



RHODES UNIVERSITY

Grahamstown • 6110 • South Africa

ANNUAL PERFORMANCE PLAN 2016

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Foreword

In compliance with the Reporting Regulations for Higher Education, which require that this report must “be consistent with the Medium-Term Expenditure Framework (MTEF) period, must contain performance targets and should be aligned to the Strategic Plan”, Rhodes University is pleased to submit this Annual Performance Plan.

It was reported in the University’s Annual Performance Plan for 2015 that an institutional development plan (IDP) was being developed. Unfortunately this work has not been completed for various reasons, not least of which are the events of the latter part of 2015, events that have changed the landscape of higher education in South Africa. Rhodes University is still processing and assessing the impact of these events on the life of the University. The impact of these events may be broadly grouped into two categories - institutional transformation and financial sustainability. The implications of these issues will need to be woven into the fabric of the University’s plans in the year ahead. This report begins to identify and explore these challenges.

1. Strategic Overview

1.1. Vision

The draft mission statement of Rhodes University is:

Alive to our context and committed to social justice, academic excellence, academic freedom, institutional transformation and public accountability, we strive to be a University as lived through our Academic Project by

- **Outstanding Undergraduate and Postgraduate Education:** To cultivate knowledgeable and skilled graduates who are critical, democratic citizens and ethical leaders committed to the service of Humanity.
- **Creative Scholarship and Research:** To produce knowledge that advances understanding of our natural and social worlds, social well-being and human understanding and wisdom.
- **Innovative Community Engagement:** To promote social and economic development based on respectful and mutually beneficial partnerships with diverse communities.

1.2. Mission

Rhodes University’s draft mission is to

- Teach in ways which allow and encourage students to engage critically with knowledge and its production
- Produce knowledge so that we can advance understanding of our natural and social worlds and enrich our accumulated scientific and cultural heritage
- Apply and exchange knowledge through initiatives and activities aimed at improving quality of life and socio-economic conditions locally, nationally and internationally.

1.3. Strategic Goals

As stated in the 2015 Annual Performance Plan, the ten strategic goals adopted by Rhodes University for the next ten years were announced by the Vice Chancellor at his inauguration on 27 February 2015.

1. *Rhodes University must enhance the quality of education and overall experience of our students.*

Building upon and enhancing its reputation for excellence in teaching and learning, and keeping with its slogan “*Where leaders learn*” Rhodes University must prepare and equip its students to become leaders who are knowledgeable, skilled and competent; leaders who are critical and democratic citizens; ethical leaders who are committed to the values of human understanding, social justice, human development and service to society.

This objective is to be achieved through excellence in teaching and learning, research and community engagement as well as in the holistic educative experience provided and available to students of Rhodes University.

2. *Rhodes University must be accessible to academically talented students from diverse racial, social, cultural, economic and class backgrounds and provide them with the support they need to succeed.*

Rhodes University affirms and asserts that diversity in the composition of the student body not only enriches the academic, social and cultural environment at Rhodes University in significant ways but also enhances students’ own life experiences at Rhodes University. Interaction with other students from diverse social, economic and cultural backgrounds contributes towards this holistic educational experience and provides students with important life skills.

This objective is to be achieved by seeking ways to promote access to the University for students from diverse backgrounds including students from poor, working class households.

3. *Rhodes University must attract, nurture and retain academic, administrative and support staff of high caliber.*

Rhodes University recognizes and affirms that its single greatest strength is its people – the academic and support staff. The University aspires to become an employer of choice, which it seeks to achieve through *inter alia*:

- Creating and maintaining an enabling institutional culture that values people and is an intellectually rewarding space in which to work;
- Improving our staff remuneration in order to be competitive;
- Assisting staff in finding affordable accommodation in and around Grahamstown;
- Creating opportunities for professional development and advancement of staff;
- Creating clear pathways for career advancement for support and administrative staff

4. *Rhodes University commits itself to advancing the transformation imperative.*

Rhodes University affirms and asserts that diversity of the staff body is as important as the diversity of the student body. The University is experiencing particular difficulty in appointing and retaining Black and female academic staff.

Transformation is not restricted to demographics - the University has also committed to the transformation of curricula and pedagogy. A brief update is provided in the situational update below.

5. *Rhodes University must create and maintain an inclusive, welcoming, affirming and positive institutional environment.*

In order to support strategic objective 4, it is critical that the organizational culture of the University be welcoming, and committed to using the power of civil and reasoned argument, logic and debate to engage differences with a view to narrowing them, breaking new ground and enhancing and deepening shared understanding (see final paragraph of 4 above).

6. *Rhodes University must maintain and grow the intellectual outputs and scholarly reputation of our university.*

Rhodes University is justifiably proud of its position in the top three universities producing the highest number of research outputs per academic staff member. The bulk of these research outputs however come from a relatively small group of highly productive researchers. This research base needs to be broadened considerably.

This objective is to be achieved *inter alia* by:

- Significantly increasing the percentage of academics with doctoral level qualifications to at least 70%;
- Raising the total research output for the institution by encouraging and supporting all academic staff members to produce at least one accredited output per year;
- Maintaining the postgraduate proportion of the student body to 30% whilst, at the same time, ensuring the diversity of the postgraduate population;
- Growing the number of research focus areas, with significant critical mass behind them, for which the university is known as a place of scholarly excellence across all faculties of the university.

7. *Rhodes University must ensure financial sustainability and long-term viability.*

In the light of the various challenges facing the University that have financial implications and impact, it is crucial that prudent stewardship of University

resources is exercised to ensure the effective, efficient and optimal use of all university resources. The University is taking cognizance of the caution and request of the Minister that no new funding should be expected from Government in the foreseeable future. These economic realities have prompted the Vice Chancellor to declare that the University cannot do business as usual, and that extensive, innovative and tough choices will have to be made to ensure the financial viability of the University.

The establishment of a financial sustainability plan for the University is an urgent priority and is currently under way.

The modernization of business processes and business systems is crucial for achieving this objective. Various initiatives have been established to facilitate this need, but firm KPI's and targets will have to be established.

8. *Rhodes University must provide the best academic infrastructure, equipment and facilities to support our academic project.*

Over a number of years the university budget has been balanced by cutting *inter alia* the facilities maintenance budget. The recent CSIR campus infrastructure condition assessment has quantified the extent of the considerable maintenance backlogs. Given the quantum of the backlog, the University will be looking to Government for assistance to reduce and fund the backlog. The development and implementation of a life-cycle facilities maintenance plan is essential, and will require adequate budget allocation.

This objective is to be achieved primarily through

- The establishment and implementation of a life cycle infrastructure maintenance plan;
- The finalization of the campus spatial development framework;
- The implementation of the space allocation and usage policy;
- Adequate infrastructure funding from Government.

9. *Rhodes University must actively and purposively contribute to and participate in building a vibrant and sustainable Grahamstown community.*

Rhodes University recognizes and affirms that its future and success is inextricably bound to the future and success of the greater Grahamstown community and that it is deeply and intimately connected with the local community. Rhodes University declares unequivocally that the University is not just *in* Makana but is also *of* and *for* Makana.

The Vice Chancellor has identified three key areas that will underpin the University's engagement with the Makana community:

- *The Municipality*
The University is dependent upon the Municipality for the provision of basic services such as water, electricity and sanitation. Failure to provide these basic services seriously jeopardises the academic

project of the University and threatens its sustainability. The University there commits to working with and alongside all levels of Government to support the Municipality to fulfill its constitutional mandate to the benefit of *all* residents of Makana.

▪ *School Education*

It is a matter of public record that the Eastern Cape Province is the worst performing province when it comes to public education. Since 2007, except for two years in 2009 and 2010, the Eastern Cape has come last of all provinces in matric pass rates. Every single year its matric pass rates have been well below the national pass rates.

In Grahamstown there is a collection of some of the best schools in the country interspersed with some of the most dysfunctional schools serving the majority of young people in this community. Rhodes University, as a caring and compassionate institution in and of this community, must partner with all related stakeholders to find ways of transforming this grim reality so that all learners are provided with the education they need and deserve.

▪ *Wireless connectivity*

Rhodes University, as a knowledge institution, recognizes and affirms the importance of access to the internet. The University commits to establishing partnerships with the Municipality and other stakeholders with a view to making Grahamstown a wireless city with internet access available to all residents.

10. Rhodes University must cooperate and collaborate with the other three institutions of higher learning in the region to address pressing development challenges facing our province.

The four universities in the Eastern Cape, Nelson Mandela Metropolitan University, University of Fort Hare, Walter Sisulu University and Rhodes University, have identified a number of initiatives aimed at addressing pressing challenges facing our province. These include: Improving the quality of Basic Education; working together on developing programmes aimed at strengthening our capacity and capability to research Water; sharing of facilities and equipment.

2. Updated situational analysis

As mentioned above the higher education landscape has been irrevocably and substantially altered by the events of September/October 2015. The #feesmustfall campaign highlighted the plight of students from poor, working class homes for whom higher education had become unaffordable whilst simultaneously re-emphasizing the unsustainability of the higher education funding model in South Africa. The #Rhodesmustfall and allied campaigns highlighted the lack of transformation at many levels particularly at the historically white institutions.

The landscape at Rhodes University has also been substantially and irrevocably altered with regard to the tuition, residence and vacation fee structure, with further change

being demanded particularly with regard to transformation. The most significant fee concessions are:

- i. The option of a 50% minimum initial payment required prior to registration has been reduced to an up front registration fee of 10%;
- ii. The international student fee requirement of 100% up front has been reduced to 50% up front;
- iii. The international student fee levy has been reduced by 25%;
- iv. Students have been allowed to register upon submission of a payment plan for the remainder of the fees payable in addition to the long established debit order payment option as an alternative to the MIP requirement.
- v. The Vice Chancellor has in addition offered a 'guarantee' to students in good academic standing who could not afford the 10% Registration Fee or who could not provide a payment plan for the remaining 90% of fees.

The impact of these concessions in conjunction with the zero fee increase announced by the State President in October 2015 is evident in the budget and cash-flow forecasts provided below. The University is entering uncharted waters with regard to income from student fees. At the end of February 2016 student fee income received is R41.67 million (27%) less than the same time last year. From another perspective, 33% of budgeted student fee income has been received, leaving 67% to be collected during the course of the year. In order to mitigate the possible cash-flow risk and potential adverse impact on day to day operations and activities, the University management has obtained Council's approval to seek Ministerial approval to extend the University's bank overdraft facility to R100 million.

The potential cash flow issue however pales into insignificance when looking beyond 2016 as reflected in the budget and cash-flow forecasts for 2017 and 2018 presented later in this document (it must be emphasized that the budget and forecasts provided make the assumption that 96% of fees billed will be paid, i.e., bad debt provision in 2016 is 3.5% of billable income). The impact of the #feesmustfall concessions, when coupled to Rhodes University's size and shape, its very modest reserves and its geographic location are quite devastating on the future financial sustainability of the University. Whilst it is clear that additional government funding is essential, a great deal of work will have to be done by the University management team during the course of 2016 to review costs and expenditure. It must be emphasized that whilst there may be pockets of the University in which costs could be reduced, the University is already operating very "leanly". Any significant cost cutting will directly impact upon the quality and the span of the academic project of Rhodes University.

Like other institutions, Rhodes University also experienced protests related to institutional culture, symbols and naming. With regard to naming, the Council has appointed a Task Team of individuals of great integrity to look at the broad issue of transformation including the future name of the University. Any decision taken to change the name of the University will have financial implications related to the cost of the actual change (signage, rebranding etc.) but also to the likely loss of donor income from alumni and other fund providers.

The protests at Rhodes University also focused encompassed challenges to 'decolonise' the curriculum. At a curriculum conference held early in the year, these challenged focused on the inclusion of the work of writers on Black Consciousness although the calls were also moderated to the need for the work of more black intellectuals to be included. Although departments are engaged in an ongoing process of reviewing curricula, the Vice Chancellor has requested that 2016 should be a year in which focused attention is given to the curriculum. To this end, the Teaching and Learning Committee has begun to develop a framework for curriculum review which will be presented to all faculties in the second term. The framework will not only interrogate curriculum content but also pedagogy and assessment.

3. Legislative mandates

The Act which governs and regulates higher education in South Africa is the Higher Education Act, 1997 (Act No. 101 of 1997) and amendments. The Rhodes University Statute further promotes the effective management and governance of the University in respect of matters not expressly prescribed by the Act, whilst a number of Council approved university policies further regulate effective and efficient management and administration.

4. Key performance indicators
4.1. Enrolment targets

Table 1: Student Enrolment Targets for year n

Key performance indicator	Actual year n-2	Target year n-1	Target year n	Mid-year performance indicators	Strategies/projects/activities to achieve output
A. Access					
Headcount totals					
First-time entering undergraduates	1491	1584	1620	1620	
Headcount enrolments	7519	8041	8304	8304	
Headcount enrolments (Foundation Provisioning)	250	250	250	250	
Headcount enrolments total UG	5212	5656	5784	5784	
Headcount enrolments total PG	2307	2385	2520	2520	
Enrolments by Major field of study	7519	8041	8304	8304	
Science, Engineering, Technology	2303	2085	2135	2135	
Business/management	1485	1833	1893	1893	
Education	773	869	946	946	
Other humanities	2959	3254	3330	3330	
Distance education enrolments	0	0	0	0	
B. Success					
Graduates UG	1239	1291	1320	1320	
Graduates PG	1060	1204	1283	1283	
Success rate	85%	85%	83%	83%	
Undergraduate output by scarce skills					
Engineering	0	0	0	0	
Life and physical sciences	135	154	154	154	
Animal and human health	76	87	128	128	
Teacher education	142	197	190	190	
Success rate	89%	89%	88%	88%	
C. Efficiency					
Instructional/Research Professional Staff					
Headcount and FTE of permanent instructional/research professional staff	351	344	348	348	
% Staff with doctoral degrees	54.4%	53%	54%	54%	
Number of nGap staff	0	3	7	7	
Ratio of FTE students to FTE instructional/research staff	1:13.6	1:14.1	1:14.3	1:14.3	
D. Research output					
Publication units per FTE staff	2.22	2.13	2.16	2.16	
Research masters graduates	212	180	185	185	

Doctoral graduates	76	61	64	64
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4.2. Earmarked grants

Table 2: Earmarked grants (funding envelopes and infrastructure projects)

Grant	Earmarked Allocation R	Breakdown of allocation		Linkage to performance indicators	Mid-year performance indicator
		Budget R	Projects		
Teaching Development Grant 2015/16	3 687 000			Audited financial reports and progress reports for each category of earmarked funding will shortly be submitted to the DHET. The reports will include a section on the plans for the grant for 2016.	
Research Development Grant 15/16	3 067 000				
Foundation Provision Grant 2015/16	1 074 000				
Clinical Training Grant 2015/16	911 000				
Clinical Training Grant 2016/17	871 000				
Clinical Training Grant 2017/18	1 016 000				
SSAUF 2015 - 2020 (nGap)	6 524 000				
Rural Campus Connection Project (ICT Infrastructure & Efficiency) 14/15	2 474 000				
Infrastructure & Efficiency Grant 2012 - 2014 [R178.626m + R29.833m=R208.459m]	178 626 000	36 829 000	Student Housing		
		111 042 000	Life Science Building		
		22 050 000	Health Sciences		
		31 308 000	School of Languages Building		
		3 000 000	Disability Units		
		2 230 000	Well Founded Labs		
		2 000 000	Campus infrastructure condition assessment & spatial development plan		

Rhodes University acknowledges that the earmarked grants it receives annually are used to steer the sector towards the targets agreed upon within the enrolment planning exercise and to ensure national priorities are addressed by the University. Detailed reports for each category of earmarked grant along with audited expenditure statements will shortly be submitted to the DHET.

5. Overview of 2016 budgets, cash flow and MTEF (2017/18 forecasts) estimates

5.1 Budget process and overview

As mentioned in the foreword, Rhodes University is still in the process of developing an institutional development plan for the period the present to 2030. As part of this process, a comprehensive financial sustainability and viability assessment was performed and a detailed report produced. This report was submitted to both Council and the Board of Governors in the latter part of 2015. The Executive Director: Infrastructure, Operations & Finance was requested to update the report to reflect the financial impact of the #feesmustfall and the transformation campaigns, following which a strategic workshop will be held with Council. This report however, *before* the #feesmustfall campaign, indicated that from a financial sustainability perspective, Rhodes University was moving into rocky waters due to rapidly rising expenses (staff costs, municipal costs, food costs etc). The report also highlighted that the strategy of providing some R35 million per annum for financial aid from university funds had taken a significant toll on campus infrastructure, which has been significantly under-funded for some fifteen to twenty years, giving rise to significant backlog maintenance.

5.2 Assumptions used in preparing the budget and forecasts for the period 2016-18

The consolidated budget and forecasts reflected in the table below incorporates the anticipated impact of the #feesmustfall campaign. This budget and forecasts, along with the assumptions used, has been discussed and debated by the Budget Executive Committee prior to being submitted to Council.

The assumptions used in establishing the tuition budget are:

- Student numbers increase by approximately 2.4% per annum
- Zero fee increase
- Block grant share remains at 1.57%
- DHET 2016 shortfall funding allocation will continue at similar levels, inflation adjusted
- Staff cost increase at 6% per annum
- Impairment of financial aid funding provided by RU remains at 4.3%

The assumptions used in establishing the residence budget are:

- Nil bed capacity increase
- Zero fee increase
- DHET 2016 shortfall funding allocation will continue at similar levels, inflation adjusted
- Staff cost increase at 6% per annum
- Food cost increase at 8% per annum
- Municipal cost increase at 20.7% in 2016 and 9.5% per annum thereafter
- Impairment of financial aid funding provided by RU remains at 3.5%

5.3 Budget forecast for the period 2016-2018

The consolidated budget and cash flow forecast statements provided in Tables 3 & 4 below paint a sobering picture. Unless significant additional income streams are found, the University, which has to date been operating more or less at breakeven, moves firmly into the red. The residences, which for a number of years have produced surpluses that have been used to build up infrastructure refurbishment reserves and offset any shortfall in the central budget, now also move firmly into the red. It must be emphasized that the consolidated budget and cash flow is to some extent buffered by research income, but this is *restricted* income.

Furthermore, the income growth that is reflected in the University financial forecasts in 2017 & 2018 is due to projected growth in student enrolments.

However, given that residence fees are now lower than digs accommodation fees, more returning students have elected to return to residence that has significantly reduced the number of residence places available to new first year students. This has resulted in 200 less new first year enrolments than planned. Without additional residence bed capacity the student enrolment growth projected in the financial forecasts will not materialize. Given the geographic location of Rhodes University, buildings suitable for off-campus accommodation are non-existent. Rhodes University does not have the financial resources to build additional residences. The 2.4% growth in student numbers is thus highly unlikely to be achievable unless funding for additional residences can be obtained.

It is clear that the deficits forecast in the budget and cash flow forecasts are not sustainable. As mentioned in the foreword, it is clear that additional government funding is essential. However, simultaneously the cost and expenditure side of the budget will have to be rigorously assessed with a view to ensuring the University's financial sustainability and viability going into the future and also the continuation of the academic project in its entirety.

Concluding comment: It is clear from the forecasts provided below, which in the view of Council present a middle-road scenario, that without additional State funding, the only way in which the University can remain financially viable will be to significantly reduce expenditure and costs, which, as mentioned several times, will have a considerably negative impact the academic project of the University.

Table 3: Consolidated budget and forecast: 2016 - 2018

	Council Controlled - Unrestricted				Specifically funded activities - Research - Restricted				Student Accommodation				TOTAL BUDGET			
	Actual	Budget	Budget	Budget	Actual	Budget	Budget	Budget	Actual	Budget	Budget	Budget	Actual	Budget	Budget	Budget
	2015 R'000	2016 R'000	2017 R'000	2018 R'000	2015 R'000	2016 R'000	2017 R'000	2018 R'000	2015 R'000	2016 R'000	2017 R'000	2018 R'000	2015 R'000	2016 R'000	2017 R'000	2018 R'000
TOTAL INCOME	615 782	659 258	683 532	711 297	219 340	227 621	230 876	233 185	178 832	174 817	174 851	174 713	1 013 954	1 061 696	1 089 259	1 119 195
Subsidies and grants	323 964	367 314	386 133	406 900	-	-	-	-	-	-	-	-	323 964	367 314	386 133	406 900
Tuition & other fee income	249 227	249 424	254 747	260 615	-	-	-	-	170 141	166 494	166 029	165 361	419 368	415 918	420 776	425 976
Contract income	8 822	10 246	9 370	9 453	219 340	227 621	230 876	233 185	-	-	-	-	228 162	237 867	240 246	242 638
Sales & services	3 369	1 529	2 045	2 167	-	-	-	-	8 691	8 323	8 822	9 352	12 060	10 252	10 867	11 519
Donation income	5 000	8 000	8 000	8 000	-	-	-	-	-	-	-	-	5 000	8 000	8 000	8 000
Interest	24 690	20 844	21 737	22 662	-	-	-	-	-	-	-	-	24 690	20 844	21 737	22 662
Sundry income	710	1 501	1 500	1 500	-	-	-	-	-	-	-	-	710	1 501	1 500	1 500
TOTAL EXPENDITURE	615 782	665 299	702 441	742 388	215 185	211 733	230 876	233 185	174 469	172 877	182 372	192 696	1 005 436	1 049 909	1 115 689	1 168 269
Staff costs	396 528	431 018	456 879	484 292	77 948	81 247	84 086	84 927	71 940	75 009	79 510	84 280	546 416	587 274	620 475	653 499
Financial Aid & bursaries	45 037	55 128	56 315	57 608	49 739	44 316	50 452	50 956	11 031	12 072	12 072	12 072	105 807	111 516	118 839	120 636
Interest paid	1 381	1 464	1 552	1 645	-	-	-	-	10 815	10 291	9 704	9 048	12 196	11 755	11 256	10 693
Other Operating Expenses	172 836	177 689	187 695	198 843	87 498	86 170	96 338	97 302	80 683	75 505	81 086	87 296	341 017	339 364	365 119	383 441
NET FUNDS AVAILABLE/(DEFICIT)	-	-6 041	-18 909	-31 091	4 155	15 888	-	-	4 363	1 940	-7 521	-17 983	8 518	11 787	-26 430	-49 074

Table 4: Cash Flow projections/forecasts of revenue and expenditure for years 2016 - 2018

	2016	2017	2018
	R'000	R'000	R'000
REVENUE (A)	907 969	949 847	971 716
Subsidy	384 551	404 404	426 267
Tuition fees and residence fees	273 173	275 245	270 659
Research Grants	222 867	240 246	242 648
Board of Governors Funds	8 000	8 000	8 000
Other Funds	19 378	21 952	24 142
EXPENDITURE (B)	941 471	1 002 764	1 055 920
Personnel Costs	587 274	613 027	641 281
Capital Equipment	52 515	57 239	59 853
Municipal Costs	48 806	52 595	56 692
Operating Expenditures	252 876	279 903	298 094
Net Increase/(Decrease) in cash (A-B)	-33 502	-52 917	-84 204
Cash at beginning of year	129 734	96 232	43 315
Cash at end of year	96 232	43 315	-40 889
Note:			
Cash at end of year comprises	96 232	43 315	-40 889
Research Funds (Restricted Use)	121 036	121 036	121 036
Own Funds (UnRestricted Use)	-24 804	-77 721	-161 925


6. Institutional Risk Register

Institutional Register of Top Strategic Risks

Risk no	Risk Category	Risk Description	Impact if not mitigated	Probability of occurrence (0-3)	Scale of Impact (0-3)	Impact score	Measures to mitigate
1	Financial	Insufficient cashflow due to recent MIP/registration concessions	Inability to pay salaries/wages, inability to pay creditors	3	3	9	Seek overdraft facility from bankers and DHET (R100 million); immediately develop financial distress early warning plan; MTEF period = establish plan to drastically reduce expenditure.
2	Financial	Insufficient income from tuition & residence fees to cover operational and lifecycle costs	Inability to meet safety standards, maintain fixed assets, increasing bad debt.	3	3	9	Require increasing levels of government subsidy income; establish fee recovery plan (which includes consequences for non-compliance with payment plans).
3	Financial	Very low (non-existent) level of financial reserves	Threatens "going concern" status of RU; inability to co-fund for example DHET infrastructure funding grants.	3	3	9	Explore possibility of reducing draw-downs from free reserves in order to bolster levels of reserve (this is a medium to long term strategy unless the financial situation changes).
4	Infrastructure	Poor state of campus electrical reticulation system	Power outages of varying degrees - worst case = total campus blackout.	3	3	9	Need for adequate levels of budget allocation. Due diligence assessment has been commissioned to establish extent of problem.
5	Infrastructure	Poor state of many of the campus buildings as per the CSIR campus infrastructure condition assessment.	Places academic project at risk, and in certain instances, poses a risk to health and safety of users of the particular buildings.	3	3	9	Need for adequate levels of budget allocation; urgent items have been identified, prioritised and scoped, and are receiving attention as budget becomes available.
6	Municipal services supply	Inability of Makana Municipality to provide basic services (water, electricity, sanitation)	Range from inconvenience to health risks to total campus shutdown	3	3	9	Ongoing engagement and partnership with Makana Municipality; sharing technical expertise with Municipality.
7	Campus safety	Being an open (unfenced) campus makes it very vulnerable. Increasing petty crime; recent protest action highlighted vulnerability of the residence system in particular	Student & staff safety is compromised.	3	3	9	Review report completed - sent to VC.

8	Transformation	The recent protests have highlighted that RU is not considered to be a "home for all", and that a growing number of staff & students feel alienated by the organisational culture. Demand for change of name is an expression of this expressed alienation.	Growing levels of protest with increasing probability of violence; inability to attract and retain equity staff; aspects of academic program become irrelevant.	3	3	9	Committee of eminent persons established to consider name of the University; various institutional transformation initiatives initiated.
9	Business processes and systems	Many of RU's business processes have become obsolete and unfit for purpose, as have the business systems.	Increasing levels of inefficiency and unproductivity; human resource heavy, expensive and bureaucratic administrative support services.	3	2	6	A task team has been established to co-ordinate the process of modernisation across the institution.
10	Procurement	Procurement policy has been adopted, but due to budget constraints the Buying Office cannot be brought to the level of a Procurement Office.	Inability to comply with legislative requirements; adverse audit reports.	2	3	6	Application for additional staff was withdrawn due to budget constraints. "Making do" with existing posts is being explored.
13	Inability to meet enrolment targets	Enrolment targets as agreed with DHET cannot be met.	Block grant subsidy will be negatively impacted, as will tuition fee income	3	3	9	Urgently need additional bed capacity in residences. Various options being evaluated, including that of entering into a PPP.
14	Insufficient financial aid for needy students	Political promises for free higher education are being "called in" by students and prospective students, and expectations are that universities will have to provide access to all students who qualify academically.	The funding of the University will be insufficient; denial of access will not be tolerated. The University will run out of funds and will not be able to meet its financial obligations, and will have to significantly curtail the academic project and reduce headcount unless government provides additional funding.	3	3	9	A working committee has been established (DVC:A&SA, ED:IOF & Dir:Finance) to assess cases of individual financial need.

This plan, along with the financial *forecasts* provided, was approved by the Rhodes University Council at its meeting on 10 March 2016.



 Vuyo D Kahla
 Chairperson of Council