have an equal chance of success irrespective of their socio-economic status. Student success

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rates and graduate outputs at various qualification levels are carefully monitored on a continuous basis to assess the impact on the COVID-19 pandemic on student academic performance, especially for those students with limited access to mobile devices and connectivity.

Under the auspices of the institutional Enrolment Management Committee, the University is implementing various cross-cutting interventions to enhance the efficiency and responsiveness of the student access and enrolment value chain to improve the conversion rate of admissions to registrations for first-time entering students, which was 45% for the 2021 student intake. This is a critical precondition for achieving the University's enrolment targets at under- and postgraduate levels thereby enhancing long-term sustainability.

Despite these efforts, it is anticipated that the University will probably need to adjust future enrolment projections as part of the mid-term enrolment planning review in 2022, especially considering the gradual decline in postgraduate and international student enrolments. Master's enrolments since 2013, resulting in 1 539 enrolments in 2021, which was lower than the enrolments in 2010 (1 741). Doctoral enrolments increased from 446 in 2010 to 632 in 2019, but then declined to 582 in 2020. There was a slight increase in PhD enrolments to 600 in 2021. 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.

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 so that they are equipped to supervise Master's and Doctoral candidates, and producing quality research publications, as well as prioritising the filling of academic vacancies across all faculties. On a positive note, concerted efforts to diversify the demographic profile of academic employees at all levels, accompanied by significant investments in research capacity development interventions, are beginning to yield positive results as demonstrated by the University's research publication targets for 2021 having been exceeded. Furthermore, a lower than targeted student: staff FTE ratio is a positive improvement which will impact favourably on the quality of learning and teaching and student success rates in coming years.

Council wishes to express its appreciation to the Vice-Chancellor, senior management, employees and students for their extraordinary efforts to enhance student access and success through humanising pedagogical practices and support services, while simultaneously positioning Nelson Mandela University as a higher education institution that promotes the public good through its pioneering research, innovation and transformative engagement. The coronavirus pandemic has required tremendous grit, agility and courage of all stakeholders and Council will continue to support the University in its efforts to be in the service society under the prevailing challenging circumstances.

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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 2021 against targets set out in the 2021 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.

OFFICIAL SIGN-OFF

It is hereby certified that the Nelson Mandela University Mid-Year Performance Review (MYPR) Report for 2021 accurately reflects the mid-year performance of the University relative to the 2020/21 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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ENROLMENT PERFORMANCE (2021) AGAINST MINISTERIAL APPROVED TARGETS

The table below provides an overview of the 2021 key performance indicators (as submitted in the 2021 APP) and progress made in relation to student access and success, as well as the qualifications profile and research productivity of academic staff. Where targets were not fully achieved, reasons are provided for the deviations.

Important note: The data in the shaded section of the table is being reported against the 2020 APP targets, because the 2021 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 2021 targets.

Key performance indicator	Target (2021) percentage or total number	Mid-year performance targets as per APP	Actual mid-year performance	Reason for deviation
A. ACCESS				
Headcount totals (2021)				
First-time entering undergraduate	6 320	6 320	5 910	5 910 first-time entering students registered in 2021, which was 410 less than the target of 6 320. This was however a considerable improvement on the 5 295 first-time entering undergraduate enrolments that the University achieved in 2020 (11.6% improvement). The 5 910 first-time entering undergraduate enrolments were 6.5% below the APP 2021 target of 6 320. The University is working to improve efficiencies and integration in the student access and enrolment value chain since this was identified as one of the main contributing factors for the low uptake of offers made.

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Key performance indicator	Target (2021) percentage or total number	Mid-year performance targets as per APP	Actual mid-year performance	Reason for deviation
				If this trend continues, the University will need to scale down future projections of first-time entering students as part of the mid-term enrolment planning review in 2022.
Headcount enrolments	29 786	29 396	30 081	The University exceeded the APP 2021 target for total headcount enrolments of 29 786 by enrolling 30 081 students. This is 1% above the target. The University exceeded the enrolment target at undergraduate level, but continues to experience a decline in postgraduate enrolments.
Headcount enrolments (Foundation Provisioning)	2 435	2 435	2 388	In recent years, the University has been enrolling much higher percentages of students from quintiles 1 to 3 schools. Drawing a higher percentage of students from more disadvantaged backgrounds also led to a rapid increase in extended programme enrolments. Although the actual enrolments of 2 388 was less than the target of 2 435, it was only 1.9% (47 enrolments) below the target.
Headcount enrolments total UG	25 746	25 432	26 478	The University exceeded the undergraduate enrolment target for the year by 732. The achieved 2021 enrolment of 26 478 was a 4.4% increase on the undergraduate headcount enrolment of 25 367 in 2020. The University is experiencing a higher than expected growth in returning undergraduate students as a result of the expanded NSFAS

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Key performance indicator	Target (2021) percentage or total number	Mid-year performance targets as per APP	Actual mid-year performance	Reason for deviation
				financial support available to students. The University has also introduced several Advanced Diplomas at undergraduate level which are experiencing strong growth.
Headcount enrolments total PG	3 791	3 715	3 446	The University once again did not achieve its postgraduate enrolment target for the year 2021, with only 3 446 postgraduate enrolments compared to the target for the year of 3 791. The postgraduate enrolments are not likely to increase further, because registrations have closed for the year. Funding for postgraduate studies and restricted supervisory capacity remain the most important impediments to increase postgraduate enrolments. Declines in international student enrolments (which was worsened by the advent of the COVID-19 pandemic) also contributed to the decline in postgraduate enrolments. Over the period 2010 to 2021, international postgraduate enrolments declined by 2.1% on average per annum, from 436 in 2010 to 344 in 2021.
Occasional	249	249	157	Occasional student numbers are not very predictable, and it is therefore difficult to set targets for these enrolments. In 2021, only 157 occasional students enrolled which was 36.9% below the target of 249. Many of our occasional students are international students and the drop in

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Key performance indicator	Target (2021) percentage or total number	Mid-year performance targets as per APP	Actual mid-year performance	Reason for deviation
				enrolments of these students was also reflected in our occasional student enrolments.
Enrolments by major field of study (2021)				
Science, Engineering, Technology	10 656	10 517	10 526	The University currently has 10 526 enrolments in SET, which is 9 more than the mid-year performance target of 10 517, but 130 below the APP 2021 target of 10 656. No further enrolments are expected for the year, so the shortfall is likely to remain. The University experienced a sharp enrolment decline in human health sciences due to delayed approvals from certain professional bodies. Enrolments in Science have also declined due to the phasing out of B Tech programmes, which were not replaced by Advanced Diplomas. Due to the poor matric results in mathematics and physics in the Eastern Cape Province from which the University draws 68% of its enrolments, the University experiences difficulties in achieving the enrolment targets for Science and Engineering.
Business/Management	9 316	9 194	9 593	In recent years, the University experienced a sharp decline in enrolments in business undergraduate diploma programmes following an increase in the mathematics admission requirements, which was deemed necessary in view of historically poor success rates of students enrolled

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Key performance indicator	Target (2021) percentage or total number	Mid-year performance targets as per APP	Actual mid-year performance	Reason for deviation
				in these programmes. The enrolments are, however, now increasing again, and the University currently has 277 more enrolments with 9 593 enrolments compared to the target of 9 316 for the year. This is 3% higher than the target.
Education	2 357	2 326	2 284	The University was 73 enrolments short of the target for the year with 2 284 compared to the target of 2 357. Despite this shortfall, the University experienced a good growth in enrolments in Education from 2019 to 2020 when enrolments increased from 2 053 to 2 314. The enrolments, however, declined slightly to 2 284 in 2021. The growth from 2019 to 2020 can be attributed to the strong uptake in the new Advanced Diploma (TVET) programme.
Other humanities	7 457	7 359	7 678	Growth in Humanities enrolments remains strong. In 2021, the University had 7 678 enrolments compared to the target of 7 457, which was 3% above the target. Increased admission requirements, especially in respect of Mathematics performance, resulted in many students not qualifying for admission to Business/Management and Education qualifications who thus enrolled for qualifications in the Humanities resulting in a surge in these enrolments.
Distance education enrolments	18	18	15	The University has only one distance programme (Master's in Nanoscience) with limited enrolments.

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Key performance indicator	Target (2021) percentage or total number	Mid-year performance targets as per APP	Actual mid-year performance	Reason for deviation
B. SUCCESS (2020 outputs against APP 2020 targets)				
Graduates UG	6 006	6 006	5 921	The total graduates for undergraduate programmes increased by 7.3% from 5 520 in 2019 to 5 921 in 2020. The 5 921 graduates were, however, still 85 below the target set in the APP 2020. The number of graduates at undergraduate level is expected to increase in view of the growth in enrolments at undergraduate level. Undergraduate enrolments increased from 25 044 in 2019 to 26 478 in 2020, which was a 5.7% increase. The phasing out of B Tech programmes which were not replaced by Advanced Diplomas also contributed to the non-achievement of undergraduate graduate targets.
Graduates PG	1 583	1 583	1 421	The graduates at postgraduate level declined from 1 431 in 2019 to 1 421 in 2020 which is a direct result of the decline in postgraduate enrolments in recent years. Declines in international postgraduate enrolments also contributed to the fewer graduates in postgraduate programmes. Over the period 2010 to 2021, international postgraduate enrolments declined by 2.1% on average per annum, from 436 in 2010 to 344 in 2021. Funding for postgraduate studies and restricted supervisory capacity remain the most impediment to increase graduates at postgraduate level.

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Key performance indicator	Target (2021) percentage or total number	Mid-year performance targets as per APP	Actual mid-year performance	Reason for deviation
Success rate	79%	79%	85%	The success rate increased from 79% in 2019 to 85% in 2020. This is quite a remarkable achievement within the context of the complex learning and teaching challenges posed by the COVID-19 pandemic in 2020. The reasons for this can potentially be attributed to the fact that continuous assessment was widely implemented and students were granted multiple opportunities to be assessed on various learning pathways to address the challenges emerging from the transition to emergency remote learning. It is uncertain whether the University will be able to maintain this high success rate.
<i>Undergraduate output by scarce skills (2020 Outputs against APP 2020 Targets)</i>				
Engineering	462	462	387	In 2020, the University had 387 engineering graduates which was 75 below the target of 462. The University continues to find it difficult to substantially increase enrolments in engineering due to the poor mathematics and physical science results of applicants, especially those coming from Quintile 1 to 3 schools in the Eastern Cape. Competition for high-performing school-leaving students with Mathematics and Physical Science has intensified within the higher education sector with the introduction of

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Key performance indicator	Target (2021) percentage or total number	Mid-year performance targets as per APP	Actual mid-year performance	Reason for deviation
				the NSFAS fee-free bursary scheme since these students can opt to study at any university in the country.
Life and physical sciences	278	278	215	The number of graduates in life and physical sciences was 215, which was 63 below the target of 278. One of the main contributing factors is that various B Tech degrees were phased out and have not yet been replaced by Advanced Diplomas. The difficulty in recruiting students for the life and physical sciences, in view of the poor mathematics and physical science results of applicants, especially those coming from Quintile 1 to 3 schools in the Eastern Cape, is also applicable.
Animal and human health	642	642	408	The discontinuation of certain qualifications in Pharmacy and Nursing with historically high enrolments due to delayed approvals from professional bodies led to a sharp decline in enrolments and graduates in the human health sciences. In 2020, there were only 408 graduates compared to the target of 642, which was 36% below the target. The new MBChB programme will only produce the first graduates in 2026.
Teacher education	420	420	451	The University had ten more PGCE graduates (130) than the 2020 target of 120, and twenty more B Ed graduates (321) in 2020 than the target of 301. In total, the University

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Key performance indicator	Target (2021) percentage or total number	Mid-year performance targets as per APP	Actual mid-year performance	Reason for deviation
				produced 451 graduates in initial teacher training which was 7.3% above the target.
Success rate	87%	87%	90%	The University had a higher than expected success rate. 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 difficulties emerging from the transition to emergency remote learning. Students in the scarce skills field generally achieve higher success rates than students in other fields of study due to the higher admission criteria for these qualifications. This also points to the fact that the non-achievement of the scarce fields targets is not necessarily due to lower rates of student success, but rather as a result of the non-achievement of enrolment targets in these fields.
C. EFFICIENCY				
<i>Instructional/Research Professional Staff (2020)</i>				
% Staff with doctoral degrees	47%	47%	45%	The percentage of staff with doctoral qualifications has decreased from 46% in 2018 to 45% in 2019 and remained at 45% for 2020 (2% below the target of 47%). This was largely because of retirements and resignations of highly qualified, senior academic staff members, as well as challenges in filling vacancies that arose in faculties,

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Key performance indicator	Target (2021) percentage or total number	Mid-year performance targets as per APP	Actual mid-year performance	Reason for deviation
				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 produce quality research publications, and prioritising the filling of academic vacancies across all faculties.
Number of NGAP staff	14	14	14	Performance is in line with funding allocated by DHET for NGAP appointments.
Ratio of FTE students to FTE instructional/research staff	30:1	30:1	28:1	A lower than targeted student: staff FTE ratio is a positive improvement. The University considerably increased 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 that impacts negatively on the quality of learning and teaching, as well as student success rates.
D. RESEARCH OUTPUT (2020 outputs against APP 2020 targets)				
Publication units per FTE staff	0.7	0.7	*0.7	Performance in line with the target.
Research Masters graduates	297	297	249	Funding for postgraduate studies and restricted supervisory capacity remains the most important impediments to increase graduates at postgraduate level.

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Key performance indicator	Target (2021) percentage or total number	Mid-year performance targets as per APP	Actual mid-year performance	Reason for deviation
				Declines in international postgraduate enrolments also contributed to the decline in graduates at postgraduate level. The University has experienced sharp declines in Master's programme enrolments which are now being reflected in declines in graduates. Master's enrolments have been declining since 2013 at an average decline of 3.7% per annum (from 2 076 in 2013 to 1 539 in 2021). The University needs to devote specific attention to improving the Master's research graduate outputs back to former levels by reversing the trend of declining Master's enrolments.
Doctoral graduates	106	106	80	The doctoral graduates were 24.5% below the target also due to declining enrolments. The highest doctoral enrolments in recent years were achieved in 2016 when 641 doctoral students were enrolled. This number has declined to 600 in 2021, which constitutes an average annual decline of 1.3%. The doctoral graduates declined from 97 in 2019 to 80 in 2020.
Publication Units	473	473	*576	The University produced more publication units than the target, which is a positive indicator of staff research productivity. The total number of publications must still be

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Key performance indicator	Target (2021) percentage or total number	Mid-year performance targets as per APP	Actual mid-year performance	Reason for deviation
				approved by DHET, but the preliminary data shows a 21.8% increase.

*This data is preliminary. Final data will only be available by the end of 2021 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 2021 (FUNDING ENVELOPES AND INFRASTRUCTURE PROJECTS)

SECTION D: EARMARKED GRANTS: 2020/21

Grant	Earmarked allocation	Breakdown of allocation		Linkage performance indicators	to Mid-year performance indicator	Progress/Variance Report
		Budget	Projects			
Clinical Training Grant (2020/2021)	R19 444 000 (REVISED)	R5 108 497	Pharmacy	Project plan already submitted to DHET - History shows 100% performance on projects.	50% of budget spent by June 2021 (Actual spend to be considered in line with the date of receipt of funds)	The First 40% Allocation was received in May 2021. The Balance of 60% received in August 2021 - Spending is in accordance with budget submitted and will be fully
		R10 570 157	Nursing Sciences			
		R1 100 396	Biomedical technology			
		R915 184	Emergency Medical Care			
		R929 433	Radiography			
		R445 110	Dietetics			

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Grant	Earmarked allocation	Breakdown of allocation		Linkage performance indicators	to Mid-year performance indicator	Progress/Variance Report
		Budget	Projects			
		R375 223	Biokinetics			spent by end March 2022. 63% of Grant spent to date
Infrastructure & Efficiency Grants (2017/2018)	R61 801 582 <i>Efficiency 4</i>	R6 736 365	University Projects - ICT	Increased / upgraded university infrastructure	Complete	Complete
		R29 565 217	Maintenance CSIR	Increased / upgraded university infrastructure	100% of budget to be spent by June 2021	10% spent contractor started
		R25 500 000	Ocean Sciences Building	Increased / upgraded university infrastructure	50% of budget to be spent by June 2021	0% spent contractor just started
	R50 000 000 <i>Efficiency 6</i>	R50 000 000	Student Housing	Increased / upgraded university infrastructure	Complete	Complete
Infrastructure & Efficiency Grants (2018/2019)	R155 550 561 <i>Efficiency 7</i>	R155 550 561	Various	Increased / upgraded university infrastructure	50% of budget to be spent by June 2021	25% spent
Infrastructure & Efficiency Grants (2019/2020)	R53 130 179 <i>Efficiency 7</i>	R53 130 179	Various	Increased / upgraded university infrastructure	50% of budget to be spent by June 2021	25% spent

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Grant	Earmarked allocation	Breakdown of allocation		Linkage performance indicators	to Mid-year performance indicator	Progress/Variance Report
		Budget	Projects			
Infrastructure & Efficiency Grants (2020/2021)	R37 744 345 <i>Efficiency 7</i>	R37 744 345	Various	Increased / upgraded university infrastructure	50% of budget to be spent by June 2021	25% spent
	R35 855 925 <i>Interest utilised</i>	R4 855 925	Felsted building re-purposes - Bird street	Increased / upgraded university infrastructure	100% of budget to be spent by June 2021	5% spent. Contractor appointment delayed.
		R6 000 000	Water reservoir - George	Increased / upgraded university infrastructure	Complete	Complete
		R8 000 000	Furntech building - George	Increased / upgraded university infrastructure	Complete	Complete.
		R10 000 000	Law faculty additions - Embizweni		100% of budget to be spent by June 2021	100% spent.
		R7 000 000	Reclaimed water scheme - South		Project to be completed by June 2021	100% spent.
Infrastructure & Efficiency Grants (2018/2019)	R11 000 000 <i>Efficiency 7</i>	R11 000 000	University Projects - ICT	Increased / upgraded university infrastructure	100% of budget spend by 30 June 2021	Complete
Infrastructure & Efficiency Grants (2019/2020)	R6 600 000 <i>Efficiency 7</i>	R6 600 000	University Projects - ICT	Increased / upgraded university infrastructure	80% of budget spend by 30 June 2021	Complete

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Grant	Earmarked allocation	Breakdown of allocation		Linkage performance indicators	to Mid-year performance indicator	Progress/Variance Report
		Budget	Projects			
Infrastructure & Efficiency Grants (2020/2021)	R4 750 000 <i>Efficiency 7</i>	R4 750 000	University Projects - ICT	Increased / upgraded university infrastructure	50% of budget spend by 30 June 2021	52% spent. Completion of projects (100% spend) by end of 2021.
Budget Facility for Infrastructure (BFI Funding) for Student Housing 2018/19	R33 500 000 <i>Efficiency 8</i>	R33 500 000	Student Housing	Increased / upgraded university infrastructure	Complete	Complete
Budget Facility for Infrastructure (BFI Funding) for Student Housing 2019/20	R33 500 000 <i>Efficiency 9</i>	R33 500 000	Student Housing	Increased / upgraded university infrastructure	100% of budget spend by 30 June 2021	Complete
University Capacity Development Grant	R25 876 000	R5 075 993	Project 1: Peer Learning Circles to enhance student success	Increasing number of peer-learning facilitators and sustaining learning circles for them in the following areas: First-Year Success; SI; Tutors and Mentors; Writing Development; PG Orientation;	77% by March 2021 (DHET extension)	Complete

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Grant	Earmarked allocation	Breakdown of allocation		Linkage to performance indicators	Mid-year performance indicator	Progress/Variance Report
		Budget	Projects			
				Beyond the Classroom (Co-curricular); & Internships		
		R1 340 909	Project 2: Nurturing Emerging Scholars and Teachers (NEST)	Increase in activities to nurture emerging scholars and teachers who are Senior Buddies, SI Assistant Coordinators, Teaching and Research Assistants, and Writing Coordinators	84% by March 2021 (DHET extension)	Complete
		R6 497 000	Project 3: Supporting Early Career Academics as Emerging and Engaged Scholars	Enhancing and increasing activities to support early career academics in terms of induction activities, mentoring, teaching practice development, supporting masters & doctoral studies, developing research supervision practice,	72% by March 2021 (DHET extension)	Complete

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Grant	Earmarked allocation	Breakdown of allocation		Linkage to performance indicators	Mid-year performance indicator	Progress/Variance Report
		Budget	Projects			
				and article writing capacity development		
		R6 300 140	Project 4: Supporting Mid-Career & Senior Academics	Enhancing and increasing activities to support mid-career & senior academics in terms of enhancing teaching facilitation, academic leadership development, mentoring & coaching, innovation grants, and supervision practice development	67% by March 2021 (DHET extension)	Complete
		R4 141 794	Project 5: Teaching Dev linked to Institutional & Faculty Priorities	Opportunities for teaching development linked to discipline-based T&A practices, Blended learning and TEL, Humanising pedagogy, teaching innovation grants and recognition, and	57% by March 2021 (DHET extension)	Complete

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Grant	Earmarked allocation	Breakdown of allocation		Linkage performance indicators	to Mid-year performance indicator	Progress/Variance Report
		Budget	Projects			
				rewarding T&L excellence		
		R1 489 645	Project 6: Curriculum Development	Increase T&L and curriculum development opportunities and creating space (time) for curriculum development activities	65% by March 2021 (DHET extension)	Complete
		R1 030 519	Project 7: Project Management	Appoint staff (project manager and researchers) to manage the UCDP projects	94% by March 2021 (DHET extension)	Complete
Foundation Provision Grant	Earmarked Grant NMU Allocation R11 297 000 Total for 2020: R18 331 246	R1 518 359	Humanities	80% success rate	100% of budget spent by 31 December 2020	Complete - success rate is 5% higher than planned
		R2 820 889	Business & Economic Sciences	80% success rate	100% of budget spent by 31 Dec 2020	Complete - success rate is 5% higher than planned

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Grant	Earmarked allocation	Breakdown of allocation		Linkage performance indicators	to Mid-year performance indicator	Progress/Variance Report
		Budget	Projects			
		R1 259 670	Engineering, Built Environment & IT	80% success rate	100% of budget spent by 31 Dec 2020	Complete - success rate is 5% higher than planned
		R2 710 374	Law	80% success rate	100% of budget spent by 31 Dec 2020	Complete - success rate is 5% higher than planned
		R8 453 294	Science	80% success rate	100% of budget spent by 31 Dec 2020	Complete - success rate is 5% higher than planned
		R1 568 660	Teaching & Learning	75% success rate	100% of budget spent by 31 Dec 2020	Complete - success rate is 5% higher than planned
COVID - 19 Responsiveness Grant (CRG1) (Existing interest approved by DHET for use)	R9 312 257	R9 312 257	Academic Recovery and Campus Readiness Plans	To recover and complete the 2020 Academic year and ensure readiness of campus due to COVID-19	N/A - 100% of budget already spent in 2020	Complete
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 due to COVID-19	100% of budget spent by June 2021	64% of budget spent by June 2021

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FINANCIAL PERFORMANCE NOTES: BUDGET VS REVENUE AND EXPENDITURE AS AT 30 JUNE 2021

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 take into account 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 the Nelson Mandela University as at 30 June 2021. 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 take into account material timing differences and therefore should be examined per line item where mid-year expectations will be indicated.

The full extent of the financial implications of the COVID-19 pandemic for the University remains to be seen. The COVID-19 impact has presented the University with many challenges including material financial and sustainability risks and it is likely that there will be a significant impact on direct and indirect costs and loss of revenue. Management approved a budget reprioritisation process for the virement of budgets to assist in addressing new and reprioritised needs due to COVID-19, as well as establishing a COVID-19 Contingency fund. Academic and Campus Readiness Plans were approved by The Minister of Higher Education, Science and Innovation in 2020. These plans to date have largely been funded through budget reprioritisation, bridging funding from reserves, the virement of funding from Infrastructure and Efficiency Grant interest to a COVID-19 Responsiveness Grant, as well as receiving an additional earmarked COVID-19 Responsiveness Grant approved by the Minister of Higher Education, Science and Innovation.

INCOME

Subsidy for operations is accounted for when received. The first subsidy payment is received in April. This is in respect of the period January to March. During May, subsidy is received for the period April to June. Payments for July to November are received on a monthly basis one month in advance. We are in line with the benchmark taking into account that GAP funding is received under the subsidy block allocation as is to be transferred to qualifying students.

The only Interest & Redemption subsidy applicable is on state guaranteed loans where the state pays the loan repayments, nets off the subsidy and recouped in the final subsidy payment.

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The subsidy allocation for operations revised budget and forecast is R 36.5 million more than originally budgeted while the Foundation Grant is forecasted at R 1.5 million more than budgeted for. Other earmarked grants besides IE Grant funding are not included in the Council Budget, as they are managed as restricted funds. The Minister has confirmed a subsidy cut on the block grant of R 7.06 million and R 0.28 million on the Foundation Grant updated in the revised budget.

Tuition fees are in line with the adjusted mid-year expectations. A bad debt provision of 8% was originally budgeted and the forecast has been adjusted up as a result of increased tuition fees raised mainly due to better than expected undergraduate enrolments. Recoverability of student fees is being monitored carefully considering concessions granted for qualifying students in the missing middle, together with the impact of COVID-19 on family income.

Residence fees are in line with adjusted mid-year expectations. A bad debt provision of 3% has been budgeted. Recoverability is being monitored carefully following concessions given around access for 2021 together with the impact of COVID-19. 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 with the exception of Facilities and the Office for International Education where revenue budgets are not expected to be met. Corresponding expenditure budgets will be adjusted accordingly after second semester registration.

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 lower than mid-year expectations and will be monitored accordingly.

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

The forecast assumes that funds as requested & approved for operations will be fully utilized and spent by year end. Management will continue to review operational budgets during the year for possible savings. Budgets will be adjusted and transferred to a COVID-19 Contingency Fund to assist in covering unexpected costs related to COVID-19.

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Depreciation & accumulative leave provisions, as budgeted for, is expensed pro rata on a monthly basis 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 unutilized Efficiency Project Funds is earmarked to build up reserves to accommodate infrastructure inflation costs as prescribed by the DHET.

ON RECURRENT INCOME & 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 R29.2 million after investment income.

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FINANCIAL PERFORMANCE: BUDGET VS REVENUE AND EXPENDITURE AS AT 30 JUNE 2021

NELSON MANDELA UNIVERSITY MID YEAR PERFORMANCE REVIEW 2021 - BUDGET VS REVENUE AND EXPENDITURE

	YTD Actual	YTD Budget	Approved Budget	Revised Budget	Forecast	Notes
INCOME	1 781 452 619	1 150 305 821	2 258 704 843	2 300 611 642	2 308 327 931	
SUBSIDY	770 774 000	649 983 420	1 261 590 040	1 299 966 840	1 299 686 840	
Operations	765 576 000	643 476 000	1 250 394 077	1 286 952 000	1 286 952 000	Revised budget and forecast per addendum to original subsidy allocation taking into account the subsidy cuts
Interest & Redemption	-	9 920	19 840	19 840	19 840	To be received in final reconciliation payment
Foundation Programme	5 198 000	6 497 500	11 176 122	12 995 000	12 715 000	Earmarked funding revised per addendum to original subsidy allocation taking into account the subsidy cuts
FEES	987 775 395	454 943 545	909 887 090	909 887 089	935 772 176	
Teaching	864 654 927	398 329 972	796 659 943	796 659 943	822 545 030	
Tuition fees	849 721 372	407 479 229	814 958 458	814 958 458	849 721 372	In line with adjusted mid year expectation
Medical School	3 931 903	2 173 790	4 347 580	4 347 580	3 931 903	In line with adjusted mid year expectation
Registration & application fees	43 111 550	20 786 850	41 573 699	41 573 699	43 111 550	In line with adjusted mid year expectation
Less: provision for bad debt	(32 109 897)	(32 109 897)	(64 219 794)	(64 219 794)	(74 219 794)	Pro rata of provision. Adjusted forecast in line with additional fees raised
Residences	123 120 468	56 613 573	113 227 147	113 227 146	113 227 146	
Residence fees	102 092 480	54 657 422	109 314 843	109 314 843	109 314 843	In line with mid year expectation
Off campus Accommodation (net surplus / (deficit))	22 618 336	2 946 920	5 893 841	5 893 840	5 893 840	In line with mid year expectation
Vacation accommodation/ rentals	420	600 000	1 200 000	1 200 000	1 200 000	In line with mid year expectation
Less: provision for bad debt	(1 590 769)	(1 590 769)	(3 181 537)	(3 181 537)	(3 181 537)	In line with mid year expectation
OTHER INCOME	22 903 223	45 378 856	87 227 713	90 757 713	72 868 915	In line with adjusted mid year expectation

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NELSON MANDELA UNIVERSITY MID YEAR PERFORMANCE REVIEW 2021 - BUDGET VS REVENUE AND EXPENDITURE

	YTD Actual	YTD Budget	Approved Budget	Revised Budget	Forecast	Notes
EXPENDITURE	952 364 358	1 151 805 373	2 258 209 282	2 303 610 746	2 310 610 746	
STRATEGIC ALLOCATIONS	29 715 347	41 568 131	70 901 030	83 136 262	83 136 262	In line with adjusted mid year expectation
SALARIES	644 075 035	723 713 764	1 450 587 359	1 447 427 527	1 447 427 527	
	595 055 781	659 800 702	1 290 371 635	1 319 601 403	1 319 601 403	
Academic	281 116 477	317 889 926	630 198 019	635 779 851	635 779 851	In line with adjusted mid year expectation
Admin and Academic Support	313 939 304	341 910 776	660 173 616	683 821 552	683 821 552	In line with adjusted mid year expectation
Remuneration Contingency	-	6 612 142	46 081 960	13 224 284	13 224 284	Annual salary adjustment provision allocated
Other	49 019 254	57 300 920	114 133 764	114 601 840	114 601 840	Includes residences, facilities etc.
SUPPLIES AND SERVICES	214 265 785	322 215 288	608 104 511	644 430 576	651 430 576	
PROVISIONS	51 603 904	51 603 904	103 207 808	103 207 808	103 207 808	
Depreciation	46 787 276	46 787 276	93 574 551	93 574 551	93 574 551	In line with mid year expectation
Accumulative Leave	4 816 629	4 816 629	9 633 257	9 633 257	9 633 257	In line with mid year expectation
FINANCE COSTS	4 039 287	4 039 287	8 078 573	8 078 573	8 078 573	In line with mid year expectation
OTHER OPERATIONS	8 665 000	8 665 000	17 330 000	17 330 000	17 330 000	
Post-retirement benefits	8 665 000	8 665 000	17 330 000	17 330 000	17 330 000	Pro rata of provision
SURPLUS/(DEFICIT) from OPERATIONS	829 088 261	(1 499 552)	495 561	(2 999 104)	(2 282 815)	

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NELSON MANDELA UNIVERSITY MID YEAR PERFORMANCE REVIEW 2021 - BUDGET VS REVENUE AND EXPENDITURE

	YTD Actual	YTD Budget	Approved Budget	Revised Budget	Forecast	Notes
SURPLUS/(DEFICIT) from OPERATIONS C/F	829 088 261	(1 499 552)	495 561	(2 999 104)	(2 282 815)	
INVESTMENT INCOME	57 192 263	57 192 263	114 384 526	114 384 526	114 384 526	In line with mid year expectation
LESS : SPECIFIC PROVISIONS	6 721 942	39 943 144	79 886 288	79 886 288	82 886 288	
Escalation - Efficiency Funded Projects	6 721 942	7 443 144	14 886 288	14 886 288	17 886 288	In line with mid year expectation
Transfer to reserves	-	32 500 000	65 000 000	65 000 000	65 000 000	Transfer to be done at year end
SURPLUS/(DEFICIT) from OPERATIONS & INVESTMENT INCOME	879 558 582	15 749 566	34 993 798	31 499 133	29 215 422	
NON RECURRENT INCOME	7 727 870	-	-	-	7 727 870	
DHET / Donor Grants	7 727 870	-	-	-	7 727 870	CRG Grant accrual
NON RECURRENT EXPENDITURE	189 482 118	387 820 744	505 729 005	775 641 487	775 641 487	
Efficiency projects	100 177 928	179 821 209	370 000 000	359 642 417	359 642 417	In line with project plans
Council projects	89 304 190	207 999 535	135 729 005	415 999 070	415 999 070	Spend to accelerate in second semester
TRANSFER FROM EFFICIENCY FUNDED RESERVES	103 358 250	182 193 348	370 000 000	364 386 695	356 658 825	
TRANSFER FROM RESERVES	86 121 135	205 627 396	135 729 005	411 254 792	411 254 792	
SURPLUS/(DEFICIT) (COUNCIL FUNDS)	887 283 718	15 749 566	34 993 798	31 499 133	29 215 422	
NON COUNCIL FUNDED SURPLUS / (DEFICIT)	97 347 725	-	-	-	-	Assume expenditure will equal income at year end
Income	305 329 883	190 360 895	380 721 789	380 721 789	380 721 789	Institutional budgets not set for these activities
Expenditure	207 982 159	190 360 895	380 721 789	380 721 789	380 721 789	and funding group i.e. restricted research funds
SURPLUS/(DEFICIT) (ALL FUNDS)	984 631 443	15 749 566	34 993 798	31 499 133	29 215 422	