



NWU®

NORTH-WEST UNIVERSITY
NOORDWES-UNIVERSITEIT
YUNIBESITI YA BOKONE-BOPHIRIMA



DISCOVER
THE NWU

INTEGRATED
ANNUAL
REPORT

2022

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NWU INTEGRATED ANNUAL REPORT 2022

1 About this report

1.1 Discover the NWU

With the Covid-19 pandemic finally subsiding, our staff and students returned to our campuses, ready and eager to tackle the 2022 academic year while adhering to the last Covid-19 protocols that were still in place at that stage.

Living through the pandemic was **a journey of discovery**: we discovered old strengths and new possibilities within ourselves and our world.

In 2022 we harnessed several pandemic-driven discoveries and innovations, for instance adopting a hybrid-flexible (HyFlex) teaching-learning approach that enables simultaneous face-to-face and online teaching and learning.

By resuming our on-campus activities, we returned to our essence: being a contact university with a vibrant student life. Through this “home-coming”, we were also able to **rediscover** the treasures the NWU has to offer.

As a result, **Discover the NWU** became the theme interlacing all our activities in 2022 and, by extension, the story we tell in this integrated report.

Our story has two levels of meaning. Our first intention is to show you how we as a university lead people to **discover the NWU** and the myriad of opportunities we offer to guide them on their own journeys of discovery. Our second aim is specifically linked to this report: we invite you, our readers, to **discover** more about **the NWU** itself – especially about how we create value by empowering people.

We aim to show you how we mobilised and affected our resources, skills and relationships, known as our “capitals”, for the greater good.

There are six capitals: intellectual, human, social and relationship, manufactured, natural and financial.
(*Read more about [our capitals](#).*)

Although we strive to increase value in all instances, our capitals can also undergo either a net decrease or no net change. In such cases, value is eroded or preserved.

Although we strive to always increase value for the university and our stakeholders, we realise that changing circumstances in our internal and external environment may hamper our efforts to accomplish this.

We include these instances – where value is maintained at existing levels or even eroded – in our integrated report, as we aim to tell our story in a balanced and transparent way.

Image on the cover

The image on the cover – a compass surrounded by the vibrant corporate colours of the NWU – symbolises our theme: Discover the NWU.

For us, the compass symbolises movement, adventure and growth – it points you in the right direction to ultimately reach your destination. With the compass always pointing North, it also helps to orientate yourself and find your place in the world.

The word “compass” is derived from the Latin word *com* meaning “together,” and *passus* meaning “pace” or “step”, and later also “way” or “journey”, making the compass a symbol of journeys and adventures.

As a knowledge-seeking institution, we are always moving forward, and we want to take you, our stakeholders, along on this adventure.

Join us to learn more about the NWU, yourself and the world.



1.2 Our story is for you

The **Discover the NWU** story told in this report is intended for you, our stakeholders.

Our stakeholders are those individuals or groups whom we affect through our activities and services, and whose actions can also affect our ability to successfully implement our strategy and achieve our goals.

This integrated report refers mainly to our primary stakeholders. They are our students, alumni, Council, staff, the Department of Higher Education and Training (DHET), peer universities, collaboration partners and business communities (as future employers of our students).

However, we believe that our story will also be of value to the other [stakeholders with whom we engage](#).

1.3 How we tell our story

At the beginning of our story, we give an [overview of the NWU](#) and explain how we interact with our [external environment](#).

[Graphic of our business model](#), followed by the [risks and opportunities](#) that affect us, and how we are dealing with these. The [section on our strategy](#) aims to inform you about where we want to go to and how we intend to get there, while the [section on how we performed against our capitals](#) describes what we did to achieve our strategic objectives.

1.4 How to navigate our story

We use different icons to show the connections between the various sections in our integrated report and enhance your journey of discovery.



Our enablers



Govern, lead and manage in an agile, collaborative and integrated way towards an optimally digitised university environment



Establish a holistic and integrated university technology platform to provide a solid foundation for a digital future



Cultivate and deliver stakeholder-focused platforms to create and grow intentional experiences and brand equity



Ensure financial sustainability and optimal performance with due consideration of macro-economic conditions and a drive towards digital transformation

1.5 Materiality of the report content

We use the concept of “materiality” to decide what information to include in this report. As set out in the International Integrated Reporting Council’s (IIRC) Integrated Reporting Framework, we see material matters as issues that:

- substantively affect the university’s ability to create value over the short, medium and long term; and
- are important to any stakeholder wishing to make an informed assessment of the NWU’s ability to generate value.

1.6 How we identify relevant matters

In this report, we discuss the factors with the greatest potential to impact our ability to create value. Identifying these material factors was the work of our integrated reporting task team, led by the NWU’s registrar and including the deputy vice-chancellor for planning and the chief strategy officer in the office of the vice-chancellor. The team identified those matters with the highest potential to impact our ability to create value.

In the process, we took the following frameworks into account:

- The NWU’s Annual Performance Plan (APP)* that puts the strategic plan into action;
- The common strategic assumptions that underpin our strategy;
- The institution-wide risk register; **
- The IIRC’s Integrated Reporting Framework; and
- The DHET’s reporting regulations.

We also considered any factors in our [external environment](#) that substantially affect our ability to create value.

In addition, materiality was informed by the matters our stakeholders raised during their interaction with the university. These are described in the section on [how we engage with our stakeholders](#), in the table under the subheading: *Issues raised*.

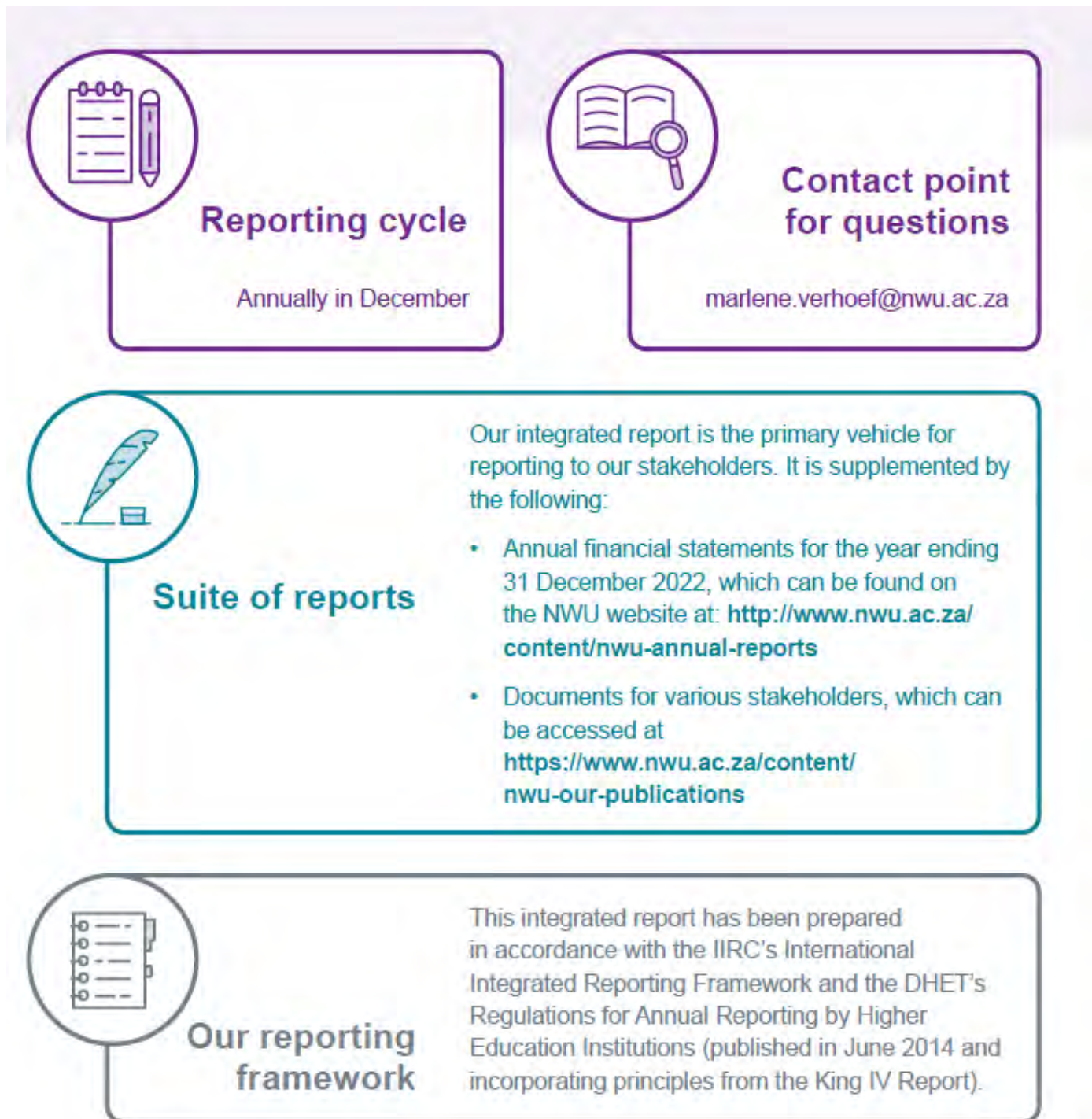
* The goals, enablers and strategic assumptions, as included in the APP, resulted from the process the university management committee members used to identify material matters to include when developing or revising the APP.

** Our key [risks and opportunities](#) are the result of an institution-wide identification and prioritising process.

1.7 Reporting period and scope, and suite of reports

Our integrated report reflects the performance of the NWU across our three campuses for the period 1 January to 31 December 2022.

Information about our performance is both [financial](#) and non-financial. This includes facts about our non-financial performance, risks and opportunities and the internal and external factors that substantially influence our business. Where material, we discuss the real and potential impact of these matters on our ability to create value.



1.8 Assurance

Internal and external assurance providers give us assurance about the effectiveness of the internal controls at the NWU. Their input has been incorporated into this report.

We have also ensured the accuracy of our reporting by taking the following steps:

- After compiling the integrated report, we submitted it to the University Management Committee. The committee considered the completeness and accuracy of the content and provided feedback where necessary, which was then incorporated into the integrated report. Only then did we submit the report first to the Audit, Risk and Compliance Committee and then to Council for approval.
- The student and staff data in this report was obtained from our Institutional Planning and Strategic Intelligence Department, which is also responsible for submitting NWU data to the Higher Education Information Management System (HEMIS).
- The summarised, audited consolidated financial statements in this report were extracted from the audited consolidated financial statements, prepared in accordance with the International Financial Reporting Standards (IFRS) and independently audited by our external auditors, PricewaterhouseCoopers.
- Our auditors also independently audited the information in our [performance assessment report](#).
- The financial statements, including the auditors' report, are in [Annexure 6](#).
- More information about combined assurance can be found in the [risk section](#) of this report.

1.9 Council approval

Council upon advice from its Audit Risk and Compliance Committee is responsible for overseeing the integrity, accuracy and completeness of this integrated report.

Council confirms that it has reviewed the contents of the report and applied its collective mind to the preparation and presentation of this report.

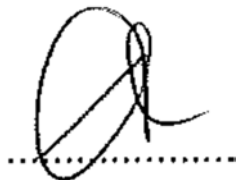
Furthermore, Council believes that it has appropriately considered the accuracy and completeness of the material matters, as well as the reliability of the information presented in this report.

Council has sufficiently considered and materially presented these matters in accordance with the Integrated Reporting Framework of the IIRC.

The NWU Council approved the 2022 Integrated Annual Report on 22 June 2023.



**MR BERT SORGDRAGER
CHAIRPERSON OF COUNCIL**

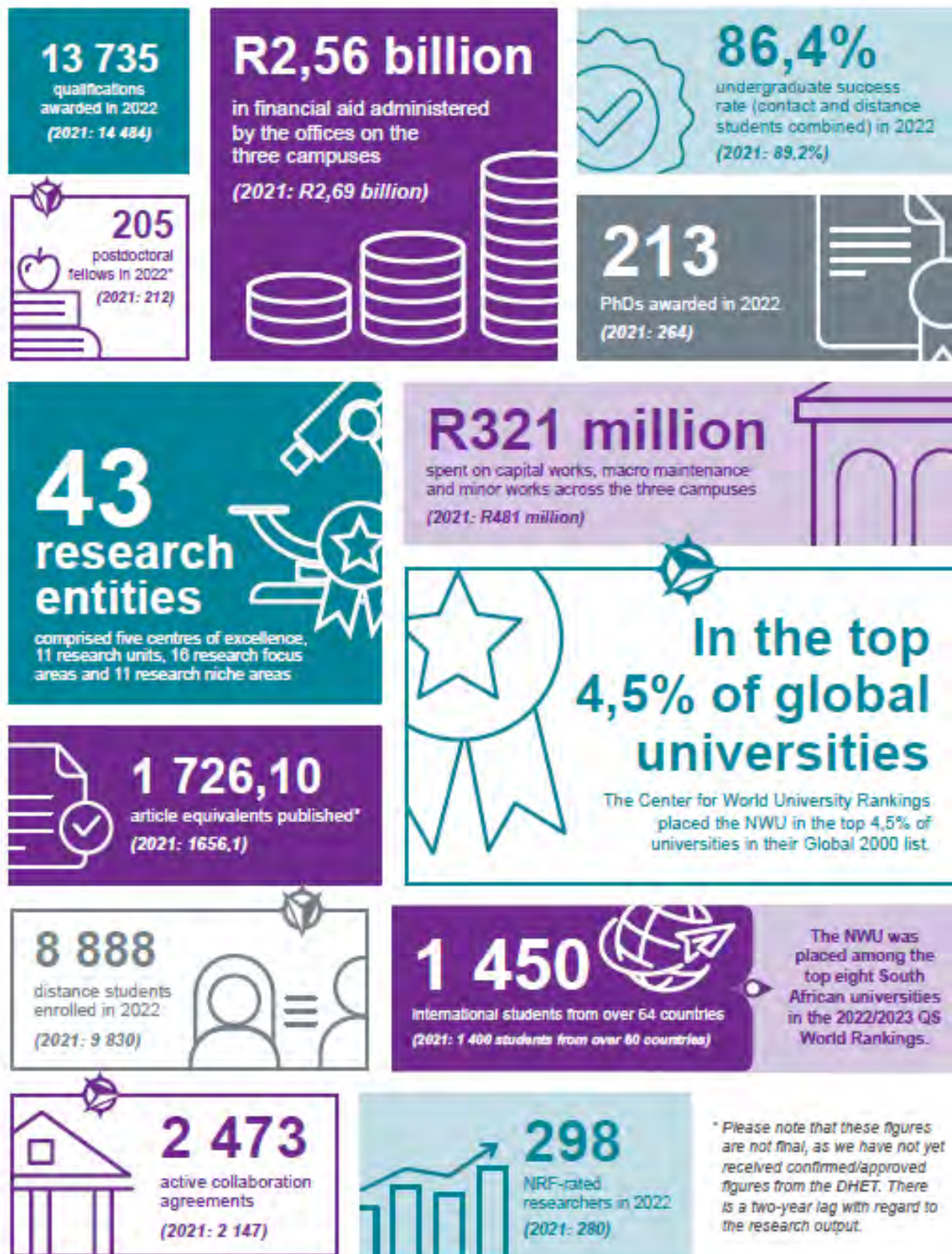


**MR THABO MOKGATLHA
CHAIRPERSON OF THE AUDIT, RISK AND COMPLIANCE COMMITTEE**

2 Overview of the NWU

In 2022 we continued to create value for the NWU and for our stakeholders.

The following achievements – and in many instances also improvements – are noteworthy:



2.1 Who we are

The North-West University is one of the 26 public higher education institutions in South Africa. We have three campuses: two in the North West province and another in Gauteng.

We have a single set of policies, systems and standards, and are driven by a set of constitutionally based values, a core value being ethics in all our endeavours.

We wish to foster engaged and caring staff and students, ensuring a suitable environment in which to reach our purpose and realise our dream.



2.2 What we do

Our core business is teaching-learning and research, with community engagement and innovation intertwined in these activities.

Ultimately, our core business is about creating value in the form of outputs and outcomes, while pursuing an ethic of care.

2.3 Where we operate

We operate in South Africa but collaborate extensively with institutions and people all over the world. In 2022, the NWU had approximately 2 473 (2021: 2147) active collaboration agreements.

2.4 What sets us apart

- The Quacquarelli Symonds (QS) ranking has placed the NWU among the top eight South African universities. Globally, we have been placed in the 1 001 to 1 200 ranking category for the 2022/2023 QS World University Rankings. Our performance has been consistent in this ranking category for the past four years.
- The NWU is the best choice among local universities for studies in the field of engineering, according to the latest subjects ranking by Times Higher Education (THE).
- The Center for World University Rankings placed the NWU in the top 4,5% of universities in their Global 2000 list.
- We had more than 1 459 international students from over 64 countries in 2022.

2.5 Our external environment

Various factors in our external environment affect our capitals and consequently our ability to create value for ourselves and our stakeholders. Examples of these factors are:

- emerging trends like the great resignation, quiet quitting and quiet hiring have an impact on our staff; and
- the National State of Disaster was lifted on 5 April 2022 which enabled the move to more contact classes, as well as on-campus activities.

The 2022 academic year commenced with Covid-19-related restrictions on in-person attendance of contact sessions. Lecturers were asked to provide students with a module outcome document or study guide, a detailed schedule, slides, notes and reading material. They also provided pre-recorded lectures or videos for content delivery that did not need to be synchronised with the lecture timetable, as well as recordings of the synchronous contact sessions that were offered according to the timetable. During the second semester, once the restrictions were lifted, most faculties could return to full contact teaching and learning for all students in contact programmes. Contact sessions were again scheduled centrally, and each module had at least one contact session per week, in venues that could accommodate all students.

In the text below, we discuss other material factors in our external environment that affect us directly or indirectly. We also indicate how these are linked to our strategic goals and risks, and how these impact our value-creation ability.

2.5.1 Responding to a transforming society

Student life is a quintessential journey of discovery, both in terms of self-discovery and in discovering one's choices and options in the broader community and society. The richness of cultural and social diversity found within society and the university itself consequently forms the fuel for the development and exploration of transformation within the university context, impacting all facets of the NWU.

Increasingly, students are voicing support for social movements focused on the eradication of all forms of prejudices and discriminatory practices. These include racism and gender-based violence, the reconceptualisation of gender roles and norms, improved engagement and service delivery, sustainable transformation, and cultural reforms. Furthermore, our understanding of multiculturalism and integration continues to grow as previously marginalised groups and minorities now gain their voice in the larger university community.

However, as an institution comprising people from diverse socio-economic, cultural, religious, racial, and other backgrounds, there is still much to do to achieve the envisaged diversification, social cohesion, and the broader sustainable transformation of the NWU.

Societal inequalities are echoed in the student community and further inform our approaches to equality, equity, social justice, and redress. The stark inequalities that the Covid-19 pandemic exposed among students remain prevalent, particularly in relation to access to technology and basic infrastructure. These inequalities and a lack of access to resources have added an additional layer of complexity to the management of student matters. We are only starting to better understand the true impact of inequality on student access and success.

Strategic matter affected: development of a clearly differentiated student value proposition (goal no 4)

Capitals affected: human, social and relationship, financial

Risks involved: 2 and 5

Effect on value creation

Potential conflict in an institution can be managed effectively if it is recognised timeously and appropriate action is taken to address the inherent inequalities that exist. The inability to do so creates risk as inaction can be seen to be further excluding and marginalising affected students. This could erode the relevance of the student value proposition that we promote, which centres on inclusivity and belonging.

Our strategic response

Recognising the impact of the external environment on the university, we proactively develop and implement measures that seek to build social capital, awareness, and partnership within the student community.

Social change is a collective responsibility of all members of society – including the university community – and so we integrate interventions and platforms facilitating social change into existing curricular and co-curricular programmes. Further, by continuously refining our governance model and policy directives on social change, we enshrine collective responsibility into university functions and structures.

We acknowledge the importance of ensuring purpose-driven engagement and effective multi-faceted communication channels that inform our decision-making and policy development processes.

In essence, we strive to engage and respond to projected changes proactively and with agility to maintain a relevant and valuable student experience.

2.5.2 Instability in the higher education sector

Instability within the higher education sector influences the way our students receive and respond to university programmes and messages. Any scepticism and resistance can be further compounded by a lack of understanding of how the higher education sphere functions nationally and institutionally. Ultimately, if proactive and meaningful responses and interventions are not presented, the stability and business continuity of the university is placed at risk.

Strategic matter affected: development of a clearly differentiated student value proposition (goal no 4)

Capitals affected: human, social and relationship, financial

Risks involved: 2 and 5

Effect on value creation

If stakeholders become resistant to university responses and offerings, this could delay and frustrate the development and implementation of sustainable resolutions that advance the business of the university.

Our strategic response

We have an inclusive communication and consultation strategy that involves staff, students, and community stakeholders. As one of our aims is to enhance stakeholders' understanding of the functions, roles and responsibilities of the university, this communication goes beyond co-curricular offerings and includes efficient and interactive service delivery across the NWU, strengthening the university's value proposition.

2.5.3 The Fourth Industrial Revolution

With the Fourth Industrial Revolution (4IR) gaining momentum each day, higher education is playing a cardinal role in developing the skills needed for rapidly changing economies. This is not only about teaching 4IR skills to students but also about adapting their own academic administration and student support systems and services to meet the demands of the 4IR. Academics and support services staff alike must acquire new skills and adapt their mind-sets.

When it comes to the actual technology, higher education institutions are replacing standalone systems and software with agile, integrated systems that can keep up with the swift pace of change. The race to adapt is on and universities will increasingly be competing for scarce ICT innovation skills essential for the provision of teaching and learning and support throughout the student life cycle. The NWU's learning management system (LMS), eFundi, was reviewed during 2022.

Strategic matter affected: All goals and enablers

Capitals affected: All capitals

Risks involved: 2, 3, 5, 6 and 8

Effect on value creation

The 4IR offers opportunities to make discoveries that will propel us forward in creating value. These opportunities lie in implementing ICT innovation to support core business, broadening access to tertiary qualifications through online teaching and learning and being part of global trends such as the multiversity, the unbundled university and the blockchain university. The NWU is focused on seizing these opportunities.

Our strategic response

Technologically, the NWU was not caught unawares when the Covid-19 pandemic and the ensuing lockdown struck. The development of the NWU digital business strategy for the 4IR was already in progress so that when the shift to online learning came, we were able to accelerate our digital journey in teaching and learning, student support and workplace practices. The NWU's digital transformation successes so far have included automating the management of students' work-integrated and service-learning placements and introducing Robotics Process Automation for repetitive processes. We are also preparing to implement a leading-edge student information system.

In addition, a new digital workplace environment will improve workplace efficiencies and a team of education technologists is assisting staff to integrate technology into their teaching strategies.

The NWU implemented HyFlex teaching and learning to accommodate scenarios where limited numbers of students were allowed to attend in-person contact sessions, which were streamed to the other students. Some lecture venues were fitted with cameras and sound equipment in 2022, enabling the streaming and recording of the contact sessions. Online assessment (with or without proctoring) has become part and parcel of the suite of assessment methods used.

It was decided to phase out paper-based programmes and the provisioning of textbooks in the distance education environment. Instead, students will be served via the eFundi LMS. This is workable because of the availability of online suppliers who can deliver electronic material to wherever a student may be, obviating the need for the NWU to be the provider.

The current LMS is based on Sakai open-source technology and has served its purpose well. However, the global community of Sakai developers is shrinking and, with other technological advances occurring, the NWU will consider options for a new LMS in 2023.

2.5.4 Academic staff shortages

South Africa has a finite pool of academic staff, especially staff from designated groups at senior levels and in the scarce and critical skills. The university must take these limitations into account in its human-capital planning, policies, procedures and processes.

Strategic matter affected: teaching and learning (goal no 1), research and innovation (goal no 2) and community engagement (goal no 3)

Capitals affected: intellectual, human, social and relationship, financial

Risks involved: 2 and 3

Effect on value creation

Our reputation for excellent teaching and learning, innovative research and community engagement with impact is contingent on our ability to recruit and retain high-calibre academic staff. Unless we can attract enough staff with the required demographic diversity, skills and experience, our reputation may suffer and our capacity to implement functional multilingualism constrained. Recruitment challenges also lead to an overreliance on temporary staff, which has adverse implications for our core business capacity.

The university is also under pressure to optimise employment costs. The decreasing subsidy income and the cap on student fees have added to the financial pressures on the university and necessitated special cost-containment measures, such as placing a moratorium on positions, transferring the associated funds to the central budget and reducing costs in line with the Staff Cost Risk Mitigation Plan. As it is crucial to avoid compromising academic service offerings, we apply our minds carefully when making any decisions about academic positions.

Our strategic response

Improving the representation of employees from designated groups is a strategic imperative for the NWU. Line managers across the university have been tasked with identifying and fast-tracking professionally qualified academics from these groups, among other strategies.

We offer staff at all levels opportunities to build successful and satisfying career paths. The key mechanism for this is our integrated talent-management strategy, which provides incentives and professional development pathways to attract and retain scarce skills, particularly regarding black academics.

Various initiatives are directed at enhancing our value proposition for staff. In 2022, we embarked on a staff optimisation process to improve efficiencies, assess the impact of the enhanced use of technology on staff utilisation and determine where we can effect savings which was directed at enhancing the remuneration of our staff. In addition to this, we continued conducting individual remuneration reviews, which are used to ensure fair, market-related pay. The review process was implemented despite uncertainties associated with fee increases and subsidy income, demonstrating the importance we attach to staff remuneration.

The aftermath of the Covid-19 pandemic also amplified the value of our strategic initiatives to cultivate a supportive and caring working environment and construct a welcoming and unified inclusive culture.

2.5.5 Fee-free higher education affects financing model

There have been significant changes in the way we administer financial aid since government announced fee-free higher education for households whose income is below a minimum threshold of R350 000.

The changes are due to the sizeable increase in the number of students qualifying for funding from the National Student Financial Aid Scheme (NSFAS). Since 2015, the number of NSFAS-qualifying students has increased by approximately 450% placing pressure on all our internal business processes dealing with financial aid.

Where there were 4 837 approved NSFAS students in 2015, the number climbed to 26 595 in 2022.

These students are not required to pay the registration and first minimum payable amount, which NSFAS funds. However, NSFAS was unable to make an upfront payment to universities, which resulted in pressure on the cash flow of the university.

Furthermore, the Council took the decision to advance allowances totalling R257,7 million to these students in order to give them a fair opportunity to continue with the academic year and also safeguard the stability at the university.

The evolving administrative system of NSFAS and any potential that it might not be sustainable in its current form would therefore pose a significant financial risk to the NWU and our students.

Delays in approving NSFAS applications caused significant complications for teaching-learning during the first semester of 2022. Potential NSFAS students were allowed to register “provisionally” and participate online. However, some students’ provisional registration status had to be revoked when NSFAS failed to approve their applications by the Higher Education Management Information System (HEMIS) census date.

Strategic matter affected: teaching and learning (goal no 1), financial sustainability (enabler 4)

Capitals affected: financial, human, intellectual

Risks involved: 1, 3, 5 and 8

Effect on value creation

In its current form, the current higher education financing model has two major implications for the university. On the one hand, the model has the potential to disrupt our systems; on the other, it might hold financial value for the NWU and our students.

For example, students who would previously not have been able to afford to go to university can now do so because of fee-free higher education, which has also brought temporary financial stability to the sector.

Not surprisingly, then, the fee-free model has led to changes in our enrolment patterns. It has become more complex to manage enrolment targets and to administer registrations. That said, the greatest risk to value creation is still the potential unsustainability of the NSFAS model and the proposed Fee Regulation Model. Both could have a substantial financial impact on the NWU and our students.

Delays caused by NSFAS had a detrimental impact on the academic programme, as academics had to take special measures to assist provisionally registered students to catch up when their funding statuses were confirmed several weeks after commencement of the academic year. In addition, assessments had to be postponed (or repeated) during the first semester of 2022, to accommodate those students.

Our strategic response

In 2022, we harnessed effective administrative processes to manage the challenges posed by the increased number of students qualifying for NSFAS and the associated administrative and cash flow demands, and kept staff and students informed of financial aid developments. We advanced allowances to students until the first payment was made by NSFAS in April 2022 and continued to build our long-standing relationship with NSFAS and the DHET as valued stakeholders. An internal working group was set up to manage the impact and minimise disruptions caused by possible late approvals in 2023.

2.5.6 Fee Regulation by the DHET

The increase in NSFAS funding is only one aspect of the DHET's new approach to public higher education financing. The department is also formulating a Fee Regulation Framework that has the potential to significantly influence the financing model of the NWU.

The new model has not yet been announced and, in the meantime, the Minister has once again recommended CPI-related increases in fees. This has been the norm since fee-free education was announced and has had a substantial influence on the funding model of the NWU.

A tuition-fee increase of 4,23% was implemented in 2022 in line with the recommendation from the Minister. This was below the CPI of 4,4% of 2021 and 6,9% of 2022.

Strategic matter affected: financial sustainability (enabler no 4)

Capitals affected: financial, intellectual, human

Risks involved: 1

Effect on value creation

Our financial stability could be at risk if the increases permitted under the fee regulation regime do not reflect our cost structure and internal inflation rate. This may ultimately affect the quality of the services we provide.

Another issue is that the regulations as they stand have the potential to erode the autonomy of universities.

Our strategic response

Maintaining financial stability and the quality of our services is a complex task that necessitates a multifaceted strategy. We are participating actively in the consultations on the proposed Fee Regulation Framework and are making a constructive contribution to this process. We are also diversifying our income streams and identifying opportunities to increase our income through fund-raising and by extending our continuing education offering. Our strategy further includes managing our budget process and improving operating cost efficiency.

2.5.7 State funding

In real terms, state funding of higher education has declined in real terms.

From 2021 to 2022, the Rand value of the block grant allocated to the NWU increased by 9,6% and the value of the earmarked grants allocated to universities decreased by 29,8%. This was after the DHET had made adjustments to assist the NSFAS in partially funding the shortfall for 2021 and 2022.

Although the block grant has increased, this will be offset by the lower-than-required increase in tuition fees and the anticipated growth in funded units. In simple terms, this means the available funding will not fully cover higher education inflation in the long run.

Strategic matter affected: teaching and learning (goal no 1), research and innovation (goal 2), student value proposition (goal 4) staff profile (goal no 5), financial sustainability (enabler 4)

Capitals affected: human, financial, intellectual

Risks involved: 1, 3 and 8

Effect on value creation

Continued funding shortfalls would force us to respond with budget cuts and we would not then be able to fund all operational and strategic activities. In the short and medium term, however, the funding provided by the state does contribute to financial stability, although it is not yet clear what effect the economic downturn will have on future state funding. Adding to the uncertainty is that the financial impact of Covid-19 is still unfolding.

Our strategic response

Prudence is still the best course of action amid the current economic and funding uncertainties. This means prioritising wisely when allocating the funds available while reviewing current activities and investing continually in opportunities to improve cost effectiveness, build reserves, practise disciplined cost management, evaluate the viability of academic programmes, and focus on supporting cost reduction. As a longer-term strategy, the NWU seeks to become less dependent on state funding by diversifying income generation.

2.5.8 External research funding declines

In the past few years, most government and industry funding agencies have experienced budget cuts, leading to the reduction or even discontinuation of research funding and support.

As a result, postgraduate funding, which was already limited, has declined further. At the same time, the implementation of the new NRF funding instrument has meant that fewer students are being funded, even though the amount per student has increased.

Strategic matter affected: research and innovation (goal no 2)

Capitals affected: financial, intellectual, human, social and relationship

Risks involved: 3 and 7

Effect on value creation

Dwindling external research funding may adversely affect our research productivity and the standing of the university in national and international rankings. Research journal outputs have not yet been negatively affected but international conference proceedings have declined because of pandemic-related restrictions on travel.

Our strategic response

Seeking to alleviate the impact of external funding cuts, we provided support to our researchers through mobility grants (R1 499 455) and research mentorship (R716 815), including assistance with NRF rating applications. We also contributed R626 664 to the salary component of the research chairs.

2.5.9 Demand for Intellectual Property (IP) reduced

As in the previous year, there was less private sector interest in licensing our intellectual property (IP) and technology, mainly because of tight economic conditions. For the same reason, we experienced a reduction in early-stage, seed and venture capital funding for NWU start-ups.

Strategic matter affected: research and innovation (goal no 2)

Capitals affected: financial, intellectual, human, social and relationship

Risks involved: 3

Effect on value creation

The low uptake of our IP and technologies could result in lost income and reduced licensing and spin-off activities.

Our strategic response

Successful licensing of patents is greatly enhanced when the inventions described by the patents are backed up by trialled and tested prototypes. It is thus necessary to procure suitable translational research funding for prototype development and demonstration. Vulnerability to funding fluctuations across economic cycles can be mitigated by taking a long-term view of funding and developing and maintaining good relationships with funders. The better our understanding of industry's needs and challenges, the more effectively we can respond with relevant solutions and innovations.

We are also improving the way we market NWU IP, technologies and innovative research to boost our prospects of continuing to attract funding, collaborators, commercialisation partners and licensees.

([Read more](#) about information on how we Create value through innovation and technology.)

2.5.10 Challenges in recruiting international students and postdoctoral fellows

The trend towards declining international postgraduate student enrolments continued in 2022 for various reasons.

Among them were stricter visa requirements for international students and heightened competition among universities for good postgraduate students from the Southern African Development Community (SADC) and other African countries. The DHET requirement that universities should prioritise South African students for postgraduate studies could also be a contributing factor.

Many international students were unable to resume or complete their studies in 2020, 2021 and 2022, owing to the pandemic.

The decrease in international student enrolments could be offset by offering and marketing favourable study bursaries, depending on the availability of funding.

Delayed visa approvals and related processes also had a negative effect on international postdoctoral fellows in terms of uptake, delayed commencement of appointments and productivity losses. Reduced uptake also affected the budgeting process for the postdoctoral fellowship programme as funds allocated to the affected positions were underutilised.

Strategic matter affected: research and innovation (goal no 2)

Capitals affected: financial, human, social and relationships

Risks involved: 3

Effect on value creation

Enrolments of international students decreased from 6% of the total cohort of postgraduate students in 2016 to about 3% in 2022, which may affect our global rankings.

Our strategic response

Offering higher levels of administrative assistance to international students may make it easier for them to study at the NWU. We now have global engagement offices on all three campuses.

2.5.11 National call for curriculum change and transformation

Curriculum change and transformation are imperatives in South Africa, where decolonisation of the curriculum is considered a priority in higher education. The NWU is committed to transform its curriculum and align its student experience in line with Strategic Goal 1, that requires “a systematic continuous process of curriculum transformation and renewal ...to equip graduates to address contextualised challenges of twenty-first century society, inclusive of calls to decolonise and Africanise the curriculum.”

Strategic matter affected: teaching and learning (goal no 1)

Capitals affected: intellectual, human, social and relationship, manufactured, financial

Risks involved: 2 and 3

Effect on value creation

Despite the Covid-19 national state of disaster, which was in place until April 2022, we continued creating a welcoming and engaging academic environment through curriculum development and well as extra-curricular activities.

Our strategic response

During 2022, the NWU continued to ensure that academic programmes are coherently designed, intellectually credible, and consistently relevant. The following strategies were pursued to attain this goal:

- In-depth orientation of students to their fields of study and methodologies therein, as well as a broader understanding of contemporary societal challenges. Work-integrated learning (WIL) and service learning (SL) fostered an ethic of care and social responsibility.
- Curricula must provide an orientation to various paradigms of thought and explanatory systems including indigenous knowledge systems, so that NWU students and graduates are introduced to different intellectual traditions and can substantiate their worldview and the principles that inform their professional conduct.
- Programmes are designed to support the learning needs of a diverse student body, by involving students in a range of individual and collaborative learning and assessment activities, so that they can engage as learners who progressively assume responsibility for their own learning.
- Curricula are designed to help students develop the knowledge, attitudes and skills that will enable them to lead purposeful lives in the service of the science collegiate, their profession and civil society as responsible citizens.
- Each faculty annually reports on measures taken to attain these goals. In addition, the NWU hosted 3 awareness weeks: Facing Race Week, Gender Awareness Week and Language Awareness Week. Staff and students on all three campuses participated and contributed.

One of the gains for the NWU during the Covid period, was the marked increase in team teaching across its campuses, as well as the active engagement of and interaction between students across campuses, made possible by online platforms like Zoom and MS Teams.

In some cases, we have introduced new programmes while in others, we have adapted existing ones, as will be discussed under 9.1.4.

2.5.12 Disruptions in the provision of basic services

According to the Council for Scientific and Industrial Research (CSIR), “the year 2022 overtook 2021 as the most intensive load-shedding year yet, concentrated in the latter half of the year, which comprised over 80% of the annual total”. The unprecedented number of power failures had a significant impact on all activities of the NWU during the second semester of 2022, when most staff and students were at last allowed to return to our campuses in person, after almost 18 months of limited access and capacity restrictions due to Covid-19.

The Mahikeng Campus also had to deal with water shortages and went without water for several days at a time, as the municipal supply was inadequate to serve the city.

Strategic matter affected: teaching and learning (goal no 1), research and innovation (goal no 2)

Capitals affected: intellectual, human, manufactured, financial

Risks involved: 2 and 3

Effect on value creation

The NWU had to make use of its emergency generators with greater frequency and at higher cost than anticipated. Equipment failures (including generator units) were experienced across all departments, due to damage caused by fluctuating supply. It is difficult to calculate academic and research time lost, but this was significant, especially when unannounced load-shedding was implemented. Assessments had to be reset and rescheduled if interrupted by unscheduled load-shedding or generator failures.

Water had to be supplied to the Mahikeng Campus to serve the basic needs of staff and students.

Our strategic response

Although back-up electricity was mainly supplied by diesel-fuelled generators on all three campuses, the NWU began securing a more sustainable power supply by introducing solar power on all three campuses. Long-term planning includes the expansion of solar generation.

The NWU sunk boreholes on the Mahikeng Campus to become more self-sufficient, while the number of water reservoirs on all three campuses will be increased.



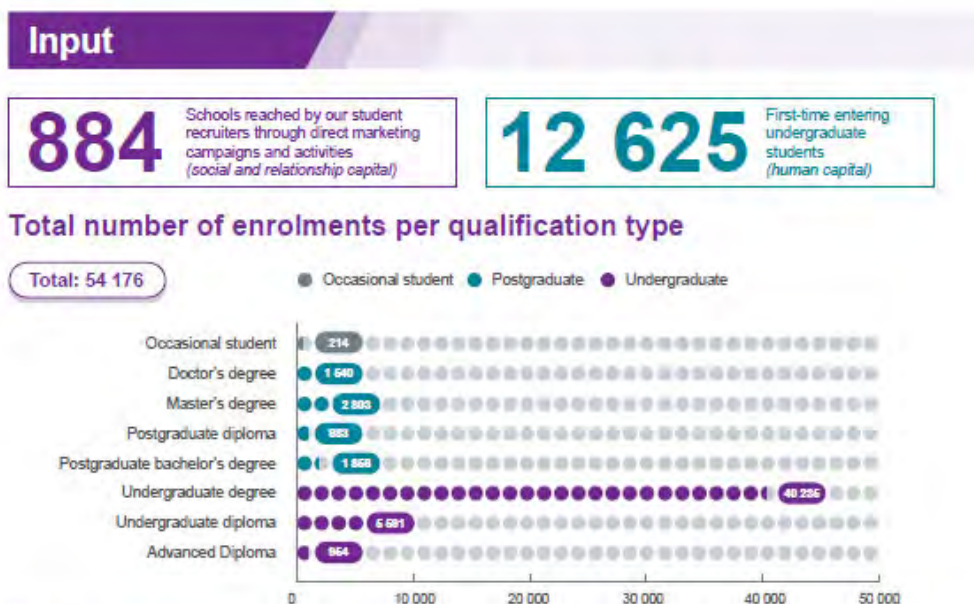
3 Our business model and value chain

3.1 Business model

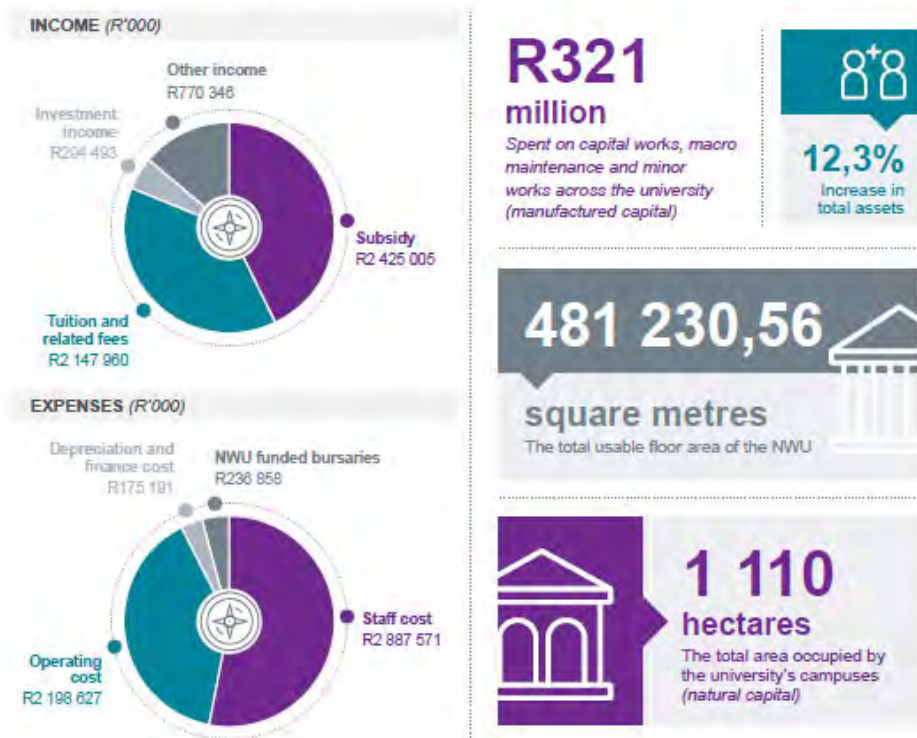
In this section, you can read how we use and transform our capitals to create value for ourselves and our stakeholders through the input, activities, outputs and outcomes in our value chain – all regulated by the NWU Senate.

The functions of the NWU Senate are related to our core academic business, which in turn comprises important aspects of our value chain. That is why we present the Senate report in the format of our business model diagram, followed by a discussion of our value chain.

[\(Click here to learn more about the composition of Senate\)](#)



Budget (financial capital)

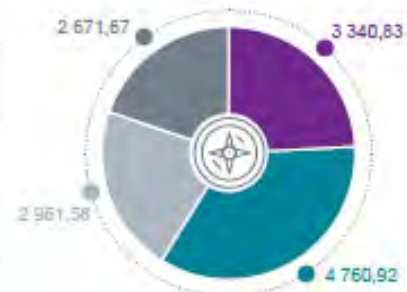


Output

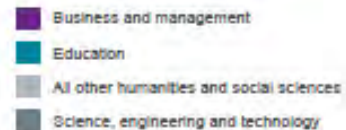
Academic and support staff (*human capital*)

Personnel category	Permanent	Temporary	2021	2022
Crafts/trades	☑		26	25
Executive/administration/management professional	☑	☑	85	91
Instructional/Research professional	☑	☑	1 648	1 678
Non-professional administration	☑	☑	1 321	1 358
Service	☑	☑	304	297
Specialised/support professional	☑	☑	510	525
Technical	☑	☑	246	254
Grand total			9 399	10 762

Graduates: educational subject matter distribution (*human capital*)



Total: 13 735



Activities

Presenting over 995 academic programmes

(*Intellectual capital*)

Student support activities:

academic support, health care, and cultural and sport activities

Staff development activities

(*Intellectual capital*)

Conducting research

(*Intellectual capital*)

Community engagement

(*social and relationship capital*)

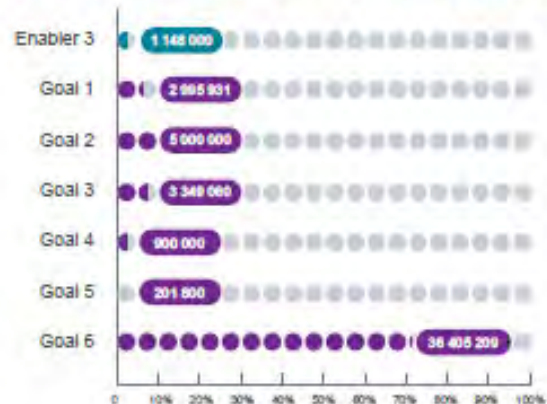
Spending according to the Annual Performance Plan (*financial capital*)

Goal

- Goal 1 (teaching and learning)
- Goal 2 (research and Innovation)
- Goal 3 (community engagement and sustainability)
- Goal 4 (student value proposition)
- Goal 5 (equitable staff profile)
- Goal 6 (digital business strategy)

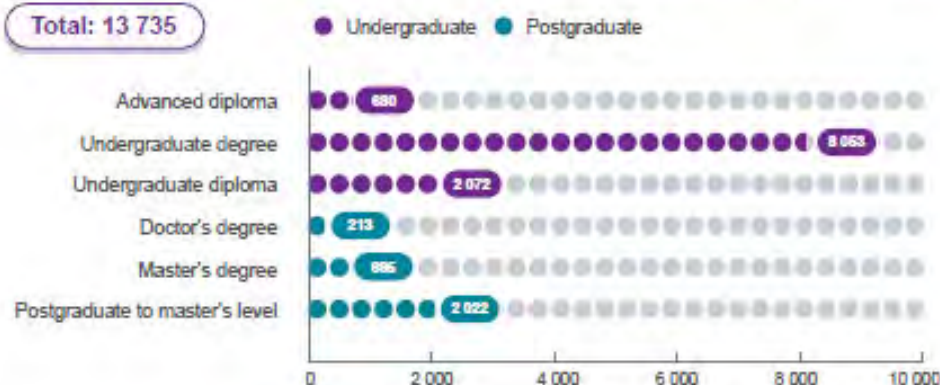
Enabler

- Enabler 1 (govern, lead and manage)
- Enabler 2 (integrated technology platform)
- Enabler 3 (stakeholder-focused platforms)
- Enabler 4 (financial sustainability)



Total: R50 000 000

Total number of graduates per qualification type (*human capital*)



Research output 2021 (*intellectual capital*)

Journal articles	1 368,3
Conference proceedings	88,9
Books and chapters	222,90
Total article equivalents published	1 656,1
Master's degrees conferred	698
Research master's	509,962
Research master's weighted	509,962
Doctoral degrees conferred	264
Doctoral degrees weighted	792
Total weighted research output	2 958,062
Postdoctoral fellows	212
Publication units per permanent academic staff member	0,99

* Please note that there is a two-year lag with regard to the research output.

65,28%

Number of graduates who completed their studies in minimum time

R229,2 million

The university, from its own resources, contributed R229,2 million or 7,5% of the total funds allocated for financial aid

97%

Success rate of the NWU merit bursary holders

R58,2 million (25%)

of the funds allocated to financial aid used to award students for academic performances

Collaboration

(*Social and relationship capital*)

We had slightly more than 2 473 active agreements and memoranda of understanding

Financial sustainability

(*financial capital*)

R1 220,6 million

Net surplus for 2022 as reflected in the consolidated statement of comprehensive income

Outcome

On 12 October 2022 the World University Rankings by Times Higher Education (THE) announced that the NWU is among the top six universities in South-Africa. After evaluating 1 799 universities across 104 countries and regions, the ranking agency placed the NWU in the 601 to 800 category internationally.

The **external environment** sets the context in which we use our business model to create value.

Student support activities:

academic support, health care, and cultural and sport activities [Read more](#)

Caring for our students; Academic support, career-related support
Material matter: student value proposition [Read more](#)

Staff development activities

(human capital) [Read more](#)

Caring for our staff – building staff capacity [Read more](#)

[Read more](#) about *Develop and retain excellent staff and create an equitable staff and student profile*

Conducting research

(intellectual capital) [Read more](#)

[Read more](#) about *Empowering our researchers*

Community engagement

(social and relationship capital) [Read more](#)

3.2 NWU value chain

In 2022, our value-creation story was about empowering our stakeholders and taking them along on a challenging but exciting journey to **discover** the many opportunities the NWU offers them to develop and harness their skills to live satisfying and meaningful lives and make a positive impact on other people.

We invested in our students because we believe in their potential (our input) and we created value for them by guiding them to consider new possibilities and **discover** unknown horizons so that they could continue to grow and flourish (our activities), enabling them to become critical thinkers (our output) and eventually enter the labour market and society as value creators themselves (our outcome).

Across our value chain, we access, use, and transform our capitals. For instance, as part of our input, we use our sources of income (financial capital), skilled staff members (human capital), buildings and equipment (manufactured capital) and academic programmes (intellectual capital) to create value for our students (human capital).

During our daily activities, for example our community engagement initiatives, we reach out to communities, thereby strengthening our social and relationship capital. Our research results (intellectual capital) are part of our output. As a result, we build good relationships with the world around us, thereby increasing our social and relationship capital.

We apply these results to find solutions to problems in society and in our country, thereby changing lives and creating a better future for people, which is part of our outcomes.

Our value chain also depends on the responsible use of our natural capital. In fact, all our capitals are based on the availability of natural resources. We need water, for instance, to sustain the lives of our staff and students (human capital) and land to build on (manufactured capital).

In the following discussion of our value chain, you will see how we draw on our various capitals as inputs and, through our activities, convert them to outputs and outcomes.

3.3 Input: Invest in people's potential

3.3.1 Our students

Our student body is an invaluable input into our value chain. The table below shows the composition and size of the student body in 2022 as compared to 2021:

	2021	2022
African (%)	65%	68,53%
Coloured (%)	4,37%	4,29%
Indian (%)	1,38%	1,24%
White (%)	29,24%	25,94%
Female (%)	62,96%	62,85%
Male (%)	37,04%	37,15%

3.3.2 Student recruitment

Achieving our enrolment plan remained a priority during the year. While continuing with hybrid events and activities to reach targeted schools and prospective students, we restarted our visits to schools and again began hosting schools at our campuses. We also hosted athletics and sports meetings as part of our student recruitment activities. Together, these activities made a substantial contribution towards achieving the enrolment plan and boosting the NWU's ability to attract top-performing prospective students.

3.3.3 Broadening access to studies for students of the NWU

Prospective students who do not meet the admission requirements for specific formal degrees may enrol for one-year University Preparatory (UnivPrep) programmes or one of the various higher certificates.

These Senate-approved programmes potentially offer access to formal studies in the faculties of Humanities, Theology and Economics and Management Sciences at the NWU. Each year, above 50% of successful UnivPrep participants become eligible to apply for formal studies in these faculties.

Students whose National Senior Certificate (NSC) results in mathematics do not meet the requirements for admission into BCom/BSc studies and who are enrolled for formal BA degree studies at the NWU are permitted to enrol for the Bridging the Mathematical Gap modules (BTMG511 and 521) to achieve the required standard.

After successfully completing the first year of a BA degree and the BTMG modules, these students may apply for admission to the relevant BCom/BSc IT degree.

3.3.4 Financial aid

A growing number of students rely on financial aid to fund their university studies. In 2022, the NWU's financial aid offices administered R3,067 billion. Government funding accounted for the majority of this, and a substantial amount also came from the NWU's own funds. A limited amount of other external funding accounted for the rest.

Government funding for bursaries amounted to R2,56 billion (83% of the total amount allocated for bursaries, including Funza Lushaka bursaries administered by NSFAS).

We contributed R229,2 million to student bursaries, which is 7,5% of the total funds allocated for financial aid. This contribution helps to increase our throughput rate and demonstrates our commitment to social justice and an ethic of care.

3.3.5 Student development and support

Through ongoing and focused academic support, we enable our students to achieve academic success.

[\(Read more about how we increase student success.\)](#)

In addition, we offer non-academic support such as psychosocial, health, sport and arts and cultural services aimed at developing our students holistically.

3.3.6 Our staff

A significant input into our value chain is our staff complement.

The following table shows how our number of permanent academic staff compares with those of other South African higher education institutions (*Please note that this is based on 2021 audited HEMIS data*):

Institution	Total
University of Cape Town	1 182
University of the Witwatersrand	1 215
University of KwaZulu-Natal	1 222
University of Pretoria	1 260
University of Stellenbosch	1 302
University of Johannesburg	1 309
North-West University	1 648
University of South Africa	1 781

In 2022, we had a total of 4 228 permanent staff members, comprising 1 678 academics and 2 550 support employees.

We invest continually in providing the support and development our employees need to excel. Staff development interventions have focused on equipping staff, who are an invaluable part of our human capital, with the competencies required to give effect to the NWU's Digital Transformation Strategy.

Career pathing for academics includes promotions and awards programmes, discussed below. In order to support all staff through anxiety-related issues associated with Covid-19, we have focused on providing a caring environment for the holistic well-being of our employees.

We realise that 2022 was another challenging year for staff, many of whom experienced higher than normal levels of stress and burnout. We have responded by intensifying support through our Employee Assistance Programmes and increasing the reach of these programmes through online support. For more details about this aspect of staff development, [read more](#) in the section on how we perform against our strategy.

For 2022, there were 115 promotions approved which is 22 less than in 2021. We are encouraged in the progress towards promoting the seniority of our academic staff and a focus on increasing the representivity of our professoriate.

Academic promotions and awards programmes

We build mutual value for our academics and the NWU through the annual academic promotions process, which is a recognition programme for academics.

The principle underpinning academic promotions is the importance of creating mutual value both for the academic and the NWU.

Academic promotions 2020 to 2022										
Promoted from:	Promoted to:	African			White			Total		
		2020	2021	2022	2020	2021	2022	2020	2021	2022
Junior lecturer	Lecturer	9	13	5	5	10	7	14	23	12
Lecturer	Senior lecturer	10	20	5	22	27	18	32	47	23
Senior lecturer	Associate professor	11	7	19	23	36	36	34	43	55
Associate professor	Professor	5	6	7	17	18	18	22	24	25
Grand total		35	46	36	67	91	79	102	137	115
Percentages		34,3%	33,7%	31,3%	65,7%	66,3%	68,7%	100%	100%	100%

For 2022, a total of 115 promotions were approved, which is 22 fewer than in 2021. We are nevertheless encouraged by the progress being made in promoting the seniority of our academic staff and sharpening the focus on building a representative professoriate.

Caring for our staff

South African universities compete for academic talent, and this competition is one of the greatest challenges we face in recruiting and retaining staff. Our response to this challenge, which relates to risk cluster 3 (academic matters) revolves around keeping our employees engaged by creating an environment underpinned by an ethic of care. The well-being of staff is cardinal, and this principle was foregrounded further during the Covid-19 pandemic, which disrupted workplace practices and brought about rapid changes that gave rise to health and psychosocial challenges.

The NWU's extensive employee health and wellness programme consists of psychosocial support, health awareness and organisational effectiveness and employee wellbeing interventions. Psychosocial services, which include legal and financial advice, are rendered through counselling services on a 24/7 basis throughout the year. In addition, we conduct team well-being assessments and interventions, as well as workplace well-being training. These organisational effectiveness and employee well-being interventions are aimed at creating enabling, psychosocially conducive working environments.

There is a well-established link between performance management and the psychosocial concerns of individual employees. The NWU Wellness Unit and the campus wellness offices provide consultancy services and various development opportunities focused on overall workplace well-being, supervisory training, stress management, resilience, gender-based violence training, and interventions to provide support to staff on substance abuse and interpersonal relationships.

Creating a nurturing and supportive environment for staff at the NWU to flourish within the workplace was the primary focus of 2022. People and Culture also initiated an integrated health and wellness reporting strategy that entails combined reporting between NWU wellness service providers, Employee Wellness, group life insurance and medical aids. Combined reporting is a tool that will be used to analyse trends to support decision making, as well as to design targeted interventions. These reports will serve on various NWU committees in 2023, ensuring focused attention across the organisation on priority areas for employee wellbeing.

In order to support all staff through anxiety-related issues associated with Covid-19, we have focused on providing a caring environment for the holistic well-being of our employees.

We realise that 2022 was another challenging year for staff, many of whom experienced higher than normal levels of stress and burnout. We have responded by intensifying support through our Employee Assistance Programmes and increasing the reach of these programmes through online support. For more details about this aspect of staff development, [read more](#) in the section on how we perform against our strategy.

3.3.7 Funding

Research funding

Research funding of R111,7 million was received in 2021 and R110,5 million in 2022. The table below shows funding received from the South African Medical Research Council (SAMRC) and the National Research Foundation (NRF):

Grant programme	2021 number of awards	2021 total amount	2022 number of awards	2022 total amount
SAMRC funding	8	2 647 967	6	3 021 613
Thuthuka	21	1 865 961	24	2 687 136
Other grant-holder awards	145	40 043 554	186	34 225 887
Grant-holder linked bursaries	47	5 306 68	21	2 348 333
Block grants	4	1 590 000	2	360 000
Freestanding bursaries	346	44 159 175	351	49 270 027
Freestanding postdoctoral bursaries	11	2 491 667	12	2 950 000
Freestanding postdoctoral funding	10	490 000	12	590 000
SKA student bursaries	5	769 570	1	144 700
SKA student equipment	5	40 489	0	0
SKA student travel grants	1	70 000	0	0
Grant deposit	0	17 000 000	0	14 900 000
Total	603	111 699 051	615	110 497 696

Researchers in some of the NRF programmes were given the opportunity to move their 2022 funds to 2023 or any future year, which meant this funding was not lost to the researchers concerned.

In a significant funding change, the grant-holder linked, and block-grant bursaries are being phased out. Students will only receive freestanding bursaries in future.

Funding for technology transfer and innovation

The funding landscape remained constrained in 2022. Only three innovation projects were supported, one pre-seed project and two Technology Innovation Agency (TIA) Seed Fund projects.

[\(Read more about our efforts to increase research funding can be found under Six goals to realise our strategy\)](#)

International funding

The table below shows the international funding each faculty received during 2022. The total amount, R23,7 million, was less than the amount received in the previous year.

International funding for research	2021 Actual as confirmed by faculties	2022 Actual as confirmed by faculties
Faculty of Economic and Management Sciences	1 334 758	703 261
Faculty of Education *	290 082	0
Faculty of Humanities *	855 287	0
Faculty of Engineering	360 170	2 220 050
Faculty of Health Sciences	13 343 911	10 798 764
Faculty of Natural and Agricultural Sciences	12 623 339	9 985 580
Total	28 808 147	23 707 655

* No funding was secured internationally

3.4 Activities: Explore and expand to continuous growth

3.4.1 Teaching-learning activities

In the fast-changing world of work, transferable skills and flexible mindsets are becoming as important as specialised and technical skills. Both the university and our students must be agile enough to adapt to the new skills demands.

In striving to keep our academic offering relevant, we are focusing on incorporating skills such as analytical thinking and innovation, active learning and learning strategies, complex problem-solving, critical thinking and analysis, and creativity, originality and initiative. These are the top five skills that will be in demand by 2025, according to our environmental scanning.

2022 saw the piloting of block teaching, as opposed to time-tabled periods, in selected programmes in three faculties (Economic and Management Sciences, Engineering and Health Sciences). Students spend time on a selected module, for a set period and then focus on group projects and skills development.

The pilot continues in 2023 so that we can gather a larger data set for evaluation. Initial discussions in 2022 on rethinking academic scheduling to make provision for new ways of learning and teaching will continue in 2023. The new timetabling system, Celcat, opens the possibility of alternative and new ways of scheduling academic activities.

We are continuing with academic programme alignment to offer comparable academic programmes and experiences across our campuses and meet external quality standards.

[Read more](#) in the section on how we performed against our strategy and increased our intellectual capital.

Greater student access and success

The NWU has a consistently high student retention rate. This indicates the effectiveness of the mechanisms our Centre for Teaching and Learning (CTL) uses to enable student access and success, especially among first-time entering students who, without sufficient support, may be most at risk of dropping out.

These mechanisms include peer mentoring, reading development and supplemental instruction. In 2022, the online tool “The First Year Navigator” provided first-year students with just-in-time, essential academic information, such as academic pointers, at the start of and at key moments during the entire academic year.

These different forms of support to students were provided online or in person and were also extended to our distance learning students.

Promoting continuing education

The Unit for Continuing Education (UCE) offers a comprehensive range of short courses for those needing just-in-time learning opportunities.

Due to the high adoption of technology during the Covid period, there is increasing market demand for courses to be delivered online, either through virtual synchronous delivery or fully online learning.

Both private and public companies are requesting virtual classrooms due to the cost and productivity savings as participants do not have to travel to contact venues and therefore lose less active worktime during training.

Many of the courses designed combine contact sessions, virtual classrooms, and online content. The hybrid approach also offers lecturers time flexibility, reducing time spent out of the office, and allowing for more intakes for a short course during a year.

The fully automated short course administration system is being launched in April 2023, giving the participant one secure portal that manages their process from application to certification. This includes online payments and integrated external credit providers that reduce the risk of the NWU incurring bad debt. It also allows more participants access to short courses with flexible payment options from the provider.

In 2022, the NWU presented 126 short courses for a total of 6 092 participants.

Focusing on academic and professional development

The professional development of our academics is enormously important as excellent university teachers are fundamental to student success. One of our professional development initiatives is the induction programme for new academics and the University Teaching Excellence Awards. Others are the annual Teaching and Learning Conference and activities related to the scholarship of teaching and learning.

During 2022, the Centre for Higher Education Professional Development in the Faculty of Education appointed its first director.

3.4.2 Research activities

Our research activities were conducted predominantly in our 60 research entities, consisting of nine research chairs, seven) hosted entities, one commercial research unit and 43 NWU research entities.

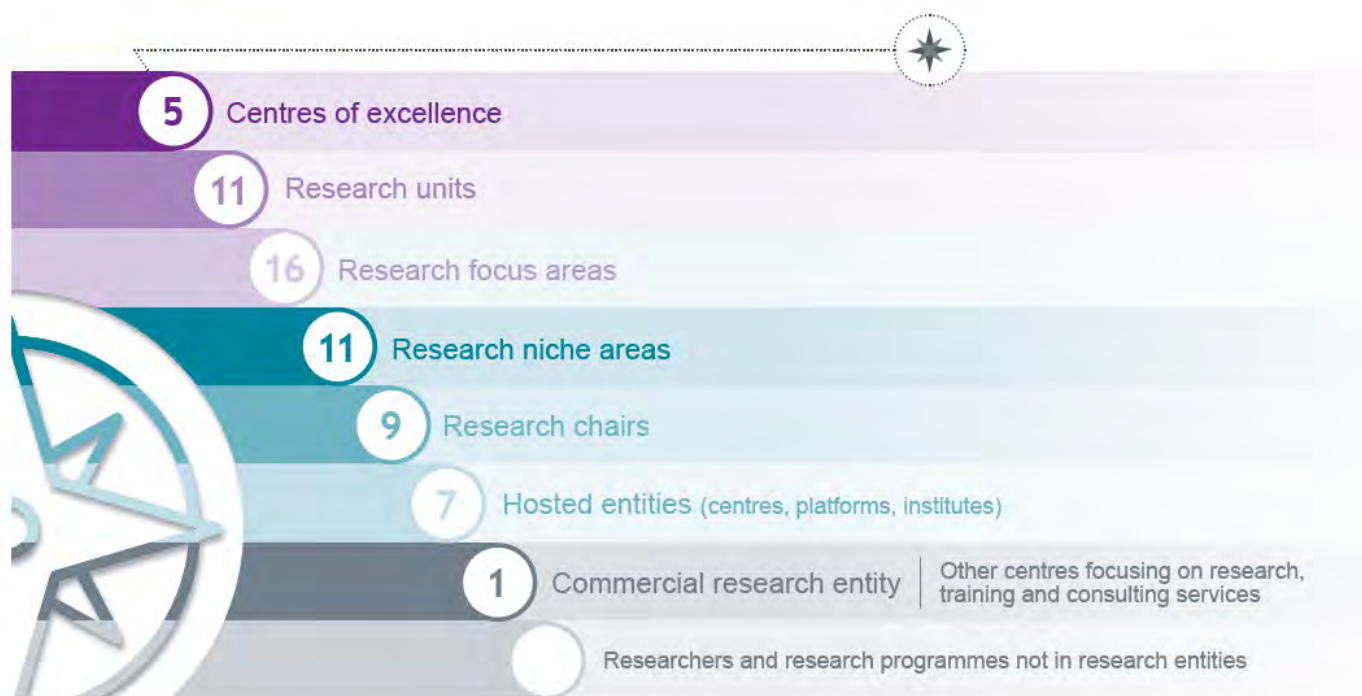
These 43 entities comprised five centres of excellence, 12 research units, 16 research focus areas and 11 research niche areas. We also supported researchers and research programmes outside the research entities model.

Through regular external and internal evaluations of our research entities, we ensure that these continue to create maximum value for our stakeholders. Although the external evaluations were postponed from 2021 to 2022, the internal evaluations went ahead, focusing on quality, productivity, sustainability, and good management practices.

We took our PhD review online, resulting in a self-evaluation report and improvement plan.

In striving to improve our research standing, the university provides focused support to researchers at all levels. The Library and Information Services (LIS) has extended this support by appointing a director responsible for research and open scholarship. One of the new director's first priorities was to organise group and one-on-one sessions to improve the research skills of both postgraduate students and early-career researchers.

The current NWU research landscape is shown in the following figure:



3.5 Output: Evolve to become critical thinkers

3.5.1 Teaching learning output

We are proud of our student success rates, which can be ascribed to the high level of teaching excellence, and academic and student support available at the university.

Our contact success rate has stayed over 84% for the past three years. In 2022 our contact student success rate (for undergraduate and postgraduate students combined) was 84,7%, while our distance student success rate (also undergraduate and postgraduate combined) was 91,6%. The undergraduate degree graduation duration factor stood at 1,08 in 2022, lower than in 2021, and indicates that most students complete their degrees in the minimum time. The calculation of the graduation duration factor takes the duration that a student studies (in years), divided by the minimum duration of the qualification. Thus, the closer this indicator is to 1, the better.

The student-to-academic staff full-time equivalent (FTE) ratio is 28,45:1 (28,41:1 for 2021), meaning that one academic staff member is available for every 28,45 full-time equivalent students.

In the case of the first-time entrants, the dropout rate for contact degrees increased from 8,96% in 2021 to 9,79% in 2021 but remains low in comparison to sector norms. The impact of the Covid-19 pandemic is evident in these rates.

The following graph shows the number of graduates per field of study for 2021 and 2022:

Field of study	2021		2022	
	Graduates CESM weighted	% of total	Graduates CESM weighted	% of total
All other humanities and social sciences	3143.000	21,70%	2961.583	21,56%
Business and management	3372.750	23,29%	3340.833	24,32%
Education	5029.167	34,72%	4760.917	34,66%
Science, engineering and technology	2939.083	20,29%	2671.667	19,46%
Total	14 484	100%	13735	100%

The following table shows how our number of graduates compare with those of other South African higher education institutions (based on 2021 audited HEMIS data):

Institution	Total
North-West University	14 484
Tshwane University of Technology	16 179
University of Johannesburg	12 998
University of Pretoria	13 592
University of South Africa	54 677

Teaching and learning awards

The NWU Excellence Awards are held annually to acknowledge and celebrate the exceptional output of our academic staff in teaching and learning practices and innovation.

The six new teaching awards that were initially implemented in 2021 were rolled out for the second time in 2022. The awards include the Faculty Teaching Award, Teaching with Information and Communication Technologies (ICT) Award, Innovation in Teaching and Learning Award, Online Teaching Award, Novice Teacher Award and the University Teaching Excellence Award (UTEA).

In the 2022 award cycle, a total of 92 academics (35 male, 57 female) participated. Eighty portfolios were considered; six participants later withdrew and another six did not submit their portfolios.

At the conclusion of the process, 53 Faculty Teaching Awards were made. In the rest of the categories, one award was made per category, except for the online teaching award where only a commendation was made.

More than 66% of participants were white (40 females and 21 males), followed by 23% black (11 females and 10 males) participants. At 3% and 9% respectively, there were fewer Indian participants (two females and one male and Coloured participants (four females and four males).

During the 2023 awards cycle, we will focus on continuous mentorship, withdrawals from the process and the distribution of population groups participating.

All three campuses were represented very well in the 2022 NWU Teaching Awards. Mahikeng Campus was represented by 19% of the applicants. Potchefstroom Campus, being the largest campus, represented 63% of the applicants, and the Vanderbijlpark Campus represented 17% of the applicants. The representation is also in line with the ratio of the number of appointed academics per campus.

Concerning the way forward for the NWU Teaching Awards, we will explore how to incorporate mentorship by disciplinary teaching and learning experts into the development of the Portfolio of Evidence.

We also intend creating a platform for an even larger group of academics to display their excellence in various fields of teaching and learning practices. Plans include revising the current six NWU Teaching Awards and implementing a Team-Teaching Award in 2023.

A further priority is to provide ongoing support and motivation to participants, especially black academics, in the award process. This will encourage participants to complete the awards process, which will also link into the other staff development projects such as teaching mobility.

Finally, we will prioritise publication as an aspect of the award process in 2023, allowing the institution to share best practices nationally and internationally.

3.5.2 Research output

Wherever possible, our research output is uploaded onto Boloka, the university's institutional repository, enabling wider access to the output concerned. This is in line with the funding mandates of the NRF and other funders of publicly funded research output. LIS which hosts Boloka, ensured that all theses and dissertations, and to some extent, journal articles, were uploaded onto Boloka in 2022.

The best judges of the quality of our research and innovation output are our peers in the scholarly community, who review our journal articles and invite our academics and postgraduate students to give presentations at accredited conferences. The number of master's and PhD students graduated is another important yardstick of quality.

The following table confirms that the quality and quantity of research at the NWU continue to improve:

	2020	2021
Journal articles	1 264.32	1 366.3
Conference proceedings	38.84	66.9
Books and chapters	233.43	222.90
Total article equivalents published	1 536.59	1 656.1
Master's degrees conferred	722	698
Research master's	521.605	509.962
Research master's weighted	521.605	509.962
Doctoral degrees conferred	251	264
Doctoral degrees weighted	753	792
Total weighted research output	2 811.1914	2 958.062
Postdoctoral fellows	215	212
Publication units per permanent academic staff member	0.93	0.99

* Please note that there is a two-year lag with regard to the research output.

NWU Research and Innovation Excellence Awards

At the end of each academic year, we celebrate our researchers' hard work and exceptional output at the annual NWU Excellence Awards.

The joint 2021-2022 NWU Excellence Awards were held in-person for the first time on 24 November 2022. We presented 43 awards, consisting of 34 awards for new or upgraded NRF ratings, eight Research and Innovation Excellence Awards and one International Scholar Award.

Prof Olubukola Babalola of the Faculty of Natural and Agricultural Sciences was named the Most Productive Senior Researcher.

3.6 Outcomes: Enter society as value creators

The first links in our value chain are our inputs and activities, as discussed in previous sections of this report. The next stage of the value chain consists of our outcomes, which are intended to create longer-term value.

This future focus means that sustainability is an integral element of our outcomes. After we have taken care of immediate and medium-term needs, there must be sufficient capitals left to use for future value creation.

Financial stability is a good example of an outcome that supports our sustainability. When the NWU is financially stable, we are able to generate other outcomes, such as delivering skilled graduates to enhance the knowledge economy of the country. Sustainable financial stability is a factor of our [external environment](#) and risk cluster 1, as it is influenced by uncertainties in the higher education environment.

Our research output is also an outcome. It strengthens our reputation (another outcome) so that we can attract high quality scientists, further building our human capital and ensuring our future sustainability. This leads to another outcome in the form of solutions to real-life problems that leverage our research and innovation results.

In addition, the third leg of our core business, namely community engagement, creates outcomes by empowering people to improve their lives in a sustainable way.



PROF BISMARK TYOBKA
CHAIRPERSON OF SENATE

4 Our vice-chancellor's review

4.1 Introduction: Looking at 2022

Prof Bismark Tyobeka started his term as principal and vice-chancellor of the NWU on 1 June 2022 and was inaugurated on 29 August 2022.

The College of Engineering at the North Carolina State University appointed Prof Tyobeka as adjunct professor in Nuclear Engineering for a period of three years, effective 1 November 2022. Among his many achievements and credentials, Prof Tyobeka has established himself as one of the leading experts in nuclear energy, having headed the National Nuclear Regulator for nine years.

The world of work is changing rapidly, more so recently given the impact of the Covid-19 pandemic. As part of the world of work, universities must respond to these changing developments both in how we conduct our core business and in preparing graduates for the world of work.

As part of the strategic drivers and priorities, the NWU strives to innovate teaching and learning through the adoption of appropriate approaches to teaching, learning and assessment. Against this backdrop, the NWU commits itself to offering staff and students a responsive teaching and learning experience based on an optimal mix of teaching, learning and assessment methods and activities, applying appropriate technologies where relevant.

In the previous year, 2021, the dominant teaching and learning mode was emergency remote teaching and learning, introduced during the state of disaster. At the time, the NWU used the insights gained from this experience to plan and to reimagine the classroom of the future. Consequently, the institution embarked on several key teaching and learning projects during 2022.

A huge investment was made in upgrading technology in the classrooms and creating hybrid-flexible (HyFlex) venues. An institutional thematic review was conducted to understand the perceptions and attitudes of staff and students to assessment practices since the inception of the pandemic. This review and its objectives are in alignment with the NWU's commitment to engaged scholarship and innovative teaching and learning.

Another important milestone of 2022 was the Council on Higher Education (CHE) Institutional audit, which took place in August 2022, after the NWU had submitted a Self-Evaluation Report (SER) to the CHE in May 2022.

The NWU followed an inclusive process to develop the SER. Overseeing the process was an institutional audit steering committee established under the leadership of the deputy vice-chancellor responsible for integrated planning and quality.

Next, working teams across all faculties and support departments were established, resulting in a total of 19 SERs that served as input into the overall self-evaluation report.

Quality review and improvement are the ultimate objectives of this management process, which will extend well beyond the institutional audit and become a natural part of the university's continual quality assurance processes.

We welcomed this institutional audit as an opportunity to evaluate the capacity and maturity of our integrated quality management systems and processes. It has also allowed us to explore the extent to which our quality processes contribute to enhancing the quality of learning and teaching, research and integrated engagement with the community. The CHE's Audit Report is due in 2023.

4.2 Our managerial and administrative activities

The state of disaster was lifted in March 2022, allowing for the full return of students to campus and residences, and for the resumption of contact sport and social events.

When it comes to our core business, Covid-19 blurred the distinction between contact and distance modalities. We have therefore started to reposition our academic offering to include blended learning for distance and contact learning in the faculties of Education and Theology; and online learning for distance in three faculties: Engineering, Humanities and Natural and Agricultural Sciences.

As a strategic response to the increased use of technology, the NWU has adopted the Senate decision of setting a 30% CHE threshold for online offerings within modules. Our new approach to teaching and learning has been supported by an investment in technology infrastructure.

In 2022, Senate also commenced with the development of a framework for micro-credentials. (*Micro-credentials certify the learning outcomes in a narrow field of learning covered over a shorter period, for instance a short course.*)

4.3 Adequacy of staffing levels, particularly in critical areas

Employees who are innovative and highly skilled are in demand in the higher education sector and, to attract and retain such staff, we use integrated talent management mechanisms such as strategic workforce planning, talent attraction and management, targeted recruitment, optimal remuneration management, training and development and performance management, as well as succession planning.

Having already implemented our scarce and critical skills programme in both the academic and support environments, our focus in 2022 was on the staff optimisation project. The outcomes of the first phase of this project will be implemented in 2023, with the scoping process of the second phase commencing in the first quarter of 2023. The staff optimisation project will ensure that we have the optimal staffing levels and mechanisms to increase productivity.

In 2022, the total staff headcount stood at 10 762, up from 9 399 in 2021.

As the following table illustrates an increase was in both the support and academic environments. Our support cohort increased from 6 337 in 2021 to 8 301 in 2022, an increase of 1 964 employees. Similarly, there was a decrease of 601 in our academic staff, from 3 062 in 2021 to 2 461 in 2022.

In 2022, the Covid-19 pandemic continued to adversely affect the functioning of the higher education sector and the national economy, impacting the availability of funding. Given this trend, we are aware that budget cuts are on the horizon for the sector, which is sure to affect future staffing levels.

In light of this, and to safeguard the economic sustainability of the NWU as a public institution, we have developed a cost-mitigation plan as part of the consultation processes undertaken with support divisions and faculties of the NWU. In essence, the aim of this plan is to effect savings to mitigate the impact of the sectoral budget cuts and protect the core business of the university, ensuring it remains academically and financially viable.

Since we have had to reprioritise our budget and optimise our staff-cost budget, only mission-critical positions were filled in 2022.

Total staff headcount – 2021 vs 2022						
Classification	Permanent		Temporary		Total	
	2021	2022	2021	2022	2021	2022
Academic	1 648	1 678	1 414	783	3 062	2 461
Support	2 492	2 550	3 845	5 751	6 337	8 301
Grand total	4 140	4 228	5 259	6 534	9 339	10 762

The overall attrition rate is 8,38%, well within our target to contain the attrition rate at under 10%.

Realising equity targets in the workplace

Employment equity targets continued to be closely monitored. The two committees of Council that oversee our progress against these targets are the People and Culture and Employment Equity Committee and the Transformation Oversight Committee.

Our current employment equity plan runs from January 2021 to December 2023. The targets and outcomes for 2022 are shown in the following table.

Race	2022 Target		% Total	31 December 2022 Actuals		31 December 2022 % Total	Difference	Target achieved Y/N
	Male	Female		Male	Female			
African	21,16%	19,88%	41,04%	20,1%	20,1%	40,2%	0,83%	N
Coloured	3,18%	4,01%	7,19%	3,1%	4,1%	7,2%	0,00%	N
Indian	0,85%	1,10%	1,95%	0,8%	0,8%	1,6%	0,37%	N
White	18,48%	30,23%	48,70%	18,4%	30,4%	48,8%	0,23%	N
Foreign nationals	0,89%	0,23%	1,12%	1,7%	0,5%	2,2%	-1,14%	N
	44,56%	55,44%	100%	44,1%	55,9%	100%	0,00%	

For the third year, the moratorium on staff vacancies to contain costs in response to the reduced subsidy and cap on student fees negatively affected our ability to reach the employment equity targets.

The current employment equity plan for 2021 to 2023 has proportional targets for blacks, women and people living with disabilities and focuses on the following four main strategies:

- removing barriers for attracting people from the designated groups and people living with disabilities
- succession planning for key positions
- retention strategies
- establishing an enabling organisational culture

4.4 The quality of information available to management

Data analytics and synthesis has become mainstream in all industries including higher education, and the NWU has been leading in this regard.

High-quality business intelligence can be invaluable in discovering options and possibilities that might otherwise not have come to light, pointing decision-makers in directions that could bring the university closer to successfully implementing our strategy and achieving our goals.

Over the past few years, the Strategic Intelligence unit has made great strides in business intelligence and information dissemination. The main drive behind this progress is a focus on collaboration, automation, and skills development.

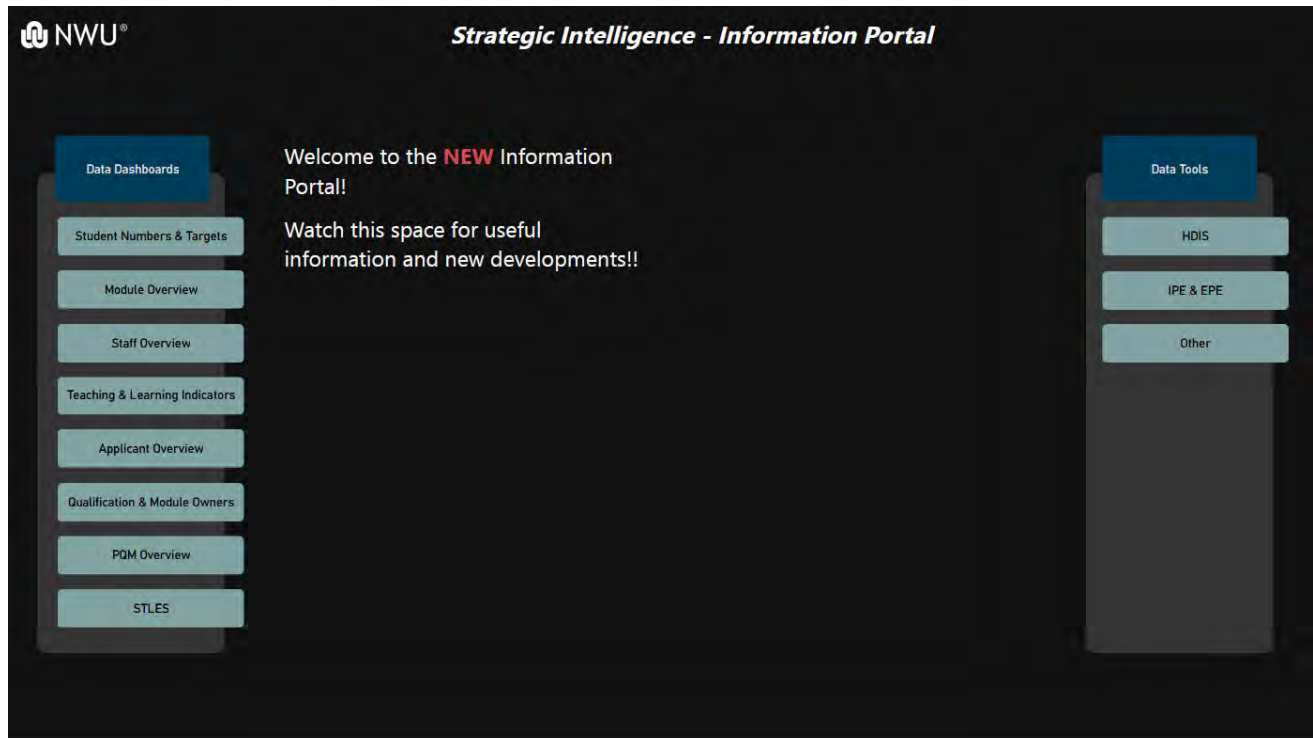
A possible risk for the progress of the NWU's business intelligence capabilities is the severe time constraints for building the new data warehouse that is needed to optimise data storage and analysis. The completion of the data warehouse should coincide with the operationalisation of the new student system.

The envisaged go-live date of this system will be in 2024. This heightens the pressure on Strategic Intelligence to develop and test a data warehouse that will also need to comply with HEMIS rules affecting the subsidy amounts allocated to the university.

Meanwhile, PowerBI, Microsoft's interactive data visualisation and analytics tool for business intelligence, is being rolled out across the NWU. This, alongside the data warehouse development, will enhance our ability to use learning analytics and conduct scenario planning.

In preparation for the new tools becoming available, our focus for 2022 was on data-driven decision-making and empowering managers to access and interpret management information, and to discover how it can be applied.

The following graphic representation indicates how the landing page of the NWU-dashboard looks:



4.5 Student services and co-curricular activities

With the termination of the state of disaster and related Covid-19 restrictions, 2022 saw the resumption of most face-to-face support services and co-curricular programmes available to students.

This was reason to celebrate and there was overwhelming student interest and participation in these programmes and activities, signalling the importance and continuing need for a vibrant student experience.

In building on lessons learned during the pandemic, we retained certain hybrid modalities adopted as part of emergency measures during the pandemic and integrated these into face-to-face modalities. This approach is flexible and allows for increased student engagement, as well as greater availability of information, programmes and services to students.

4.5.1 Psycho-social and primary healthcare services

Counselling support services and psycho-social crisis interventions for students were resumed, using face-to-face modalities.

Campus Health Care Centres (CHCCs) continued to render primary healthcare services to students. Social welfare programmes such as the Meal-a-Day programme remained under pressure as socio-economic circumstances worsened amid national economic challenges.

In further strengthening the reach of psycho-social services within the student community, the networks of peer helpers (volunteer student lay counsellors) resumed their activities, strengthened by awareness and educational campaigns on anxiety, depression, adapting to change, mental health, etc. Notably, the network of peer helpers remains a core driver of psycho-social referrals to professional counselling, ensuring that students have access to mental health services.

4.5.2 Co-curricular programmes

Co-curricular arts, sports and social engagement programmes resumed at campus level, drawing keen interest from the student community. The sustainability of co-curricular programme funding within the Residence Life domain was addressed to ensure long-term financial security and responsible expenditure by staff and student leaders tasked with the coordination of Student Life programmes. Notably, the NWU hosted key international sport events during 2022, including the International Hockey Federation Women's Junior World Cup. A further milestone in the standardisation of co-curricular programmes was achieved through the adoption of the NWU Student Life Operational Framework in 2022. This framework informs the provisioning of quality co-curricular student services, programmes, and platforms across all three campuses.

4.5.3 The value of student leadership and governance

The NWU boasts an extensive student leadership and governance model that ensures the representation of students' interests within the university. The model accounts for the statutory bodies of the Students' Representative Council (SRC) and the Students' Campus Councils (SCCs), as well as the subordinate student leadership structures of the House Committees, Students' Academic Chapters and Student Society Chapters.

During the 2021/22 student leadership term, a network of more than 1 100 student leaders were active within the university, including 15 SRC members and 45 SCC members. Student representation is further embedded in the university's business through student leaders' participation in Council-, Senate-, Faculty- and support services committees and forums.

We recognise the contribution of student leadership towards achieving the NWU's strategy through their coordination of co-curricular activities and the representation of students' interests. The Student Leadership Benefits Programme serves as a reward and support mechanism, which monitors the performance and development of student leaders, enabling them to fulfil their functions and roles.

The NWU Student Leadership Academy is also being developed as a flagship programme focused on the development of leadership through a structured programme of short course-based interventions.



Photo: University Management Committee members and the SRC

4.5.4 Orientation of first-year students

As an institution, we recognise the importance of enabling student success both within the curricular and co-curricular environments. Consequently, the NWU annually refines and improves the orientation programme and related interventions presented to first-year students.

During the 2022 programme, focus was placed on remaining agile due to uncertain national circumstances related to Covid-19 and student funding, with a view to ensuring that all students have access to orientation information that would ensure their successful onboarding in the NWU.

In illustrating our commitment towards ensuring student success, the First-year Navigator platform was developed for the 2022 programme as a tool aimed at assisting students to navigate the academic support services available to them amid the uncertainties of the pandemic.

[Read more](#) about our academic support activities for students, turn to the section on how we create value through our performance.

4.6 Changing patterns in the provision of academic courses

We are making steady progress in executing our strategy of enrolling more students in the fields of science, engineering, technology and commerce.

In total, 54 176 students were enrolled at our three campuses in 2022. Female enrolments increased from 33 665 to 34 051, while male enrolments, at 20 124, increased from 19 804 in 2021.

The decline in students enrolled in the distance programmes continued (down from 9 830 in 2021 to 8 888 in 2022). In response to this continuing trend, we held two strategic workshops to consider the future of distance education at the NWU.

One of the key recommendations from this workshop was to continue providing distance education offerings, subject to reconsideration of the operational model. A task team was set up to investigate options during 2023.

The following new programmes were rolled out in 2022:

- Bachelor of Arts in language technology
- Bachelor of Engineering in mechatronic engineering
- BEd (senior and further education and training phase) and Postgraduate Certificate in Education (PGCE). Robotics is included in the module outcomes of INTE122 (information technology education: data presentation and geographical programming) for the BEd, as well as in DIGD 521 (digital technology methodology) for the PGCE.
- Postgraduate diploma in industrial engineering
- Postgraduate diploma in nuclear science and technology, with nuclear technology management added as a new programme
- Postgraduate diploma in geopolitics
- BEdHons in language education – students will be able to specialise in any of seven South African languages: Afrikaans, English, isiXhosa, isiZulu, Sepedi, Sesotho and Setswana
- BScHons in environmental sciences with one health added as a new programme
- Master of Accountancy, which the School of Accounting Sciences offered in 2020 for the first time, was approved as an Association of Chartered Certified Accountants (ACCA) embedded master's programme, the first of its kind in South Africa. The lectured modules in the programme are aligned with the ACCA Strategic modules. Only a few universities across the world share this privilege.
- MA in development and management, with e-Science as a new programme (offered as a joint degree with the University of the Witwatersrand)
- MSc in computer science, also with e-Science as a new programme (jointly with University of the Witwatersrand)
- Master of Engineering in electrical and electronic engineering, with electromechanical engineering added as a new programme
- Master of Engineering in mechanical engineering, with electromechanical engineering as a new programme
- Master of Environmental Management, with two programmes added:
 - conservation leadership
 - air quality and climate change

- Master of Health Sciences in occupational hygiene by research; the coursework variant will be discontinued
- Master of Nursing Science by research; the coursework variant will be discontinued
- MSc in engineering sciences with nuclear engineering and nuclear technology management as a new programme
- PhD in social sciences, with three new programmes added:
 - ageing and development
 - relational dynamics and development
 - social inclusion and development

The following new qualifications were developed and internally approved in 2022, and are still in the process of being externally approved:

- Bachelor of Engineering Science
- BEdHons in language education
- Postgraduate Diploma in health professions education
- BEd in early childhood care and education
- Dip in early childhood care and education
- BComHons in management accounting
- MCom in management accounting
- Bachelor of Human Resource Development Honours
- BScHons in applied mathematics and statistics
- Bachelor of Health Science in sports science
- Bachelor of Health Science in kinderkinetics

The MSc in agriculture was fully accredited in January 2022. Two other new programmes were internally approved, namely the Advanced Certificate in further education and training and the BA in criminal justice and police science.

These recently developed programmes demonstrate the NWU's commitment to provide relevant programmes in a changing world.

During the University Management Committee "Bosberaad" held at the end of 2022, it was recommended that the NWU should not introduce new higher certificate programmes unless these will broaden access in the fields of science, technology, engineering and mathematics (STEM).

The Programme and Qualifications (PQM) Review Project that commenced in the previous year was conceptualised during 2022 to critically re-examine the programme offering at the NWU. The intention is to ensure that it remains relevant, viable and meets the demands of the 21st century world of work.

The data analysis for the PQM Review was completed. In 2023, consensus must be reached on the basic structure of a B degree at the NWU, and the resulting faculty action plans must be approved. The aims include reducing credit overloads and any significant overlaps.

4.7 Statement on the self-assessment of our achievements

In hindsight, Covid-19 forced us to rely on the use of technology to foster self-directed learning. We need to capitalise on the valuable lessons learned to create an improved student value proposition with a focus on the student experience.

Achievements for 2022 include:

- a very successful first-year registration in 2022, when we reached our contact enrolment target, eclipsing the lower First Time Entrant (FTEN) enrolment of 2021.
- submitting the revised enrolment plan, which is aligned with the 2030 goals set out in the National Skills Development Plan, as well as the White Paper for Post-School Education and Training. While we are committed to playing our part in reaching these goals, progress has been hampered by the dwindling funding for postgraduate students.

When considering the strained academic staff capacity at the NWU, as well as the growing number of students who are struggling to access funding for their studies, the NWU has decided to maintain the current levels of enrolment, with growth only in specific areas prioritised by the faculties.

As per this strategic decision, the university aims to stabilise our FTEN enrolment in the contact provision mode, only growing where there is a strategic priority that is also financially viable. In the distance provision mode, we will continue to grow in the Bachelor of Education and Grade R Diploma programmes.

Postgraduate growth is another strategic priority. The university plans to grow its postgraduate enrolments (honours and postgraduate diplomas) by 8% per annum to 3 562 in 2025. This growth will be found in the postgraduate diplomas in Engineering, Education Management and Leadership, Curriculum Studies and Management.

We are also planning to increase master's enrolments. Between 2022 and 2025, using the 2022 enrolments as a baseline, we are targeting growth of 5,6% a year, leading to an enrolment total of 2 644 by 2025.

As for doctoral enrolments, we are preparing for growth of 8,9% a year between 2022 and 2025. Again, using the 2022 enrolments as a baseline, this would result in an enrolment of 1 399 by 2025.

The revised plan takes a more realistic and strategic view of the university sector and the operating environment. The focus of this revised plan is:

- a stabilised intake into contact programmes;
- considering steps to reposition the distance provisioning;
- ensuring that academic staff time that might become available is focused on research and the generation of income from alternative streams; and
- safeguarding the finances of the NWU while maintaining a healthy student enrolment.

Creating additional income in the short to medium term would enable the university to enrol more students in the medium to long term.

A campaign has been under way to relaunch the values that guide staff, students, and other stakeholders. The campaign kicked off in March 2022 with a cook-off held for the University Management Committee (UMC) and an official launch in the form of a gala evening.

The process began in 2019, when the NWU reflected on its culture and identified areas for improvement. The "To Be" values were identified and the Culture Project was revised and approved in 2021. Then, in 2022, when Covid-19 restrictions were relaxed, the NWU could officially launch the campaign.

The relaunched values are Care and inclusivity; Embracing diversity; Transparency; Excellence in all endeavours; Ethics in all endeavours; Responsibility and accountability, and Academic freedom and freedom of research.

4.8 Looking to the future

Teaching and learning have shifted to digital education platforms. Although the shift has been gradual, it has nevertheless taken place more quickly than anticipated.

Despite challenges with loadshedding and connectivity, there is an increased need for technology integration to ensure greater efficiencies in the use of scarce and limited resources. Support services processes at the university need to be re-engineered towards more automated self-help capabilities, with a core of higher level instructional and technology integration support offered within faculties by academics in partnership with structures such as the Centre for Teaching and Learning.

Digital business enablement must be enhanced through the aligned and coordinated execution of digital business strategy initiatives and the facilitation of change. This is further supported by the establishment of the Innovation Hub and Accelerator Fund.



PROF BISMARK TYOBEKA
VICE-CHANCELLOR

4.9 Meet our 2022 University Committee members



Prof Bismark Tyobeka

Principal and Vice-Chancellor



Prof Daryl Balia

Deputy Vice-Chancellor:
Information Technology and
Potchefstroom Campus
Operations



Prof Marlene Verhoef

Registrar



Ms Elmarie de Beer

Executive Director:
Finance and Facilities



Prof Linda du Plessis

Deputy Vice-Chancellor:
Planning and Vanderbijlpark
Campus Operations



Prof Mala Singh

Executive Director:
People and Culture



Prof Robert Balfour

Deputy Vice-Chancellor:
Teaching and Learning



Mr Clement Manoko

Executive Director:
Corporate Relations and
Marketing



Prof Jeffrey Mphahlele

Deputy Vice-Chancellor:
Research and Innovation



Dr Sibusiso Chalufu

Executive director:
Student Life



Prof Sonia Swanepoel

Deputy Vice-Chancellor:
Community Engagement and
Mahikeng Campus Operations

5 How we engage with our stakeholders

5.1 Creating value for ourselves and our stakeholders

Our commitment to social justice and an ethic of care requires that we not only discuss strategies and plans among ourselves but broaden the scope of discussions and include our key stakeholders in our journey to achieve our dream of being an internationally recognised university in Africa, distinguished for engaged scholarship, social responsiveness, and an ethic of care.

Our robust and insightful engagement with stakeholders is crucial for ensuring continuous improvement and the impact of our various programmes in teaching-learning, research and innovation, and community engagement.

Through community engagement initiatives, we liaised with 95 Non-Profit Organisations (NPOs) and non-profit companies (NPCs) in the district of Sedibeng, Dr Kenneth Kauanda, Ngaka Modiri Molema, Bojanala and Dr Ruth Segomotsi Mompati to explore mutually beneficial community engagement activities. In addition, we were involved in 754 community engagement activities as indicated in paragraph 9.2 and 9.3. The North West Provincial Government is a key stakeholder of the university and we embarked on various activities in 2022 with the departments of Arts, Culture and Recreation, Statistics, Health, Economic Development, Conservation and Tourism and Education, as well as the Film and Production Board and the Independent Electoral Commission.



5.2 How we react to our stakeholders' interest and expectations

We acknowledge that high levels of responsibility and accountability are expected from higher education institutions in our country, and that stakeholder engagements and feedback enable us to live up to these expectations.

We further acknowledge that our success and sustainability depend greatly on our actions or responses to the issues our stakeholders perceive as critical.

Stakeholder group: Prospective students	
How we engage	Issues raised (material matters)
<ul style="list-style-type: none"> • Visits to schools • Career Fairs • One-on-one and group career advice sessions • Marketing (direct and indirect) • Open days and activations • Sports, arts and other sponsorships 	<ul style="list-style-type: none"> • Career and subject choices • Equity of student experience • Health and safety • Applications for admission • Economic circumstances • Programme and Qualification Mix
Our response	
<p><i>These are some of the responses received from our prospective students/their parents/schools during our engagements with these stakeholders:</i></p> <p>"Thanks for everything that you did for us, even the people at the residences assured us that they will support our child academically." – Parent, High School, Duineveld, Northern Cape.</p> <p>"I am so grateful that I saved your number on my contacts, because every time I had questions you assisted me. We have never met, and I want to thank you because you were always willing to assist even though you don't 'know' me. Yesterday my son got his final results, and he passed his final year. I am so grateful to you, thank you for your willingness to always assist a 'stranger'." – Parent, Paarl Boys High School, Western Cape.</p> <p>"Wow, wow!! These was absolutely nothing that we would have wanted to change about what we saw and heard on Saturday. You have fantastic campuses; sporting facilities and the people are great. Franklin really helped a lot with everything that he showed and shared." – Prospective student, Florida High School, Gauteng.</p> <p>"NAPTOSA wishes to sincerely thank the NWU for supporting our 7th national congress. Thank you for investing the time and resources to help recognise and appreciate our delegates." – National Professional Teachers' Organisation of South Africa (NAPTOSA).</p> <p>"I am not sure if you remember me, but I am the lady you assisted way back in 2018 going into 2019 with my university application. Mr Sybrand from Hoërskool Nelspruit got me in contact with you. I just want to take this opportunity to thank you once again. I am now in my fourth year, about to finish my first degree. I was recently also elected as the SCC: Transformation and Diversity Officer with Current Affairs for the term 2022/23. I am doing very well in university and planning on starting with my postgrad in the next year." – Former student, Nelspruit High School, Mpumalanga.</p> <p>"We as the Steenberg family would really like to thank you for the opportunity that you have given our son, Pieter Steenberg, to study at NWU Vanderbijlpark Campus through the NWU Young Eagles recruitment bursary. We already have a daughter, Chireze, also studying at NWU Vanderbijlpark Campus, as a third-year student in financial accounting. With the cost of living just increasing and getting more expensive daily, we would not have been able to send Pieter as well. If it was not for this bursary, Pieter would not be able to fulfil his dreams of becoming a software engineer one day and for that alone, we will forever be grateful to you and the university. Please keep up this good work and believe me, it does not go unnoticed as we have mentioned this to all our family and friends. Thank you once again from the bottom of our hearts." – Parent, Dr Malan High School, Gauteng.</p> <p>"Thank you so much. Your service is exceptional – like always." – Linden High School, Gauteng.</p>	

Stakeholder group: Current students	
How we engage	Issues raised (material matters)
<ul style="list-style-type: none"> • Webinars • Website • Social media • Meetings • Communiques • SMS • eFundi 	<ul style="list-style-type: none"> • Financial assistance/NSFAS • Equity of experience • Restrictions due to Covid-19 regulations
Our response	
<p>eFundi remained a crucial source of information for our students, both in terms of teaching-learning and general information on NWU-related issues, thus helping to ensure the successful completion of the 2022 academic year.</p> <p>Within the boundaries of the Covid-19 protocols that still applied at the beginning of 2022, face-to-face classes for students were accommodated as far as possible. Where this was not possible, online teaching continued. The NWU's vaccination stance encouraged students to be vaccinated, and should they have opted not to do so, they had to apply for exemption. After the state of disaster was lifted, vaccination exemption was no longer an issue.</p> <p>Regarding financial assistance, the university managed NSFAS payment delays by making advance payments to all NSFAS-qualifying students. We facilitated or offered bursaries to academically qualifying students in the "missing middle" meaning students whose household income is above the NSFAS threshold for qualifying.</p> <p><i>These are some of the responses that students/their parents left on the university's Covid-19 response line:</i></p> <p>"Thank you for assisting. My son is the first in our family to go to university, therefore I am still new to all of this." – Parent</p> <p>"Thank you very much for the information. We paid the registration fees today, so everything will be in order by Monday." – Student</p> <p>Career Centre – Improving graduate employability</p> <p>The Career Centre continued to offer work readiness services to ensure we produce well-rounded and resourceful graduates who are ready to enter the dynamic and potentially challenging world of work.</p> <p>In 2022, the Career Centre hosted two virtual career fairs. Some 4 897 students attended these fairs across our three campuses and 93 companies participated.</p> <p>Our entrepreneurship and work-readiness training sessions reached 8 408 students across our campuses. The services included CV and interview training, group training, work-readiness webinars and eFundi training.</p> <p>Career-related support for our students</p> <p>The NWU Career Centre was functional and productive throughout 2022. We accelerated the drive to automate career services, facilitate interaction between employers and students and use online platforms to host virtual career fairs and conduct entrepreneurship and work-readiness training.</p> <p>In 2022, there was a 38% increase in the number of students attending the entrepreneurship and work-readiness training sessions. A total of 1 012 students attended the career fairs on the Mahikeng Campus, 2 583 on the Potchefstroom Campus and 1 289 on the Vanderbijlpark Campus. The CV and interview training accommodated 2 789 students on the Mahikeng Campus, 5 334 on the Potchefstroom Campus and 1 846 on the Vanderbijlpark Campus.</p> <p>The Career Zone platform shared 336 job opportunities, and 185 Facebook page posts were made to share job and graduate opportunities with students.</p> <p>A total of 107 companies supported the Career Centre, of which 93 attended the career fairs and 14 supported the career guidance adverts. Significant progress was made in the development of the work-readiness short learning programme. It will be launched in 2023 and the aim is to enrol 200 students in the pilot phase.</p> <p>The 2022 Universum survey, which assists companies to attract and retain graduate and professional talent, had 15 448 student respondents from the NWU. (Universum is an international employer branding company.)</p> <p>Efundi usage has grown significantly, with 5 022 students subscribed for training in 2022, compared to 3 800 in the previous year. The Career Centre intensified its staff training efforts by going through the South African Career Development Association accreditation process; six team members qualified as career development practitioners.</p>	

Stakeholder group: Industry and business community	
How we engage	Issues raised (material matters)
<ul style="list-style-type: none"> • Integrated report • Webinars • Publications and videos • One-on-one and group engagements 	<ul style="list-style-type: none"> • Assurance on stability and sustainability • Partnerships and collaboration • Graduate attributes • Research
Our response	
<p>Working and collaborating with industry and the business community is important for the NWU. We engaged with industry partners, predominantly enterprises that employ our graduates. The aim is to understand the skills needs of our industry partners and obtain feedback on how our graduates are performing in the market. Our faculties use this feedback to update our academic programmes.</p> <p>Our researchers collaborated with the business community and the public sector, using their skills and knowledge to respond to societal needs.</p> <p>Other engagements were held with the business community close to our campuses to inform them about NWU procurement processes and how they can respond to calls for tenders and take advantage of business opportunities. These engagements are important because they strengthen relations with our communities, and address issues linked to high unemployment.</p>	

Stakeholder group: Employees	
How we engage	Issues raised (material matters)
<ul style="list-style-type: none"> • Intranet • Email • Website • Webinars • Publications and newsletters • SMS 	<ul style="list-style-type: none"> • Restrictions due to Covid-19 regulations • Conducive work environment • Employee equity • Remuneration and compensation • Skills development and empowerment • Ethics and transparency
Our response	
<p>The Covid-19 Response Team continued to guide the university on pandemic regulations and protocols, especially in the first half of the year, when the state of disaster was still in place. The NWU's vaccination stance was to encourage employees to be vaccinated and should who opted not to do so had to apply for exemption. After the state of disaster was lifted, vaccination exemption was no longer an issue.</p> <p>During campus visits, the vice-chancellor took note of employees' concerns about remuneration, empowerment, and their working environment. They were informed that measures would be put in place to address their concerns.</p> <p>We organised webinars on mental health and well-being, as well as how to adjust to a post-Covid environment.</p> <p>All staff were requested to return to their offices, and this was done according to health and safety regulations, such as where staff shared office space.</p> <p>We continue to prioritise the appointment of staff in line with our commitment to staff equity, diversity, and inclusivity. Ethical conduct is a priority for our university. We therefore continued with interventions and awareness programmes aimed at addressing some of the issues raised in past ethics surveys. To address organisational behaviour, the values of the NWU were re-launched through several campaigns that set out to raise awareness and encourage staff to exemplify these values.</p> <p><i>Here is one of the responses we received from employees:</i></p> <p>"Dear Prof, I would like to say thanks to Prof and the NWU Management that we are recognised as important staff members. The officer from protection services, may God Almighty bless you. Kind regards."</p>	

Stakeholder group: Alumni	
How we engage	Issues raised (material matters)
<ul style="list-style-type: none"> • Webinars • SMS • Emails • Events • Newsletters and alumni magazine • One-on-one and group engagements • Website • Social media 	<ul style="list-style-type: none"> • Stability • Sustainability • Partnerships • Reputation
Our response	
<p>Alumni are important to the sustainability of the NWU. The year 2022 afforded us an opportunity to host in-person alumni events in different provinces and abroad.</p> <p>The Convocation signed up 399 alumni and held its triennial general meeting, which was well attended. A new executive committee of Convocation was elected and, for the first time in the history of the NWU, alumni who graduated from the Mahikeng Campus were elected to the committee.</p> <p>Three campus committees were established and are already operating in collaboration with the NWU Alumni Association. Each committee conducted four meetings in 2022.</p> <p>More alumni volunteered their time and expertise. The number of volunteers increased to 117 in 2022, against 75 in 2021.</p> <p>The Alumni Relations Office initiated a mentorship programme to help prepare our students and young alumni for work. The programme, which seeks to tackle high unemployment, has been well received by mentors and mentees alike.</p> <p>We hosted various workshops to assist unemployed graduates and postgraduate students in CV-writing skills, interview skills and connecting them with potential employers.</p> <p>The NWU alumni magazine, <i>NWU&U</i>, featured articles on issues raised by and affecting alumni. A total of five publications were distributed online annually. Communication to alumni is regulated to avoid over-communication and according to POPIA legislation.</p> <p>Making sure we keep in touch with alumni all over the world, we engaged in three international events in Botswana, Germany and Namibia.</p> <p>Various roadshows took place in Mpumalanga, the Western-Cape and the Northern Cape.</p> <p><i>Here is one of the responses we received from alumni:</i></p> <p>"I am truly grateful for all that you did for me when I was a part of the NWU. The words 'it all starts here' are not just a mystery or a lie. Everything really does start at the NWU. My confidence grew. My light shone on those I met and I'm very thankful, I became a world-class student there. Each and every corner of myself grew. I could go on and on. I'm even tearing up thinking about all the opportunities you and your wonderful team threw at me. From the depths of my heart, I thank you; your leadership, your confidence in me and guidance have helped me become greater than I ever was." – Former student, Sandtonview Combined School, Gauteng</p> <p><i>The following feedback was received from mentors and mentees involved in the mentorship programme:</i></p> <p>Testimonial: Nadine Watkins (mentor to Nomagugu Sibeko – BA Communication)</p> <p>"The NWU produces quality and well-rounded graduates. I was again reminded of this during my time as a mentor for the NWU's mentorship programme.</p> <p>"I really enjoyed the sessions with Noma and as a proud alumna, I can see how her time at the NWU has prepared her for the world of work. But, just like me, Noma is not yet ready to bid farewell to her alma mater and hopes to continue her studies at an honours level. Whether Noma decides to stay or to face the big corporate world outside the university's gates, I know that she will succeed.</p> <p>"I would also like to thank the NWU for asking me to be part of this programme, which specifically focused on female mentors and mentees. I'm very passionate about giving younger women a leg up. I feel that we need to leave a legacy for the next generation of female leaders by preparing a seat for them at the table – just like those who've come before us.</p> <p>"As women, it's up to us to campaign for and support each other, to change the narrative and equalise the playing field in all aspects of society, and to make it easier for those who follow in our footsteps to take their seats at the table and to encourage them to be bold, to be brave and to break new barriers."</p>	

Noma – was mentored by Nadine Watkins

"I would like to take this opportunity and extend my gratitude to the NWU (Vanderbijlpark Campus) for making me a part of the mentorship project. Over the past three months, I have come to understand myself better and take a moment to look back and pride myself on the journey.

"My mentor, Nadine Watkins, has been nothing but an inspiration to me. She prepared me for the journey I am about to embark on as a proud alumna from the North-West University. She has helped me understand that regardless of what the future holds, whether I choose to go into the corporate world or continue with my studies the following year, it is important to always set goals for myself (no matter how small they are) and not only reflect on these goals regularly but also celebrate those that I achieve. I couldn't have asked for a better mentor!

"May the Alumni Office continue with this project. I will forever be grateful for this opportunity."

Stakeholder group: Donors	
How we engage	Issues raised (material matters)
<ul style="list-style-type: none"> • Integrated report • One-on-one and group interactions • Newsletters and digital communications • Website • Meetings • Campus visits and tours 	<ul style="list-style-type: none"> • Stability and performance of the higher education sector in general and the NWU in particular • Long-term sustainability of the Government's funding model • Diversity of third-stream income sources • Students' access and success
Our response	
<p>Donors continue to play an important role in allowing the NWU to implement its core mandate.</p> <p>Meetings were held with the Board of Donors (BoD) and management gave reports on how the academic programme is being implemented, as well as an update on achievements of the university. The executive committee of the BoD held a workshop with management to understand, in detail, the financial challenges faced by the NWU, and how the BoD can help unlock some of these.</p> <p>One of the highlights of the year was a breakfast appreciation event hosted by the VC to thank donors for their support. The Development and Fundraising office raised R42 559 079 in the year 2022, which represented growth of 85% over 2021. We have prioritised the further enhancement of our development and fundraising capacity and have initiated investment in the resources required.</p> <p>"As the Board of Donors, we wish to help the university raise funds, serve as ambassadors for the fundraising strategy of the institution and disseminate the word to potential donors and broaden the network." - <i>Percy Moleke, chairperson of the NWU's Board of Donors</i></p>	

Stakeholder group: Government and regulatory bodies	
How we engage	Issues raised (material matters)
<ul style="list-style-type: none"> • Publications • One-on-one and group engagements • Conferences • Workshops 	<ul style="list-style-type: none"> • Compliance with legislation • Financial accountability and reporting • Quality and standards
Our response	
<p>We continued to share our performance information through prescribed progress reports to the Ministry of Higher Education, Science and Innovation, the Department of Higher Education and Training (DHET), the Council for Higher Education (CHE) and sectoral regulatory bodies.</p> <p>Compliance with legislation such as the Occupational Health and Safety Act and the Higher Education Act was and is a priority.</p>	

6 Our transformation journey

6.1 The journey with Covid-19, the academe and students

Issues around access, redress and equity were brought to the fore during the Covid-19 pandemic, which exposed inequalities in students' access to and competencies on technology and its functions. In response, we adjusted and continued to refine our internal platforms for teaching, learning and research to make the online environment more accessible to our students. The lifting of the state of disaster and related Covid-19 restrictions brought relief in terms of student access to face-to-face engagements on campus and increased the availability of facilities and equipment available in libraries, laboratories and learning centres.

6.2 Monitoring transformation

Our ability to monitor the progress of transformation across the NWU continues to grow as we embark upon new frontiers in the transformation journey. Tools such as the transformation dashboard remain critical mechanisms through which we monitor transformation initiatives and milestones across the university.

At the NWU, reporting on transformation continues to be more comprehensive and coherent, in line with the broader institutional goals and objectives.

6.3 Overseeing transformation

Ensuring that the university remains on track with its transformation targets and goals is the task of the oversight structures that report to Council on transformation matters. These Council subcommittees are the Transformation Oversight Committee, the People and Culture and Employment Equity Committee and the Student Life Oversight Committee.

In addition to these oversight bodies, we have two transformation advisory bodies. One is the Institutional Forum, a statutory committee that fulfils an important advisory role on transformation matters. And the other is the Student Diversity and Transformation Committee (SDTC). Established in 2022, the SDTC is tasked with advising the University Management Committee on the implementation and accomplishment of strategic initiatives and objectives aimed at the realisation of a unified, diverse and integrated student culture and population at the NWU.

The establishment of the SDTC is a major milestone that we believe will go a long way towards ensuring that we keep our finger on the pulse of transformation, particularly in the Student Life environment.

Over and above these formal governance structures, staff and students are encouraged to seek innovative and practical mechanisms to create a diverse student population and student leadership cohort. Within the student leadership and governance environment, we strengthened the critical role of student leaders in driving sustainable transformation at the grassroots level in 2022. Specific student leadership portfolios that were established in 2021 commenced with their tasks concerning the development of transformation and diversity within the student domain, as guided by the transformation directives of the Council.

6.4 Adding value

Our value-add in the overall student experience specifically within the digital domain is best encapsulated through the finalisation and successful launch of the NWU Language Portrait App. Amongst others, the App enables interactive and meaningful reflection and engagement on language diversity and capacity within the student community environment and will be a critical enabler in realising the multilingual dimension of our NWU Language Policy.

Student Life continued to collaborate with People and Culture in the implementation of the NWU values through campaigns and programmes, including the NWU Management Cook-off and Gala Event, and the NWU Purple Race. Additional campus activations were executed within the staff and student environments, including the distribution of information and mementoes aimed at creating awareness of the NWU values and associated behaviours.

In 2022, our senior management participated in various sectoral transformation initiatives. Our Executive Director: Student Life and Assigned Function: Transformation, Dr Sibusiso Chalufu, again contributed at the national level through membership of the Universities South Africa (USAf) Transformation Strategy Group, Transformation Managers' Forum and the Advisory Board of a USAf project on *Reshaping Universities to create a Student-centred Higher Education System in South Africa*.

6.5 Exploring new transformation frontiers

In remaining in step with a rapidly changing student community and social landscape, we have taken major shifts in exploring new transformation frontiers for student diversity and transformation. This included hosting a workshop, “Understanding African Traditional Beliefs” whose aim was to build awareness and understanding of these beliefs among the NWU population, with a view to better enabling student support.

6.6 Pursuing and enabling equity

Transformation is synonymous with justice, culture, performance, communal well-being, excellence and relevance.

It is also about being responsive to environmental and political changes, and relevant to the needs of the communities we serve.

The Employment Equity Plan for 2021 to 2023, which Council approved in September 2020, gives expression to the university’s Employment Equity Policy, which is about creating equal opportunities for all current and prospective employees, while addressing all barriers to access and equity and accelerating the pace of transformation.

The Employment Equity Plan sets the following targets:

- black people must account for 70% (at least) of appointments; and
- people living with disabilities must account for 2% of the workforce.

The targets have been incorporated into the university’s Annual Performance Plan and cascaded to individual performance agreements.

All individual performance agreements for line managers incorporate the people management key performance area (KPA) for managing employment equity and diversity and promoting the preferred NWU culture. A KPA for ethics has also been added to the performance agreements of senior managers.

We also added additional mechanisms towards achieving employment equity, where the appointments of people from non-designated groups must be approved by the vice-chancellor.

6.7 Academic transformation

The NWU is pursuing well-thought-out strategies to transform its curriculum and align its student experience in line with Strategic Goal 1. This requires “a systematic continuous process of curriculum transformation and renewal to equip graduates to address contextualised challenges of 21st century society, inclusive of calls to decolonise and Africanise the curriculum”.

Our strategies to attain this goal include giving students an in-depth orientation to their fields of study and associated methodologies, as well as a broader understanding of contemporary societal challenges. Work-integrated learning (WIL) and service learning (SL) opportunities foster an ethic of care and social responsibility.

Our curricula are designed to help students develop the knowledge, attitudes and skills that will enable them to lead purposeful lives as responsible citizens in the service of the science community, their profession and civil society. All NWU curricula provide an orientation to various paradigms of thought and explanatory systems, including, where appropriate, indigenous knowledge systems.

Our programmes are designed to support the learning needs of a diverse student body. For this purpose, we involve students in a range of individual and collaborative learning and assessment activities, so that they can engage as learners who progressively assume responsibility for their own learning.

In June 2022, Council approved an amended version of the NWU Language Policy, which is intended “to provide for deepening engagement with multilingualism at the NWU by seeking to ensure the development of the university’s languages of choice in a manner that is functionally multilingual and inclusive”.

The Language Directorate continued providing support by translating materials and offering online and in-person interpreting of contact sessions.

Extra-curricular activities are offered to support the transformation of the NWU, and our three awareness weeks received enthusiastic support.



Gender Awareness Week was presented from 8 to 12 August 2022, highlighting the theme “Gender as expressed through the Arts”.

Staff and students from all faculties and disciplines were encouraged to think of creative, innovative ways of engaging with gender in their own fields, drawing on inspiration from music, the visual arts, literature, architecture, philosophy, and the greater arts community.

Activities included a classical music concert and other music performances, art exhibitions, movie screenings, poetry sessions, seminars and a student video competition on gender and gender identity.



Facing Race Week 2022 took place between 11 and 14 April. The event included a themed exhibition, drawn from the NWU collection, on all three campuses. This was enriched by performances on each campus by acclaimed South African artist Oupa Sibeko.

These performances and his accompanying exhibition titled “Quality Inequality” was afterwards featured on SABC’s *Morning Live*. Facilitating broad engagement with the art and the week’s theme, an interactive “postcard project” ran alongside the art exhibitions on each campus.

Against this provocative visual background, the formal programme for the week included 12 formal round-table sessions on each of the campuses during the four-day event. External speakers, NWU staff and student panellists would focus on the contextual particularities from their position and experience, a format that led to open, honest and bold conversations.



Language Awareness Week was viewed and approached through the lens of the NWU Multilingual Language Policy and strived to be a vessel to promote diversity and inclusivity across all three campuses.

We organised interactive activities and opportunities to engage stakeholders, optimise participation and ensure cross-campus alignment, with great success. Identifying the importance of promoting languages and cultures at the NWU was the focus of the week.

Activities were presented on all three campuses, including drama plays, language portraits, online language classes, movie nights and food fests, thus combining Heritage Month with multilingualism.

Recordings and video clips of most of the activities were made available on the special web page created for the week and some of the events were streamed live, ensuring wider access.

6.8 Transformation of the procurement space

The following has been implemented to transform the procurement space by involving local Small, Medium and Micro Enterprises (SMMEs) in the procurement of the NWU:

- Council approved the amended Preferential Procurement Strategy at its November 2022 meeting.
- Preferential procurement is high on the agenda of the relevant sections, and we achieved the target set by Council for the procurement of 50% of all spend from suppliers that have black ownership of 51% or more.
- Provision was made for contractors on large construction projects to appoint community liaison officers to liaise with communities about appointing local SMMEs as subcontractors and using local labour on construction projects.
- We implemented tender requirements for a part of construction projects/service contracts to be subcontracted to local contractors.
- A database for SMME registration has been developed and made available to contractors for the subcontracting arrangements referred to above and for quotations for minor works. A new and much more user-friendly database is in the final stages of development and will be going live soon. A media campaign will be launched to invite all contractors to register on the database, which will be classified by ownership, B-BBEE level, locality and type of goods or services they can supply.
- We facilitated the formation of community project committees in Mahikeng, Potchefstroom and Vanderbijlpark to liaise between infrastructure projects/service contracts and the local community stakeholders (based on Construction Industry Development Board (CIDB) guidelines).
- A staff member in Facilities has been formally delegated to act in the role of local participation officer with a view to capacitating the function at the NWU permanently.
- We have formed a task team with representatives from Facilities, Finance, Community Engagement, Stakeholder Relations and the vice-chancellor's office to implement the framework for local participation and community engagement. The task team has made good progress and has a good understanding of what still needs to be done.
- Communication through the local media has been launched to inform communities and contractors of the good things that have been done so far.
- The threshold for closed tenders was raised from R750 000 to R1,5 million to target local SMMEs.

6.9 Looking ahead

In June 2022, working towards a more structured and responsive approach to transformation, the Transformation Oversight Committee tasked the executive director for student life and assigned function: transformation, working with the executive director for people and culture, to put together a plan to take the transformation journey at the NWU forward. The intention is to ensure an inclusive and holistic view of transformation.

The project was proposed with the understanding and acknowledgment that in some areas we are doing reasonably well on transformation, while in other areas progress is either slow or non-existent. The starting point was to map the journey travelled so far, highlight the current state of play and milestones reached and look at how to take the transformation journey to the next level. The Transformation Journey Report was approved by the university Council in November 2022 and serves as our “GPS” for taking transformation forward at the NWU.

We stay committed to establishing a unitary institutional culture and a unique NWU way of life that supports our strategy and speaks of care, equality and fairness for all. Transformation will be high on our agenda for many years to come.

6.10 Council statement on transformation

“ COUNCIL STATEMENT ON TRANSFORMATION ”

The NWU believes that value-adding transformation should be deeply embedded in all our activities, from the transformation of the curriculum to transformation of the institutional culture. All our members are required to further the transformation objectives of the university and to be change champions of transformation initiatives. We are committed to making meaningful changes that will impact positively on the lives of our staff and students.

*Statement approval obtained from
the NWU Council on 22 June 2023.*

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MR BERT SORGDRAGER
CHAIRPERSON OF COUNCIL



PROF BISMARK TYOBEKA
VICE-CHANCELLOR

7 Material risks and opportunities impacting value

7.1 Risk governance and management processes – an overview of the activities of 2022

Effective, appropriate risk management is of paramount importance in the governance of the university and in securing its medium and long-term sustainability.

Using a strategic approach to risk and opportunity management, we identify and prioritise risks and opportunities that could influence our ability to implement the university's strategy, and we adopt appropriate risk mitigation strategies and initiatives. In doing so, we consider the demands of and uncertainties in the [external environment](#) and we align our risk management processes with the King IV Report on Corporate Governance for South Africa. This approach ensures streamlined processes and procedures in accordance with the prescripts of the code.

During 2022, the NWU gave specific attention to risk assurance, as well as risk tolerance and risk appetite.

For this purpose, we introduced some refinements to risk management during the year under review. While the focus of risk management in 2021 was on embarking on a risk-management process to focus on first-level assurance and strengthening the internal control environment, the focus of 2022 was on further consolidating these two aspects with the addition of a second-level assurance provisioning.

Second-level assurance was provided for all risks with a risk rating of 8 and above. During the risk assurance discussions on first and second levels of assurance, internal controls were checked and based on the control assessment and the determination of the resultant control efficiency, the risk rating of certain risks was adjusted.

The outcome of this process was that at the end of 2022, the top 10 risks of the NWU had been updated.

The Audit, Risk and Compliance Committee (ARCC) received a full report on assurance provisioning at its August meeting. The ARCC discussed the report and resolved to utilise the outcome of the first and second-level assurance provisioning process by instructing a third-level assurance determination on the top 10 risks on the NWU Strategic Risk Register. The aim herewith was to inform the subsequent risk management and assurance provisioning processes. The outcome of the third-level assurance on the top 10 risks will inform the risk-management process during 2023.

In respect of risk tolerance and risk appetite, a process commenced with the guidance of PwC to set risk-tolerance levels for the six NWU goals as contained in the Annual Performance Plan (APP) for 2022. Meetings to discuss the concepts of risk tolerance and risk appetite were held with the owners of all the goals in the APP. The result was a completed risk tolerance report for the goals of the 2022 APP.

With the approval of the 2023 APP, risk-tolerance discussions commenced for the setting of tolerance levels for the newly approved 2023 APP. The inculcation of risk tolerance and risk appetite to the APP goals and enablers will gain further traction during 2023.

7.2 Risk-identification process

For risk identification and risk definition, we use a template, coupled with a comprehensive process of implementing internal controls, setting future controls, and agreeing on action plans to address the relevant risk reasons towards managing the risks to an acceptable level. All risks above appetite are prioritised and highlighted for focused management actions and reporting purposes.

Certain risks tend to be interrelated and can often be grouped into clusters. For the past few years, we have been using a risk-cluster categorisation approach to identify the material risk clusters that are important for the university's strategy, governance and management, performance, and future planning.

These risk clusters are listed below and make up the core of the risk-management process.

RISK CLUSTER **RISKS** 

1 **RISKS**

Uncertainties in the higher education sector, largely related to uncertainties about financial matters and the funding model for universities

Related material matter providing the opportunity:

Ensure financial sustainability and optimal performance with due consideration of macro-economic conditions and a drive towards digital transformation.

RISK CLUSTER **RISKS** 

5 **RISKS**

Risks related to student life, both in the academic and non-academic environments

Related material matter providing the opportunity:

Develop a clearly differentiated student value proposition with a focus on creating an inclusive environment aimed at developing students holistically through structured and unstructured co-curricular programmes that are relevant and desirable, and that meet students' needs; at the same time, promote excellent learning and teaching, and reposition the NWU to attain the size and shape required by market direction decisions.

RISK CLUSTER **RISKS** 

2 **RISKS**

The demand for organisational change and ongoing transformation

Related material matter providing the opportunity:

Govern, lead and manage in an agile, collaborative and integrated way towards an optimally digitised university environment.

RISK CLUSTER **RISKS** 

6 **RISKS**

IT risks (including cyber security) and university systems

Related material matters providing the opportunity:

Establish a holistic and integrated university technology platform to provide a solid foundation for a digital future, as well as govern, lead and manage in an agile, collaborative and integrated way towards an optimally digitised university environment.

RISK CLUSTER **RISKS** 

3 **RISKS**

Risks related to academic matters (teaching and learning, research and innovation and academic administration)

Related material matters providing the opportunity:

Strengthen research and innovation with a strategic focus on impactful globalisation and promote excellent learning and teaching; also reposition the NWU to attain the size and shape required by market direction decisions.

RISK CLUSTER **RISKS** 

7 **RISKS**

Commercialisation

Related material matter providing the opportunity:

Promote excellent learning and teaching, and reposition the NWU to attain the size and shape required by market-direction decisions, and strengthen research and innovation with a strategic focus on impactful globalisation.

RISK CLUSTER **RISKS** 

4 **RISKS**

Ensuring compliance

Related material matter providing the opportunity:

Govern, lead and manage in an agile, collaborative and integrated way towards an optimally digitised university environment.

RISK CLUSTER **RISKS** 

8 **RISKS**

Operational risks

Related material matter providing the opportunity:

Govern, lead and manage in an agile, collaborative and integrated way towards an optimally digitised university environment and ensure financial sustainability and optimal performance with due consideration of macro-economic conditions and a drive towards digital transformation.

7.3 Using our opportunities

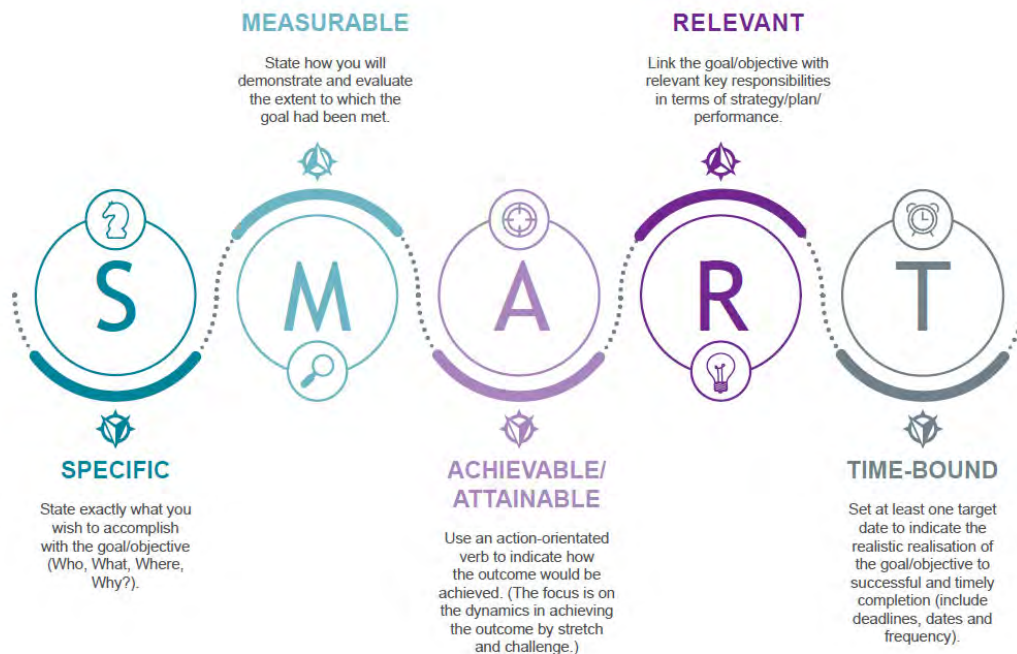
Our risk-cluster approach ensures focus in our ongoing risk management project. As part of this approach, we continually identify opportunities to adapt to our changing environment.

In accordance with the definition and refinement of goals and enablers in our APPs over time, the following thematic threads remain visible as strategic opportunities that:

- continually safeguard the financial sustainability of the university;
- enable us to implement our strategy, structure and operating model;
- promote excellence in teaching and learning and research and innovation;
- establish a clearly differentiated student-value proposition;
- develop and retain excellent staff and create an equitable staff and student profile;
- enable the deployment of best-in-class information technology to support the core business; and
- provide an effective financial model, policies and structure for continuing education offerings and increased commercialisation opportunities.

7.4 Incorporating risk appetite and risk tolerance into the 2022 and 2023 NWU Annual Performance Plan (APP)

The DHET Regulations for Reporting by Public Higher Education Institutions (GG 37726, 9 June 2014) prescribe that APP goals must be drafted in so-called SMART terms. These are:



During the first semester of 2022 (and as mentioned earlier), a consultative process unfolded under the guidance of PwC professionals (in respect of whom the non-financial services procured from PwC had been approved by the ARCC). This process entailed workshoping the extent to which 2022 APP goals adhered to SMART principles and engaging in the redrafting of the goals towards adherence to the SMART principles.

The specific purpose of this round of engagements was to allow for the practical inclusion of the notions “risk appetite” and “risk tolerance” as per the COSO 2017 framework regarding the realisation of each of the APP goals.

At the University Management Committee (UMC) meeting held on 4 October 2022, it was resolved that the Risk and Compliance Department would engage in a round of discussions with UMC members to work towards inculcating the risk register into the 2023 APP by making practical the notions risk appetite and risk tolerance.

The NWU utilised the definitions of risk appetite and risk tolerance as in COSO-2017¹, defined as follows:

- Risk appetite is defined as “the amount of risk an entity (read: APP goal owner and the NWU UMC) is willing to accept in the pursuit of its strategy and business objectives” (COSO, 2017:18).
- While the definition of **risk appetite** is done at the time of setting of strategy and objectives and would need to incorporate overtly any challenges and opportunities associated with strategy and objectives, **risk tolerance** speaks to the amount of risk that is acceptable in the context of achieving a particular goal and/or objective.
- Accounting for risk tolerance assists in determining **the acceptability levels of performance**, thus ensuring that performance levels remain within relevant boundaries.

The following risk-tolerance paradigm was implemented in instances where the realisation of APP goals allowed for quantitative measurement.

Impact	<i>Catastrophic</i>	5					
	<i>Critical</i>	4					
	<i>Major</i>	3					
	<i>Significant</i>	2					
	<i>Negligible</i>	1					
				0-20%	21-40%	41-60%	61-80%
			1	2	3	4	5
Likelihood							

In instances where the APP goals had been set more in qualitative terms, the risk tolerance was described by means of a narrative.

What follows is the risk-appetite statement per APP Goal as agreed upon with each of the APP goal owners:

Goal 1: Promote excellent learning and teaching and reposition the NWU to attain the size and shape required by the market-direction decisions.

Risk appetite statements in respect of Goal 1:

The NWU is aware that in the instance that the undergraduate and postgraduate programme offering is not relevant and market appropriate while being compliant with external and internal instances of regulatory and directive governance, the strategic competitive advantage of the institution would be at stake. The imperative for ensuring the relevance and responsiveness of academic programme planning is indicated in Internal Success Measure (ISM) #1 of the NWU strategy. *Our risk appetite in realising this objective is indicated as low.*

The NWU also understands that it is challenging to pursue enabling teaching-learning delivery that is facilitated by a support environment conducive to realising excellence and innovation in teaching and learning within the changing context of a post-pandemic situation. However, the imperative to ensure such is indicated clearly in the NWU’s purpose statement, our brand promise and in the following Internal Success Model elements (ISMs) in the 2015-2025 Strategy: ISM#1, ISM#2, ISM#3, ISM#8. Therefore, our 2023 objectives are aimed at preparing the NWU to move towards embracing the new world of work and study, as well as the gains that the implementation of the Digital Business Strategy would bring, while addressing the imminent risks associated with the move towards the future. *From the preceding, the risk tolerance in realising this objective is moderate.*

While a number of the NWU’s key internal success measures in its strategy speak to the relationship between the employer and its employees and the importance of a fully engaged and satisfied staff corps, we became aware over time of certain demands in regard to attracting and retaining skilled staff to the NWU as a semi-urban/rural South African university. We also know that the higher education sector (nationally and internationally) is highly competitive, and that skilled people are sought-after. We manage this risk continuously in a proactive manner; therefore, the focus of this objective is to indicate short-term goals on attracting and investing in academic employees and professional academic support employees, as well as rewarding these employees, to equip them to optimise their service delivery to NWU students. *Our risk appetite is moderate to high.*

¹ COSO Enterprise Risk Management – Aligning Risk with Strategy and Performance. Public Exposure – FAQs (URL: <https://www.coso.org/Shared%20Documents/COSO-ERM-FAQ.pdf>)

Goal 2: Strengthen research and innovation with a strategic focus on impactful globalisation.

Risk appetite statements in respect of Goal 2:

The NWU is aware that, if its research profile (i.e. the input, process, outcome and output by NWU researchers) does not relate to and realise the dream and purpose statements in the NWU 2015-2025 Strategy, the strategic competitive advantage of the institution as a traditional university would be at stake. In this regard the role of support departments such as the Research Support Department and Library and Information Services are regarded as indispensable for the realisation of this goal. *Our risk appetite is low for matters that might jeopardise the NWU's positioning as an institution doing cutting-edge research.*

The NWU's improvement plan to respond to the outcomes of the Doctoral Review answers to ISM#2, ISM#4, ISM#5 and ISM#8 of the 2015-2025 NWU Strategy. *Our risk appetite in following through on the matter is indicated as moderate.*

The NWU is aware that the marketing of its intellectual property stemming from innovative research is vital for its brand and reputation. At a strategic level, the necessity to create and maintain a conducive, sustainable, and supportive environment to advance research excellence by building a pipeline of commercialisable technologies and increasing the rate of commercialisation remains high. *To ensure a moderate appetite regarding the risks associated with the pursuit of this objective, the focus is on creating an internal environment conducive to ensuring that industry partners remain involved in the improvement of the quality and market relevance of the NWU's research and development outputs; a related focus is sourcing and allocating funding to technologies and investment opportunities.*

Goal 3: Integrate and align community engagement with teaching-learning and research to develop a culture of active citizenship.

Risk appetite statements in respect of Goal 3:

Community engagement is part of the core business of a university owing to its key function to act as a catalyst for development. *Owing to this expectation, our risk appetite is moderate when it comes to fulfilling this role.*

Environmental sustainability is a key risk globally. We know that, if the active promotion of environmental sustainability is not inculcated in all our activities, the value-add of the NWU in the short-, medium- and long-term would be in jeopardy. *Our risk appetite is low for matters related to environmental sustainability.*

Goal 4: Develop a clearly differentiated student value proposition with a focus on creating an inclusive environment aimed at developing students holistically through structured and unstructured co-curricular programmes which are relevant, desirable, and meet students' needs.

Risk appetite statements in respect of Goal 4:

Students remain the primary recipients of and participants in university services and experiences and are therefore the central focus of our functions and business processes.

We shall continue ensuring that the student experience and Student Life-related service delivery of the NWU supports the unitary nature of the university and we shall achieve this through standardising services and aligning student experience in a manner that is effective and efficient and enables the creation of a comparable student experience. *When it comes to maintaining and enhancing student experience relevant to the Student Life co-curricular programmes and service delivery, the NWU's appetite for risk is moderate to high.*

The prevailing student culture and environment directly affects the interactions and responses between students and the NWU, thus impacting our overall functioning and business processes. An uncondusive student culture and environment that result in student unrest, dissatisfaction, rights infringements, and a lack of meaningful engagement will adversely affect the university's ability to successfully satisfy the needs of students and render services and experiences that move the university forward. As part of the NWU's strategic statement of being an internationally recognised university in Africa, and within the context of our ongoing transformation journey, we increase our attentions on building inclusive, diverse, and multicultural student offerings as these pertain to the co-curricular programme and service delivery. *When it comes to maintaining and enhancing a diverse, multicultural, and socially cohesive student culture and environment, the NWU's appetite for risk is low to moderate.*

Community engagement (CE) is part of the core business of a university owing to its key function to act as a catalyst for development. Within the curricular and the co-curricular context, it contributes towards the development of students' social citizenry and holistic development. Substantive risk exists in the execution of CE initiatives as part of the co-curricular programme that are uncoordinated, sporadic, unsustainable and make little contribution towards the community recipients and student participants. Considering the large student community, peer support networks extend the reach of psycho-social and wellness support services offered by Student Life, whereas the inability to maintain an effective and efficient support network diminishes our ability to support students. *Our risk appetite for both CE initiatives and peer support is therefore low to moderate.*

Goal 4: Develop a clearly differentiated student value proposition with a focus on creating an inclusive environment aimed at developing students holistically through structured and unstructured co-curricular programmes which are relevant, desirable, and meet students' needs.

Student leaders and residence parents are dependent upon each other to contribute towards our ability to create a clearly differentiated student-value proposition. Our focus is therefore placed on enabling these stakeholders to develop and operationalise a student experience that is aligned with the unitary nature of the university, and that is intended to result in a comparable and vibrant student experience. To achieve this, student leaders and residence parents require essential skills, competencies, and tools to enable them to perform effectively and efficiently. *Understanding our revitalised focus on capacity building and development for student leaders and residence parents at an operational level, the NWU's appetite for risk is moderate to high.*

The improvement of graduate employability is a key strategy of the NWU to meet the needs of our developing economy and the employers of NWU graduates. *When it comes to ensuring that NWU students are equipped for the needs of the marketplace, the NWU's appetite for risk is moderate to low.*

Attracting and recruiting students to the NWU is a key strategy regarding which certainty must exist on the brand promise of the university. *When it comes to ensuring that the NWU brand as an institution of choice amongst potential applicants is strengthened, our risk appetite is moderate to high.*

Stakeholder engagement is an important part of the way the university ensures value creation in the environment in which it functions. *Owing to this expectation, our risk appetite is moderate when it comes to fulfilling this role.*

The duty of the NWU to utilise its functional multilingual language policy as a market differentiator places an obligation on the university to invest in structural and organisational ways in the relevant staff and infrastructure. *Owing to this expectation, our risk appetite is moderate when it comes to fulfilling this role.*

The provisioning of cutting edge and fit-for-purpose library and information resources to the university community is a prerequisite for the NWU. *To be able to meet the necessary needs, our risk appetite is moderate to high.*

Goal 5: Attract, develop and retain excellent staff and create an equitable staff profile.

Risk appetite statements in respect of Goal 5:

Ensuring an equitable staff profile is a strategic priority for the NWU. To be able to meet ISM#6 in the 2015-2025 NWU Strategy, and to comply with the requisite instances of regulatory and directive governance, *our risk appetite must be moderate to low.*

The drive to ensure personnel cost efficiency to increase operational effectiveness is a strategic priority for the NWU. *To be able to meet ISM#14 and FSM#4 in the 2015-2025 NWU Strategy, our risk appetite is moderate to low.*

The drive to ensure the implementation of the necessary measures to attract, employ and retain excellent staff is a strategic priority for the NWU. *To be able to meet the demands associated with the NWU value statement ISM#12 in the 2015-2025 NWU Strategy, our risk appetite is moderate to high.*

The drive to ensure the implementation of the necessary measures to inculcate the NWU values in an integrated manner is a strategic priority for the NWU. *Our risk appetite to ensure the drive towards an integrated values-based university culture must be moderate to low.*

The drive to ensure the implementation of the necessary measures to inculcate the NWU values, in a way that is integrated and wholly owned by all management structures, is a strategic priority for the NWU. *Our risk appetite to ensure the drive towards an integrated values-based university culture must be moderate to low.*

The drive to ensure that the NWU is fit-for-purpose and transforms in accordance with the demands of the 4IR is a strategic priority for the NWU. The imperatives in this regard are clear from ISM#14 and ISM#17. *Our risk appetite to ensure the drive towards an integrated values-based university culture must be moderate to high.*

Goal 6: Develop and implement a digital business strategy to create a competitive advantage to the NWU and, ultimately, unlocking a revenue stream.

Risk appetite statement in respect of Goal 6:

Digital transformation is a key imperative for any institution to remain competitive and sustainable. Successful implementation of the digital transformation programme is a strategic priority for NWU as this ensures that the NWU remains competitive, sustainable and fit-for-purpose in line with the demands of Industry 4/ Fourth Industrial Revolution (4IR). *Our risk appetite to ensure fitness-for-purpose in the successful implementation of the Digital Business Strategy should be moderate to high.*

From the above, it followed naturally to link the 45 strategic risks on the NWU risk register to each of the above goals (the complete risk register of the NWU is attached as [Annexure 4](#)) and the tables below provide a summary:

APP Goal reference	Reference to NWU Strategic Risk and Opportunity Register	Risk/opportunity description
1.1	Risk 15 (C4-R1)	Financial losses, possible imprisonment, and penalties due to lack of compliance with legislation, statutory requirements, licences, and other legal requirements.
1.2	<i>Risk 181 (C3-R9)</i>	The NWU's undergraduate and postgraduate programme offering, and services related to the offering are not responsive, price appropriate and not up to the required standard.
1.3	<i>Risk 45 (C1-R5), Risk 4 (C2-R1), Risk 28 (C3-R11), Risk 24 (C6-R2), Risk 43 (C6-R5)</i>	All the indicated risks imply that urgent attention is needed to ensure, in the short to long term, the sustainability and growth of the NWU by adopting an agile attitude to mitigating risks and embracing opportunities.
1.4	<i>Risk 5 (C2-R2), Risk 41 (C2-R7)</i>	The apparent difficulty in attracting, recruiting, and retaining qualified and talented employees may point to a possible non-implementation of appropriate retention strategies and a general lack of offering competitive salaries.
1.5	<i>Risk 7 (C3-R1), Risk 10 (C3-R2), Risk 13 (C3-R5)</i>	It is a risk to the NWU if indications exist that school leavers are not sufficiently prepared for higher education studies, resulting in unacceptable student throughput figures, and if NWU students do not meet marketplace expectations.
1.6	<i>Risks 181 (C3-R9)</i>	The NWU's undergraduate and postgraduate programme offering, and services related to offering are not responsive, possibly leading to the NWU programme offering becoming irrelevant.
<i>The appropriateness of the risk and opportunity management process to provide sufficient coverage for risks and opportunities in respect of Goal 1:</i>		Given the extent and scope of the objectives relevant to Goal 1, as compared to the coverage of strategic risks and opportunities mentioned above, the coverage is regarded as sufficient.

APP Goal reference	Reference to NWU Strategic Risk and Opportunity Register	Risk/opportunity description
2.1	<i>Risks 8 (C3-R7), Risk 9 (C3-R8)</i>	The NWU's reputation as an internationally recognised university in Africa and its ability to be renowned for cutting-edge research could be jeopardised if the quality of its research products is not up to standard and if its international research exposure is minimal.
2.2	<i>Risk 13 (C3-R5)</i>	It is a risk to the NWU's reputation as a traditional university if indications exist that the throughput rate of postgraduate students remains at unacceptably low levels.
2.3	<i>Risks 8 (C3-R7), Risk 9 (C3-R8)</i>	The NWU's reputation as an internationally recognised university in Africa and its ability to be renowned for cutting-edge research could be jeopardised if the quality of its research products is not on standard and if its international research exposure is minimal.
2.4	<i>Risk 32 (C7-R2)</i>	The brand of the NWU is at risk if commercialisation opportunities are missed.
2.5	<i>Risks 8 (C3-R7), Risk 9 (C3-R8)</i>	The NWU's reputation as an internationally recognised university in Africa and its ability to be renowned for cutting-edge research could be jeopardised if the quality of its research products is not up to standard and if its international research exposure is minimal.
<i>The appropriateness of the risk and opportunity management process to provide sufficient coverage for risks and opportunities in respect of Goal 2:</i>		Given the extent and scope of the objectives relevant to Goal 2, as compared to the coverage of strategic risks and opportunities mentioned above, the coverage is regarded as sufficient.

APP Goal reference	Reference to NWU Strategic Risk and Opportunity Register	Risk/opportunity description
3.1	<i>No reference currently in the NWU Strategic Risk Register.</i>	The execution of un-coordinated and unsustainable community engagement (CE) initiatives and volunteerism within the co-curricular environment that potentially contribute towards reputational damage and increased university liability. Failure to provide adequate and impactful peer support interventions that assist and support students.
3.2	<i>No reference currently in the NWU Strategic Risk Register.</i>	Failure to provide adequate and impactful involvement of communities.
3.3	<i>Risk 40 (C4-R7), Risk 15 (C4-R1)</i>	A lack of focus and clarity with regard to the placement, functioning and monitoring of environmental management at the NWU poses a risk to sustainability and compliance.
3.4	<i>No reference currently in the NWU Strategic Risk Register.</i>	The execution of uncoordinated and unsustainable CE initiatives and volunteerism within the co-curricular environment that potentially contribute towards reputational damage and increased university liability. Failure to provide adequate and impactful peer support interventions that assist and support students.
3.5	<i>No reference currently in the NWU Strategic Risk Register.</i>	The execution of uncoordinated and unsustainable CE initiatives and volunteerism within the co-curricular environment that potentially contribute towards reputational damage and increased university liability. Failure to provide adequate and impactful peer support interventions that assist and support students.
<i>The appropriateness of the risk and opportunity management process to provide sufficient coverage for risks and opportunities in respect of Goal 3:</i>		Given the extent and scope of the objectives relevant to Goal 3, as compared to the coverage of strategic risks and opportunities mentioned above, the coverage is not regarded as sufficient – the NWU Strategic Risk and Opportunity Register contains no reference to CE activities.

APP Goal reference	Reference to NWU Strategic Risk and Opportunity Register	Risk/opportunity description
4.1	<i>Risk 20 (C5-R2), Risk 27 (C5-R4)</i>	The creation and presentation of student experiences that are undesirable, irrelevant, and not aligned, combined with poor Student Life service delivery, leading to a diminished student experience and dissatisfaction.
4.2	<i>Risk 6 (C2-R2), Risk 20 (C5-R2), Risk 27 (C5-R4), Risk 34 (C5-R5)</i>	Failure to create a student culture and environment across the three campuses that contribute towards the NWU's ability to create a diverse, multicultural, and socially cohesive student community, consequently disabling the clearly differentiated student value proposition.
4.3	<i>No reference currently in the NWU Strategic Risk Register.</i>	The execution of uncoordinated and unsustainable CE initiatives and volunteerism within the co-curricular environment that potentially contribute towards reputational damage and increased university liability. Failure to provide adequate and impactful peer support interventions that assist and support students.
4.4	<i>Risk 22 (C5-R3)</i>	Risk in relation to reputation and perceived value and relevance of the university if external stakeholders no longer support or contribute to the university and co-curricular programmes and initiatives.
4.5	<i>Risk 34 (C5-R5)</i>	Inadequacies in student leadership and House Parents' skills and competencies, leading to diminished outputs and inability to perform functions and duties, in turn resulting in the presentation of a student experience that is no longer valuable or desired by students.
4.6	<i>Risk 7 (C3-R1)</i>	Perceived inability to meet marketplace expectations in that graduates do not find employment quickly enough.

APP Goal reference	Reference to NWU Strategic Risk and Opportunity Register	Risk/opportunity description
4.7	<i>Risk 22 (C5-R3), Risk 4 (C2-R1), Risk 45 (C1-R5)</i>	A reputational risk is evident if the public and stakeholders do not believe the university is living up to its brand promise. A lack of redefining the business and operational models of the NWU in the aftermath of the Covid-19 pandemic may have an impact on the short, medium, and long-term operations of the university.
4.8	<i>Risk 22 (C5-R3), Risk 4 (C2-R1), Risk 45 (C1-R5)</i>	A reputational risk is evident if the public and stakeholders do not believe the university is living up to its brand promise. A lack of redefining the business and operational models of the NWU in the aftermath of the Covid-19 pandemic may have an impact on the short, medium and long-term operations of the university.
4.9	<i>Risk 22(C5-R3), Risk 4 (C2-R1), Risk 15 (C4-R1), Risk 38 (C2-R5), Risk 45 (C1-R5)</i>	A reputational risk is evident if the public and stakeholders do not believe the university is living up to its brand promise and is non-compliant with the national Language Policy. An example would be that inconsistencies might be evident in the way the NWU implements its multilingual language policy. A reputational risk is evident if there is non-implementation of language planning activities. This places the university at risk of non-compliance and makes it susceptible to non-fulfilment of its roles in terms of language-related matters. A reputational risk is evident if language awareness activities are not undertaken at the NWU. These play an essential role in ensuring that there is a conscious understanding of the importance of multilingualism. A reputational risk is evident if there are no language-related projects with regard to external stakeholders. This will prevent the university from being repositioned for new language-related opportunities and frontiers.
4.10	<i>Risk 22 (C5-R3), Risk 4 (C2-R1), Risk 38 (C2-R5), Risk 45 (C1-R5), Risk 42 (C6-R4), Risk 24 (C6-R2), Risk 43 (C6-R5)</i>	A reputational risk is evident if the public and stakeholders do not believe the university is living up to its brand promise, especially in possibly failing to meet the expectations of the Digital Business Strategy (DBS) in the provisioning of cutting-edge and relevant resources.
<i>The appropriateness of the risk and opportunity management process to provide sufficient coverage for risks and opportunities in respect of Goal 4:</i>		Given the extent and scope of the objectives relevant to Goal 4, as compared to the coverage of strategic risks and opportunities mentioned above, the coverage of risks and opportunities in respect of student life and the creation of a defined student-value proposition is regarded as sufficient. However, in respect of CE risks and opportunities (as mentioned with respect to Goal 3), the NWU Strategic Risk and Opportunity Register contains no reference to such.

APP Goal reference	Reference to NWU Strategic Risk and Opportunity Register	Risk/opportunity description
5.1	<i>Risk 6 (C2-R3), Risk 15 (C4-R1)</i>	It is a reputational risk to the NWU if insufficient levels of diversity are evident in its staff and student population. In such an instance, the risk of non-compliance with the Employment Equity Plan as submitted to the Department of Employment and Labour might be evident.
5.2	<i>Risk 4 (C2-R1), Risk 45 (C1-R5)</i>	It is a risk to the sustainability of the university if it is not possible to adapt to the approach to work in the post-pandemic environment or to realign its working capital and workforce utilisation. The neglect of a focused approach in this regard and failure to reinvent its business model and operational models would have a bearing on the positioning of the NWU in a competitive higher education landscape.

APP Goal reference	Reference to NWU Strategic Risk and Opportunity Register	Risk/opportunity description
5.3	<i>Risk 4 (C2-R1), Risk 41 (C2-R7), Risk 5 (C2-R2), Risk 45 (C1-R5)</i>	It is a risk to the NWU's sustainability and competitive advantage if the university struggles to attract, appoint, and retain excellent staff.
5.4	<i>Risk 190 (C2-R8), Risk 191 (C2-R9)</i>	It is a reputational and a sustainability risk if the university's ethics system in its entirety (from strategy to governance instruments to management and performance and to providing sufficient evidence), inculcated in a vertical and horizontal manner across the NWU, does not work.
5.5	<i>Risk 4 (C2-R1), Risk 190 (C2-R8), Risk 191 (C2-R9)</i>	It is a reputational and a sustainability risk if the university's ethics system in its entirety (from strategy to governance instruments to management and performance and to providing sufficient evidence), inculcated in a vertical and horizontal manner across the NWU, does not work.
5.6	<i>Risk 42 (C6-R4), Risk 43 (C6-R5), Risk 24 (C6-R2), Risk 45 (C1-R5)</i>	Digital transformation will have a significant impact on operational models, structures, people, processes, and roles.
5.7	<i>Risk 22 (C5-R3), Risk 4 (C2-R1), Risk 45 (C1-R5)</i>	A reputational risk is evident if internal stakeholders do not believe that departments of the university are living up to the NWU's brand promise. A lack of redefining the operational models of the NWU in the aftermath of the Covid-19 pandemic may have an impact on the short, medium, and long-term operations of the university.
<i>The appropriateness of the risk and opportunity management process to provide sufficient coverage for risks and opportunities in respect of Goal 5:</i>		Given the extent and scope of the objectives relevant to Goal 5, as compared to the coverage of strategic risks and opportunities mentioned above, the coverage of risks and opportunities in respect of attracting, developing, and retaining excellent staff and the creation of a defined staff-value proposition is regarded as sufficient.

APP Goal reference	Reference to NWU Strategic Risk and Opportunity Register	Risk/opportunity description
6.1	<i>Risk 42 (C6-R4), Risk 43 (C6-R5), Risk 24 (C6-R2), Risk 45 (C1-R5)</i>	The DBS fails to deliver digital transformation that positively impacts NWU's business and operational models, structures, people, processes, and roles. The negative impact of failing to deliver on digital transformation hampers the NWU sustainability and its reputation.
6.2	<i>Risk 42 (C6-R4), Risk 43 (C6-R5), Risk 24 (C6-R2), Risk 45 (C1-R5)</i>	The DBS fails to deliver digital transformation that positively impacts NWU's business and operational models, structures, people, processes, and roles. The negative impact of failing to deliver on digital transformation hampers the NWU sustainability and its reputation.
5.6	<i>Risk 42 (C6-R4), Risk 43 (C6-R5), Risk 24 (C6-R2), Risk 45 (C1-R5)</i>	Digital transformation will have a significant impact on operational models, structures, people, processes, and roles.
<i>The appropriateness of the risk and opportunity management process to provide sufficient coverage for risks and opportunities in respect of Goal 6:</i>		Given the extent and scope of the objectives relevant to Goal 6, as compared to the coverage of strategic risks and opportunities mentioned above, the coverage of risks and opportunities in respect of developing and implementing a DBS aimed at creating a competitive advantage to the NWU, the coverage is regarded sufficient. In as far as the unlocking of potential revenue streams is concerned, the coverage is not sufficient.

7.5 Assurance provisioning

The following table provides a summary of the link between the first and second levels of assurance provisioning at the NWU. It pertains specifically to providing assurance on the effectiveness and efficiency of the NWU's effort to optimise its response to key-risk exposures and clarifies any instances where risks could prevent the university from realising its key strategies.

The table describes the expectations in respect of the role-fulfilment by the first and second-level assurance providers, as well as the foci included in assurance provisioning in the end-to-end assurance provisioning process.

Assurance measures, methodologies, and activities with regard to which the following focal aspects are differentiated:	<u>First line of assurance</u> <u>Risk owner and line of management</u> <i>(i.e. where Planning, Organising, Leading and Control take place)</i> Management oversight means a focus on the manner in which the implementation of the company's strategy, its performance management, risk management, all relevant types of control and relevant systems are in place "to identify and control risks up to acceptable levels".	<u>Second line of assurance</u> <u>Specialist functions</u> Second-level assurance involves the checking of the effectiveness and efficiency of the overall risk-management framework, accounting for the end-to-end risk-management process.
End-to-end description: Focus 1 Linking the risk/opportunity to university strategy .		
End-to-end description: Focus 2 Determining whether an appropriate directive governance environment exists (i.e. whether the policy framework at institutional level is in place and whether training and awareness are practised).		
End-to-end description: Focus 3 Checking whether the assurance instruments/operations in terms of people, process, technology, and systems are in place.		
End-to-end description: Focus 4 Determining the appropriateness of the reporting to all relevant structures and forums to ensure sufficient management and governance oversight .		
End-to-end description: Focus 5 Checking whether there is sufficient tracking of evidence to substantiate the claims made in regard to levels 1 to 4.		

For the first round of second-level assurance, the focus is twofold: exploring the extent to which a coordinated effort would be needed to address a particular risk and checking whether the controls implemented over time are considered adequate to address the relevant risk.

The second-level assurance regarding the following risks are summarised as follows:

Risk indication, risk name and risk number	Risk value	First-level assurance (F1)	Second-level assurance (F2)
1 Risk 42 Cyber Security	RR: 25 CE: 0.2 RR: 20	Sufficient levels of assurance at operational levels. Governance of Cyber Security still needs attention.	Agreeing on vulnerabilities that are evident at F1 and F2. Admitting that the NWU has only recently established an Information Governance Framework and that the Policy on Information and Data Security is still in development. Agreeing that POPIA has a substantial bearing on matters related to cyber security. Confirming the probability that, if this risk is not addressed, the NWU strategy is at risk. Summary: Assurance provisioning: Agreeing that, although the operational environment and internal controls are firmly in place, the risk indication is to remain as is, owing to the need to strengthen the internal directive governance sphere.
2 Risk 4 NWU as a post-pandemic university	IR: 20 CE: 0.2 IR: 16	Indicating the measures put in place to ensure that the NWU adapts to changing circumstances.	Acknowledging that, at the level of strategy execution and the provisioning of a directive governance environment, the continuity of business was ensured during the period of lockdown. Also acknowledging that the lessons learned during the C-19 pandemic allowed the NWU to put in place the necessary processes to position itself for the post-pandemic era (HyFlex classrooms, better utilisation of technology, remote working procedures, focused implementation of DBS, inclusion of Goal 6 in the APP). Learning that the presentation made at the Council workshop on 16 March 2022 is aimed to provide an indication of the process forward – the focus of the presentation was: The future of residential universities in the digital era and amidst global competitiveness in a post-pandemic era.
3 Risk 1 Financial sustainability amid the challenges of the external environment	IR: 16 CE: 0.2 RR: 13	This risk is an external one in respect of which the NWU has put in place various internal directive governance guidelines and procedures. Admitting that the NWU has exercised control over matters that are under its management, but that the university remains vulnerable owing to external circumstances.	Acknowledging that a key focus of government is to ensure the education of its population as a stimulus for economic growth; also, that the DHET is making all efforts to optimise the provisioning of higher education amid financial challenges experienced by government. The sustainability of the NSFAS model is regarded as a major risk for the functioning of public higher education in SA. Agreeing that certainty is needed with regard to the funding of higher education at national level. Summary: Agreement that uncertainties in the external environment continue to have a bearing on how effectively this risk is managed. Acknowledging that, despite external factors, internal measures could be devised to ensure optimisation of funding through the cross-sectional involvement of faculties, fundraising and the contribution of Technology Transfer and Innovation Support (TTIS), among others.

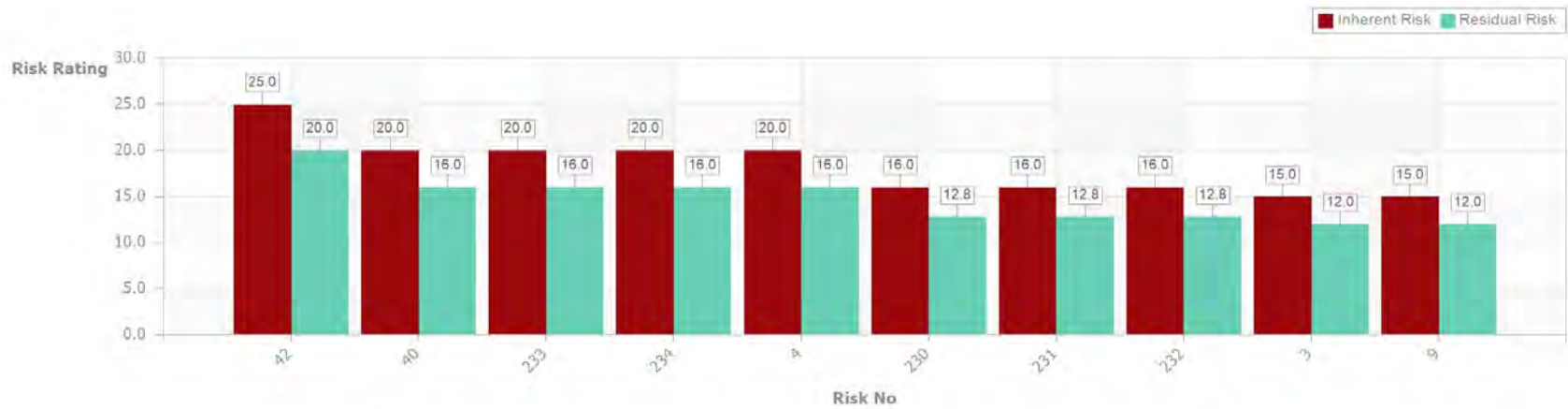
Risk indication, risk name and risk number	Risk value	First-level assurance (F1)	Second-level assurance (F2)
<p>4</p> <p>Risk 40 The governance and management of environmental matters</p>	<p>IR: 16 CE: 0.2 IR: 13 <u>Changed to:</u> IR: 20 CE: 0.2 RR: 16</p>	<p>Acknowledging the strategic importance of the matter; indicating that processes put in place have not been sufficiently recorded. Also indicating that a policy on environmental management is under development.</p>	<p>Acknowledging that, over time, the matter has not received sufficient attention from the University Management Committee.</p> <p>Agreeing that, despite several audits (2012 Internal Audit; 2019 CEM audit) and a lack of participation in the compliance monitoring process, the establishment of a proper governance environment has been lacking.</p> <p>Noting the indication from the risk owners that, despite several attempts, no subject-matter expert in environmental management has been appointed.</p> <p>Agreeing that non-compliance with relevant legislation is regarded an aggravating matter that would necessitate reconsidering the risk indication.</p> <p>Summary: The importance of a concerted effort in the active management of the risk has been acknowledged. The risks concerning penalties for non-compliance have been noted. The apparent lack of a focused risk-management approach, where activities are properly reported, necessitates a review of the risk indicator.</p>
<p>5</p> <p>Risk 37 DHET Fee Regulations</p>	<p>IR: 25 CE: 0.5 RR: 12</p>	<p><i>(Content similar in nature to that of Risk 1)</i></p>	<p><i>(Content similar in nature to that of Risk 1.)</i></p>
<p>6</p> <p>Risk 45 The NWU's sustainability after COVID-19</p>	<p>IR: 25 CE: 0.5 IR: 12</p>	<p>The fair provisioning of an adequate governance and management environment to deal with matters related to Covid-19 in the short and medium-term.</p> <p>The challenge is to learn from the insights gained and apply these to longer term.</p>	<p>Agreeing that, in the short to medium term, the risk has been adequately managed.</p> <p>Agreeing that the lessons learned from the short-term management of the risk can be considered as an opportunity.</p> <p>Linking this risk to Risk 4 is important so as to ensure that the NWU capitalises on the opportunities offered by the Covid-19 pandemic.</p> <p>Suggestion: consider combining Risk 45 with Risk 4.</p> <p>Summary: Agreement that, if the NWU fails in positioning itself as a post-pandemic university, fully embracing and implementing the DBS, the strategy could be at risk.</p>
<p>7</p> <p>Risk 3</p>	<p>IR: 15 CE: 0.2 RR: 12</p>	<p>Funding opportunities external to the NWU has become challenging and this situation has prompted the NWU to make internal provisioning for funding</p>	<p>Agreement that, at internal level, various measures are in place to mitigate the risk of NRF bursaries being cut by 20% over the past few years; also noting that strict NRF rules have influenced the number of NWU students receiving external bursaries.</p> <p>Summary:</p>

Risk indication, risk name and risk number	Risk value	First-level assurance (F1)	Second-level assurance (F2)
Funding of post-graduate students		of deserving postgraduate students. The collaboration between internal departments involved in the process is not optimal and needs attention.	Agreeing that internal measures have been put in place to ensure funding to deserving postgraduate students, but that there is a need to enhance the internal support structures, improve communication and better understand roles and responsibilities.
8 Risk 24 The NWU and the demand for digital transformation	IR: 15 CE: 0.2 RR: 12	IT has introduced an Enterprise Portfolio and Project Management (EPPM) process to ensure continued focus on delivery of projects. This is coupled with the IT Workforce Plan that allows for oversight in respect of people provisioning.	Agreeing that: <ul style="list-style-type: none"> • this risk is related to Risks 4, 43 and 45; however, from a capacity and resources perspective, Risk 24 needs to be managed separately; • more resourcing and capacity would need to be availed in order to ensure the NWU's core business is ready for the implementation of the DBS; • greater awareness is needed on the effect of digital transformation on the current and prospective functioning of the university; • a new generation of IT would need to be in place to service business needs; • apart from flagship programmes (such as Student Information System (SIS)) to accelerate the implementation of the DBS, other parallel projects at business-process level need to be implemented to streamline and optimise business processes. Summary The question to be answered through the management of this risk must be "What kind of a university do we wish to be?" <i>(The second-level assessment might necessitate a reconsideration of the risk value.)</i>
9 Risk 43 The implications of digital transformation on the NWU's business	IR: 16 CE: 0.2 RR: 12	The DBS has been approved by Council and is currently being implemented in a focused way that aims at obtaining ownership from below.	The same observations apply as for Risk 4 and Risk 24. <i>(The second-level assessment might necessitate a reconsideration of the risk value.)</i>

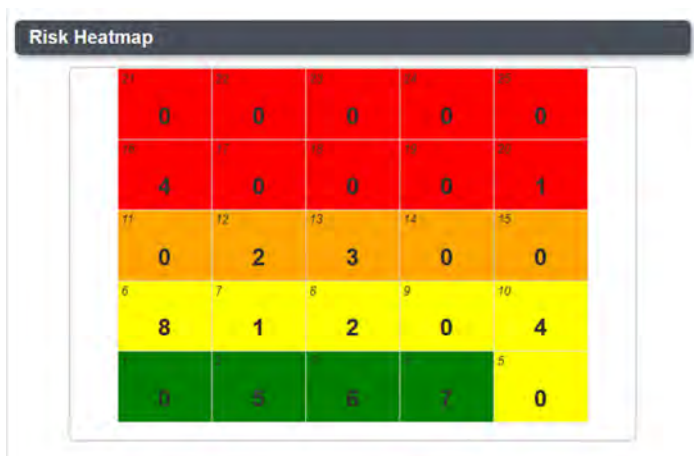
The above assurance provision process resulted in the following top 10 residual risks as at 31 December 2022:

Rank	Risk name	Description	Inherent risk	Residual risk
1 (nr 42)	Cyber security	Cyber security is not adequately addressed at the NWU and is the number one IT issue worldwide. An attack on the NWU is likely. Digital transformation will increase the cyber security risk.	25,00	20,00
2 (nr 40)	Environmental management	The lack of focus and clarity on the placement, functioning and monitoring of environmental management at the NWU poses a risk to sustainability and compliance.	20,00	16,00
3 (nr 233)	Adequacy of the business model after Covid-19	The pandemic restrictions forced changes in stakeholder behaviour and habits. The organisation has had to adapt to a significant change in stakeholder behaviour whilst ensuring adequate alignment of quality teaching and learning in relation to student access and success and fit-for-purpose workforce utilisation. Universities have had to re-invent their business models to ensure that they can compete in these shifting circumstances and, in some cases, ensure that they take advantage of unprecedented demand. Inadequacies around a focused approach on the management of Covid-19 could hamper the NWU's sustainability in the short, medium, and long term as it impacts directly on the university's governance and management.	20,00	16,00
4 (nr 234)	The implications of and demand for digital transformation on the NWU's business	Information Technology (IT) provisioning for certain administrative and academic functions is not optimal; there are indications that individual IT staff are overburdened due to inadequate human resources in IT; uncertainties exist as to the direction of the DBS, leading to delays in new system design and implementation. Digital transformation will have a severe impact on operational models, structures, people, processes, and roles.	20,00	16,00
5 (nr 4)	Business model	Pandemic restrictions forced changes in stakeholder behaviour and habits. The organisation has had to adapt to a significant change in stakeholder behaviour whilst ensuring adequate alignment of quality teaching and learning in relation to student access and success and fit-for-purpose workforce utilisation. Universities have also had to re-invent their business models to ensure that they can compete in these shifting circumstances and, in some cases, ensure that they take advantage of unprecedented demand.	20,00	16,00
6 (nr 230)	Information Governance	Inadequacies and a lack of focus on information governance implementation could hamper the NWU's operations and expose the NWU to compliance risks.	16,00	12,80
7 (nr 231)	Business Continuity Plans (BCP) and Disaster Recovery Plans (DRP)	Inadequacies around disaster recovery and business continuity management could hamper the NWU's operations and lead to compliance risks, financial losses, and reputational damage.	16,00	12,80
8 (no 232)	Funding and fee regulation	The government funding model is not sustainable, and the higher sector is not kept sufficiently informed by the DHET; also, universities are overly dependent on a single source of income (government subsidies and NSFAS) and is trying to make sense of many uncertainties around the haphazard approach to fee regulation since 2016 and the recent steps that the DHET has begun to take on a new fee regulation regime.	16,00	12,80

Rank	Risk name	Description	Inherent risk	Residual risk
9 (no 3)	PG Students	Poor financial support for postgraduate students results in loss of student income and continuity from undergraduate to postgraduate studies. Furthermore, postgraduate numbers are dependent on the availability of bursaries.	15,00	12,00
10 (no 9)	Research Quality	Inadequate resources for research and research chairs could lead to poor-quality research.	15,00	12,00



The risk heat map for the NWU is as follows:



* The number in the top corner indicates the residual risk rating and the # indicates the number of risks at that rating on the NWU risk register.

Key to risk indicators

Name	Value	Description	Colour
Minor	4	A risk event that holds no significant threat to the organisation, employees or other stakeholders.	Green
Low	10	A risk that is unlikely to occur, but if it does occur it can be managed under normal operating conditions.	Yellow
Medium	15	The risk could have a serious impact on operations. It can be managed with some additional resources, budget and maintenance effort.	Orange
High	25	The risk is potentially disastrous and will hinder the achievement of objectives and/or lead to the collapse of business and/or projects.	Red

7.6 Conclusion

Risk management has been firmly embedded into the strategic mindset of the university and we continue to refine our understanding and management of risk.

We are exploring ways to make risk management part of the day-to-day operations of the NWU. Support departments and faculties have appointed risk champions in their respective environments, and operational risk registers for support departments and faculties are being built and discussed at various levels of line management.

A central control library for risks has also been established. The control library is extensive and links each control to (i) a process group, (ii) process, (iii) type of control and (iv) the nature of control, complemented with (v) a complete control description.

The NWU continues to make use of electronic risk management software that integrates risk management, compliance management and audit matters.

Risk reporting takes place at various levels: at UMC, the ARCC, Combined Assurance Forum, Faculty Boards and at all the Council Committee meetings in May and October.

The reports submitted to Council Committees in 2022 again focused on aspects of the strategic risk register where risk pertains to the relevant area of expertise and oversight.

““ COUNCIL STATEMENT ON RISK MANAGEMENT

The NWU Council, as the final decision-making body of the university, affirms that it is endowed with the responsibility and accountability for the effectiveness and efficiency of the risk-management process. For the period under review, it is continually apprised of developments by means of management and audit reports on the management and risk coverage processes; and has received sufficient assurance over the past year from all relevant assurance providers.

*Statement approval obtained from
the NWU Council on 22 June 2023.*

””



PROF MARLENE VERHOEF
REGISTRAR DESIGNATED WITH RISK RESPONSIBILITY

7.8 Report on internal/administrative structures and controls

The North-West University (NWU) maintains a system of internal control to ensure the effectiveness and efficiency of operations, the accuracy of financial reporting, overall compliance with relevant laws and regulations, the prevention of loss of resources and assets and reduce legal liability. Internal control objectives are pursued to ensure the fostering and enhancement of a strong ethical climate.

NWU has documented and implemented policies and procedures for its internal control practices, which are monitored by the University Management Committee and evaluated by the Internal Audit department during their audit activities.

The Corporate Information and Governance Services Department coordinates policy updates, following a regular schedule that includes consultation with all relevant structures. After Council approves new and reviewed policies, it is communicated to and available on the Internet for all university employees and stakeholders.

NWU has a comprehensive risk management and compliance program, which includes a business continuity plan, risk management plans, and budgetary and resource plans. The University Management Committee and operational managers on various levels regularly identify, report, review, and manage all related risks. The risk register is updated and maintained regularly with feedback requested from risk owners, executive managers, the members of the Combined Assurance Forum and various operational managers.

Assurance is provided by the four levels of assurance, of which one is the internal audit function. On this level, it includes audits according to the risk-based internal audit plan, as approved annually by the Audit, Risk and Compliance Committee, and provides for the evaluation of relevant systems, procedures, and controls in areas considered high risk.

Performance management is used to ensure individual accountability, with adequate job descriptions in line with key performance indicators.

Compliance with all relevant standards, policies, guidelines and procedures related to financial reporting is monitored continuously by both the internal and external audit functions and the relevant financial divisions and employees assigned with the responsibility.

The internal audit function is responsible for identifying significant control deficiencies and reporting these to the relevant responsible managers, the University Management Committee, and the Audit, Risk and Compliance Committee. Furthermore, Internal Audit will follow up regularly that recommendations and action plans are implemented as agreed upon by Management to ensure the improvement of the control environment. The progress with the tracking of unresolved findings will be reported to the Audit, Risk and Compliance Committee.

The NWU maintains its cyber-security maturity through information security awareness, training, business continuity and risk management plans. The action plans include budgetary and resource plans for regulatory incidents aimed at reducing legal- and compliance-related risks, the classification of information, the compilation of an information-asset list management program, the regular updates of its cyber-threat profile and its cyber-strategy performance targets.

The NWU prepares budgeting and resource plans for its overall cybersecurity defence programme that is aligned to business objectives and risk profile. Not all the IT systems at the university are centralised, with the consequence that differing levels of control exist at the various management levels, including that of the respective faculties. The NWU strengthened their cyber detection capabilities by implementing a Security Information and Event Management system. Our restore and recovery capabilities are well established.

Modern information technology is used to improve efficiency, effectiveness, reliability, and security. Password controls are strictly maintained, and access rights are checked, ensuring that the basic internal control concept of division of duties is maintained. Regular reviews are conducted to ensure that the systems are functioning correctly and are integrated to minimize manual intervention.

In addition, the systems are integrated to minimise duplication of effort and ensure minimum manual intervention and reconciliation procedures. The development, maintenance and operation of all systems are controlled by competently trained staff.

Accepted standards are applied to protect privacy and ensure control over data. Password controls are strictly maintained, with users required to change passwords regularly, except where otherwise approved.

Internal Audit raised concerns regarding high-rated impact risk due to non-compliance with the requirement of the Higher Education Act regarding a few employees' non-declaration of conflict of interest. Some employees also do not declare all their interests as required by the internal policy, resulting in continued business transactions directly or indirectly between employees and the university. However, we are of the view that there were large improvements in related processes within the university environment to identify employees who do not declare, whose declarations were not approved by their managers, as well as, taking disciplinary steps against these employees. Unfortunately, transactions with these employees and their related businesses are still being processed, although there might be an actual conflict of interest. From Internal Audit's side, there is an annual

process in cooperation with the external audit team to determine these possible conflict of interest transactions, where management then has to follow up with the employees and their line managers, to determine if conflicts exist and how it will be managed in future.

Against the background of the preceding, it is evident that the university is aware that there are inherent limitations to the effectiveness of any internal control system, including the possibility of human error and the circumvention or overriding of controls.

Accordingly, even an effective control system can only provide reasonable assurance concerning financial statement preparation and the safeguarding of assets.

Conclusion

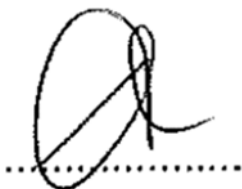
NWU has demonstrated a robust framework of internal and administrative structures and controls that underpins efficient and effective operations, safeguarding of assets, accurate financial reporting, and compliance with relevant laws and regulations.

The university has established internal control objectives and practices that ensure a strong ethical climate, with modern information technology being leveraged.

The university's risk management and compliance program are comprehensive, with a robust oversight function in place via the ARCC.

The Audit, Risk and Compliance Committee oversees NWU's internal control system on behalf of the university council and believes that the university's internal control system as of 31 December 2022 had met the criteria for effective internal control over financial reporting.

This report was approved at its meeting of 8 June 2023, which was quorate, and confirms that the documentation for approval by the Committee was circulated through the meeting agenda that reached members in advance and with due notice.



MR THABO MOKGATLHA
CHAIRPERSON: AUDIT, RISK AND COMPLIANCE COMMITTEE



MS MADELEIN VAN DER MERWE
DIRECTOR: INTERNAL AUDIT

8 Our strategy to create value

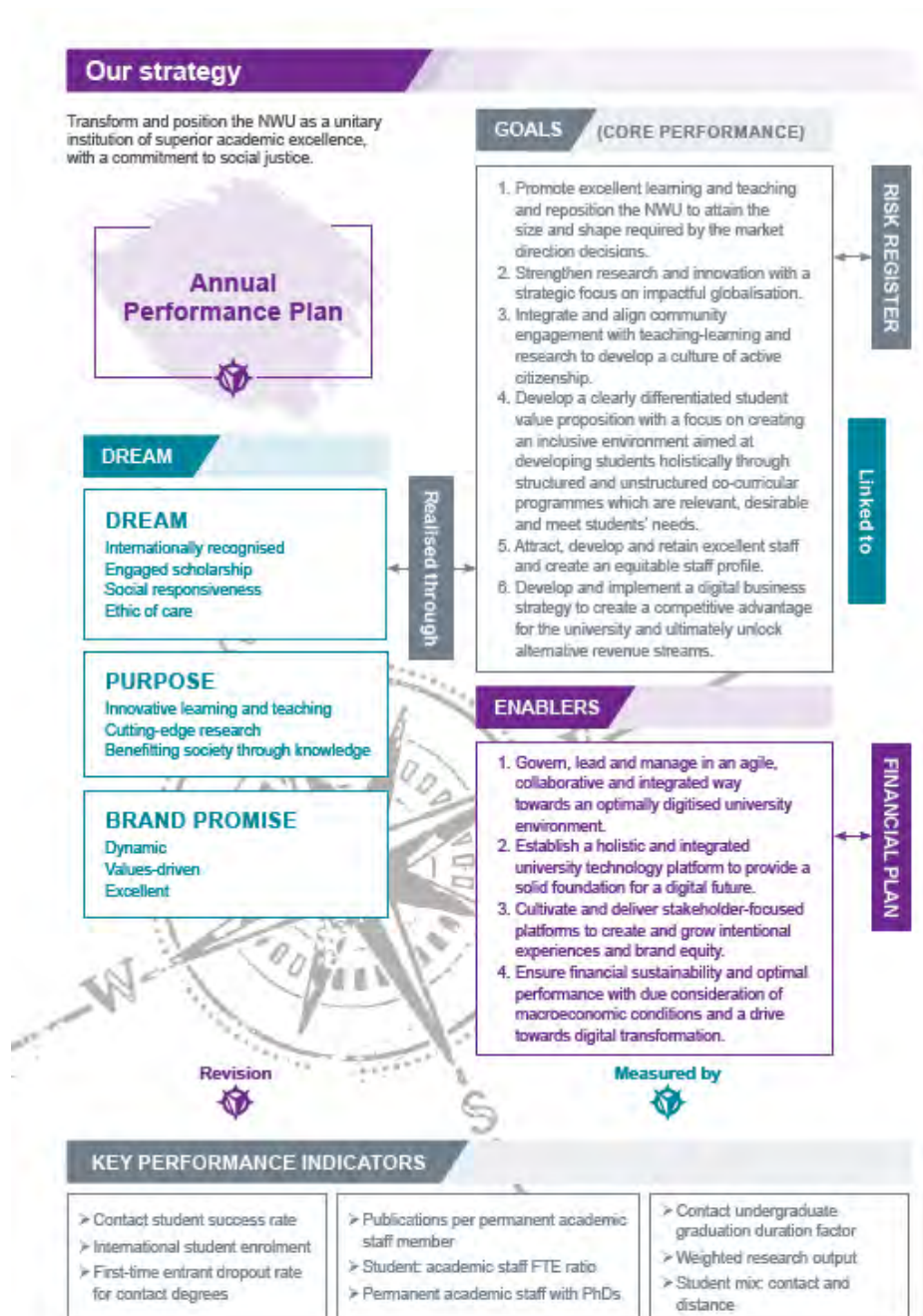
8.1 Introduction

In moving forward with purpose and creating value for our shareholders as we do so, our strategy and APP keep us orientated and progressing in the right direction.

Our strategy stretches over a 10-year period, currently 2015 to 2025, while our APP is for 12 months, in this case 1 January to 31 December 2022.

8.2 Explaining our strategy

In the following diagram, we illustrate how our identity (purpose, dream and brand promise) drives our strategy, which informs our long-term goals and enablers. Every year, we review and agree on our annual objectives, which we then capture in our APP. These objectives anchor the broad direction in concrete actions through which we create value.



8.3 Six goals to realise our strategy

	How we get there
<p>We want to promote excellent learning and teaching and reposition the NWU to attain the size and shape required by the market direction decisions.</p>	<p>We are taking a multipronged approach towards promoting excellent teaching and learning. The Centre for Teaching and Learning is enhancing its support to the faculties, using research to inform best practices.</p> <p>Our proven student academic development and support initiatives continue to advance student retention and success.</p> <p>We are systemically transforming and renewing the curriculum to equip graduates for 21st century challenges.</p> <p>We have aligned the teaching and learning environment with the Centre for Teaching and Learning's operational plans and teaching and learning plans of the faculties.</p> <p>While providing professional services to the community, we explore opportunities to generate third-stream income through continuing education offerings.</p> <p>We ensure that the PQM is responsive, viable and relevant.</p> <p>Through well-managed and appropriate work-integrated learning (WiL) and service learning, we enhance the employability of our graduates.</p>
<p>It is our goal to strengthen research and innovation with a strategic focus on impactful globalisation.</p>	<p>We are actively enhancing the visibility, impact and footprint of our research. Specific activities geared towards this include increasing publications in Scopus/ISI journals, strengthening research integrity, improving the NRF ratings of our researchers and offering joint degrees and co-publishing with researchers from reputable international institutions.</p> <p>Furthermore, we managed the research activities of our 60 research entities, including those falling under the South African Research Chairs Initiative (SARChI).</p> <p>We successfully concluded the evaluations for research funding applications to the National Research Foundation (NRF), South African Medical Research Council (SAMRC) and other local funders. The NRF grants that were concluded included grant-holder linked bursaries, block grants, freestanding travel grants and bursaries, freestanding postdoctoral research grants and bursaries, SKA student travel grants and bursaries and Thutuka. In addition, SAMRC, DTI/THRIP and NWU postdoctoral grants were concluded.</p> <p>Research funding opportunities were widely publicised on NWU online platforms as they were received.</p> <p>Training sessions on funding and ethics for researchers and students were conducted as part of an annual programme. This training is part of our commitment to advance research excellence.</p> <p>Library and Information Services (LIS) arranged workshops and webinars on open access and research data management. LIS also initiated a project to digitise pre1990 print theses and dissertations, thus enriching the online content available.</p> <p>We disseminated publishing literacy awareness material to the NWU community to reduce the possibility of predatory publishing.</p>
<p>Community engagement that deepens relevance, impact, reputation and sustainability to develop a culture of active citizenship.</p>	<p>Community engagement (CE) opportunities enable our staff and students to become active citizens and discover for themselves the value they can add and receive through service, engaged scholarship and an ethic of care driven by partnerships and collaboration.</p> <p>Although still limited in 2022, access to communities increased as the year went on and new partners joined our campus-based CE forums, which will have a positive impact on student volunteering and opportunities for work-integrated learning and service learning.</p> <p>From 2021 up to June 2022, 12 different organisational units reported on 754 community engagement projects.</p> <p>Mahikeng Campus represented 20% of the CE activities evaluated, 10% from the Vanderbijlpark Campus and 70% from the Potchefstroom Campus. Outreach/volunteerism represents the most significant proportion of activities evaluated, at 30%. Teaching and learning activities comprised the second largest proportion, 22%.</p> <p>The combination of teaching and learning and research and innovation activities was the least represented, at 5% of the activities evaluated. The plan is to increase the combinations of activities to include engagement to contribute to the scholarship of engagement.</p> <p>Some 17% of activities included NWU stakeholders outside the school or unit implementing the</p>

	How we get there
	<p>activity, indicating collaboration across disciplines.</p> <p>These results show that our efforts to align and integrate CE with teaching and learning and research are bearing fruit, and we are seeing a growing shift towards the scholarship of engagement.</p> <p>Based on an analysis of CE activities in 2022, conducted in collaboration with the NWU's Africa Unit for Transdisciplinary Health Research, we developed a survey to evaluate the CE activities for 2022, which will in turn be used to plan a strategy to take CE forward in 2023.</p> <p>Our proposed pathway is towards a standardised and centralised approach to community engagement at the NWU, with the emphasis on measurable, sustainable community impact. Furthermore, we refined the CE activity database to integrate engaged scholarship dimensions aligned with the APP and, more broadly, the Sustainable Development Goals (SDGs).</p> <p>In the sphere of environmental responsibility, we plan to promote the theme of water conservation management among our students on the three campuses.</p> <p>The annual CE awards were held in November 2022, where the NWU recognised staff in four categories for their active contributions to the NWU's community engagement. A total of 19 applications were received for the awards and four winners were selected for their excellence in CE. Significantly, developing academics outperformed established academics in terms of applications and awards received.</p> <p>The Scholarship of Engagement Award, which recognises collaboration between academics and individuals outside academia, was conferred on the Law Faculty's NRF SARChI Chair in Cities, Law and Environmental Sustainability (CLES). CLES impressed the evaluation team with how they integrated all aspects of engagement into their work, including sharing of expertise, engaged research and engaged teaching and learning. The Chair also succeeded in making an impact at policy level, which is the ultimate form of impact attained through engagement.</p>
<p>We continue to develop a clearly differentiated student value proposition, including an inclusive environment where our students can develop holistically.</p>	<p>A key component of developing a clearly differentiated student value proposition is the improvement of our student service delivery. Gleaning from the lessons and experiences of the pandemic, we are increasing our focus on the systems and processes that support student service delivery. This includes the areas of:</p> <ul style="list-style-type: none"> • Psycho-social and primary health care services • Student financial support • Student accommodation • Student academic development and support • Social welfare programmes. <p>Our approach to student information management is also receiving considerable attention in ensuring that we accurately record and manage the activities of students at both curricular and co-curricular levels.</p> <p>Measures towards the standardisation of planning and coordination of an aligned Student Life programme, presented by both staff and student leaders, emerged as a key area of improvement during 2022, gaining momentum for 2023 and beyond. This, we believe will enable us to engage student leaders and students constructively and systematically, allowing them to take ownership of co-curricular programmes.</p> <p>The continued development of the extensive student leadership model further ensures the refinement of how student representation is understood and executed at the university. In pursuing this, we established transparency, assurance, and stability within the student domain, promoting continued student support and involvement in the achievement of the strategy.</p> <p>Our involvement at regional, national, and international levels through sports and arts, is testament to the high quality and standard of student talent and skill.</p> <p>During 2022, matters of student safety remained centre stage, with a variety of partnerships between the university, local municipalities, law enforcement agencies and community members, continuing to grow. This enables the university to not only ensure on-campus safety, but also contributes towards the safety and security of the areas immediately surrounding our campuses.</p>

	How we get there
<p>We want to attract, develop and retain excellent staff and create an equitable staff profile.</p>	<p>An important aspect of promoting social justice and diversity on all campuses is the quest for staff and student equity. Steps taken towards achieving student equity include:</p> <ul style="list-style-type: none"> • introducing an online application process for residences on all three campuses, enabling better control over placements; • requiring all our residences to base their enrolments on the NWU's enrolment targets for 2025 by following the plans and processes put in place for this purpose; and • standardising Career Centre offerings, such as virtual career fairs, across the three campuses. <p>Our targets for staff equity are outlined in the Employment Equity Plan for 2021 to 2023, in compliance with all the Department of Employment and Labour's requirements. The plan focuses on removing barriers to the recruitment of persons from the designated groups and persons living with disabilities. It also addresses succession planning for key positions, retention strategies and the establishment of an enabling organisational culture.</p> <p>A leadership intervention has been successfully implemented for senior management to promote cohesion in the execution of university goals and objectives, as well as in the behaviour required to achieve these. In 2022 most of the Senior Management Committee members completed the culture interventions: a cook-off and a "Purple Race", both aimed at building a strong cohesive team that embraces the preferred NWU culture.</p> <p>The Purple Race was held on 15 and 16 September across all three campuses, with 24 members of the University Management Committee and the Senior Management Committee participating. During the race, the participants were divided into seven teams, each representing one of the values. Each team interpreted their value and used the different activities in which they participated to bring that value to life.</p> <p>The leadership interventions have since been extended to academic managers.</p> <p>Meanwhile, the implementation of the leadership programme is ongoing and has given rise to clear recommendations for effecting positive changes in the organisation's leadership culture.</p> <p>A leadership committee has been established to lead, monitor, and report on the progress of this leadership intervention project.</p> <p>In 2022, the NWU leadership team participated in an additional programme on self-mastery, work-life balance, leading with purpose and emotional intelligence.</p> <p>As part of the leadership interventions the team had to undergo individual and group coaching sessions. The primary goal of the individual and group coaching sessions was for the leadership team to develop a cohesive leadership identity, foster collaborative skills, teamwork, and competencies such as communication and compromise. Equipped with these competencies, the leadership team will be better placed to lead with ownership and purpose and to thrive in the ever-changing environment in which the NWU finds itself.</p> <p>The NWU Leadership Academy for Academics was also launched in 2022. The academy is designed to support the next generation of academic leaders, meaning that it emphasises future leadership and reinforces the notion that leadership can be demonstrated at any level and is value-driven not hierarchical. It moves away from regular management training practices toward instilling and supporting greater emphasis on values in alignment with the NWU strategy to transform and position itself as a unitary institution of superior academic excellence, with a commitment to social justice.</p> <p>The Leadership Academy for Academics is targeted at NWU academic staff who aspire to or are newly appointed into leadership and management positions.</p>

	How we get there
<p>It is our goal to develop and implement a digital business strategy to create a competitive advantage for the university and ultimately unlock alternative revenue streams.</p>	<p>The digital experience gained, and lessons learnt during the Covid-19 pandemic stood the NWU in good stead when developing the Digital Business Strategy (DBS).</p> <p>Developed in the second half of 2022, the DBS ensures the NWU is future-fit and makes technology/digital transformation a core component of the university's strategy.</p> <p>The DBS directs digital transformation at the NWU, prepares the university for the future educational landscape and equips staff and students with digital literacy skills to participate fully in the digital future.</p> <p>The DBS consists of digital initiatives aimed at optimising business agility. It does so through the rapid rollout of shared services and a technology ecosystem that integrates students, partners, employees, and the Internet of Things (IoT). The intended outcome is an exceptional stakeholder experience and an IT operating model that combines flexibility, competent people, best practices and a culture of innovation.</p> <p>The DBS comprises a number of goals and enablers. The goals provide a framework for the types of digital projects we envisage for various environments; the enablers pinpoint specific digital initiatives in support of the goals.</p> <p>An example is the renewal and replacement of the Student Information System (SIS) that is core to the student lifecycle. The SIS will support at least two pillars of the DBS, namely operational efficiency, and intentional experiences. Ultimately, the DBS's digital projects and initiatives will present new competitive advantages for the NWU at a time when higher education is becoming increasingly commoditised. Institutions that differentiate themselves on customer experience and service quality stand out.</p>

8.4 Four enablers to help us realise our strategy

Where we want to go (our enabler)	How we get there
<p>Govern, lead and manage in an agile, collaborative and integrated way towards an optimally digitised university environment.</p>	<p>We use strategies, practices and processes to help us realise the competitive advantage of the NWU.</p> <p>We will establish measures to ensure the functioning of the NWU as a unitary, integrated, multi-campus university, and will determine if these measures are effective.</p> <p>We draft and review all policies and rules in accordance with the 2017 NWU Statute.</p> <p>We make sure that support services across all sites of delivery function in an integrated and mature way and that the support-staff provisioning is optimised.</p> <p>Our integrated risk- and compliance management model focuses on business continuity and disaster recovery strategies</p>
<p>Establish a holistic and integrated university technology platform to provide a solid foundation for a digital future.</p>	<p>The ultimate purpose of technology is to future proof our operations and support the NWU's positioning as a unitary institution of superior academic excellence with an ethic of care. The digital experience gained during the pandemic has been invaluable.</p> <p>The Next Generation Digital Environment (NGDE) is the backbone of the NWU as a future-proofed organisation. The NGDE is a modern integration platform supporting the delivery of various digital initiatives to optimise and automate processes, create quality stakeholder experiences, enable new offerings, and provide integrated reporting and analytics.</p> <p>Maximising business agility through rapid deployment of standardised shared services will remain our focus while ensuring a secure digital environment and building an integrated technology ecosystem.</p> <p>We are working towards delivering an exceptional stakeholder experience and establishing a responsive operating model in IT. The main attributes of this model are flexibility, competent people, best practices, innovative culture, and well-looked-after staff.</p>
<p>Cultivate and deliver stakeholder-focused platforms to create and grow intentional experiences and brand equity.</p>	<p>A positive stakeholder experience presents opportunities for beneficial stakeholder engagements, retention, and loyalty. To this end, the development and implementation of targeted communication platforms/channels remained crucial for the year under review.</p> <p>The interactions with our stakeholders via appropriate channels that lead to intentional experiences play a key role towards the achievement of an enhanced NWU brand equity.</p>

Where we want to go (our enabler)	How we get there
<p>Ensure financial sustainability and optimal performance with due consideration of macro-economic conditions and the drive towards digital transformation.</p>	<p>During 2022, our focus was on the financial impact model and mitigation plan we developed in response to the financial and economic impact of Covid-19, together with a three-year rolling budget for 2023 to 2025. This approach is intended to ensure medium and long-term sustainability, with an emphasis on cash-flow management for the shorter term.</p> <p>We continued implementing the infrastructure policy that focuses on optimal space management and links requests to strategic initiatives and financial viability analysis, as well as space norms.</p> <p>The preferential procurement strategy was reviewed. This included creating a supplier database and community engagement structure to assist with local participation in infrastructure projects.</p> <p>We developed an energy efficiency strategy and implemented strategic pilot projects for energy management, the aim being to measure the impact and efficiency of alternative energy sources.</p> <p>In pursuing compliance with the NWU's Environmental Policy, we developed an Environmental Sustainability Management strategy and guidelines, along with environmental initiatives.</p> <p>Several automation projects continued in support of the Digital Business Strategy.</p>



8.5 Strategic projects per goal/enabler

The APP serves as an important instrument to realise the NWU strategy and to implement strategic projects.

Strategic projects are those projects that impact significantly on the achievement of our goals and the realisation of our strategy. These also play a significant role in determining the university's overall direction.

The following summary provides an overview of the implementation of strategic projects in the relevant APP goals and enablers.



To see how we financed these strategic initiatives, turn to the [section](#) on our performance against our strategy.

8.6 Annual Performance Plan

8.6.1 How the APP fits in with our strategy

We view integrated planning as a sustainable approach to ensure planning and operational alignment that is both vertical (from strategic mission down to operational efficiency) and horizontal (across faculties and support departments).

Reflecting on our process, we can confirm that integrated planning has indeed assisted us to link planning with resource allocation, as well as to measure the progress of our efforts to enhance our quality management and quality assurance measures. Integrated planning has thus become part and parcel of the NWU quality management and assurance culture, as opposed to being a once-off annual event.

The ultimate purpose of quality management is to enhance opportunities for student success by quality assuring teaching and learning, research, and community engagement. The outcomes are high-quality qualifications, acceptance in local, national and international research networks and increased opportunities for constructive, credible community engagement. Here, the university's governance and management structures, strategic planning and academic leadership have played and will continue playing, critical roles in quality management.

We build quality assurance into the core business of the university by cascading the NWU's strategic goals into our APPs (which are a DHET requirement). We then prepare a detailed implementation plan, consisting of relevant projects and initiatives, and produce evidence of progress towards the realisation of our goals.

It is important to note that each activity in the APP is linked to the Institutional Risk Register that is reported on at the Audit Risk and Compliance Committee.

8.6.2 How the APP was revised in 2022

The Covid-19 pandemic compelled the university to reflect on its teaching and learning strategy, as well as the resources and energies that need to be developed, organised and focused to ensure continuity and a quality teaching-learning offering.

Shifting our conceptualisation from crisis-oriented planning towards (a re-defined) plan for normalisation, is potentially enabling (rather than only threatening) for the university. The pandemic introduced a global momentum for changed approaches to teaching and learning. The NWU must, therefore, renew the traditional campus-based model so that we can integrate education technology features optimally and in cutting-edge ways in both our contact and distance programmes.

As Covid-19 persisted, the NWU had no choice but to move away from contingency planning to what we call consensus continuity planning in the face of a prolonged crisis. These circumstances made it necessary to rearticulate and further refine the direction the NWU is taking with respect to the teaching-learning experience, as well as the support offered to staff and students. The revised approach to teaching and learning has been translated into measurable objectives in the APP.

The journey to adapt has been a process of discovery that is by turns exciting and enervating and will help secure the relevance of our academic qualifications, research and community engagement.

8.6.3 Quality enhancement

The NWU Strategy provides clear directives for managing and embedding quality in the university's core functions. These include prescripts for dealing with major quality events such as the institutional audit that takes place under the auspices of the CHE.

The audit cycle is a series of engagements that forms the institutional audit from initiation, through preparing the self-evaluation report, the site visit, to the final audit report, and includes the development of an improvement plan, and its reporting to a final close-out report that is accepted by the Higher Education Quality Committee (HEQC) and Council. The planning for institutional audits is done in consultation with institutions and is aligned as far as possible with institutional planning cycles.

The latest CHE institutional audit took place in 2022. We appointed an Institutional Audit steering committee to define clear roles and responsibilities for the audit and, in collaboration with the Quality Enhancement (QE) office, identified focus area owners.

Under the leadership of the focus area owners, 19 Institutional audit task teams or working groups were formed across all the university's faculties and departments.

The first major milestone was to complete the SER, which the working groups prepared with the support of the QE office. Student leaders were included in the working teams to ensure the inclusion of the student voice and focus group interviews with students were held.

The SER development process was a collaborative undertaking that relied strongly on information technology and collaborative file-sharing platforms such as Google Drive and Nextcloud.

The NWU has concluded the site visit in August 2022 and the CHE report is expected early in 2023. The university will respond to its findings and recommendations by preparing a quality management improvement plan.

8.7 Future outlook

The current strategy cycle is reaching its end in 2024/25, making it necessary to review the strategy and or to craft a new one. Providentially the appointment of the new vice-chancellor in June 2022, affords the NWU the opportunity to begin drafting a new strategy that reflects new priorities for the university under the vice-chancellor's leadership.

Several new initiatives are being investigated and prioritised together with a review of the effectiveness of the unitary NWU operating model. As part of the crafting of the new strategy, we will emphasise the shifts in culture, workforce and technology needed to move the university forward, while also ensuring that our transformation targets are met through this planning. The new strategy would like to demonstrate growth of the NWU, a unitary operating model, diversity of our people and impact in our delivery and engagements.



9 Our performance against our strategy: Creating value through the capitals

This part of the annual report is about the value-creation processes at the NWU.

Here we would like to show you how we respond to our stakeholders' needs through our business activities, and how these activities lead to outputs and outcomes, thereby transforming the value of our six capitals.

These capitals represent the value we create for ourselves and our stakeholders; our performance against these shows how we are faring in achieving our strategic goals.

The image below illustrates the relationship between the value creation process and our capitals:



9.1 Our intellectual capital

Our intellectual capital is all about our knowledge-based intangibles that result from our core business activities.

This refers to the way we use our knowledge resources to create more knowledge, as well as the activities, policies, strategies and procedures in place to support our business operations, to the benefit of stakeholders.

<p>Stakeholders who will benefit from our intellectual capital</p>	<p>If we increase our intellectual capital, the benefit will flow through to all our stakeholders who are interested in the knowledge that we create through our research or our teaching and community engagement activities.</p> <p>The stakeholders include our staff, current and prospective students and their parents, the Department of Higher Education and Training (DHET), communities, donors, alumni, employers, business and industry and professional bodies.</p>
<p>Material matters (goals or enablers) involved</p>	<p>Teaching and learning, research, community development, ability to govern, lead and manage, information and communication technology.</p>
<p>Risks involved</p>	<p>The risks include the demand for organisational change and ongoing transformation (for instance concerning the decolonising of the curriculum), risks related to academic matters (teaching and learning, research and innovation and academic administration), the risk of non-compliance (for instance with the standards and regulations of professional bodies), risks related to IT, university systems and commercialisation of our innovation and research results.</p> <p>Read more about the mitigation of these risks.</p>

9.1.1 How we created, preserved or eroded value

This section is about how we created value for ourselves and our stakeholders through our teaching and learning, research and community engagement activities.

We will also show you how we created value through our support activities. This is for instance how we govern and manage the university through our structures, policies, processes and systems, and how we support our core business by maintaining and further developing our information and communication technology. We also consider areas of our operations where value may have been lost.

9.1.2 Academic literacy tests and modules

All first-year students take a compulsory academic literacy test. They may then be required to register for specific academic literacy modules in academic writing, reading, computer and information literacy and study skills. These modules have been redesigned to incorporate discipline-specific content wherever possible, allow contact and multimodal offerings to be seamlessly integrated and focus more on self-directed learning.

A concern is that students struggle with self-directed learning, particularly online, underlining the importance of in-person support for at-risk students.

9.1.3 Rethink distance learning

Distance learning has strategic importance as it increases access to education and training by eliminating barriers posed by time, place and pace of learning. However, the NWU realised in 2022 that the time has come to reconsider its distance learning delivery model, due to declining enrolment figures and advances in technology.

Two workshops conducted during the year resulted in a number of decisions, including to phase out of all paper-based distance learning programmes and provisioning of study material, close some learning support centres and establish better-provisioned regional learning hubs, and promote integrated and holistic thinking on distance education at the NWU.

9.1.4 Material matter: Teaching and learning

In fostering academic success, we invest in staff and student development and in strengthening the quality and diversity of teaching and learning activities. We also align our academic programmes across the university, ensure these are evaluated regularly and use ICT and multimedia resources to expand the reach of our distance learning offerings.

9.1.4.1 Increase student access and success

We offer extensive, value-adding academic support to students, as discussed in the following section.

9.1.4.2 Extended curriculum programmes

In several academic programmes, students can complete their studies over an extended period. The value of these programmes is evident from their overall student success rate of approximately 90%.

9.1.4.3 University Preparatory Programme (UnivPrep)

UnivPrep is a one-year preparatory programme approved by Senate to provide an access opportunity to prospective students who do not meet the admission requirements for specific formal degrees. By participating in UnivPrep students can qualify for formal studies in the Faculty of Humanities, Theology and Economics and Management Sciences at the NWU.

Each year, above 50% of successful UnivPrep participants become eligible to apply for formal studies in these faculties.

9.1.4.4 Higher Certificates

In addition to UnivPrep, a number of higher certificates provide access to students who would otherwise not qualify for university studies.

9.1.4.5 Tutorial programmes 2022

Tutorial support is an important pedagogic tool for lecturers to use with small groups. The main forms of tutorial support we provide are supplemental instruction (SI) and tutoring.

During 2022, we appointed 194 individual tutors on the three campuses to provide tutorial support in 118 modules. The Mahikeng Campus had the largest number of tutors, 83, while the Potchefstroom Campus appointed 68 and the Vanderbijlpark Campus 45.

Tutorial attendance data were collected in 89 modules across the campuses. In 13 modules, all the students enrolled for these attended tutorials. In 76 modules, attendance was mixed, with some students attending tutorials and others not. In the modules that were analysed, 1 399 tutorials were presented, reaching 6 090 students.

The tutorial attendance data for each module were collected and analysed to determine whether attendance contributed positively to students' academic results. Focusing on marks for participation and, examinations, as well as module marks, we concluded that there is indeed a correlation. Using statistical analysis, we found that the mean average examination mark, module mark and pass rates for students who attended tutorials are higher than for those who did not, while the difference in mean average examination marks tended towards a significant difference.

9.1.4.6 Mathematics and statistics support

Support with mathematics and statistics is now a regular feature in the academic student support programmes and services offered by the Centre for Teaching and Learning (CTL). This support is offered through the Mathematics and Statistics Centre (MSC) to help students who are struggling with mathematical and statistical concepts and problems, in addition to their regular programme of lecturing and academic peer support. The MSC provides a supportive and interactive environment where students can obtain help with coursework, assignments, and exam preparation.

The service is conducted in-person and online by trained tutors who are knowledgeable in mathematics and statistics. They work with students individually or in small groups, across faculties and all levels of mathematical and statistical proficiency. The goal of the MSC is to help students develop confidence and independence in their mathematical and statistical abilities.

In 2022, we had 30 tutors conducting tutorials and individual consultations, reaching 499 individual students, compared to 387 students in the previous year. We attribute this increase to greater awareness of the service and to the full return to campuses post-Covid.

9.1.4.7 Supplemental instruction (SI)

The SI programme targets the academic needs within at-risk modules in all faculties across the three delivery sites of the NWU, as well as students at a distance. It focuses primarily on undergraduate students and seeks to improve student grades, throughput, and retention in at-risk modules.

For the year, 891 SI leaders went through the SI Leaders Online Training and 825 went on to facilitate SI sessions in 545 modules across the three campuses. Of the 141 at-risk modules identified, SI sessions were offered in 57, representing coverage of 40%. In total, we provided IS support to 55 546 students across the NWU in the various modules.

Feedback from students/participants at the end of each semester indicated the remarkable success of the SI programme. In semester one, 90,8% of the participants indicated that the SI sessions were effective in preparing them to master the content, complete assignments and prepare for tests and exams. Similarly, 95,6% of the participants indicated that they would attend SI sessions again and would also recommend SI to their friends.

In semester two, 96,7% of the participants indicated that the SI sessions were effective, at least to some extent, and 96,1% indicated that they would recommend these sessions to friends.

9.1.4.8 Academic peer mentors

In the academic peer-mentoring programme, high-performing senior students support first-year students to adapt to university life. Although WhatsApp was still being used for mentorship, there was a definite increase in the number of face-to-face meetings between mentors and mentees.

A steady average of approximately 1 000 mentor/mentee engagements were recorded from March to October 2022. A total of 2 029 mentees signed up to be mentored, although only 1 941 mentees actively engaged with the academic peer mentors.

Interestingly, the Academic Peer Mentor website had the third most visits of all CTL websites in 2022. The site recorded 13 759 visits, with students spending 5:21 minutes on the site on average. Academic support in more than 450 modules was provided.

Of the total number of mentees who participated in the first semester, the average module pass rate was 90%. Among mentees who participated in the second semester, the average module pass rate was 89%.

HyFlex teaching-learning in 2022

In 2022, we continued with our hybrid teaching and learning model, HyFlex. This included asynchronous and synchronous online offerings, limited face-to-face interaction in small groups and personal consultation with students.

We enabled the development of graduate attributes by offering practicals or other forms of contact on a rotational basis, due to capacity restrictions.

A total of 80 venues were fitted with equipment that enable simultaneous streaming and recording of contact sessions.

Once Covid restrictions were lifted, students returned to campuses and in some instances, faculties returned to sit-down assessments.

We also continued providing data to students in need and to run the call centres established in 2020 to support students. The CTL again offered virtual support to staff and students on the intricacies of teaching and learning in an online environment. Library and Information Services ensured students had access to resources and information services.

The formal Covid-19 Assessment Review of the drastic changes brought about by the pandemic was concluded and confirmed that assessment and modes of assessment should receive attention. The Community of Practice in Academic Integrity, an inter-faculty and inter-departmental forum, is constantly providing guidelines on best practice.

9.1.4.9 Student success rate

In 2022 we maintained a contact success rate of 84,7% and a distance success rate of 91,6%.

Our 2022 contact undergraduate graduation duration factor was 1,08, improving from the 1,09 of 2021. This can be attributed to enhanced strategies for student support, early identification of at-risk students and NSFAS funding with provision for books and accommodation.

How much value we created, compared to previous years:

Academic performance	2018	2019	2020	2021	2022
Contact student success rate (undergraduate and postgraduate students combined)	85%	85%	90%	87%	84,7%
Undergraduate degree graduation duration factor	1,13	1,13	1,2	1,09	1,08
Graduation rate*	25,1%	2,5%	27%	27%	25,4%

* It is expected that approximately a third of any cohort should graduate from an education institution where the education offering consists mostly, but not exclusively, of three-year programmes. The NWU figure is reassuring given that in any given year there will be a small percentage of academic failures and dropouts or stop-outs.

How much value we created, compared to our targets:

Academic performance	Target	Definition	Actual
Contact student success rate (undergraduate and postgraduate students combined)	87%	Based on HEMIS data. Completed FTEs divided by enrolled FTEs on a module level	84,7%
Undergraduate degree graduation duration factor	1,2	Based on HEMIS data. The time (in years) it takes a student to graduate divided by the minimum time to complete the qualification	1,08

9.1.4.10 Align academic programmes

As a unitary institution, we are committed to ensuring that students across our campuses have access to equivalent resources and benefit from comparable high-quality teaching and learning. In aligned programmes and modules, we have noted an increase in team-teaching across campuses, with academics making use of the technology and equipment that has been made available in lecture venues.

It is also important that academic programmes are sustainable and always relevant, so that graduates have an equal opportunity to find work or to develop into entrepreneurs who create jobs for others.

9.1.4.11 Ensure high-quality academic programmes

The NWU is expected to provide good-quality higher education that enhances the prospects of student success. We therefore undertake systematic and continuous quality assurance and enhancement processes, using a reflexive approach of self-reporting and evidence-based practices.

These processes consist of internal programme evaluations (IPEs) and external programme evaluations (EPEs). Based on the results of the programme evaluations conducted in 2022, the Quality Enhancement Office will actively drive the monitoring and evaluation of improvement plans and progress reports in 2023.

During 2022, 38 programmes were evaluated internally and six were evaluated externally. Of these, four programmes "Met minimum standards", while two are still subject to a post-external evaluation process.

The programmes that were evaluated internally include the Diploma in Coaching Science, Bachelor of Arts Honours Public Governance, Bachelor of Science in Agriculture: Agriculture Economics, Postgraduate Diploma in Nuclear Science and Technology, BCom Tourism Management and BCom Tourism Management with Recreation Skills, and the BA Honours in Sociology and BSocSc Honours in Sociology.

For the coming year, 2023, we have scheduled 53 internal evaluations.

In 2022, we were visited by several professional bodies:

- the Engineering Council of South Africa (ECSA) came to quality assure the Bachelor of Engineering in mechatronic engineering, which has been provisionally accredited;
- the Association of Chartered Certified Accountants (ACCA) visited to quality assure the BCom in financial accountancy, BCom in financial accountancy (ECP), and BCom in management accountancy in 2022;
- the Chartered Institute of Management Accountants (CIMA) participated in the quality assurance of the BComHons in management accountancy programme;
- the South African Board for People Practices (SABPP) visited the School of Industrial Psychology and Human

Resource Management for the accreditation and review of eight programmes (both undergraduate and postgraduate) representative of the BAdmin, BCom, BA Human Resource Management and Labour relations qualifications; and

- the Health Professions Council of South Africa (HPCSA) visited the School of Physiology, Nutrition and Consumer Sciences for the accreditation of the Bachelor of Health Sciences in dietetics programme.

We are pleased with the outcomes of the accreditation visits for these programmes.

For the CHE Institutional Audit during 2022, the NWU used a participatory approach to prepare. A one-day interactive workshop was held in preparation for the site visit, where management, academics, support staff and students were given the opportunity to critically engage with each other on the topics of transformation and student success at the university.

9.1.4.12 Learning design

We continued redesigning modules and study material to migrate to the online /hybrid environment. Lecturers received ongoing guidance and support from the CTL to transition from emergency remote teaching-learning to HyFlex teaching-learning in 2022.

9.1.4.13 Digital teaching and learning environment

The university's learning management system, eFundi, is being investigated to determine whether it still meets the needs of the NWU or whether it is necessary to explore an alternative. The purpose of phase 1 of the project, conducted in 2022, was to do a thorough needs analysis and determine the satisfaction of academic staff and students with the current LMS.

At the end of this phase, the project team will draft a report on the findings with a recommendation as to whether an alternative should be investigated in 2023.

In 2022, a proposed teaching-learning model was consulted with all NWU stakeholders. The model allows for an approach to infrastructure development that enables HyFlex and hybrid modalities. In 2023, the model will be incorporated into the Teaching and Learning Strategy for approval by Senate.

In support of the envisaged transformation of spaces and places from a curricular perspective, the CTL has developed a Curriculum Renewal programme aimed at engaging in a systematic process of curriculum transformation and renewal to equip graduates to address the challenges of the 21st century. The programme includes:

- Curriculum conversations with students and staff based on grounded data generation tools;
- Continuing professional development (CPD) opportunities for staff and students for renewing and designing inclusive curricula;
- Facilitating curriculum renewal workshops within faculties, using a learning design methodology that is flexible but fit for purpose and includes students as partners; and
- Identifying risk indicators in first-year modules and developing interventions to address these.

9.1.4.14 Work-integrated and service-learning system

The centralised system for WIL and service learning (WISL) was implemented by the WISL centralised office in 2022. The office has a helpdesk function and plays an advisory role in supporting faculties in rolling out the WISL system. Faculties and schools that are integrated on the system are Education, Nursing, Pharmacy, Biokinetics, Social Work and Dietetics.

9.1.4.15 Framework for micro-credentials

Micro-credentials are a new development, situated between conventional programmes and short learning programmes. A micro-credential refers to a part-module, or part of a module that the university recognises as credit bearing, and which is clearly defined as a discrete area of learning associated with the module contents. It should be stackable and portable, enabling greater flexibility in learning.

The NWU has taken the lead in this area by creating a framework for the development and recognition of micro-credentials. The framework will be submitted to Senate for approval in 2023.

9.1.4.16 Policy on Open Education Resources

In 2022, the draft Policy on Open Education Resources was the subject of consultations held across the NWU and will be submitted to Senate and Council for approval in 2023. The policy states that the NWU is committed to moving towards an open educational resources agenda and wishes to contribute to the development of society and academia through contributions that are freely available.

9.1.4.17 Our output: graduates

The number of graduates is lower than planned due to the drop in distance enrolments. We experienced a decrease in our distance numbers due to the Advanced Certificate in Education, the NPDE and the BEdHons being phased out faster than anticipated and the approval of our new distance offering taking longer than expected.

The impact of Covid-19 on new programme development, both at the NWU and in the sector, cannot be underestimated. That said, planning for new programmes has proceeded apace with 16 new programmes receiving internal/external approval for the period 2020 and 2021.

How much value we created, compared to previous years:

Graduates	2018	2019	2020	2021	2022
Overall	15 350	14 961	15 454	14 484	13 735
Contact	10 650	11 191	11 697	11 191	10 323
Distance	4 700	3 770	3 757	3 293	3 412

How much value we created, compared to our targets:

Output	Target	Definition	Actual
Graduates	14 918	Based on HEMIS data; number of graduates in the reporting year	13 735

Our graduation rates in comparison with other institutions:

This is how our graduation rates (for undergraduate students) compare with other South African higher education institutions:

NWU graduation rate for students in 2022: 25,4%

(The national average for 2021 was 21,8%.)

9.1.4.18 Challenges in teaching and learning

In addition to dealing with the aftermath of the pandemic and its impact on teaching and learning, we continued addressing priorities such as the further decolonisation of the curriculum, the Africanisation of appropriate sections of our offerings and opportunities to promote multilingualism in teaching and learning spaces.

A further imperative was to ensure that all our offerings were nationally and internationally comparable, appropriately designed and incorporating accessible ICTs to address teaching and learning challenges such as those associated with the pandemic.

Our experience in responding to the pandemic has sharpened our ability to act swiftly and systematically when dealing with change. We have seen the value of teamwork, having mobilised various teams to deal with different aspects of teaching and learning affected by the pandemic. These include the task teams activated to address the emergency remote teaching and learning strategy and e-assessment platforms, and the 21 Futures task team (responsible for addressing capacity and spatial challenges associated with Covid-19 protocol adherence in 2022).

Teamwork will become ever more important as the NWU moves forward with the digital business strategy which, in the teaching and learning context, calls for the development of appropriate learning analytics to deliver information needed for decisions on student access and success. Our ability to generate and apply such information will play a pivotal role in differentiating the university and its offerings in the increasingly competitive higher education sector.

9.1.4.19 Future outlook

The adapted Language Policy will be implemented in 2023. Faculties will draft and submit their language plans to align with the revised policy.

The increasing prominence of artificially intelligent large language models (such as Chat GPT) and the impact thereof on academic work and integrity require us to focus on authentic assessment and evidence of skills development rather than content synthesis.

Inevitably, this also affects curriculum design (modules and programme outcomes) and we are therefore looking forward to the second year of the PQM Project.

We recognise that the student experience is not only about feedback and performance and so in the coming year, but we will also contribute to the Student Life coordinated project on student centricity.

On the policy development front for 2023, we are pleased to be able to present to Senate and Council the Revised Teaching Learning Assessments Policy, the revised Teaching Learning Assessment Rules, the Policy on Open Education Resources and the Framework for Micro-credentials for recommendation and approval, respectively.

We are looking forward to the adoption of the proposed teaching and learning model that will allow variations in modalities and offer options from low to high tech, remote to on-campus, synchronous to asynchronous, independent, and guided.

The proposed model will allow the NWU, faculties and lecturers to identify optimal ways to best enhance learning.

9.1.5 Material matter: Research

Our researchers and inventors increase our intellectual capital by finding affordable and workable solutions to real-life problems. This creates value for us and our stakeholders.

9.1.5.1 Research output

In recent years, we have steadily increased the number of NRF-rated researchers, rising from 232 in 2018 to 298 in 2022. This is important as NRF ratings are a key indicator of the calibre of a university's researchers.

The following table shows the numbers of researchers in the different rating categories.

NRF	2018	2019	2020	2021	2022
A	2	0	0	1	1
B	25	27	26	32	36
C	150	161	181	188	196
P	1	2	1	1	2
Y	54	58	55	58	63
TOTAL	232	248	263	280	298

A – Leading international scholars

B – Internationally recognised researchers

C – Established researchers

P – Young researchers (normally under 35)

Y – Young researchers (40 years or younger)

9.1.5.2 Publications

How much value we created, compared to previous years:

Research	2018	2019	2020	2021
Publications per academic staff member	0,94	0,98	0,93	0,99
Weighted research output	2 708,941	3 058,0223	2 811,1914	2 958,062

* Please note that there is a two-year lag with regards the research output.

9.1.5.3 Increase our global standing and visibility

Our existing international partnerships have served us and our partners well. We have partnerships with prestigious institutions such as the Corporación Universidad de la Costa in Colombia, the University of Leeds in the United Kingdom and the University of Hong Kong in Asia. Research collaborations with these and other partners range from collaborative degrees and co-chairs to collaborative research and innovation programmes, skills development and international student recruitment and exchange.

In addition to bilateral partnerships, the NWU belongs to a number of strategic inter-institutional collaborations such as the Southern African Regional Universities Association (SARUA), which has a memorandum of understanding with the OBREAL Global Observatory. The NWU is also a member of the Southern African-Nordic Centre (SANORD), which advances strategic, multilateral academic collaboration between institutions in the Southern African and Nordic regions.

Furthermore, we are an active partner in research collaborations within the Brazil, Russia, India, China, South Africa (BRICS) bloc, and have knowledge and skills-sharing agreements with several BRICS universities.

9.1.5.4 Create value through innovation and technology

Health research is a priority area for international collaboration and the NWU is part of several new international collaborative initiatives that will build our capacity in fields such as vaccine development and spur the development of healthcare innovations and technologies.

The NWU and Walter Sisulu University have established the Sisulu Foundation for African and Pandemic Disease Response, which brings together various leading African scientists and institutions and researchers from Germany and Slovenia. Together, we are working on vaccine development and pandemic response in public health systems on the continent.

The NWU founded the Grace Onyango Foundation for Digital Health in Africa in collaboration with two other South African universities and three in Kenya. The two South African universities are Walter Sisulu University and Sefako Makgatho University, and the Kenyan institutions are Great Lakes University of Kisumu, Jomo Kenyatta University and Masena University. The Foundation aims to deploy industry 4.0 solutions in public health systems to bring universal access to health services in Africa.

Our relationships with industry and communities are vital enablers of innovation and industry-led research. The Technology Transfer and Innovation Support Department continues to identify opportunities for new partnerships and plays a catalysing role in initiating research and innovation projects.

“The university is evolving its approach to innovation. Instead of focusing on intellectual property (IP) curation, we are shifting to the transfer or monetisation of our IP portfolio. This includes trimming the low-value or mature patents and taking more relevant technologies to the marketplace.”

9.1.5.5 Challenges with research output

The global health crisis since 2020 has exacerbated existing research funding constraints, with potential implications for our ability to continue increasing our research output. While we have not yet seen a negative impact on research output, except for conference proceedings, we are closely monitoring the situation.

Funding constraints are affecting the availability of incentives for our most productive researchers. Fortunately, we have sophisticated research infrastructure and good relationships with funders and are innovative in discovering and drawing on new sources of funding.

Moving research output from the laboratory to the market has become even more challenging, as this requires researchers to find and invest further time in translating their research into tangible products. There is a need to expand incentives for productive research to include incentives that encourage researchers to engage in innovation.

9.1.5.6 Future outlook

In enlarging our pool of productive researchers, we encourage contributions from researchers in all disciplines, from law and education to the natural and social sciences and the economic and management sciences.

We have explained to those not yet participating actively in research and innovation activities that doing so is in their professional best interests. In consultation with these academics, the faculties have set research output targets that require them to contribute.

NWU researchers will continue to have access to research support mechanisms such as research leave, relief from teaching to allow for dedicated research time, and the integration of research into teaching and learning activities.

We are considering additional strategies to encourage and guide academics who do not deliver research outputs, and to retain those who are active researchers.

9.1.6 Material matter: Govern, lead and manage

Our governance structures and approach to ethics, as well as our strategy, values, success model and APP, guide us to create optimal value through good governance and management.

These, together with the systems, processes, procedures, and policies that support governance and management, are part of our intellectual capital.

For more information about how our management activities increase our intellectual capital, refer to the [report of the vice-chancellor](#) and, for information about governance, read more in the [section on governance](#) supporting and protecting value.

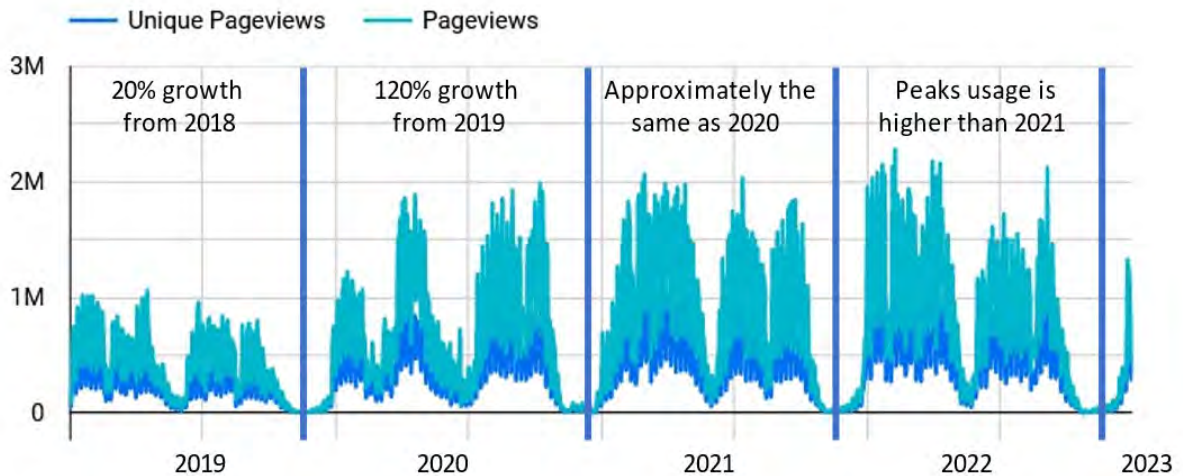
9.1.7 Material matter: Information and Communications Technology (ICT)

All elements of the NWU's core business and support services are underpinned by ICTs and digital resources.

ICT is relevant to our intellectual capital and manufactured capital. Intellectual capital includes software programs, IT support services and the e-learning system eFundi, while manufactured capital is our physical ICT infrastructure, such as networks and hardware.

The university's technological capabilities are mostly the responsibility of the Information Technology (IT) department and portfolios of products, projects, and services.

Across the university community, there is high demand for IT products and services. Our primary learning platform, eFundi, is one of the most widely used services, as shown in the image below.



From its outset in 2018, eFundi has recorded high rates of student usage. Between 2018 and 2020, the daily use of eFundi by students more than doubled. The high usage levels were sustained in 2021, when teaching and learning shifted online amid the Covid-19 pandemic. In 2022, the peak usage grew but, on average, usage is more or less the same as in 2021. We have seen more than 18 000 students using eFundi simultaneously with 15 000 logins per hour.

On average, approximately 45 terabytes of traffic have been flowing to and from eFundi each month and lecturers have loaded about 25 terabytes of content on the system since 2020.

In 2022, as in 2021, we again experienced huge demand for online meeting services, mainly through Zoom and Microsoft Teams.

We anticipate strong continued growth in IT products and IT services as the NWU moves deeper into the digital era.

COUNCIL STATEMENT ON INFORMATION TECHNOLOGY

Council affirms, as the final decision-making body of the university, that it is endowed with the responsibility and accountability for the effectiveness and efficiency of information technology processes, including the IT governance framework, alignment with NWU objectives, significant IT investment, risk management, assets, policies and strategies, and compliance with statutory requirements. Council is continually apprised of developments, by means of management and audit reports to the Technology and Information Governance Committee and received sufficient assurance over the past year from all relevant assurance providers.

Statement approval obtained from the NWU Council on 22 June 2023.

9.2 Our human capital

Human capital influences and is influenced by all our other capitals. Staff and students are the two major stakeholder groups that make up the university’s human capital, and we create value for them through our activities, outputs and outcomes.

Our staff use the infrastructure and support we provide to undertake research, teaching and community engagement activities that increase the value of our intellectual and social and relationship capital. Similarly, students use the various forms of support and high-quality study and residence facilities (manufactured capital) to succeed academically and in other avenues of student life. This creates value for the university and strengthens our other capitals.

Students increase our financial capital when they pay tuition fees and, when they graduate, increase our social and relationship capital by contributing to society.

Our staff and students play a prominent role in the NWU value chain, as outlined in this table.

Stakeholders who will benefit from human capital activities	Our human capital activities mainly affect our staff and students; their families are also indirectly affected.
Material matters/goals involved	Almost all material matters affect our staff and students. These matters are teaching and learning, research, community engagement, student value proposition, staff and student profile, ability to govern, lead and manage, information and communication technology, and financial sustainability.
Risks involved	Our main risks are uncertainties in the higher education sector, the demand for organisational change, risks related to academic matters, compliance matters, risks relating to student life, IT risks and operational risks. Almost all these risks have a bearing on our staff and students.

9.2.1 How we created value

We created value for our staff and students by developing their skills and promoting their well-being through activities that demonstrate social justice and an ethic of care. The core business and support activities that created value for these two groups are described in this section.

9.2.2 Material matter: Teaching and learning, research, community engagement

9.2.2.1 Caring for our students

The world of work is changing and so must the skills set of graduates entering the labour market. They require a combination of technical, professional and life skills that will enable them to adapt to the future world of work and contribute as responsible global citizens. Participating in social, cultural, arts and sport activities, and having access to good psycho-social and wellbeing services is part of our students’ holistic and all-round development.

Some of these services moved to online platforms during the pandemic and, thanks to the lessons learnt during the hard lockdown period, we continue to be agile in adapting our service delivery and student engagement as and when needed, equipping our students with the life skills needed in a changing world. More information on how we care for our students is available in the [vice-chancellor's report](#).

9.2.2.2 Academic and career-related support

Faculties took steps to assist students to prepare for assessments and to provide appropriate guidance prior to sit-down assessments. Student Counselling and Development (SCD) continued with their support services and programmes. The online service booking system is accessible to all students on eFundi. SCD also piloted and introduced peer discussion and support groups to reach and assist more students.

When entering the labour market, graduates require a combination of technical, professional and life skills.

In 2022, support services reported an increase in the incidence of depression, high anxiety levels and suicide ideation in students, especially after the return to full contact and sit-down assessments.

9.2.2.3 Caring for our staff – building staff capacity

Building our employees' capacity and supporting their career development increases our human capital. In 2022, staff had access to internal and external skills development opportunities, as well as formal training.

About 53% of our training spend was used for in-house training, mainly in various skills development programmes. Examples are coaching for the directors of schools, a development programme and coaching for the directors of support services, an advanced Excel skills programme, minute taking and a programme for executive personal assistants.

Additionally, strategic leadership development programmes and team-building activities were conducted.

We capacitated NWU's less-experienced academics (junior lecturers) through a structured and formalised mentoring programme aimed at accelerating their readiness for senior roles.

The NWU partnered with Universities South Africa (USAF) to participate in the Presidential Youth Stimulus (PYES) Programme. We hosted 211 interns, some of whom were subsequently offered permanent and fixed-term employment opportunities within the NWU or external companies. We had 22 resignations, and 189 candidates completed their internship programme.

We also hosted six interns living with disabilities in various faculties and departments, and one was offered permanent employment within the Centre for Teaching and Learning. In addition, four interns living with disabilities received bursaries, laptops, and books to further their studies.

A fourth internship programme, this time in the Engineering space within the facilities environment, hosted six interns, four of whom completed their internships while two resigned.

As these initiatives illustrate, the NWU made a meaningful contribution in 2022 towards the reduction of youth unemployment.

In 2022, we spent over R27,3 million on study discount benefits, a form of financial aid that allows our staff and their dependants to study at the NWU and Unisa. A total of 942 people benefited, consisting of 474 staff and 403 dependants.

Development programmes such as these support our strategic goals and the internal success model that forms part of our strategy for 2015 to 2025.

Other investments in capacity building include initiatives that incentivise staff development, such as the annual awards for both teaching and research excellence. [Read more](#) in the section on our value chain.

9.2.2.4 Empowering our researchers

We run capacity-building workshops for researchers at all levels, ensuring they have the research skills and acumen to contribute to the university's research outputs.

As part of the larger research community in South Africa, we also leverage external development opportunities. These include research training/workshops and webinars covering topics such as research ethics and integrity, article writing, grant writing, postgraduate supervision, supervision for student article writing, an academic mentoring programme, and briefing sessions and consultations in preparation for NRF rating applications.

Training costs were covered through the Informal Research Development project grant (R1 860 313) and Enhancement of Researcher Profile project grant (R716 815) under the Universities Capacity Development Grant (UCDG).

Emerging researchers are encouraged to further their studies. During the year, 42 staff members received funding of R1 376 717 to complete their master's or doctoral studies from our own University Capacity Development

Programme. In addition, 28 NWU staff busy with their master's and doctoral studies received support worth R1 569 138 through the NWU Staff Discount Scheme.

A total of 260 researchers attended 15 research capacity-building workshops on supervision and article writing.

Outstanding researchers were recognised at the Research and Innovation Excellence Awards held in November 2022. You can [read more](#) about these awards in the section on our value chain.

9.2.3 Material matter: Student value proposition

The NWU's student value proposition focuses on creating an inclusive environment where students can develop holistically through programmes and activities that are relevant and accessible, ranging from academic support and career advice to wellness support services and skills development.

Our campus health care centres, together with counselling and social welfare services, support our students' overall physical and psychosocial well-being. Social welfare projects such as the Meal-a-Day programme support students from disadvantaged socio-economic backgrounds. The campus disability rights units see to it that the needs of students with disabilities are addressed.

We also provide crisis interventions to identify and support at risk students through Thuso (Help), through which registered psychologists provide services that promote the psychological well-being of students.

The student value proposition is further strengthened by the arts, sport and student media platforms that expose our students to these activities at all levels – institutionally, regionally, nationally, and internationally. The continued achievements of our student sportsmen and sportswomen, artists, and media ambassadors, confirm the vital role of co-curricular activities in broad and holistic student development.

9.2.3.1 Dropout rates

Our student to staff ratio increased from 28,41 to 28,45 in 2022. Our first-time entrant dropout rate has increased from 8,96% in 2021 to 9,79% in 2022.

How much value we created, compared to previous years:

Dropout rate	2020	2021	2022
First-time entrant dropout rate for contact degrees	10,48%	8,96%	9,79%

How much value we created, compared to our target:

	Target	Definition	Actual
Academic staff full-time equivalent ratio: students	26,1	Based on HEMIS data and refers to the enrolled student full-time equivalent divided by the permanent instruction/research professionals full-time equivalent.	28,45
First-time entrant dropout rate for contact degrees	Below 13%	First-time entering students in contact degree qualifications who register in the reporting year but do not return in the next year.	9,79%

9.2.4 Material matter: Develop and retain excellent staff and create an equitable staff and student profile

9.2.4.1 Our employees matter

Through services that encompass biopsychosocial and spiritual facets, our wellness offices support the all-round well-being of our staff.

We have a comprehensive employee wellness assistance programme, through an outsourced service provider: CareWays, for NWU employees and their immediate families. Staff have access to experienced counselling professionals who assist with personal, family, work-related, legal and financial problems. This service is available 24 hours a day at no cost to the staff member.

Our Campus Health Care Centres offer health services to staff, while our campus offices for people living with disabilities provide support for staff, in line with our Disability Policy. We also host an HIV and AIDS workplace programme and a toll-free emergency number that operates 24 hours a day, seven days a week.

Campus Protection Services and the Occupational Health and Safety Department contribute to a safe and secure working environment.

9.2.4.2 Staff profile

In striving to create an equitable staff profile, we are guided by our employment equity plan that spans the period from January 2021 to December 2023. Our ability to reach the employment equity targets was impeded by reduced funding levels and the freezing of vacancies as a result of the Staff Cost Risk Mitigation Plan implemented to address Covid-19 challenges.

How much value we created, compared to previous years:

	2020	2021	2022
African (%)	38,3%	39,7%	41,74%
Coloured (%)	6,6%	6,9%	7,39%
Indian (%)	1,6%	1,6%	1,62%
White (%)	53,4%	51,7%	49,25%

How much value we created, compared to our equity targets:

	2022 target	Actual
African (%)	41,04%	41,74%
Coloured (%)	7,19%	7,39%
Indian (%)	1,95%	1,62%
White (%)	48,71%	49,25%
Foreign Nationals (%)	1,12%	4,74%

9.2.4.3 Council statement on conflict management

“ COUNCIL STATEMENT ON CONFLICT MANAGEMENT ”

The university is committed to principles of collective bargaining, progressive discipline, restorative justice and alternative dispute resolution as far as possible, in order to address conflict situations.

During 2022, the NWU successfully dealt at the lowest level, with potential conflicts that could possibly harm the institution’s reputation. Steps taken include, among others, entering into organisational agreements with unions that meet the minimum threshold to be accorded these rights, participating in the Management Employee Consultative Forums, and establishing the University Consultative Forum, which is an interim structure replacing the UBF after the de-recognition of SAPTU. There are also internal disciplinary procedures, grievance procedures and mediation processes that are aimed resolving any potential conflicts that may arise.

The main focus is always to act in the best interest of the institution, while creating a “win-win situation” for all, as far as possible.

Statement approval obtained from the NWU Council on 22 June 2023.



9.2.4.4 Council statement on worker and student participation

COUNCIL STATEMENT ON WORKER AND STUDENT PARTICIPATION

The Recognition Agreement between the NWU and SAPTU was revoked after SAPTU's membership fell below the 30% mandatory threshold. An Organisational Agreement was then signed with SAPTU. Currently, no union has recognition within the NWU and all three unions that are active at the NWU, namely SAPTU, NEHAWU and Solidarity, only enjoy Organisational Rights. The de-recognition of SAPTU has also resulted in the suspension of the functioning of the UBF and the UBF-COLA. All the matters that were dealt with under the UBF are now dealt with by the University Consultative Forum and the activities of the UBF-COLA are dealt with by the University Management Committee responsible for COLA. Both these interim structures were approved by the UMC. The UBF and UBF-COLA will be resuscitated when the requisite 30% threshold is met, and a Recognition Agreement is signed.

An Organisational Agreement between the NWU and NEHAWU regulates the relationship between the parties in terms of the Labour Relations Act. We have ongoing management and trade union consultative forum meetings.

An organisational agreement was entered into between Solidarity and NWU after they attained a 11% membership which is slightly above the mandatory 10% which is required for recognition of organisational rights.

Statement approval obtained from the NWU Council on 22 June 2023.



9.2.5 Material matter: Govern, lead and manage; information and communication technology; and financial sustainability

Good governance is an important way of supporting and protecting our human capital. This is part of the responsibilities of the Council and some of its committees, such as the Remuneration Committee, the People and Culture and Employment Equity Committee and the Student Life Oversight Committee.

We also have several policies that provide guidelines for the fair and just people management of the university, thereby protecting and increasing our human capital.

These include policies on conflict of interest, governance oversight and management control, human rights, remuneration, performance management, staff learning and development, employment equity and disabilities, to name just a few.

Equitable access to IT resources and services is essential because ICT is a key enabler of student success and staff effectiveness. Our ICT systems are well maintained across all three campuses and all staff and students have the necessary hardware, software and help desk support.

Lastly, it is our responsibility to make sure that our university stays financially sustainable. This ensures that our current staff and students, as well as future generations, will have a financially stable institution to work and study at. [Read more](#) about how we do this is in the section on our financial capital.

9.3 Our social and relationship capital

The strategy of NWU is to transform and position the NWU as a unitary institution of superior academic excellence with a commitment to social justice. Social justice includes addressing all aspects of the triple-bottom line and sustainable development = people (social) + planet (environment) + economic (financial). It is foundational to excellence in teaching, learning and research, developing students, and enhancing economic, social and cultural well-being.

Integrating and aligning community engagement with teaching-learning and research contributes to a culture of active citizenship, which supports the creation of an intentional relationship between a university and its larger community (of local, national, and international community members, organisations, businesses, government organisations, etc.). These relationships enable the mutually beneficial exchange of knowledge and resources that can contribute to more sustainable, just, and healthy communities.

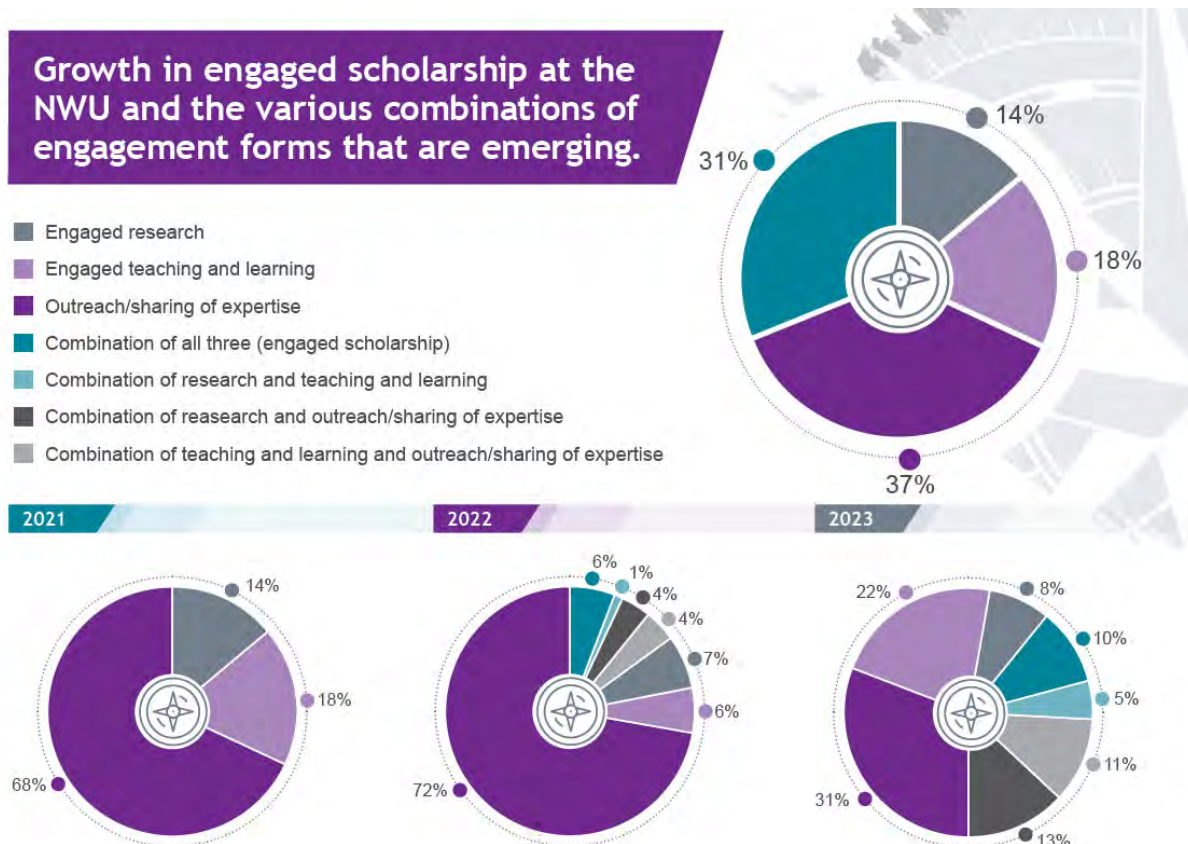
A critical factor underpinning effective community engagement is a thorough understanding of current issues so that resources can be allocated towards answering societal needs. When our stakeholder relationships are sound, stakeholders are more likely to approve broadly of what we do, which increases the value of our social and relationship capital.

<p>Stakeholders who will benefit from effective engagement with the NWU</p>	<p>External stakeholders who should benefit from our engagement with them include the parents of current and prospective students, communities around our campuses, donors, alumni, employers, business and industry, professional bodies and the DHET).</p>
<p>Material matters (goals or enablers) involved</p>	<p>Our relationships with external stakeholders directly or indirectly influence all our goals as a university that strives to benefit society through knowledge. In increasing the value of our social and relationship capital, our communication, marketing, and stakeholder engagement activities fulfil an important role.</p>
<p>Risks involved</p>	<p>Partnerships are complex to manage and power relationships often skewed because of external factors that are difficult to control. This can limit access to community partners and affect their willingness to continue their relationship with the university. Communities may see the provision of volunteers and service from the NWU as insufficient, particularly if the benefits of engagement visibly accrue to the university and are not seen to benefit our external partners. Communities around our campuses may then withdraw their support for WIL or service-learning opportunities, on which the NWU and our students are reliant, or may decline to participate in research initiatives involving community engagement. In the current socio-economic environment, many of our stakeholders are experiencing severe challenges with their livelihoods and well-being. These pressures may lead to community partners expecting to be paid to assist the university with its core business. Community engagement is an unfunded mandate from the DHET and so it is important to demonstrate the practical value-add that community engagement brings to community partnerships. Instability in community settings poses a risk to the placement of students and staff to assist with engaged research and training of students. The co-creation of knowledge through engaged research requires a paradigm shift in both the minds of the university “experts” and those of the community in that this requires participatory activities and trust relationships. The application of scientific processes is not a familiar practice to all external partners and these processes are not always valued in the same way as they are valued by the university. Positive impact must be negotiated among the stakeholders, while unintended impacts need to be managed continuously, which can place strain on financial and human resources. Parents of students may be affected by the uncertainties in the higher education sector, the demand for organisational change and risks relating to student life. (Matters that may concern them include state funding, tuition fees and the safety of our campuses in the event of unrest.) Other risks that affect our external stakeholders include risks related to academic matters, regulatory compliance, and commercialisation of intellectual property.</p>

9.3.1 How we created value

We can create greater value for our external stakeholders when we integrate community engagement activities with teaching and learning and research. The analysis we conducted in 2022 confirms that there is room for higher levels of integration and more emphasis on engaged scholarship.

Engaged scholarship incorporates three elements: engaged research, engaged teaching and learning, and outreach and the sharing of expertise. The figure below shows the growth in engaged scholarship at the NWU and the various combinations of engagement forms that are emerging.



Service learning (SL) for students is an important part of our community engagement work and we are constantly updating our database of legitimate, trusted SL partners for service placements. This has entailed integrating information about modules that use SL into our data collection process.

We continue to update our list of local non-governmental organisations (NGOs), public benefit organisations (PBOs) and religious organisations that could assist with student placements. Regular meetings with partners are planned for the coming year so that, together, we can set targeted objectives that address our partners' needs and identify opportunities to engage with NWU experts who can assist with any challenges identified.

9.3.2 Material matter: Teaching and learning; research; community engagement

Community engagement has been incorporated into many of our teaching and learning activities, often through opportunities for WIL and SL for students. Student outreach can also contribute to the acquisition of planning, negotiation and collaboration skills, and staff are encouraged to include SL assignments into the curriculum where possible.

A portfolio of evidence of the learning acquired through the interactions with our partners will capture student reflections on the engagement opportunities afforded to them and could influence curricular content and research in the future. The implementation of the service-learning elements in the curriculum is still limited and sometimes overlaps with a strong WIL approach, where the benefit of the learning is more important than the service that is provided to community partners. Often, these beneficiaries are not only grassroots partners in the civic society sector, but rather communities of practice or industry partners.

We have improved our ability to track student placements for WIL and SL by using an integrated reporting system called the Work Integrated Service Learning (WISL) database.

In addition, we have reviewed the NWU's guidelines for WIL and SL and are encouraged that many of our faculties are increasing their focus on SL to alleviate the many challenges in our external communities. The services students render can contribute to alleviating the needs in communities by supplying manpower, knowledge and support in their local contexts.

NWU Business School

One of the most notable contributions was made by our Business School with the assistance of Master of Business Administration (MBA) students. The concept of SL projects was introduced into the MBA Operations Module in 2012, with excellent results. Between 2013 and 2022, more than 100 non-profit organisations benefited from the strategic consulting services made available to them through these projects (on average 10 syndicate groups per year). At the beginning of the semester, students are asked to "Go and apply what you have learnt in this course at a community organisation of your choice and report back on the difference that you have made". The projects are launched at a formal session, where each syndicate group selects a non-profit community organisation, based on strict criteria.

Faculty of Economic and Management Sciences (F-EMS)

The F-EMS also supports a variety of SL and WIL projects, which vary from women entrepreneurship training and outreaches to training of governmental organisations and NPOs on disability inclusion. Staff at Tourism Research in Economics, Environs and Society (TREES) are also exposing students to a GeoHeritage site, namely the Vredefort Dome, so that they can explore tour guiding as a viable career option that would make them more employable.

Faculty of Education (F-EDU)

- BEd honours students and staff provided psycho-educational support to various partners, and Teachers without Borders assisted rural schools with science and mathematics.
- The F-EDU also rolled out an SL collaboration among fourth-year intermediate phase (IP) EFAL/EHL students, in-service teachers and university lecturers to identify and address literacy and English challenges in classrooms. This enabled students to analyse, critically reflect on and address challenges related to the diversity of the learner profiles and contexts of Home Language classrooms in South Africa and apply practice-driven strategies to address these. During the year, 320 students were involved. In preparation for the next cycle of the SL course, ENIP/ENFI 322 students will be invited to these sessions. The teachers involved in the project will indicate whether they would like to continue with the project in 2023.

Faculty of Engineering (F-ENG)

The F-ENG is working with SunFarming, a German renewables company, to supply schools in the North West Province with instant maize porridge. The project supports approximately 14 000 children and distributes 80 tons of porridge a month.

Faculty of Health Sciences (F-HS)

- In F-HS, the Phelopepa train remains a flagship Transnet project. Two trains visit stations all over South Africa provide healthcare services in optometry, nursing, psychology, pharmacy and dentistry. Five pharmacy schools from different universities participate, each sending two fourth-year pharmacy students per week to work in the registered pharmacies on the trains under the supervision of a registered pharmacist. In 2022, 15 students from the NWU's School of Pharmacy were allocated specific weeks to work on the trains.
- Third-year pharmacy students registered for PFP312 complete 16 hours of workplace learning, comprising eight hours in a primary healthcare clinic and eight hours in a sub-district pharmacy in Potchefstroom, Klerksdorp or Ventersdorp.
- In Human Movement Sciences implemented the biokinetics and obesity awareness campaign of the South African National Defence Force (SANDF) on 14 October 2022. The SANDF invited the Biokinetics personnel to measure the blood pressure, glucose and cholesterol of the participants in the weight loss campaign, and this contributed to research and SL opportunities.

Faculty of Law (F-LAW)

- The Faculty of Law had 127 registered law students offering legal aid to communities as part of WIL.
- The Potchefstroom Law Clinic and the staff of the Mpumalanga Access to Justice Cluster in Nelspruit collaborated on legal education, legal services and capacity-building programmes for paralegals and community members, and the Mahikeng Law Clinic provided free professional legal services to the public in Mahikeng and surrounding villages.

Faculty of Natural and Agricultural Sciences (F-NAS)

The F-NAS assisted school learners with science practicals by helping with acid base titrations and using science to solve problems. The faculty also donated some of the glassware needed for the practicals.

9.3.3 Material matter: Research

We contribute to community empowerment and quality-of-life improvements, while increasing our social and relationship capital, by conducting research with, in and about communities and the real-life problems they face.

Engaged research activities in 2022 included providing information about loadshedding, alternative heat sources and water quality management. In many cases, these activities combined engaged teaching and learning or outreach and research.

Some examples follow:

- The North West Nguni cattle development project now has 122 sites across the North West Province. It started in 2006 in partnership with the Industrial Development Corporation (IDC) and the Department of Rural, Environment and Agricultural Development, and is being considered for further growth and expansion in the next year.
- The F-ENG conducted a community-based campaign on its low-emission, semi-continuous stove to improve air quality in low-income households. The faculty has also tested some of these heat sources within communities. Assessing the performance and end-user acceptability of six, semi-continuous coal stoves within the homes of six low-income households in the Zamdela community of Sasolburg formed part of this research.
- The F-HS's project on antibiotic utilisation in public sector healthcare systems of Limpopo Province was used to describe antibiotic consumption, prescribing and antimicrobial resistance prevalence, and to evaluate pharmacists' knowledge, attitudes, and practices on antimicrobial stewardship programmes in rural settings. The faculty is also continuing to support health-related and sustainability challenges in communities and strengthening health promotion in the North-West Province through a formal collaboration with the Western Cape Department of Health, with an extended monitoring and evaluation and impact measurement process.
- Researchers from the Occupational Hygiene and Health Research Initiative (OHHRI) are exploring the association between pesticide use patterns and exposure of subsistence and smallholder farmers within the Vaalharts Irrigation Scheme (VHIS). The aim is to assist the farmers in this area with control measures to manage their pesticide exposure. To accomplish this, the study will have three consecutive phases. Phase 1 aims to explore the different pesticides that subsistence and smallholder farmers in the VHIS use, and to study how they use them. Phase 2 aims to assess these farmers' pesticide exposure through appropriate quantification methods, and phase 3 will involve recommending control measures to eliminate or reduce the farmers' exposure to pesticides.

Impact study on local communities continued

In 2022, the Sustainability and Community Impact Unit of the NWU again conducted research on the needs, assets and well-being of the local communities of the NWU. The approach this time was slightly different, with a strong emphasis on creating an aligned database and reporting system for the entities, staff and students who contribute to community engagement. This enabled the university to create an action plan for a unified approach to support engaged scholarship. A nine-step process ensures a rigorous analysis and interpretation of the data through the lens of sustainable community impact.

The 2022 report captures current global trends in sustainability and engaged scholarship in higher education and outlines the NWU action plan to integrate and align community engagement with teaching-learning and research to develop a culture of active citizenship. The report goes on to present the baseline for the reported community engagement projects, linking these with teaching, learning, research and outreach. Activities/projects were analysed against the 17 Sustainable Development Goals (SDGs) and faculties' community engagement plans were analysed according to the SMART principles and a SWOT analysis. The report concluded with case studies of engaged scholarship followed by recommendations.

The report offers a proposed pathway for standardising scoring and reporting on community engagement at the NWU. From an independent evaluation done by Clarivate InCites, we have been able to track the scientific articles that refer to our contribution towards attaining the sustainable development goals (SDGs). This report included Web of Science content indexed through to 31 December 2022 and indicated that 1 906 published by NWU researchers from 2020 to 2022 had referenced a contribution to the SDGs. The most highly cited papers from the NWU were on SDG 2 (zero hunger), SDG 3 (good health and well-being), SDG 11 (sustainable cities and communities), SDG 13 (climate action), SDG 14 (life below water) and SDG 15 (life on land).

9.3.4 Material matter: Student value proposition; develop and retain excellent staff

We encourage our staff and students to contribute to society through volunteering. Many of our student outreach projects assist with necessities such as food, clothing, and housing. This included providing food for first-year students who had not yet received their NSFAS bursaries.

In 2022, our students and support staff undertook a total of 124 community engagement activities:

- Mahikeng library staff launched a campaign among NWU Library and Information Services (LIS) staff to donate sanitary pads for learners at Boitshoko Secondary School in Lomanyaneng village. The campaign was driven by the staff's passion to make a difference and contribute to the lives of learners in the community of Mahikeng.
- The Municipal Services and Local Economic Development department could not afford to buy new books for the JB Marks community libraries, and therefore approached the Ferdinand Postma library at the Potchefstroom Campus for a donation. On 15 August, the library donated 10 computers and nearly 800 books to the municipality's libraries. This outreach formed part of the social responsibility and community engagement activities of the NWU LIS.
- 40 Grade 10 learners from Redibone Secondary School visited the Potchefstroom Campus to find out about the tourism industry and discover the career possibilities it offers. Tourism is a new subject introduced at the school and staff from the NWU's School of Tourism Management motivated the students to take the subject.
- The Law Clinic and the Child Justice Unit in Potchefstroom worked closely with other stakeholders and communities to promote access to justice for children. The communities we reached included the children of the North-West Province, our student community in Potchefstroom, the legal service community, social service community, schools and education community and general communities in the towns in the province.
- In the first eight months of 2022, the Child Justice Unit opened 72 new files and completed 52 matters. Its attorneys appeared in Children's Court 128 times for a total of 418.75 hours. To achieve these outcomes, they conducted 139 consultations with children, travelled 23 420 kilometre and conducted 129.75 hours of preparation, perusal and research.
- Undergraduate and postgraduate students from the Faculty of Humanities collaborated with Microsoft and the National Electronic Media Institute (NEMISA) to offer computer skills at several schools near Mahikeng and even further afield in other districts in the province.

9.3.5 Challenges and future outlook

The economic consequences of pandemic and loadshedding have exacerbated poverty, inequality and unemployment in many of the communities around our campuses and amplified our obligation to contribute to poverty alleviation and community capacity-building.

Technology development and online education can make the university and our services more accessible to communities. However, because of the digital divide, not all external partners are equally equipped in terms of connectivity, hampering efforts to advance social justice. However, the university is continuing to explore its options to improve the situation by donating its redundant computers to deserving community partners.

Entrepreneurship and environmental responsibility and digital literacy are key areas of focus in our efforts to contribute to the SDGs and the African Agenda 2063, which will be a direct indicator of how we are sharing our expertise to contribute to development.

9.4 Our natural capital

The pandemic and climate change impacts have highlighted the necessity to safeguard natural resources such as water, soil, and clean air. These are fundamental to the sustainable operations of the university and our ability to add value to our other capitals.

The NWU needs a healthy water supply to function and uses land and other resources to construct buildings and strengthen our manufactured capital. However, the value of our natural capital decreases when we build on land and use natural resources and create waste during the construction process.

As part of our student awareness campaigns for 2023, the focus will be on water as a resource.

Stakeholders who will benefit from strong natural capital	All our stakeholders need natural capital to exist and flourish.
Material matters (goals or enablers) involved	We will not be able to realise any of our goals or implement our enablers without natural resources as inputs. The material matter “to promote sustainability” (part of goal three in our APP) is particularly relevant here.
Risks involved	Risks include those related to academic and operational matters, student life, compliance (for instance with environmental regulations) and IT (infrastructure needs an energy source).

9.4.1 How we created, reduced and maintained value

Our commitment to reducing the environmental footprint of our activities entails using natural resources responsibly, decreasing our energy use and complying with environmental regulations.

Our sustainability strategy and policy were shared with our stakeholders and then finalised. A specialist in environmental management was appointed to assist with the roll-out of this process.

Energy use is managed and tracked and the estimated usage for 2022 was 26 675 222,72 kWh from campuses and off-campus facilities, residences, and other land.

The university used 243 898 litres of diesel to keep our generators running on our campuses during this period. Total water usage was estimated at 138 904 litres, bearing in mind that there may be leaks and missed readings.

Water and energy consumption is included in our environmental impact strategy and measurement processes and has been assigned the highest priority to reduce waste and manage alternative and more sustainable solutions.

9.4.2 Material matter: Promoting sustainability

This section focuses on the environment as an important element of sustainability.

(For information about general sustainability at the NWU, see the [Council statement on sustainability](#))

Environmental audit

For the past eight years, since conducting an institution-wide environmental audit, we have been systematically correcting the non-compliance issues found. We expect that compliance-related work will gain momentum in 2023 now that an environmental management specialist has joined the NWU team.

The different role players identified in the initial environmental compliance audit are still responsible for finalising outstanding compliance issues. Where applicable, responsibility for achieving these targets is being included in task agreements.

9.4.3 Material matter: Student value proposition

Each year, we conduct various green campus awareness initiatives to save energy and water and raise awareness of environmental sustainability. A training programme has been devised for students on all our campuses but could not be rolled out due to the resignation of a key staff member. Although a replace lecturer was identified, the training had to be postponed to 2023 as the calendar to accommodate student training in this regard did not allow for suitable dates in 2022.

Students from our faculties had many opportunities to participate in engaged scholarship around the environment:

- In the F-EMS, the Bhive actively worked with the student organisation ENACTUS, on two projects: conducting entrepreneurial training for Sharpeville entrepreneurs, and teaching women to crochet plastic bags into placemats to sell.
- In the F-NAS, the School of Environmental Sciences responded to a request to establish an intergovernmental “Science-Policy Panel to support action on chemicals, waste and pollution” by the Minister of Forestry, Fisheries and the Environment. The intention is to influence the Science-Policy Panel.
- The CLES is continually seeking opportunities for its postdoctoral fellows and postgraduate students to conduct engaged research on law and governance in relation to urban development and environmental sustainability, such as basic service delivery failures at local municipalities. CLES has continued to incorporate environmental sustainability issues into the curriculum. Current offerings include modules on Environmental Philosophy and Marine Spatial Planning, covering issues such as marine pollution, microplastics and fishing pollution.
- Third-year tourism management students continued to undertake eco-tourism recycling projects, including training community partners to create eco-bricks from recycled plastic.
- The F-ENG’s School for Mechanical Engineering made energy-saving recommendations to the Baillie Park

School in Potchefstroom to help reduce its energy bills. This was part of a final-year project report.

9.4.4 Challenges and future outlook

In 2022, we finalised our draft strategy and policy on environmental responsibility. This is intended to address our limited operational expertise in environmental remediation and sustainability.

Highlights have been the placement of the environmental management office in the Sustainability, Health and Environment (SHE) department and the appointment of an environmental management specialist.

The Sustainability and Community Impact Office will continue raising awareness about different aspects of sustainability such as littering, water and electricity usage. Due to the increased frequency of loadshedding, students and staff on our campuses need to be sensitised to contribute to responsible consumption of our electricity resources. We will be able to resume activities such as the Flip-the-Switch campaign launched in March 2019 to highlight energy consumption and the impact it has on the environment and the bottom line.

Additionally, we have started place more bins on our campuses to separate waste. Unfortunately, it is not easy for us to track the products we use and how these are disposed of. Even if we separate our waste products for recycling or upcycling purposes, these sometimes end up as mixed waste on municipal dumps – outcomes that we cannot always control or track. Our campuses are involved in celebrating important days such as Arbor Day during the first week of September and planted several indigenous and fruit trees at the campuses in 2022.

The NWU is part of the Higher Education Sustainability Community of Practice (HESCoP), which aims to reorientate universities' SDG strategies by convincing them to review all strategic documents, starting with their visions and missions. HESCoP also seeks to identify pockets of initiatives that drive sustainability. Our director of Sustainability and Community Impact is the current chair of HESCoP's localising subcommittee, whose role it is to create awareness and advocacy within local South African universities.

In 2022, the NWU continued phasing out paper-based programmes in the Unit for Distance Education, in favour of using the eFundi LMS to provide study guidance and interaction with lecturers and fellow students. Assignments will also be submitted online. During the second workshop held to discuss the future of distance education at the NWU, it was decided that the NWU will phase out the provisioning of textbooks to distance students.

9.5 Our financial capital

State funding, debt and revenue generated through our operations and investments are the sources of our financial capital. We use this capital to provide services and maintain and improve our infrastructure to create value for the NWU and our stakeholders.

Financial health and stability are prerequisites for achieving our strategic objectives as a unitary institution of superior academic excellence. The key to this is to manage our income and spending, as set out in our three-year rolling budget.

Stakeholders who will benefit	When the NWU's financial capital is strong, all our stakeholders' benefit. Financial stability means we can keep our tuition fees within the reach of our current and future students and their families, while offering them high-quality education. It also means we can afford fair remuneration for our staff and reassure our donors and the DHET that we spend their donations and funding wisely, serving the national priorities for higher education.
Material matters (goals or enablers) involved	The main focus is Enabler 4 (financial stability), but all our goals and other enablers are also implicated, as we need money to achieve and implement them.
Risks involved	Uncertainties in the higher education sector and pressures for sectoral change are the main risks. Examples of these pressures are the drive towards fee regulation and the NSFAS model and the fact that free education makes us more dependent on state funding. The other top risks in our risk register are also implicated, as we need money for all the activities linked to them. (These are the risks related to academic matters, compliance with financial laws and regulations and risks relating to student life, IT, commercialisation and operational risks.)

9.5.1 How we created value

We practise stringent financial discipline in planning, managing and investing our financial capital. Financial discipline ensures we have access to adequate funding for operational requirements and sufficient capital expenditure to meet these needs and ensure a sustainable balance sheet.

9.5.2 Material matter: Ensure the financial sustainability of the NWU

By planning effectively and distributing our resources to support our core business strategies, we secure the university's long-term financial sustainability.

We have improved medium-term planning by compiling a detailed three-year rolling budget for 2022-2024.

Since the Covid pandemic, we have been updating our Financial Impact Model and mitigation plan as and when more information becomes available. We use the model as the baseline to guide decision-making, as it can be scaled up or down. The key focus is on cash flow management and including the financial impact forecast in the budget.

Using approved principles and realistically predicting income to compile the three-year rolling budget, we translated the budget into expenses that the university would be able to afford.

In calculating the key sources of income, we took all the latest relevant information into account. The basis for calculating the high-level expense budget was the NWU's 2021 budgeted cash-flow expense ratios, as listed below, as well as the financial health indicators provided by DHET.

The cash-flow expense ratios used were:

- staff cost as a percentage of income
- operating cost as a percentage of income
- capital cost as a percentage of income

In the following sections, we explain how we financed our strategic initiatives in 2022 and allocated our funds to achieve our goals and implement our enablers.

9.5.2.1 Financing our strategic initiatives

We use our strategic fund to invest in specific strategic projects in addition to aligning all activities and allocating resources (by means of the normal operating budget) with the strategy and success model of the university.

([Read more](#) about these strategic projects in the section on our strategy.)

The university management committee approved the allocation of strategic funds.

Strategic funds allocated per goal/enabler		
APP link	Rand value of allocation R'000	% of allocation
Goal 1	14 345	29,1%
Goal 2	22 779	46,2%
Goal 5	1 800	3,7%
Goal 6	2 625	5,3%
Enabler 4	7 752	15,7%
Grand total	49 301	100%

9.5.2.2 In the near future: opportunities and challenges in executing our strategy

As part of the mitigation plan to ensure our future sustainability, we have drawn from our Financial Impact Model and included various risk factors into our 2022-2025 rolling budget. These include the possible impact of a lower block grant subsidy and earmarked funding available to universities due to the financial difficulties that government is experiencing, among other things, as well as the fee increases proposed by DHET, which are below the Higher Education Price Index (HEPI).

Despite these efforts, there is a limit to what universities can achieve without a sustainable national funding model. Our view is that the NSFAS model is not sustainable and that, owing to the considerable increase in the number of NSFAS-qualifying students, the model poses a sustainability risk for the higher education sector.

We also see certain opportunities to improve our utilisation of resources, especially as we expedite our digital business strategy and blended-learning model.

9.5.2.3 Future outlook: how to maintain financial sustainability

Maintaining our healthy financial position is paramount and we will be closely monitoring developments around the funding of higher education. Internally, our focus will continue to be on diversifying and optimising our income streams, improving operating cost efficiency and effectiveness, optimising the use of infrastructure, and managing our mitigation plan and cash with great care.

It is of the utmost importance that the higher education and NSFAS funding model should support the financial sustainability of public higher education institutions. If not, the financial position of these institutions may be

jeopardised to such an extent that some may lose their competitive edge in the market and with it, the ability to contribute to the skills and knowledge economy of South Africa.

The NWU has been participating actively in the modelling of the future funding design and will continue to do so. We reiterate our commitment to working with the DHET to ensure a well-functioning and sustainable NWU and, more broadly, the stability and sustainability of the South African higher education sector.

9.5.2.4 Council statement on borrowings



9.5.3 Financial review

This is the report of the chairperson of the Finance Committee of Council and the Executive Director: Finance and Facilities.

The purpose of this report is to present a summary of our financial results for 2022 and to provide information about the budgeting and budgetary control processes, as well as to give an overview of financial achievements.

9.5.3.1 Budgeting and budgetary control processes

We used a high-level budget framework that took into account the approved APP, the viability and sustainability indicators, the impact of the Covid-19 pandemic, the NWU mitigation plan and other financial information available.

In parallel with the budget process, we ran several other planning processes that informed the budget, ensuring more integrated planning. Specifically, we revised the APP and did workforce planning and infrastructure and macro maintenance planning.

Budget discussions took place on various management levels, focusing on the following matters:

- a financial overview of each income stream
- enrolment planning for the next three years
- staff planning, including the staff cost mitigation plan for the medium term
- possible risks and concerns and the link between the budget and the strategy and APP.

9.5.3.2 Financial overview

Please see [Annexure 5](#) for the full financial overview.

9.6 Our manufactured capital

The physical infrastructure that supports our core business activities and enables us to provide services to our stakeholders is our manufactured capital. It consists of buildings and infrastructure, such as lecture halls and laboratories, as well as teaching technology, research equipment, IT systems and infrastructure that our staff use for teaching, research and community engagement.

When we put our facilities and infrastructure to work, we increase our intellectual, human and social and relationship capital and support the execution of our strategy.

Stakeholders who will benefit from our manufactured capital	The main beneficiaries are our staff and students. However, we also use our building and maintenance projects to create business and jobs for people outside the university community. Our communities around our campuses also benefit from our facilities. Examples include schools and professional athletes using our sports facilities, and members of the surrounding community using the animal health facilities at our Mahikeng Campus. Furthermore, our donors and the DHET, who fund many of our projects, have stakes in our manufactured capital.
Material matters (goals or enablers) involved	Material matters that have to do with our manufactured capital are teaching and learning, research, student value proposition, our ability to govern, lead and manage, information and communication technology, communication, marketing and stakeholder engagement, financial sustainability.
Risks involved	The main risks are uncertainties in the higher education sector (state funding and new ways of working post-Covid-19), demand for organisational change (equity of resources), risks related to academic matters, compliance (such as with building regulations), IT and operational risks.

9.6.1 How we created value

We undertook various building and maintenance programmes and IT infrastructure projects, through which we created value for our stakeholders and increased our manufactured capital.

Safety on and around our campuses

Safety on and off campus was a top priority in 2022.

For the first time, we prepared a formal off-campus safety and security proposal, which the University Management Committee approved towards the end of 2022, for implementation in 2023.

Already, the vice-chancellor and the mayors of Mahikeng and Vanderbijlpark have signed memoranda of understanding on the proposal, which includes identifying safe “purple” routes where security officers will be deployed.

In addition, NWU Procurement has commenced discussions with emergency/panic app service providers and is considering possible solutions.

9.6.2 Infrastructure development

We spent a total of R321 million for capital works, macro maintenance and minor works across the university in 2022. This funding was from the DHET and our own funds. The following table provides a spending breakdown:

		Potchefstroom Campus	Mahikeng Campus	Vanderbijlpark Campus	Project Across Campuses	Total
DHET	Student Housing 2016-2017	-	99,317,672	-	-	99,317,672
	Student Housing 2017-2018	-	36,356,461	-	-	36,356,461
Capital Works	Funding 2018-2021	8,071,605	12,464,330	44,817,744	9,427,173	74,780,852
	New	45,008,911	12,618,780	15,438,167	4,984,604	78,050,462
	Upgrade	2,714,538	1,957,574	-	7,216,685	11,888,797
Macro Maintenance		5,731,852	2,454,859	466,389	11,194,553	19,847,652
Minor works		579,487	293,753	2,200	-	875,440
Total		62,106,393	165,463,428	60,724,501	32,823,014	321,117,336

9.6.3 DHET grant funding

Student accommodation projects received the largest proportion of DHET grant funding. When our students have access to safe accommodation on or around our campuses, we strengthen our student value proposition and our human capital by providing for their safety and security and spaces conducive for studying.

The total amount spent in 2022 from DHET grant funding from various funding cycles amounted to R210 454 985, of which R135 647 133 was spent on student housing.

9.6.4 Accommodation for our students

Student housing on and near the three campuses had the capacity during 2022 to accommodate 11 859 students. This accommodation consisted of 41 university-owned residences and four leased accommodation facilities operated as formal residences.

Through a joint initiative by the NWU, the Development Bank of Southern Africa and the DHET, we have completed six additional residences on the Mahikeng Campus to accommodate 1 728 more students. These new residences were completed on schedule and are ready for the 2023 intake.

We ensure that residence fees are appropriate and affordable, and that all residences comply with the national policy on minimum norms and standards for public universities in South Africa. These standards deal with the physical infrastructure specifications, prescribed equipment per student, residence staffing levels, location, health and safety, governance, professional development of residence staff, policies and procedures and student discipline.

9.6.5 Complying with norms and standards

The DHET standards for student housing are currently under review and the NWU is actively participating in the development of the future standards.

In the meantime, we ensure that all new student residences meet the existing minimum norms and standards for student accommodation. Similarly, when residences are upgraded, we make sure that the changes and improvements comply with these standards.

All suppliers of private student accommodation must be accredited, and we have made good progress with this process, in line with the DHET's expectations.

As it is not feasible to have one set of guidelines for all public universities in South Africa, the DHET has allowed universities to develop their own accreditation criteria for their unique circumstances. The NWU's accreditation department, which is funded from the proceeds of the accreditation process, accredited 22 810 beds at 1 472 facilities for the 2022 academic year.

9.6.6 Construction and refurbishment

The progress of infrastructure projects during 2022 was impacted by many external factors such as construction stoppages due to local participation issues, load-shedding, weather conditions and worldwide supply chain problems, especially of electrical and electronic equipment. Despite this, we managed to make progress with the infrastructure implementation plan that was impacted by Covid-19 during 2020 and 2021.

9.6.7 Large capital projects completed during 2022

At the Mahikeng Campus, the main highlights of 2022 were the completion of the new 1 728-bed housing complex and the new building for Psychosocial Health.

Various academic departments are being relocated while their spaces are upgraded. The renewal and expansion of Natural Science teaching and research laboratories is continuing, and construction has started on the zone for community engagement facilities, including a new Law Clinic. Upgrades to the Ipelegeng Centre for Health Sciences will follow.

The project to increase and automate the emergency water supply is nearing completion.

On the Potchefstroom Campus, the refurbishment of Building K21 was completed and Biokinetics now operates in an academic setting. The Library at Education Sciences is being extended to support groupwork activities. Construction is under way to relocate Biological and Geospatial Sciences to upgraded spaces with research and undergraduate laboratories.

On the Vaal Triangle Campus, students will start the 2023 academic year in the newly constructed lecture room complex. The conversion of the old administration building into a multi-purpose hall for the campus is nearing completion and construction on the new Psycho-Social Health Building is progressing well.

The installation of a photovoltaic (PV) plant to provide solar power to the campus is imminent. This is part of the shift to sustainable energy.

9.6.8 Macro maintenance projects completed during 2022

Residence upgrades are continuing on all campuses to ensure that student residences meet the minimum norms and standards of the DHET.

The Molelwane Farm on the Mahikeng Campus is a specific focus area. Extensive upgrades were planned in 2022 and will be implemented in 2023.

9.6.9 Smaller projects completed during 2022

Smaller projects with a combined value of R875 440 were completed as part of the minor building works across the NWU.

9.6.10 Projects carried over to 2023

The focus for 2023 will be on upgrading infrastructure services and moving towards more sustainable power and water resources. R80 million was provided in the infrastructure plan for this purpose.

Mahikeng Campus students can look forward to improved sports facilities, which will be further expanded during 2023. A retail centre with cafeteria space and student recreation facilities is in the planning phase. The installation of a PV plant to provide solar power to the campus will be implemented in 2023.

On the Potchefstroom Campus, residence and property upgrades continue. The new laboratories for Education Sciences are due to be completed and the first phase of PV installations will be implemented. Some Faculty of Health Science teaching and research laboratories will be upgraded.

At the Vanderbijlpark Campus, construction will start on two new buildings for the Faculty of Natural and Agricultural Sciences and the Faculty of Economic Sciences respectively, which will improve and expand their teaching and learning spaces. Construction of new sport facilities, improved recreation areas, a campus clinic and support spaces for student life will commence during 2023. Residence upgrades will also continue.

9.6.11 Council statement on additional investment in infrastructure

**COUNCIL STATEMENT
ON ADDITIONAL INVESTMENT
IN INFRASTRUCTURE**

All additional investments in infrastructure at the NWU during 2022 were duly authorised.

Statement approval obtained from the NWU Council on 22 June 2023.

9.6.12 Plans for the future

Further renewal of the buildings and infrastructure on the three campuses is planned for the coming year.

We will continue the project to convert lecture venues into HyFlex learning environments. This will be aligned with the university's infrastructure planning over the next few years.

At the Vanderbijlpark Campus, we are on track to commence with the conversion of the old administration building into a new multi-purpose hall. A pilot project for energy efficiency has also been planned.

New student life facilities will be constructed in phases to ensure a consistent student experience across the NWU.

New laboratory spaces for the Faculty of Natural and Agricultural Sciences will be completed in phases to ensure it has the required spaces to grow its academic programmes.

Other plans are to finalise sustainable water provision for the campus and to start constructing additional lecture venues to support the new HyFlex way of teaching and learning.

At the Potchefstroom Campus, planned growth in enrolments will be supported through additional computer laboratories for undergraduate programmes in the School of Computer Science and Information Systems and in the Faculty of Natural and Agricultural Science.

9.6.13 IT infrastructure and developments

Few, if any, aspects of the NWU's business have not benefited from the advent of technology. It has made its mark across teaching and learning, research, the student life cycle, staff development and the continuous professional development of our graduates and others.

In 2022, we strengthened the NWU's intellectual and human capital by applying technology in various settings:

- Emergency remote learning, as well as work from home, meant that almost all services, including students' PC lab applications, could be accessed from anywhere.
- Heightened attention was paid to security. We performed a thorough security landscape exercise in preparation for a coordinated cyber security programme modelled on the best practice framework of the National Institute of Standards and Technology.
- Many major teaching and learning and support projects were initiated or completed:
 - A milestone in the implementation of the Student Information System was the finalisation of the Blue Print phase.
 - 80 new Hyflex classrooms were equipped so that teaching and learning could take place face to face and remotely, at the same time. In 2022, 11 000 classes were broadcast and recorded.
 - The Work Integrated and Service-Learning system went into full production.
 - We recorded uptime of more than 99,5% for most of our critical systems. eFundi was available 99,92% of the time.
 - The Digital Workplace Project (DWP) kicked off with the replacement of the old Groupwise email system and the introduction of digital telephony.
 - 403 laboratory PCs were replaced.
 - The new eAssessment platform was implemented.
 - The infrastructure refresh project gained momentum, but the global shortage of semiconductors, as well as loadshedding, had a major impact on the deliverables, especially on the stability of Wi-Fi.
 - A cloud smart strategy was developed and is being implemented.
 - We used the United States National Institute of Standards and Technology (NIST) framework to improve our cyber processes. No major cyber incidents were reported.
 - Project and portfolio management (PPM) gained momentum and an IT PPM lead was appointed. As a result, we will implement new processes in 2023.
- New strategies were introduced, such as composable infrastructure and Cloud Smart. IT resolved 45 137 incidents and dealt with more than 100 000 incoming and outgoing calls.
- Staff and students continued to receive uncapped, unshaped internet services at a speed unmatched by most universities in South Africa.

9.6.14 Future outlook

IT can meet the challenges of the 4IR, having already proven itself up to the task of keeping the university's IT networks and services running throughout the Covid-19 pandemic and beyond, even when demand reached record highs. Our IT systems are extremely stable: the uptime of most of our critical systems is well above 99% and mostly above 99,5%.

After years of applying good principles in planning and design, and weathering the pandemic experience, IT at the NWU is in good shape. It will be much easier to focus on digital business transformation and to participate to the full in the 4IR.

10 Governance: supporting and preserving value

10.1 Council statement on governance

“ COUNCIL STATEMENT ON GOVERNANCE ”

The NWU is committed to the principles of discipline, transparency, independence, accountability, responsibility, fairness and social responsibility, as advocated in the King IV Report.

Accordingly, Council endorses the Code of Practices and Conduct, and the Code of Ethical Behaviour and Practice as set out in King IV, and has applied these in a rigorous way during the period under review. In supporting these codes, Council recognises the need to conduct the business of the NWU with integrity and in accordance with generally accepted good practices.

The monitoring of the NWU's compliance with these codes forms part of the mandate of the Audit, Risk and Compliance Committee.

A distinct difference exists in the roles and responsibilities of the Chairperson of Council and that of the Vice-Chancellor.

Statement approval obtained from the NWU Council on 22 June 2023.



10.2 The role and function of Council and its committees

As the overall custodian of good corporate governance, the NWU Council takes its oversight and guidance role seriously.

We carry out this responsibility by setting strategy, ensuring proper governance, driving compliance and risk management and monitoring the material activities of the university. The intention is to provide a sound foundation for the creation of value, long-term growth and sustainability.

We act in strict accordance with the stipulations of the Higher Education Act and the NWU Statute, which was reviewed and published on 24 June 2022.

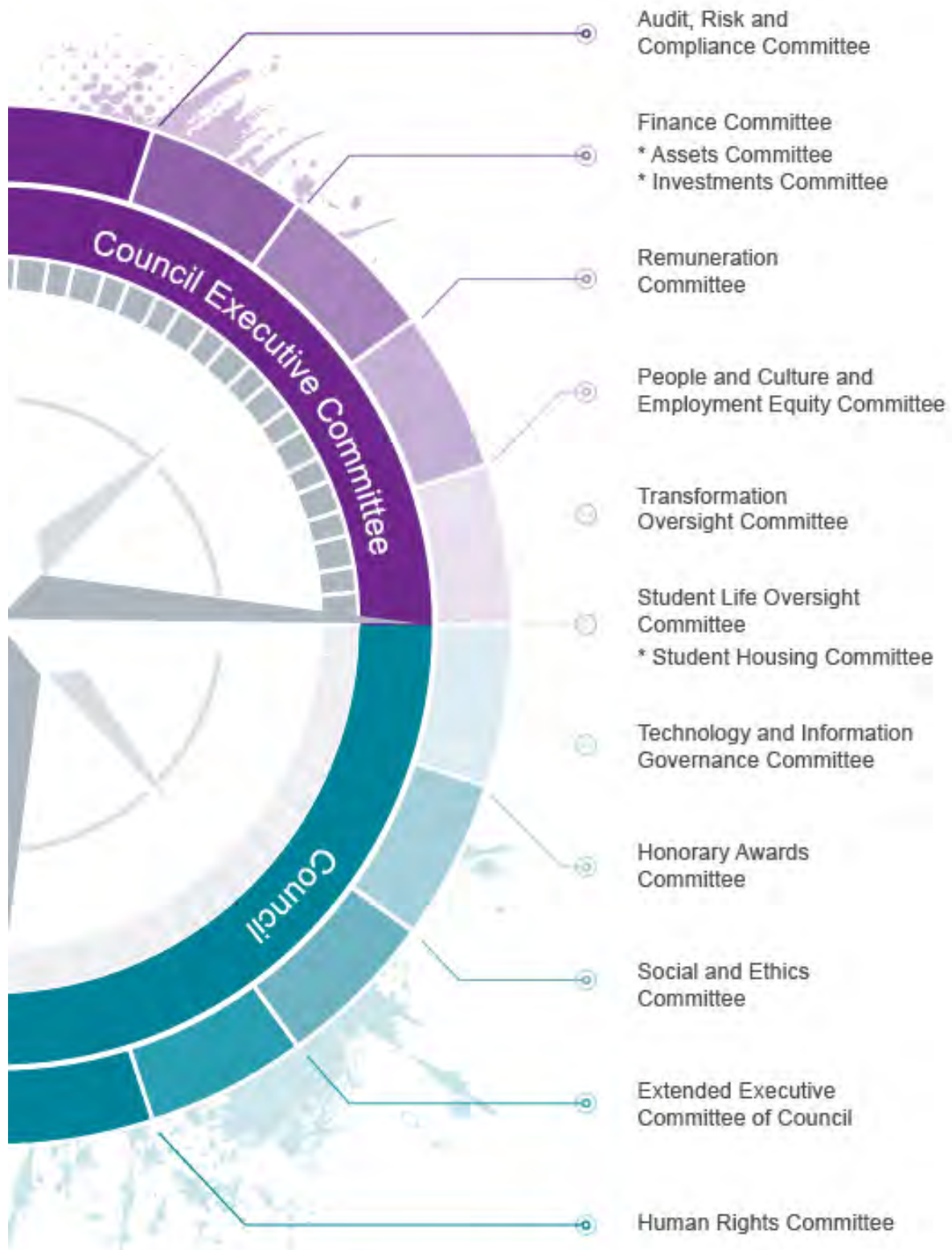
For the period under review, under Council's leadership the NWU continued to adhere to high governance standards while creating a value-driven governance landscape.

The composition of our Council is in accordance with the guidelines provided by the Higher Education Act and the university's Statute.

Of the 30 Council members, 60% are external and 40% internal, ensuring independence in the governance environment.

Council members externally elected or designated		Council members internally elected or designated	
Ministerial appointees	5	Management: vice-chancellor and vice-principal	2
Donors	3	Senate	3
Convocation	4	Academic employees	2
Community leaders	3	Support employees	2
Specific expertise	3	Student Representative Council	3
	18		12

In the interest of proper oversight and accountability, the Council has a number of committees to advise it on all the relevant governance matters.



The Finance Committee, Assets Committee, People and Culture and Employment Equity Committee, and Honorary Awards Committee meet twice a year and report to Council twice a year. The remaining committees that meet more often are the Executive Committee of Council, Audit, Risk and Compliance Committee, Remuneration Committee, Transformation Oversight Committee, Tender Committee, Investments Committee, Technology and Information Governance Committee, Student Life Oversight Committee, Student Housing Committee, Human Rights Committee and Social and Ethics Committee.

In November 2022, Council noted and discussed the need to amend the foundational principles of the Human Rights Committee (HRC) and to change its functioning to become a committee operating under the auspices of the Council. The motivation for the change in the placement and scope of the redesigned Human Rights Committee was to repurpose the HRC to become a committee of Council. The NWU is taking cognisance of prevalent negative trends (nationally and institutionally) on instances of gender-based violence and racism; as a committee of Council, the membership of the HRC can be revised to include a majority of external members (external Council members and external experts), while retaining the independent external chairperson; previously, the HRC mainly comprised members of staff and was chaired by an independent external person.

Council approved the status of the HRC as a committee of Council in November 2022 and resolved that the amendments to the terms of reference would be made and approved before the committee would commence with its activities in 2023.

10.3 Council training

10.3.1 Induction programme

The implementation of the revised induction programme for newly appointed Council members continued in 2022. This followed Council's approval on 18 March 2021 of the revised programme, along with an ongoing capacity-building programme for members of Council and Council committees.

Feedback from Council members was that the induction programme was insightful and enabled new Council members to commence more effectively and quickly with governance oversight at both Council and Council committee levels.

10.3.2 Annual Council workshop

All Council members attended a workshop on 16 March 2022.

The workshop was chaired by the acting Chairperson of Council, Mr A Sorgdrager (also deputy Chairperson of Council) and covered the following three topics.

1. Plenary session 1: The future of residential universities in the digital era and the global competitiveness of universities in a post-pandemic era
2. Plenary session 2: Transformation
3. Plenary session 3: Increasing external income

Each of these is briefly discussed below.

The future of residential universities in the digital era and the global competitiveness of universities in a post-pandemic era

During the presentation, the vice-principal and other university management members made presentations on the NWU's future in the digital era and in the context of global competitiveness in a post-pandemic era. The following matters regarding the NWU were highlighted:

- The NWU's dream is to be an internationally recognised university in Africa, distinguished for engaged scholarship, social responsiveness and an ethic of care.
- The current purpose is to excel in innovative learning and teaching and cutting-edge research, thereby benefiting society through knowledge.
- The current strategy statement is to transform and position the NWU as a unitary institution of superior academic excellence, with a commitment to social justice.

The Council's attention was focused on the education predictions by Gartner that critical success factors for the future of universities in the digital era are the digital campus (HyFlex approach), automation and artificial intelligence and institutional reset.

These factors informed the topics covered, as follows:

- some new directions for teaching and learning in 2022 focusing on contact programmes, the HyFlex pilot and the block teaching pilot;
- the Student Information System (SIS) as one of the vehicles to support and drive the NWU Strategy and Digital Business Strategy, with the aim of strengthening the NWU's leadership in a post-pandemic higher education

environment. It had been highlighted that the SIS was not a software installation project but an optimisation of the operating model to span the entire NWU and make a meaningful impact on stakeholders and clients. The SIS would be a cornerstone in the digital ecosystem to strengthen the data-rich analytics environment;

- the IT Strategy agenda and main foci for 2022 and the Digital Business Strategy, including aspects such as assessing the Smart Cloud Infrastructure, implementing four of the core services of the integrating platform, starting with KAFKA (a software bus* using stream processing), and implementation of a responsive operating model in IT; (**A software bus is a software architecture model where a shared communication channel facilitates connections and communication between software modules*);
- enrolment trends, with a view to stabilising distance enrolments, stabilising and increasing postgraduate enrolments, increasing international enrolments and marginally increasing contact enrolments;
- the vision for the NWU's drive to pursue community engagement as part of its core business;
- innovation and internationalisation, focusing on research in the post COVID-19 era and local research funding that has reached saturation point; and
- Student Life, highlighting various exciting projects to be launched in 2022.

Transformation

The Council was reminded of the NWU's commitment to transformation, highlighting the broad interpretation of transformation that was not limited to conventional categories of race and gender but sought to advance the creation and celebration of a truly diverse and culturally rich community.

The following aspirations were highlighted:

- envisaging a transforming and diversifying university that benefits from and respects the abilities of individuals who form part of the NWU community;
- growing and developing when confronted with challenges;
- celebrating its achievements;
- acknowledging and encouraging all known transformational efforts;
- empowering and enabling individuals; and
- actively nurturing practices, behaviours and attitudes that are inclusive.

The Council was informed about the roadmap for 2022 and beyond:

- Short term: publication of values and values-driven behaviours on the NWU webpage, NWU Values Campaign Months, Sidewalk Art, and values competitions and training targeted at creating awareness for each value, staggered over a seven-month period (one value per month).
- Medium term: NWU Culture page/module on eFundi with self-reflection questionnaires and training material on the NWU Way, NWU Organisational Citizenship Recognition Awards, #My NWU Story (online platform) and celebration of the NWU culture and good news stories; and
- Long term: digital engagement: #MYNWU app (online platform).

Increasing external income

The session focused on bringing in and sustaining more external income.

In respect of increased external income, the Council received information on the work of the NWU Business School in whose structure the Unit for Continuing Education has been included. The Business School presents its offering by means of a hybrid model that incorporates face-to-face and online learning and is focused on improved short learning programmes as the preferred training provider for the NWU as a client.

The Council received information on donations. From 2018 to 2021, most funding has from private South African companies, followed by sector education and training authorities (SETAs). Opportunities exist to source more funding from local companies and there is a need to increase individual giving. This would be based on the following eight focus areas:

- reaching the target of R33 257 800 in 2022;
- running integrated campaigns to increase individual and corporate giving;
- establishing a fundraising advisory panel;
- leveraging opportunities to commence with international fundraising;
- running a programme for the naming rights of buildings and spaces;
- mobilising faculties to use the ResearchConnect Database to source funding for their research and innovation projects;
- Implementing a stewardship programme to retain current donors; and
- increasing the capacity of the Development and Fundraising Office.

On the topic of sustaining external funding, participants at the session highlighted that the income sources for the past four years were subsidy and tuition, external industry, the money market and investment, research councils, business enterprise development and external foreign income.

10.4 Code of Conduct and declarations of interest

All Council members are required to adhere to a Council Code of Conduct, which is revised as and when needed. It was last reviewed in March 2018. At the beginning of 2022, the members of Council pledged their commitment to the Code by taking part in the annual signing process. All new Council members are also required to sign the Code of Conduct at the time of their appointment.

The Higher Education Act prescribes annual declarations of directorships and interests by members of Council and Council committees. We consider this requirement to be of the utmost importance and expect members of Council and Council committees to make such declarations regularly. This is to ensure absolute integrity in our behaviour at governance level.

The Council Executive Committee (Council Exco), in its capacity as Council membership committee, receives and discusses quarterly declaration of interest audit reports for Council and Council committee members. These audit reports:

- deal with the payments made to entities in which members of Council and Council committees have an interest;
- determine whether interests declared by members are confirmed through a check with the Companies and Intellectual Property Commission (CIPC);
- compare the available information with payment records on the university's financial system to determine whether, during the period of review, the NWU did business with entities in which members had an interest;
- determine whether any member had possibly been involved in the approval of transactions between the NWU and the relevant entity.

These reports also serve as a standing item on the Council's agendas.

The declarations of interest by Council and Council committee members are of such high importance that, as Council noted on 17 June 2021, sanctions can be imposed of members who do not comply with the legal requirements for declarations of interest. No such sanctions needed to be undertaken for 2022.

During 2022, Exco continued with the practice of regularly noting and discussing all declarations made by members of the university management committee and referring any enquiries to the vice-chancellor.

10.5 Meet our Council members (Council membership as at 31 December 2022)

10.5.1 New Council members in 2022

The following new members joined the Council during the year under review:

- Prof DM Modise – elected by Senate
- Ms H Lekalakala – elected by the support staff
- Ms PS Moleke – elected by the Board of Donors
- Mr TP Venter – elected by the Convocation
- Ms PP Thebe – designated from among the community leaders
- Mr N Omar – appointed by Council for specific expertise
- Ms HD Mdladla – designated by the SRC
- Mr Y Andreas – designated by the SRC
- Ms KE Mogoshoa – designated by the SRC
- The following members re-joined the Council for subsequent terms:
 - Ms U Barravalle – elected by the Board of Donors (second term)
 - Prof AF Kotzé – elected by Senate (second term)
 - Mr TV Mokgatla – appointed by Council for specific expertise (second term)

10.5.2 Composition of Council

Meet our Council members

(Council membership as at 31 December 2022)



1. PROF MB TYOBKA (47)
Vice-Chancellor

Qualifications: BScEd and MSc (applied radiation science and technology) (University of North West), MSc and PhD (nuclear engineering) (Penn State University, USA), MSc (management) (Colorado Technical University, USA)

Membership of Council Committees:

All Council committees (except Audit, Risk and Compliance Committee – not a full member)

Term on Council:

Appointed for a five-year term from 2022 to 2027.
Six months into first term.

Number of committee meetings as Council member and average attendance:
49 meetings | 82% attendance

Directorships: USAf



2. PROF L DU PLESSIS (53)
Vice-Principal

Qualifications: PhD (education), MSc (computer science), BScHons, BSc (PU for CHE), Certificate for environmental educators (Unisa), Leadership in Higher Education (Institute for Educational Management, Harvard), Certificate in ICT in Education for Policy Implementers (Wits, Oracle University)

Membership of Council Committees:

Council Exco

Term on Council:

Appointed in 2020 for a three-years.
Two years and three months into second term.

Number of committee meetings as Council member and average attendance:
49 meetings | 90% attendance

Directorships: None



3. PROF DM MODISE (62)
Elected by Senate

Qualifications: BSc (horticultural science) (University of Bath), MSc (horticulture) (West Virginia University), PhD (plant sciences) (Nottingham University)

Membership of Council Committees:

Student Life Oversight Committee | Honorary Awards Committee

Term on Council:

Appointed for a three-year term from 2022 to 2025.
Eight months into first term.

Number of committee meetings as Council member and average attendance:
16 meetings | 69% attendance

Directorships: MyLab PTY LTD



4. PROF AF KOTZÉ (57)
Elected by Senate

Qualifications: BPharm, MSc, PhD (PU for CHE)

Membership of Council Committees:

Student Housing Committee | Honorary Awards Committee | Council representation on the Senate Executive Committee

Term on Council:

Appointed for a three-year term from 2019 to 2022.
Eight months into second term.

Number of committee meetings as Council member and average attendance:
16 meetings | 100% attendance

Directorships: Innovation Highway Enterprises



5. PROF AH VERHOEF (49)
Elected by Senate

Qualifications: BA (US), BD Theology (US), BAHons Philosophy (US), MTh (US), DTh (US), PhD (Free University Amsterdam)

Membership of Council Committees:

People and Culture and Employment Equity Committee | Honorary Awards Committee

Term on Council:

Appointed for a three-year term from 2021 to 2024.
One year and one month into first term.

Number of committee meetings as Council member and average attendance:
6 meetings | 83% attendance

Directorships: None



6. PROF PA SMIT (61)
Elected by academic staff members

Qualifications: BA, (HED) (postgraduate), BAHons, MA, PhD (labour relations management)

Membership of Council Committees:

People and Culture and Employment Equity Committee | Student Life Oversight Committee

Term on Council:

Appointed for a three-year term from 2021 to 2024.
One year, three months into first term.

Number of committee meetings as Council member and average attendance:
8 meetings | 50% attendance

Directorships: None



7. PROF WJ DU PLESSIS (43)
Elected by academic staff members

Qualifications: BA (international relations), LLB, LLD (University of Stellenbosch)

Membership of Council Committees:

Transformation Oversight Committee | Social and Ethics Committee | Human Rights Committee

Term on Council:

Appointed for a three-year term from 2021 to 2024.
One year and nine months into first term.

Number of committee meetings as Council member and average attendance:
6 meetings | 100% attendance

Directorships: None



8. DR AA LE ROUX (56)
Elected by support staff members

Qualifications: BSchHons (biokinetics) (PU for CHE), PhD (relationship marketing)

Membership of Council Committees:

Transformation Oversight Committee

Term on Council:

Appointed for a three-year term from 2021 to 2024.
One year and one month into first term.

Number of committee meetings as Council member and average attendance:
8 meetings | 88% attendance

Directorships: None



9. MS MH LEKALAKALA (45)
Elected by support staff members

Qualifications: BCom (accounting) (University of Limpopo), BComHons (business management) (University of Limpopo)

Membership of Council Committees:
Social and Ethics Committee

Term on Council:
Appointed for a three-year term from 2022 to 2025.
Nine months into first term.

Number of committee meetings as Council member and average attendance:
5 meetings | 80% attendance

Directorships: None



10. MS KE MOGOSHOA (24)
Student Representative Council

Qualifications: Enrolled for a BSc (agriculture)

Membership of Council Committees:
Student Oversight Committee

Term on Council:
Three months into one-year term.

Number of committee meetings as Council member and average attendance:
4 meetings | 100% attendance

Directorships: None



11. MR A YIKUMBA (22)
Student Representative Council

Qualifications: Enrolled for a BCom (economic sciences)

Membership of Council Committees:
Student Life Oversight Committee

Term on Council:
Three months into one year term

Number of committee meetings as Council member and average attendance:
3 meetings | 100% attendance

Directorships: None



12. MS HD MDLADLA (21)
Students Representative Council

Qualifications: Enrolled for a BEd (foundation phase)

Membership of Council Committees:
Student Oversight Committee

Term on Council:
Three months into one-year term.

Number of committee meetings as Council member and average attendance:
3 meetings | 100% attendance

Directorships: None



13. MR OE MONGALE (51)
*Appointed by the Minister of
 Higher Education, Science
 and Innovation*

Qualifications: Studying towards a master's of philosophy in conflict transformation (Nelson Mandela University), postgraduate diploma in management, master's (industrial psychology) (NWU), honours (industrial psychology) bachelor's (administration) (UniBo)

Membership of Council Committees:

Tender Committee | Honorary Awards Committee | Remuneration Committee | Medical School Task Team | Extended Executive Committee | Executive Committee

Term on Council:

Appointed for a three-year term from 2020 to 2023.
 Two years and three months into second term.

Number of committee meetings as Council member and average attendance:

34 meetings | 91% attendance

Directorships: The Hub Farming Enterprise | Sego Programme and Project |

The Hub People Development Institute | Mochwa Investments | Bachen | Kehu Projects | Teki Project and Programme Managers



14. ADV PG SELEKA SC (48)
*Appointed by the Minister of
 Higher Education, Science
 and Innovation*

Qualifications: BA Law and LLB (PU for CHE)

Membership of Council Committees:

Transformation Oversight Committee | Social and Ethics Committee

Term on Council:

Appointed for a three-year term from 2021 to 2024.
 One year and four months into first term.

Number of committee meetings as Council member and average attendance:

11 meetings | 100% attendance

Directorships: None



15. MR C MABE (44)
*Appointed by the Minister of
 Higher Education, Science
 and Innovation*

Qualifications: BCom (University of North West), Dip AIBM (finances), diploma in financial management (Business Management Training College of Southern Africa), certificate in managing the employment process (Unisa), MBA (NWU)

Membership of Council Committees:

Finance Committee | Remuneration Committee | Extended Exco

Term on Council:

Appointed for a three-year term from 2021 to 2024.
 One year and four months into second term.

Number of committee meetings as Council member and average attendance:

9 meetings | 100% attendance

Directorships: K2017228855 (South Africa) | My Throne Group | Thapo Vision Group CM2510 (Pty) Ltd | NH2606 (Pty) Ltd | Tapologo HIV and AIDS programme | Jepa Resources Trading Enterprise (Pty) Ltd | The Islanders (Pty) Ltd | Jepa 321 (Pty) Ltd



16. MR TC KGOMO (55)
*Appointed by the Minister of
 Higher Education, Science
 and Innovation*

Qualifications: BCom (University of North West)

Membership of Council Committees:

Tender Committee | People and Culture and Employment Equity Committee | Transformation Oversight Committee | Extended Exco

Term on Council:

Appointed for a three-year term from 2020 to 2023.
 Two years and three months into third term.

Number of committee meetings as Council member and average attendance:

20 meetings | 100% attendance

Directorships: Henjen Petroleum (Pty) Ltd | Tshepi Investments CC | Sky Chrome Mining | Kiddo Cool | Lefatshe la Morena | Direlang Morena | Masego a Morena



17. MR MSJ THABETHE (48)
*Appointed by the Minister of
 Higher Education, Science
 and Innovation*

Qualifications: National diploma (information technology), BTech (information technology) (TWR), MCom (information systems) (University of the Witwatersrand)

Membership of Council Committees:
 Technology and Information Governance Committee | Audit, Risk and Compliance Committee | Social and Ethics Committee | Executive Committee of Council (alternate) | Extended Exco

Term on Council:
 Appointed for a three-year term from 2020 to 2023.
 Two years and three months into second term.

Number of committee meetings as Council member and average attendance:
 21 meetings | 95% attendance

Directorships: Sihlasi Technologies CC



18. MR JDS DE BRUYN (71)
*Elected by the Board of
 Donors*

Qualifications: BCom (accounting science), Bluris, LLB (PU for CHE)

Membership of Council Committees:
 Audit, Risk and Compliance Committee | Tender Committee | Senate

Term on Council:
 Appointed for a three-year term from 2021 to 2024.
 One year and six months into third term.

Number of committee meetings as Council member and average attendance:
 20 meetings | 85% attendance

Directorships: None



19. MS PS MOLEKE (55)
*Elected by the Board of
 Donors*

Qualifications: Honours (economics) (University of Witwatersrand), master's degree (economics) (Georgia State University), BA (education) (Vista University)

Membership of Council Committees:
 Audit, Risk and Compliance Committee | Finance Committee | Investments Committee

Term on Council:
 Appointed for a three-year term from 2022 to 2025.
 Two months into first term.

Number of committee meetings as Council member and average attendance:
 1 meetings | 100% attendance

Directorships: None



20. MS UAD BARRAVALLE (40)
*Elected by the Board of
 Donors*

Qualifications: BSc (chemistry and biochemistry), BScHons (chemistry) (RAU), LLB (Unisa)

Membership of Council Committees:
 Assets Committee | Executive Committee of Council | Extended Exco

Term on Council:
 Appointed for a three-year term from 2022 to 2025.
 One month into second term.

Number of committee meetings as Council member and average attendance:
 29 meetings | 83% attendance

Directorships: DM Kisch INC | Kisch Africa | Kisch Investments Limited



21. MR A SORGDRAGER (63)
Elected by the Convocation

Qualifications: Buris and LLB (PU for CHE), international executive programme (INSEAD Business School)

Membership of Council Committees:

Executive Committee of Council | Remuneration Committee | Finance Committee | Honorary Awards Committee | Student Life Oversight Committee | Senate | Medical School Task Team | Extended Exco

Term on Council:

Appointed for a three-year term from 2020 to 2023.
Two years and five months into second term.

Number of committee meetings as Council member and average attendance:
57 meetings | 100% attendance

Directorships: Vaalrivier Steiltes Aandeleblok | Florida Buitemuurs | Nedbank Zimbabwe



22. MR TP VENTER (67)
Elected by the Convocation

Qualifications: Master's degree (political science) (PU for CHE), master's degree (comparative politics) (State University of New York)

Membership of Council Committees:

Technology and information Governance Committee | Medical School Task Team

Term on Council:

Appointed for a three-year term from 2022 to 2025.
8 months into first term.

Number of committee meetings as Council member and average attendance:
6 meetings | 100% attendance

Directorships: None



23. PROF AL COMBRINK (78)
Elected by the Convocation

Qualifications: BA, BAHons, MA, DLitt (english) (PU for CHE), higher education diploma (Unisa)

Membership of Council Committees:

Social and Ethics Committee | Medical School Task Team

Term on Council:

Appointed for a three-year term from 2021 to 2024.
One year and one month into third term.

Number of committee meetings as Council member and average attendance:
8 meetings | 88% attendance

Directorships: None



24. ADV M KRUGER (57)
Elected by the Convocation

Qualifications: Buris, LLB (PU for CHE)

Membership of Council Committees:

Student Life Oversight Committee | Technology and Information Governance Committee | Human Rights Committee

Term on Council:

Appointed for a three-year term from 2021 to 2024.
One year and four months into first term.

Number of committee meetings as Council member and average attendance:
18 meetings | 100% attendance

Directorships: None



25. PASTOR PM TLHABANYANE (59)

Appointed from the community leaders

Qualifications: Dip PA, BPA, BA(Hons (Theology)

Membership of Council Committees:

Executive Committee (alternate member) | Student Life Oversight Committee | Student Housing Committee | Social and Ethics Committee

Term on Council:

Appointed for a three-year term from 2020 to 2023. Currently two years and nine months into first term.

Number of committee meetings as Council member and average attendance:

16 meetings | 94% attendance

Directorships: None



26. MS S BRITZ (61)

Appointed from the community leaders

Qualifications: Matric, NQF5 Real Estate

Membership of Council Committees:

Executive Committee (alternate member) | People and Culture and Employment Equity Committee | Assets Committee | Transformation Oversight Committee

Term on Council:

Appointed for a three-year term from 2022 to 2025. Currently two years and nine months into first term.

Number of committee meetings as Council member and average attendance:

18 meetings | 94% attendance

Directorships: IDUC NPC | Tlokwe Crisis Centre



27. MS PP THEBE (35)

Appointed from the ranks of the university's community leaders

Qualifications: BCom, PGCE

Membership of Council Committees:

Student Life Oversight Committee | Human Rights Committee

Term on Council:

Appointed for a three-year term from 2022 to 2025. Six months into first term.

Number of committee meetings as Council member and average attendance:

4 meetings | 75% attendance

Directorships: None



28. MR N OMAR (35)

Appointed by Council for specific expertise

Qualifications: CA(SA) (Unisa)

Membership of Council Committees:

Investments Committee

Term on Council:

Appointed for a three-year term from 2022 to 2025. Six months into first term.

Number of committee meetings as Council member and average attendance:

2 meetings | 0% attendance

Directorships: Snap Consulting



29. MS RA KENOSI (51)
*Appointed by Council
for specific expertise*

Qualifications: BComp Accounting, BComp Accounting (Hons), CA(SA) (Unisa)

Membership of Council Committees:

Audit, Risk and Compliance Committee | Executive Committee of Council | People and Culture and Employment Equity Committee | Remuneration Committee | Extended Exco

Term on Council:

Appointed for a three-year term from 2021 to 2024,
One year and nine months into first term.

Number of committee meetings as council member and average attendance:

45 meetings | 96% attendance

Directorships: Fraudsmiths (Pty) Ltd | Bridging Concepts Financial Services (Pty)

Ltd | Onderstepoort Biological Products SOC Ltd | Anova Health Institute NPS



30. MR TY MOKGATLHA (47)
*Appointed by Council
for specific expertise*

Qualifications: BCom (accounting) (University of North West), HonsBcomp/
Certificate of theory in accounting (CTA) (Unisa)

Membership of Council Committees:

Audit, Risk and Compliance Committee | Assets Committee | Remuneration Committee | Extended Exco

Term on Council:

Appointed for a three-year term from 2019 to 2022,
Six months into second term.

Number of committee meetings as Council member and average attendance:

14 meetings | 86% attendance

Directorships: Yebo Yethu (RF) Limited | Yebo Yethu Investment Company

(RF) (Pty) Limited | Baphlane Siyanda Chrome Company | MTBG Investments | South African Blood Services NPC (SANBS) | Stokfella | Philasini | Baphalane Ba Mantserre Investment Holdings | Atomic Trading | Baphalane Property Holdings | His Crown Apostolic Ministries | BBMIH Food | Hyprop Investment LTD | BBMIH Textile | BBMIH Manufacturing

10.5.3 Diversity of skills and experience

Our Council members boast a variety of valuable skills and experience. Their fields of expertise are given below:

- governance and ethics in general
- higher education governance
- student management and governance
- general management, business and industrial psychology
- science/innovation, technology and engineering
- communication and languages
- general legal expertise
- psychology and theology
- labour relations
- audit and chartered accountancy
- theological expertise.

Having resolved in November 2018 to pursue the establishment of a particular skills set, the NWU Council took these skills into account in 2022 when seeking to fill vacancies in membership. The coloured blocks in the diagram below represent the skills that have received emphasis.

1	General legal expertise
2	Environment, land and indigenous law
3	Global engagement expertise
4	Data analytics expertise
5	Audit and accounting expertise
6	Investment expertise
7	Fundraising expertise
8	Finances and business expertise (medium to macro enterprises)
9	Business administration and/or strategy expertise
10	Governance and ethics expertise
11	Corporate communication expertise
12	Information technology expertise
13	Technology transfer expertise
14	High positive public profile – science
15	High positive public profile – community engagement
16	Arts/people management

10.6 Council transformation

Council continued to focus on transformation targets for its membership and approved the following equity targets for Council to achieve by January 2025:

African female	African male	Indian/Coloured male/female	White female	White male	Total
7	8	2	6	7	30
23,3%	26,7%	6,7%	20%	23,3%	100%

In September 2022, Council considered a report on the proposed revision of the Council equity targets. After discussion, Council resolved to approve the proposal that the current profile be retained with the specific requirement that the membership include two members living with disabilities.

As at 31 December 2022, the equity profile of Council was as follows:

African female	African male	Indian/Coloured/Chinese male/female	White female	White male	Vacancies*	Total
5	10	2	6	7	0	30
16,7%	33,3%	6,7%	20%	23,3%	0%	100%

* Specific requirement: Membership to include two members with disabilities (Council resolution of 8.9.2022) – currently none.

10.7 Council decisions impacting value creation and the business impact of Covid-19

10.7.1 Key decisions taken by Council in 2022

The following table gives a summary of Council's value-creating decisions and the possible effect thereof on future value creation.

Strategy and structure
<p>With the appointment of the new vice-chancellor, the strategy of the NWU would be reviewed.</p> <p><i>How this governance decision could affect future value creation:</i></p> <p><i>As Council we are confident that the ongoing implementation of the strategy, structure and brand is shaping the NWU's operations and efficiency.</i></p> <p><i>We remain confident that the realisation of the strategic agenda of the NWU adds to the improved positioning of the university in the South African higher education landscape.</i></p>
Policies and rules
<p>The Policy Refinement Committee continued with its activities in the drafting and review of policies.</p> <p>In ensuring compliance with national directives and mitigating possible risks facing the university, we approved 17 policies (either revised or new) in 2022:</p> <ul style="list-style-type: none">• Information and Communication Technology Policy on Fair Use• Information and Communication Technology Governance Policy• Open Access Policy• Language Policy• Records, Archives and Museums Policy• Data and Information Security Policy• Rules for the Nomination, Election, Designation and Appointment of Council Members• Constitution of the NWU Convocation as adopted by the Convocation• NWU Code of Ethics• NWU Performance Management Policy• NWU Staff Learning and Development Policy• NWU Environmental Sustainability Policy• NWU Policy and Rules on Conflict of Interest and Declarations of Interest and of Gifts• NWU Financial Policy and Preferential Procurement Strategy• NWU Occupational Health and Safety Policy• NWU Brand Policy• NWU Communications Policy <p>The Policy on Governance Oversight and Management Control was repealed.</p> <p><i>How these governance decisions could affect future value creation:</i></p> <p><i>The NWU's success model indicates that the university is committed to the continued adoption of responsible risk-embracing strategies and transformational practices.</i></p> <p><i>In line with this undertaking, and in adhering to the prescripts of the Statute, the university continually drafts and revises policies and rules.</i></p>

Financial matters

We, as Council, approved the audited financial statements for 2022 and the financial overview for 2022.

In addition, the following financial approvals were among the highlights of 2022:

- approved the projects for implementation for which business cases have been concluded, as recommended by the Finance Committee.
- approved additional project funds of R27 334 491 to cover an increase in scope and escalation in construction costs.
- provisionally approved the continuation of Department of Higher Education and Training (DHET) projects from NWU funds if the DHET does not approve the full amount of the IEG 6th Cycle application. Also, to top up the shortfall on projects from previous funding cycles from the interest earned/savings on ring-fenced DHET funds if not approved by DHET.
- approved the unscheduled infrastructure project for the macro maintenance and upgrades to the vice-chancellor's residence to be overseen by the project team, as recommended.
- approved the investment in the Stable Income Portfolio, as well as the revised Investment Limits to accommodate new instruments, as recommended by the Finance Committee.
- approved the 2023-2025 Budget, subject to the principle that the budget would need to be adjusted when new information is received from the Minister.
- approved the infrastructure project list and funds allocated for macro-maintenance projects.
- approved the 2023 tuition fee inflation adjustment on all campuses to be the projected CPI for 2023 for contact students as is to be communicated by the Minister (worked into the budget with 5,0%) and 4,23% for distance students (2022 tuition fee inflation adjustment, aligned with the one-year lag principle as approved).
- approved the 2023 NWU Business School fees adjustments.
- approved the 2023 residence fee inflation adjustment at the projected CPI for 2023 plus 2% as is to be communicated by the Minister (worked in the budget with 7,0%), and a 10% adjustment on meal fees which is in line with food inflation.
- approved the 2023 amounts payable at registration, previous year adjusted with the projected CPI for 2022 (tuition fee related) or CPI plus 2% (residence related) or food inflation (10% in the case of meals).
- conditionally approved cash advances to NSFAS students in 2023, if there are no changes to the NSFAS disbursement methodology.

How these governance decisions could affect future value creation:

We are confident that the right decisions were taken in the short term to enable the university to realise the goals in the APP and to continue pursuing its strategic agenda.

However, Council is on record that it expressed concerns on the medium to long-term effects of the national uncertainties around the sustainability of South African higher education. These uncertainties relate predominantly to the funding of public higher education.

Tender matters

- Approved that the tender TR002/2022PC – Refurbishment of Spaces for the Schools of Biological and Geospatial Sciences, Buildings G23 and E6, Potchefstroom Campus, be awarded to GVK Siya-Zama Building Contractors (Gauteng) (Pty) (Ltd) for the amount of R62 899 250, as recommended by the Tender Committee.
- Approved that the tender No TR045/2022NW for the Supply and Delivery of Diesel for Generators during Emergencies for all three of the NWU's campuses be awarded to the second-ranked bidder, Tipublox (Pty) Ltd, for a period of three years to the value of R30 570 750, including delivery costs.
- Approved the procurement of essential specialised equipment for the Wi-Fi infrastructure from TechExpress (Pty) Ltd for R15 899 752.78.
- Awarded the tender NWUTR055/2022NW – Provision of Protection Services on the Mahikeng and Potchefstroom campuses, including the services at Molelwane Farm (Mahikeng Campus and Cachet Park (Potchefstroom Campus) as recommended, to Mi7 National Group for both campuses:
Mahikeng Campus (Mi7 National Group) R71 796 529 plus R7 000 000 = R78 796 529
Potchefstroom Campus (Mi7 National Group): R48 194 964 plus R9 000 000 = R57 194 964
for three years including VAT but excluding escalation.

How these governance decisions could affect future value creation:

As Council we ensure that the university procures services by means of a process that is fair, equitable, transparent and cost-effective, while also ensuring the realisation of transformation objectives.

We are confident that the tenders that were awarded adhered to the principles laid down in relevant legislation.

Appointment of office bearers

We oversaw the process of appointing senior office bearers and approved the following:

- appointing Dr Mzibanzi Bismark Tyobeka as vice-chancellor of the North-West University for a five-year term commencing 1 June 2022 and ending on 31 May 2027; and
- recording the re-appointment of Prof Mala Singh as Executive Director People and Culture for the period 1 January 2023 to 31 December 2023.

How these governance decisions could affect future value creation:

We made sure that the appointment of these office bearers was informed by the Statute and relevant rules.

The calibre of those who have been appointed remained key to achieving the NWU's strategic objectives.

Governance matters

Key resolutions related to governance included the following:

- Approval of the following revised and new terms of reference for Council committees (also technical amendments necessitated by the review and approval of the Statute):
 - Transformation Oversight Committee
 - Investments Committee (reviewed twice)
 - Social and Ethics Committee (reviewed twice)
 - Student Housing Committee
 - Technology and Information Governance Committee
 - Audit, Risk and Compliance Committee
 - Executive Committee of Council
 - Council
 - Remuneration Committee
 - Student Life Oversight Committee
- Confirmed the approval of the 2022 First-year Registration and Orientation Programme by the Executive Committee of Council.
- Confirmed the approval of the Institutional Rules on Student Vaccinations by the Executive Committee of Council.
- Confirmed the approval by the Executive Committee of Council of the lease agreements with Amorispan and Buhle House based on the reduced residence fees.
- Confirmed the approval of the List of Official Donors of the North-West University by the Executive Committee of Council.
- Confirmed the approval of the revised Terms of Reference for the Human Rights Committee by the Executive Committee of Council.
- Confirmed the approval by the Executive Committee of Council that the NWU advance the cash, capped at R280 million, to pay out allowances to NSFAS students to support the start of the 2022 academic year.
- Recorded the conclusion of the external review process of Council.
- Elected Mr Bert Sorgdrager as Chairperson of Council.
- Elected Mr Obakeng Mongale as Deputy Chairperson of Council.
- Confirmed the approval by the Executive Committee of Council, made via round-robin on 22 April 2022, that the following persons be appointed as members of the NWU Council in the categories stated as follows:
 - Prof Awie Kotzé as internal member of Council elected by the Senate for a second term from 5 April 2022 to 4 April 2025;
 - Prof David Modise as internal member of Council elected by the Senate for a first term from 5 April 2022 to 4 April 2025; and
 - Mr Theo Venter as external member of Council elected by the Convocation for a first term from 8 April 2022 to 7 April 2025.
- Confirmed the approval by the Executive Committee of Council for the submission of the additional information as requested by the Department of Higher Education and Training.
- Approved the DHET Governance Scorecard for submission to the Department of Higher Education and Training.
- Approved the 2021 Integrated Annual Report as recommended by the Audit, Risk and Compliance Committee.
- Approved the re-appointment of PricewaterhouseCoopers as external auditors for the final year of their five-year contract, as recommended by the Audit, Risk and Compliance Committee.
- Approved that SAPTU be granted organisational rights as recommended by the University Management Committee and the People and Culture and Employment Equity Committee.
- Tasked the management to arrange a hotline for anonymous tip-offs, to be handled by an external body such as the Ombudsman or external auditors.
- Confirmed the approval of the revised North-West University Consolidated Financial Statements 2021 by the Executive Committee of Council, given via round-robin on 30 June 2022.

- Agreed to the request that the List of Donors, on completion of the audit, be considered by the Executive Committee of Council in accordance with para 12(3) of the Statute and circulated to members of Council before being tabled at the November meeting of Council for confirmation.
- Approved the proposal that the current equity targets for January 2025 of Council be retained with the specific requirement that the membership include two members living with disabilities.
- Participated in and provided data for the following four ranking schemes: Times Higher Education ranking, QS ranking, the Centre for World University Ranking and the URAP.
- Confirmed the approval of the audited List of Donors of NWU by the Executive Committee of Council.
- Confirmed the approval of the request to commence with the consultation process for the proposed amendments of the Conditions of Employment by the Executive Committee of Council.
- Confirmed the approval of the correction to para 3.2 of the Constitution of the NWU Convocation by the Executive Committee of Council.
- Approved the programme for the 2023 Council workshop.
- Approved the Mid-Year Performance Report as at 30 June 2022 for submission to the Department of Higher Education and Training, as recommended by the University Management Committee and the Senate.
- Approved the financial statements ending 30 June 2022, as recommended by the Finance Committee at its meeting held on 27 October 2022, for submission to the Department of Higher Education and Training as part of the Mid-Year Report.
- Approved the Annual Performance Plan 2023 for submission to the Department of Higher Education and Training.
- Approved the updated consolidated Registration and Orientation Programme 2023 as recommended by the Student Life Oversight Committee.
- Approved the Engagement Letter from PricewaterhouseCoopers as recommended by the Audit, Risk and Compliance Committee.
- Regarding the vice-chancellor's residence:
 - Noted that the Finance Committee had rescinded the resolution made at the meeting of 27 October 2022 to recommend the use of reserve funds for projects related to the Calderbank property.
 - Approved the rental of a suitable property for the vice-chancellor for the duration of the restoration work at the Calderbank property.
 - Mandated the Finance Committee to establish a multifunctional team to consider and address all matters relevant to the Calderbank property with the purpose of advising the Executive Committee of Council.
 - Approved the amount of R16 million for maintenance, service upgrades, capital improvements and habitability projects at the Calderbank property.
 - Directed that any deviation from this resolution be reported to the Executive Committee of Council.
- Approved the NWU Transformation Journey as recommended by the Transformation Oversight Committee.
- Approved the NWU Gender-Based Violence and Sexual Harassment Ethics Charter for Staff and Student Leaders as recommended by the University Management Committee.
- Agreed that the Public Artwork Project be suspended indefinitely; that its committee remain in place but be dormant and not work proactively; that new proposals for a unifying artwork would still be accepted but not tracked; that, should there be a really exciting entry, it could be presented to Council.
- Approved the Employment Equity Annual Report for the period 1 September 2021 to 31 August 2022 as recommended by the University Management Committee and the People and Culture and Employment Equity Committee.
- Approved the NWU Stakeholder Engagement Framework as recommended for approval by the Social and Ethics Committee.
- Significant matters as recommended by Senate:
 - Approved the Framework for the Academic Calendar 2023 with classes provisionally commencing on 13 February 2023 for all students with an alternative date of 20 February 2023 depending on the release date for the matriculation results.
 - Approved a full two-week Registration and Orientation Programme for first-year students prior to the commencement of lectures.
 - Approved the Enrolment Plan 2023-2025 for submission to the Department of Higher Education and Training.
 - Approved that Building G17 be named the Esté Vorster Research Facility.

How these governance decisions could affect future value creation:

Through sound governance principles and practices, we create an ethical environment in which the NWU can realise its strategy.

10.7.2 Council and Covid-19 in 2022

During 2022, Council received updates on the NWU's continued handling of the Covid-19 pandemic. The reports covered developments at national and institutional level.

In March 2022, the Council confirmed the NWU was pro-vaccination but, after a risk assessment was carried out, did not adopt a mandatory vaccination position. The Council learned from the management that the position on vaccination might need to be re-assessed in future due to possible changes in the Covid-19 landscape.

In June 2022, the Council noted that a task team had been created to hand over Covid-19 related matters to the normal occupational health and safety (OHS) structures. Even though restrictions had been lifted, requirements relating to, for example, ventilation were still in place. Following the announcement regarding the lifting of restrictions, it was expected that respective ministers would issue regulations to be followed by internal directives.

In September 2022, the Council noted that the Covid-19 task team had been replaced in April 2022 with an interim OHS Covid-19 committee, which was still operational and had the following functions:

- overseeing and integrating Covid-19 requirements into NWU OHS operational activities;
- Monitoring Covid-19 exposure and risks; and
- Integrating Covid-19 into OHS committee structures.

Council also resolved that the matter was a management matter and that further Covid-19 reports to Council would not be required unless the situation changed.

10.7.3 Remuneration of externally elected Council members

Since 2009, following a Council resolution to this effect, the university has paid an honorarium to external members of Council and of Council committees.

The honorarium is considered a token of the NWU's gratitude for members' time and effort.

The honorarium fee is paid twice a year, in August and December. The fee is linked to the university's annual cost-of-living adjustment (COLA) process, which the Remuneration Committee approves before implementation. In 2022, the honorarium was adjusted by 5,5%, the same COLA increase paid to executive management.

The following table shows the honoraria paid for each meeting attended.

Position	Honorarium 2021	Honorarium 2022
Council Chairperson	R6 929	R7 310
Council-appointed external expert, but not a Council member	R5 197	R5 483
Chairperson of a Council committee that fulfils a statutory role (Reporting regulations) <ul style="list-style-type: none"> • Finance Committee • Audit, Risk and Compliance Committee • Remuneration Committee • Tender Committee • Technology and Information Governance Committee 	R5 197	R5 483
Chairperson of a Council committee	R4 364	R4 604
Deputy Chairperson of Council for each Council meeting	R5197	R5 483
Council Chairperson or Deputy Chairperson as an ordinary member of a structure	R3 467	R3 658
Council member	R3 467	R3 658

10.7.4 King IV as the guiding framework for value creation through governance

After King IV came into effect on 1 April 2017, the NWU initiated an internal process to ensure compliance by aligning structures, policies, and procedures with the necessary requirements. The connections between King IV and the corresponding internal structure or responsibility are shown below:

KING IV requirement	<Integrated Report> content element	Relevant governance structure
Leadership and ethics	Stakeholder engagement and relationships; governance	Council Social and Ethics Committee
Performance and reporting	Strategy and resource allocation; performance; outlook	Council Executive Committee Finance Committee Senate Council
Governance structure and delegation	Governance and remuneration	Council Council Executive Committee Remuneration Committee
Risks and opportunities	Stakeholder engagement and relationships; risk and opportunity	Audit, Risk and Compliance Committee (as the primary committee for oversight purposes) Other committees of Council (for risks and opportunities relevant in the identified area of oversight) Senate Council
Technology and information	Governance, risk and opportunity; strategy and resource allocation	Technology and Information Governance Committee Audit, Risk and Compliance Committee Executive Committee Council
Compliance	Governance	Audit, Risk and Compliance Committee Other committees of Council (for compliance matters relevant in the said area of oversight) Council
Remuneration	Stakeholder engagement and relationships; remuneration	Remuneration Committee Council
Assurance	Governance; basis of preparation and presentation	Audit, Risk and Compliance Committee Finance Committee Senate Council
Stakeholder relationships	Stakeholder engagement and relationships	Social and Ethics Committee People and Culture and Employment Equity Committee Transformation Oversight Committee Student Life Oversight Committee Institutional Forum Student Representative Council Convocation Board of Donors Council

Governance structures of the NWU

<p>Council</p> <p>The Council governs the NWU through the adoption of purpose and value statements, strategic plans and policies, as well as the Statute, the rules, processes and delegations of authority. Furthermore, Council monitors the operational performance of management and establishes committees and, together with Senate, joint committees, to ensure that the NWU achieves its purpose and values.</p>	<p>Extended Executive Committee</p> <p>The Extended Executive Committee discusses high-level issues, monitors the relevance and responsiveness of the NWU Quality Manual, monitors the effectiveness and efficiency of the implementation of Council action plans formulated in response to internal and external evaluations, and serves as monitoring and evaluation platform for implementation of Council resolutions.</p>
<p>Executive Committee</p> <p>The Executive Committee deals with important governance matters between meetings of the NWU Council and also acts as a Council membership committee.</p>	<p>P&CEE</p> <p>The People and Culture and Employment Equity Committee (P&CEE) advises Council on all matters relating to people and culture (human resources) and employment equity.</p>
<p>Remuneration Committee</p> <p>The Remuneration Committee assists Council in carrying out its responsibilities regarding a fair and responsible remuneration philosophy and its implementation.</p>	<p>Transformation Oversight Committee</p> <p>The Transformation Oversight Committee advises Council on the implementation of the transformational aspects of the Annual Performance Plan.</p>
<p>Student Oversight Committee</p> <p>The Student Oversight Committee advises Council on all relevant student matters.</p>	<p>Finance Committee</p> <p>The Finance Committee advises Council on financial and investment matters and on long-term infrastructure development at the NWU (also through obtaining specialist advice from the Assets, Tender and Investment subcommittees).</p>
<p>Audit, Risk and Compliance Committee</p> <p>The Audit, Risk and Compliance Committee advises Council on the safeguarding of the NWU's assets, the maintenance of adequate accounting records, the development and maintenance of an effective system of internal control, overseeing management's role in creating and maintaining a proper risk management process, and authorising the annual audit fee of the external auditors. It also provides a channel of communication between Council, management, the internal audit function and the external auditors.</p>	<p>Tender Committee</p> <p>The Tender Committee advises the Council on matters related to governance and oversight as these pertain to the NWU's procurement processes and ensures that these are fair, equitable, transparent, cost-effective and compliant to all relevant regulations and rules.</p>
<p>Student Representative Council</p> <p>The Student Representative Council is the duly elected body within Student Life that oversees the management of organised student life and represents students on various governance structures.</p>	<p>Social and Ethics Committee</p> <p>The Social and Ethics Committee provides oversight and guidance in assisting Council to develop an understanding of management and oversight with regard to the positioning of the NWU as an integral part of the society in which it functions.</p>
<p>Senate</p> <p>The Senate is responsible for regulating all teaching-learning, research and academic support functions, as well as for determining academic policies and rules.</p>	<p>Student Housing Committee</p> <p>The Student Housing Committee provides strategic direction in regard to the NWU's pursuit towards a clearly differentiating student-value proposition as contained in the NWU Strategy 2015 to 2025 in regard to matters related to the provisioning of student housing.</p>
<p>Convocation</p> <p>The Convocation is the body of alumni that is constituted with the aim of creating a link between the university and its corps of alumni. It also designates four members to serve on Council.</p>	<p>TI Governance Committee</p> <p>The Technology and Information Governance Committee assists Council with the governance of all information technology aspects at the NWU.</p>
<p>Institutional Forum</p> <p>The Institutional Forum advises Council on the implementation of the Higher Education Act and national higher education policies, as well as on the fostering of a university culture that promotes tolerance, respect for human rights and an environment conducive to learning, teaching and research.</p>	<p>Human Rights Committee</p> <p>The Human Rights Committee advises the Council on various matters pertaining to human rights and social justice. This includes ongoing advocacy efforts related to human rights, such as addressing incidents of gender-based violence, racism, intolerance, and discrimination. It also includes ongoing advocacy efforts related to human rights, such as addressing incidents of gender-based violence, racism, intolerance, and discrimination.</p>

10.7.6 Value creation through Council committee work

As indicated earlier, the Council committees assist us with our performance as Council.

All these committees are formally constituted, have terms of reference, and consist of a majority of Council members who are neither employees nor students of our public higher education institution. The Council and its committees are chaired by external independent members with the necessary expertise and skills.

10.7.7 Quality manual and external review followed by an improvement plan

A Council quality manual was approved on 19 March 2020. The NWU Council Quality Manual is based on the norms prescribed by the DHET Governance Scorecard.

The Quality Manual documented all aspects of achieving, sustaining, monitoring, and quality-enhancing all levels of activity of the NWU Council, and aimed to assist with governing the following matters:

- ascertaining the desired norm against which processes, and procedures of Council are benchmarked;
- putting forward the monitoring mechanisms to determine the effectiveness and efficiency of the activities of Council;
- identifying risks relevant to the functioning of Council; and
- applying the relevant measurements to ensure consistent achievement of good results in all areas of operation.

As reported in previous years, the external evaluation panel focused on the following matters and made commendations and recommendations:

- strategic leadership, vision, mission, context and transformation;
- governance of the core functions of the university (teaching and learning, research and innovation and community engagement) and matters concerning student life;
- the governance of resources (financial, human, equipment and infrastructure) and business ethics;
- the governance of institutional accountability, including public reporting;
- Council and Council committee meetings, and how Council business is conducted; and
- management of internal risks, quality assurance, administration and record keeping.

The external review panel released its report in September 2020, after which work began on drafting an improvement plan for Council and its committees, focusing on the following aspects:

- induction, capacity-building and training opportunities as key ways to capacitate Council members and allow their active participation;
- understanding the role and responsibility of Council Exco vis-à-vis that of Council;
- improved oversight on matters related to community engagement;
- improved communication from Council and from Council Exco; and
- enhancing black female representivity on Council and in Council committees.

In March 2022, the Council received a report provided by the Quality Enhancement Department with the request that the external review panel be informed that the implementation plan had been implemented. This milestone marked the conclusion of the external review process and was noted by the Council.

In September 2022, Council noted that the process of updating the NWU Council Quality Manual was under way.

10.8 Council statement on sustainability as value add

“ COUNCIL STATEMENT ON SUSTAINABILITY AS VALUE ADDING ”

At the NWU we define sustainability as the ability of the university to create value in the short, medium and long term by promoting a stakeholder-inclusive approach to developing a strategic response to the risks and opportunities faced. We consider material matters, whether financial or non-financial in nature.

Refer to page 1 for our materiality determination process.

*Statement approval obtained from
the NWU Council on 22 June 2023.*



10.9 Ethics in action at NWU

10.9.1 Council statement on ethics and values

“ COUNCIL STATEMENT ON ETHICS AND VALUES ”

The NWU Code of Ethics commits the university to the highest standards of integrity, behaviour and ethics in dealing with all its stakeholders and society at large.

We expect Council members and staff to observe the NWU's ethical obligations in order to conduct its business through the use of fair and commercially competitive practices.

The values statement in the NWU Strategy 2015 to 2025 determines that the NWU will foster engaged and caring staff and students and will embed the following foundational values that are based on the constitutional values of human dignity, equality and freedom:

- Ethics in all endeavours
- Academic integrity
- Academic freedom and freedom of scientific research
- Responsibility, accountability, fairness and transparency
- Embracing diversity.

*Statement approval obtained from
the NWU Council on 22 June 2023.*



10.9.2 Ethical leadership and corporate citizenship

In line with our values statement, the university's leadership at all levels of governance and management is based on integrity.

We are confident that the investment made in the past few years to build on important concepts contained in King IV on the governance and management of ethics has borne fruit in putting the NWU on track in setting the strategy, establishing the requisite governance measures, and clarifying the performance indicators on this important matter.

The approval by Council of the NWU's statement of strategic ethical intent in November 2021 has laid the foundation for mainstreaming operations relevant for ethical leadership and corporate citizenship at the university.

In addition, the ongoing oversight role fulfilled by the Social and Ethics Committee, as well as that of the Audit, Risk and Compliance Committee, of Council continued in 2022, creating an environment conducive to detecting and countering possible negative outputs resulting from financial, societal, and environmental practices.

At policy level, the following policies relevant to instilling an ethical leadership culture and strengthening the NWU's position as corporate citizen were considered and approved by Council:

- Policy and Rules on Conflict of Interest and of Declaration of Interest and of Gifts
- Policy on Employment Equity
- Policy on Employee Wellness
- Policy on Sexual Harassment
- Policy on Employees living with Disability
- Policy on Environmental Sustainability

The approval by Council of the reviewed NWU Code of Ethics in November 2022 marked another important milestone in that the Code aims to provide a foundation for the implementation of the university's ethics strategy, which guides our members on the expected ethical behaviour against the background of the expressed values statement of the university.

The Social and Ethics Committee of Council fulfils an important role in advising Council on all matters relevant to ethical leadership and corporate citizenship. The committee emphasises matters that relate to the interdependencies between the university and the society in which it functions. This approach positions the NWU to fulfil its responsibility in terms of the environmental impact of its behaviour and supports value creation for its stakeholder communities.

The university's commitment to establish a management environment conducive to instilling ethics across the institution was strengthened with the approval of the ethics management plan. The main tenets of the ethics management plan are summarised as follows:

<p>Strategic focal area 1: Governance and management commitment to ethics</p>	<p>Ensuring ethics risks receive attention at both management and governance levels through regular discussion of the risks and reporting. The degree to which Council and management (all levels of management) are visibly committed to good ethical conduct; support employees to make better ethical decisions; enforce policies, rules, and procedures fairly and consistently; and visibly role-model ethical behaviour.</p>
<p>Strategic focal area 2: Ethics accountability</p>	<p>Putting the right structures and reporting in place on both a governance and management level to facilitate the governance and management of ethics. Developing clear, enforceable policies and ensuring ethical risks receive attention at both management and governance levels through regular discussion and reporting of such risks. Ensuring all persons (internal and external) are aligned with ethical standards and held fairly and consistently accountable for actions and decisions that do not meet these ethical standards.</p> <p>Ensuring that employees at every level adhere to policies, procedures and frameworks.</p> <p>Protect employees and students from victimisation when reporting on ethics matters.</p>
<p>Strategic focal area 3: Ethics talk and awareness</p>	<p>The degree to which employees are familiar with ethics and ethical conduct; receive ethics training; are familiar with ethics policies (i.e., the code of conduct); and know what is expected of them regarding ethical behaviour.</p> <p>The degree to which employees are capable of and engage in speaking openly about ethics, ethical dilemmas and challenges, test decision-making and actions for ethical outcomes, and feel comfortable addressing ethical concerns with peers and leadership.</p>

As reported elsewhere, 2022 saw a concerted effort driving the NWU's institutional culture towards ensuring that students and staff buy into the NWU values and live these, with the purpose of ensuring that the values become engrained in the university's demonstrated and fostered culture.

10.9.3 Behavioural manual for staff

Consistent standards of behaviour are a prerequisite for harmonious workplace relations, fair labour practices, mutual respect, fairness and effective operations. For this purpose, the NWU has a behavioural manual that is governed by the Labour Relations Act. The NWU Behavioural Manual, which is in line with the provisions of the Labour Relations Act, is used to regulate employee conduct.

Disciplinary action was taken against 53 employees across the NWU in 2022. Of these cases, 37 were of such a serious nature that disciplinary hearings were held where dismissals could potentially be the appropriate sanction.

Nine employees had their services summarily terminated. One employee retired, seven employees resigned with immediate effect, one was found not guilty and written warnings were imposed on the remainder of the cases. Eight CCMA cases were dealt with successfully.

10.9.4 Ombud office for language

The approach of the Language Directorate is to resolve language matters directly or as close as possible to the point where these originate and not to allow these to escalate.

Reporting can be done to the Ombudsman in the Language Directorate via any of the NWU reporting channels or directly via email to the Ombud. Reported matters are investigated, resolved and reported on.

10.9.5 Dealing with sexual harassment

The NWU is committed to creating a safe working environment free from the fear of sexual harassment.

A total of three sexual harassment cases were reported for the year under review. In one case the perpetrator resigned when he was served with the notice of the allegations. In another, the complainant withdrew from the case after both parties agreed that there had been a misunderstanding between them; and in the final case, the employee was dismissed from the employment of the NWU.

10.9.6 Matters reported by employees or the public

In line with the Policy on the Reporting of Maladministration and Irregularities and the Protection of Disclosure, reports are received via reporting boxes placed on the campuses.

An email address (REPORT-FRAUD@nwu.ac.za) has been available since 2021 for members of the public and/or employees to report matters.

Three reports were received via the reporting boxes for 2022. This compares to none opened in 2021. The other investigations were received via internal requests and/or referrals.

10.9.7 Ongoing investigations

Internal Audit plays an important role in the ongoing investigation of suspected irregularities.

Cases dealt with during 2022

Of the investigations reported in 2021, a total of 23 investigations were completed while one is still being investigated. In 2022, a total of 33 investigations were completed while 22 were in progress. The figures also include items that were received via internal requests and/or referrals.

Of the investigations reported in 2022, three (2021 - 0) were received via the reporting boxes on the different campuses, and the rest were referred by internal members/employees. The nature of investigations that are reported to Internal Audit by both internal members and external stakeholders/public, include but are not limited to fraud-related amendments on documentation such as invoices, favouritism due to possible conflict of interests, tender irregularities, cash sales not banked and general misuse of NWU resources.

10.9.8 Fighting fraud

After verifying the facts of the reported irregularities, Internal Audit handed several investigations over to the prosecuting authorities. In order to ensure sufficient awareness on this important topic, Internal Audit continued to present a number of fraud awareness sessions at the different campuses.

Cases dealt with during 2022

There has been a slight improvement in the working relationship with and assistance of the authorities regarding reporting of cases.

We have handed over cases mainly regarding forgery and uttering and misappropriation of assets. It is difficult to allocate a value to these, but preliminary calculations indicate the amount to be approximately R33 000. We are continually striving to strengthen our relationship with the authorities.

In line with the university's Anti-Fraud Strategy, anti-fraud awareness sessions were held in 2022. These were conducted in person, moving away from the online presentation method used in 2021 when the Covid-19 regulations were in place. A session took place at each campus.

The NWU's Anti-Fraud Strategy calls for a specific focus on Internal Audit's proactive and continuous audit monitoring of transactions related to procurement and payroll. Various tests are continually run and are regularly reported to operational managers.

10.9.9 Compliance with laws, codes and standards

The NWU's regulatory universe currently consists of 144 pieces of legislation. Compliance self-assessments and monitoring are scheduled according to a three-year rolling plan, making use of the risk-based compliance method.

Compliance with the following 12 pieces of legislation were self-assessed in 2022:

- Protection of Personal Information Act, 4 of 2013
- Prevention of Counterfeiting and Currency Act, 16 of 1965
- Pharmacy Act, 53 of 1974
- Health Professions Act, 56 of 1974
- Cyber Crimes Act, 19 of 2020
- Measurement Units and Measurement Standards Act, 18 of 2006
- Rental Housing Act, 50 of 1999
- Promotion of Administrative Justice Act, 3 of 2000
- Unemployment Insurance Contributions Act, 4 of 2002
- National Credit Act, 34 of 2005
- Medicines and Related Substances Act, 101 of 1965
- Local Government Municipal Property Rates Act, 6 of 2004

A monitoring process was also embarked on to ensure that the self-assessment did not become a box-ticking exercise, but rather that controls and evidence are in place for all requirements indicated as compliant. Monitoring was scheduled for the following 19 pieces of legislation:

- Value-added Tax Act, 89 of 1991
- Electronic Communications and Transactions Act, 25 of 2002
- Skills Development Act, 97 of 1998
- Trade Marks Act, 194 of 1993
- Tobacco Products Control Act, 83 of 1993
- Companies Act, 71 of 2008
- Higher Education Act, 11 of 1997
- National Student Financial Aid Scheme Act, 56 of 1999
- Competition Act, 89 of 1998
- Basic Conditions of Employment Act, 75 of 1997
- Broad-Based Black Economic Empowerment Act, 53 of 2003 and 2014 Code
- Copyright Act, 98 of 1978
- Electronic Communications Act, 36 of 2005
- Employment Equity Act, 55 of 1998
- Financial Intelligence Centre Act, 38 of 2001
- Labour Relations Act, 66 of 1995
- National Building Regulations and Building Standards Act, 103 of 1977
- Prevention and Combating of Corrupt Activities Act, 12 of 2004
- Prevention of Organised Crime Act, 121 of 1998

Following a departmental optimisation process, the staff component in the Risk and Compliance Department was extended to include a new position, Head: Risk and Compliance. The Head: Risk and Compliance (appointed in August 2022) monitors compliance on an ongoing basis. Exclaim! compliance software is used for compliance assessment and monitoring.

A Risk and Compliance Policy was finalised and approved by Council on 19 March 2020 and subsequently followed by Risk and Compliance Management Rules by the University Management Committee in April 2021. The Policy and Rules continued to be strictly implemented during 2022.

The Compliance Committee is a sub-committee of the University Management Committee. The Compliance Committee should assist the University Management Committee in managing compliance with applicable laws and adopting non-binding rules, codes and standards, as well as internal policies, rules and procedures, in a way that supports the organisation being ethical and a good corporate citizen. The Compliance Committee is chaired by the Registrar and has representation from across the university.

The Compliance Committee met on 6 April 2022 and 10 October 2022.

Council receives quarterly reports on changes to legislation relevant to the HE environment.

10.9.10 Promotion of Access to Information Act requests

The NWU is committed to comply with the Promotion of Access to Information Act (PAIA) of 2000 and the Protection of Personal Information Act (POPIA) of 2013.

The POPIA-compliant Information Manual is updated regularly as part of the compulsory annual section 32 reporting requirement. The section 32 report was submitted for the first time to the Information Regulator on the Information Regulator's website in August 2022. The previous year's reporting was done to the South African Human Rights Commission.

In the 2021/22 reporting year, the NWU received 148 PAIA requests. Of these, 132 were granted in full, 10 were refused in full, one was partially refused, and one was refused because of an internal appeal process.

To ensure full compliance with POPIA, the NWU appointed a POPIA Task Team that is responsible for implementing POPIA at the NWU and reports on a regular basis to the Information Management Committee and in turn to the University Management Committee. The POPIA Task Team commenced with its activities in 2020. The work undertaken by the task team included the undertaking of Privacy Impact Assessments for all departments, assessing POPIA-related risks and implementing mitigation measures, compiling a personal information inventory, and compiling a NWU Privacy Statement later approved by the University Management Committee.

Compliance to and implementation of POPIA is a relevant part of the NWU's Information Governance Framework (IGF). A Personal Information Privacy Policy was developed and approved by Council in 2021. In 2022, a Standard Operating Procedure (SOP) for the reporting of data breaches was also approved and implemented. During 2022, the NWU implemented a new and improved system to manage PAIA requests and POPIA data breaches.

At the end of 2022, the NWU appointed an Information Governance Coordinator to oversee the implementation of the IGF. The duties of the Information Governance Coordinator include compliance with PAIA and POPIA.

10.9.11 Providing integrated assurance

A Combined Assurance Forum (CAF) has existed at the university since 2012 and has aligned its functioning with King IV. The intention of the committee is to manage and limit the risk exposure of the university and to provide assurance.

The mandate of the NWU CAF is to provide an adequate and effective control environment and to ensure the integrity of reports for better decision-making, while also establishing an assurance model.

2022 was the year for many firsts in terms of risk management reported to the CAF. Firstly, the CAF noted the establishment of working definitions on risk appetite and risk tolerance for the NWU, and the overt linking of these to the goals in the Annual Performance Plan. Secondly, a risk assurance map was finalised, and first and second-level risk assurance was undertaken on all risks on the Strategic Risk Register with a risk rating of 8 and above. A third-level risk assurance audit was undertaken on the top 10 strategic risks. Thirdly, reporting on the operational risk registers of several support departments and the faculties to the CAF was undertaken. CAF noted that although a lot of work was still required to streamline the operational risk register process, it was a step in the right direction in terms of risk management awareness and training, and the role risk management had to play in performance management of the NWU.

The forum also assisted the Audit, Risk and Compliance Committee to fulfil its responsibility in giving assurance to Council.

Specifically, it provided assurance that the university's risk management, risk control and governance processes are adequately addressed. CAF also provided a platform for discussions on optimising risk management at the NWU and addressing management concerns about the processes for managing risks.

The CAF met on 4 May 2022 and 5 September 2022.

More information on risk management can be found in [section 7](#).

10.9.12 Human rights matters

The Human Rights Committee did not meet during 2022 as no matters were reported for discussion.

Council approved the reviewed terms of reference of the Human Rights Committee twice in 2022, first in March and again in November 2022.

Council resolved in November 2022 that the Human Rights Committee would become a Council committee as of 2023 to ensure governance direction and oversight on important matters relevant to GBV, racism and related issues. The composition of the Human Rights Committee was adapted in 2022 and now includes Council representation.

International engagements

The Mahikeng Campus hosted the US Ambassador in a speaking engagement to discuss the role of academia in democracy and human rights on 4 October 2022.

Human rights and the curriculum

During 2022, Prof Shan Simmonds undertook research on rethinking human rights with and within the curriculum. The Department of Education proclaimed that it celebrated human rights in the curriculum but admitted that these rights are often misunderstood as a concept. Soon after the implementation of Curriculum 2005, research showed that a large percentage of teachers believed that honouring human rights as central to their teaching practices and content led to problems in the classroom. The then Minister of Education, Prof Kader Amal, argued that human rights values could not simply be asserted through education, due to its moral fibre. He felt that these values rather needed to be debated, negotiated, synthesised, modified and earned as a process, instead of as a product.

Prof Simmonds' research depicts human rights as often being instrumentalist and judicial. According to Prof Simmonds, human rights are used to teach the difference between right and wrong, while instilling in the youth what they are entitled to and the responsibilities that accompany these entitlements. The reality is that human rights are perceived differently by different age groups. Primary school learners experience them as abstract and removed from their everyday lives, due to the inability of curriculum content and teachers to deal with ethical contradictions in the classroom.

The curriculum prioritises human rights injustices and discrimination for high school learners by emphasising inequalities that manifest in society, such as gender-based violence, racial inequality, xenophobia, and political dishonesty. Among university students, human rights can create binaries that reinforce division among some groups of society along racial, gender and class lines. In the light of all the above, Prof Simmonds was compelled to rethink how human rights education features in thought and in practice, with and within the curriculum.

Student engagement

The Christof Heyns African Human Rights Moot Court Competition is the largest gathering of students, academics and judges around the theme of human rights in Africa. This annual event brings together all law faculties in Africa, whose top students argue a hypothetical human rights case as if they were before the African Court on Human and Peoples' Rights. The competition continuously prepares new generations of lawyers to argue cases of alleged human rights violations before the African Court.

In 2022, two NWU students – Africa Thaba from the Mahikeng Campus and Denise Geel from the Potchefstroom Campus – were selected to represent the NWU at the 31st Christof Heyns African Human Rights Moot Court Competition. The competition took place at British University in Cairo, Egypt from 25 to 30 July 2022.

10.10 Council statements

10.10.1 Council statement on going concern



COUNCIL STATEMENT ON FINANCIAL CONTROLS OUTSIDE FINANCIAL STATEMENTS

Internal controls and administrative systems, which have been designed to provide reasonable assurance regarding the integrity of the financial statements and that assets have been protected and transactions carried out in terms of the university's policies and procedures, are in place and are properly maintained on a cost-effective basis.

Statement approval obtained from the NWU Council on 22 June 2023.

10.10.3 Council statement on tenders

COUNCIL STATEMENT ON TENDERS

The NWU requests tenders from the market for all purchases of goods and services with a total contract value exceeding R250 000.

Tenders are evaluated and approved strictly in line with tender policies and procedures and within approved authorisation mandates, including the Broad-Based Black Economic Empowerment Act No 53 of 2003, with a focus on fairness and transparency.

The tender document forms the basis of the envisaged supply agreement, and the standard template was therefore checked and approved by the Legal Services Department of the NWU.

The evaluation criteria as specified in the tender document is:

- For tenders with a total contract value of less than R1,5 million, 80% is awarded for price and 20% for the level of BBBEE.
- For tenders with a total contract value exceeding R1,5 million, 90% is awarded for price and 10% for the level of BBBEE.

Council has mandated the Tender Committee to evaluate and approve tenders with a total contract value of between R15 million and R50 million. For tenders with a total contract value exceeding R50 million, the Tender Committee will evaluate the tenders received and make a recommendation to Council for approval.

Statement approval obtained from the NWU Council on 23 June 2023.

10.10.4 Council statement on financial health and viability

COUNCIL STATEMENT ON FINANCIAL HEALTH AND VIABILITY

As a tertiary institution with the core business of teaching-learning, research and community engagement, the NWU again added material value to the economy and was able to achieve its financial goals. In this regard the following can be highlighted:

- NWU still provides affordable higher education.
- 13 735 students received degrees and diplomas during 2022.
- The University, from its own resources, contributed R229,2 million or 7,5% of the total funds allocated for financial aid.
- R58,2m (25%) of the funds allocated to financial aid were used to award students for academic performances.
- A total of R321,1 million was spent for capital works, macro maintenance and minor works across the university in 2022.
- The total amount spent in 2022 from DHET grant funding from various funding cycles amounted to R210 454 985. This excludes R89 939 256 from NWU capital funding and R20 723 092 in maintenance expenditure.
- The total expenditure for deferred maintenance projects amounted to R19 847 652 in 2022 and smaller projects with a combined value of R875 440 were completed.
- The maintaining of a sound solvency position and optimal liquidity levels during the 2022 financial year to ensure that the NWU remains a going concern.
- Council and Management are jointly committed to managing the NWU in such a way that the sound financial position will be sustained in 2023, as well as in the medium and long term. It needs to be pointed out that our two largest sources of income, namely state subsidy and tuition fee-related income totaling 76,2% of turnover (2021: 77,1% and 2020: 77,3%), keep emphasising our dependence on these income stream one funds.
- R1 220,6 million net surplus for 2022 is reflected in the consolidated statement of comprehensive income.

Statement approval obtained from the NWU Council on 23 June 2023.



10.10.5 Statement on penalties, sanctions and fines

COUNCIL STATEMENT ON SANCTIONS AND FINES

The NWU has no material regulatory penalties, sanctions or fines for contraventions or non-compliance with statutory obligations to disclose.

Statement approval obtained from the NWU Council on 22 June 2023.



10.10.6 Council statement on contract management, Service Level Agreements and monitoring of suppliers' performance

“ COUNCIL STATEMENT ON CONTRACT MANAGEMENT, SERVICE-LEVEL AGREEMENTS AND MONITORING OF SUPPLIERS' PERFORMANCE ”

The NWU has a centralised procurement management structure that provides control and coordination without inhibiting evaluation, recommendation and authorisation powers in respect of procurement needs on a decentralised divisional level.

This authority is regulated by the Policy on Delegations and the Schedule of Financial and Contractual Authorisation Levels as approved by Council.

We continually strive to obtain the best value for money on each procurement transaction while not compromising the requirements of fair, competitive and transparent trade ethics.

Our tender processes are strictly controlled and monitored by the internal and external audit functions to ensure compliance.

We place a high value on obtaining the university's requirements from BBBEE-qualified suppliers with a qualified BBBEE contribution exceeding 70%. The Preferential Procurement Strategy was approved during 2020 and reviewed during 2022 and enables a much more focused approach to preferential procurement than previously.

Contract management and service level agreements are decentralised to a divisional level with the assistance of Legal Services and Central Procurement where needed.

Statement approval obtained from the NWU Council on 23 June 2023.

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**MR BERT SORGDRAGER
CHAIRPERSON OF COUNCIL**

10.11 Report of the Institutional Forum

The Institutional Forum (IF) is a statutory structure of the NWU, established in accordance with the Higher Education Act, to advise the Council on matters affecting the university.

These matters include advice to Council on the execution of the Higher Education Act and national higher education policy, as well as assistance in the development of an institutional culture of tolerance and respect for human rights, as well as the creation of an environment conducive to teaching-learning, and research.

We typically advise the Council on senior management appointments, policies on race and gender equity, codes of conduct, cultural diversity management, and policies on mediation and conflict resolution procedures.

The following issues received attention in 2022:

National legislation and policy

The IF took note of the Draft Policy for the Recognition of South African Higher Education Institutional Types issued in terms of the Higher Education Act (101/1997). The purpose of the policy is to give effect to the institutional types provided for by the Higher Education Act and indicated criteria for the recognition of Higher Education Colleges, University Colleges, and Universities, defined in the Act in terms of scope and range of their activities and the way these are governed.

The period for public input ended on 8 September 2022, and the IF was invited to provide input to the Registrar for inclusion in the institutional feedback.

Institutional culture and transformation

The IF discussed a major objective of the NWU Values Launch, an institutional project aimed at celebrating the values and encouraging students and staff to buy into and live them (make these their own). This would ensure that the values are an integral part of the university and that the desired NWU culture is demonstrated and fostered.

NWU staff and students are becoming more involved in the project, and the results have been excellent, boding well for the university's intention to make these values an essential component of the university.

The following objectives related to the NWU Values were pursued in 2022:

- building a common understanding and acceptance of the revised NWU values; and
- reinforcing and celebrating values-driven behaviours and cultivating a shared interpretation of an ethic of care.

To achieve these objectives, the following deliverables were identified for 2022:

- publicising the revised NWU values and values-driven behaviours on the NWU web page on a central and easily accessible location;
- promoting the values through the circulation of pamphlets, banners and promotional items to familiarise staff and students with the desired NWU culture;
- hosting the NWU Cook-off for senior management to create excitement around the new NWU values and inform them about the values and associated behaviours;
- celebrating the values-driven behaviours of staff and students through the NWU Organisational Citizenship Recognition Awards ceremony;
- capacitating People and Culture practitioners and student leaders with the knowledge to motivate and encourage their clients to demonstrate and live the NWU values; and
- encouraging staff and students to share their good-news stories and positive experiences of the NWU culture through the #My NWU Story project (online platform).

In October, the IF received additional information about the Organisational Citizenship Behaviours Project (OCBP), which set out convey and sustain a "feel-good" message about the university and its values.

The NWU Organisational Citizenship Recognition Awards celebrated, recognised, and awarded staff and students who lived and demonstrated the NWU values. For the month of August, in which Women's Day was celebrated, the NWU rewarded two women for their contribution made to the overall Organisational Citizenship Behaviour process: They were Ntsako Nkuna from the Support Division and Prof Petra Bester from the academic component.

Reviewing policies on transformation

The IF received the Policy on Students with Disabilities and the NWU Gender-Based Violence Policy and gave input on these.

The IF also noted that the NWU Behavioural Manual made provision for how the dispute resolution process is dealt with. It also noted that a training programme is offered, providing training to different faculties and line managers.

Dispute resolution is an ongoing process, and the IF would receive regular feedback on progress made with dispute-resolution matters.

Human rights matters

The IF noted that the Human Rights Committee did not meet during 2022 as there was no elected chairperson. This has since been rectified.

Transformation and Equity

The IF received regular reports from the deputy vice-chancellor for teaching-learning reflecting on the transformation of the curriculum. Of particular interest during 2022 was the presentation of the following projects:

- Language Awareness Week,
- Gender Awareness Week, and the
- Race and Cultural Awareness Week.

The IF was also apprised of the teaching and learning indicators: 2021 and the NWU Universum survey and how this affected transformation in the teaching-learning environment.

The IF raised some concerns about the apparently low participation levels from students and staff in the Gender Awareness Week and Language Awareness Week.

Subsequently, the deputy vice-chancellor: teaching-learning was requested to include students in residential spaces in future events; the IF also requested that the student life portfolio and residence parents come up with proposals and assist in planning for future similar events.

In March 2022, at its first meeting for the year, the IF was informed that during 2021, work continued within the student life portfolio towards enabling and promoting sustainable transformation at the NWU, in a structured and coordinated manner. To that end, extensive work was done towards improving and aligning the governance framework and processes that enable transformation at the NWU.

In addition, work towards the operationalisation of transformation initiatives commenced and continued in 2022.

The following governance-related improvements were made during 2022:

- the review and approval of the NWU Transformation Charter;
- the complete review, redrafting and approval of the Policy on Students Living with Disabilities;
- the review, redrafting and approval of the Student Life Language Plan functioning in support of the NWU Language Policy (2018);
- the creation of the Institutional Rules on Student Governance, which further provide for specific roles within the student leadership structure that enable the transformation of such structures in line with the diversity and skill set targets provided by the NWU Council; and
- the review of the Constitution of the Students' Representative Council of the university.

The following initiatives and processes were due to commence and/or continue in 2022:

- the development of standard operating procedures (SOPs) acting in support of the Policy on Students living with Disabilities;
- continued development of the Student Life Co-Curricular Terminology Glossary;
- finalisation of the NWU Language Portrait App;
- implementation of the Student Life Language Plan; and the
- implementation of the NWU Culture Road Map focused on defining and publishing the NWU values and value-driven behaviours, assisting staff and students to demonstrate these values daily.

The IF noted that the Transformation Oversight Committee had requested the executive directors of Student Life and People and Culture (with assistance and support from the Deputy Registrar) to draft a transformation journey for the NWU. This required the university to embark upon a structured transformation journey that would take an inclusive and holistic approach to understanding transformation at the institution while involving student leaders, executive deans, deputy deans and members of senior management.

The project was proposed with the understanding and acknowledgment that as an institution, some areas were doing reasonably well in terms of transformation, while in other areas, progress was either slow or non-existent.

In October 2022, the IF was presented with the draft transformation journey report that was ultimately approved by Council in November 2022.

The executive director of Student Life provided frequent updates to the forum on various other transformation efforts taking place at the NWU and across the higher education sector.

Employment Equity

The IF took note of the workforce profile for employment equity for the period 2021 to 2022, from 1 August 2021 to 30 September 2022. The report included information on the university's workforce profile, as well as information on apparent remuneration disparities between the highest and lowest-paid employees, as well as other apparent remuneration disparities on race and gender across different occupational levels.

The IF also noted some complaints about the university's remuneration policy, in particular with regard to apparent non-competitive salaries that, in turn, could lead to challenges in adhering to the principle of "equal pay for work of equal value". In order to advise on the matter, the IF resolved to establish an ad hoc committee to deal with matters relevant to ensuring that the NWU would remain an equitable employer. The mandate of the team was to consult with the Director of Employee Relations on matters relevant to employment equity.

Policy matters related to equity in respect of race, gender and disability

The IF noted that the NWU Council had approved the Gender-based Violence (GBV) Policy on 17 June 2021, and this was followed by the implementation of an SOP for dealing with Gender-based Violence. In the planning, a manual had been drafted to provide a guideline and educational platform on interactions between staff and students living with disabilities.

Since the implementation of the SOP, the People and Culture portfolio had various training sessions within faculties and support departments on the NWU Behavioural Manual, setting out the grievance procedure.

Information was shared on the following focused awareness initiatives:

- a webinar on substance abuse and GBV;
- a talk for men by Robin Banks, one of the world's leading authorities on the subject of Mind Power and Personal Mastery, in partnership with the Corporate Relations and Marketing portfolio;
- the well-being of women in higher education;
- a Vanderbijlpark Campus charity event where care items had been collected and given to shelters that assist GBV survivors;
- a Vanderbijlpark Campus slogan competition with anti-GBV slogans; and.
- a campaign against sexual harassment in the workplace.

A GBV pledge had also been drafted, allowing staff to pledge their commitment to fighting GBV.

The Employee Relations Department, in collaboration with Student Judicial Services, also presented awareness sessions on GBV.

The IF further noted that, in terms of the GBV Policy Framework from the DHET, all staff and student leaders were expected to sign a charter on ethics that clearly specified ethical conduct pertaining to the eradication of sexual harassment and GBV.

In terms of this Policy Framework, the institutional charter has to be in place on 1 January 2023 and has to be signed by all staff and student leaders annually.

On 17 November 2022, the NWU Council approved the NWU Gender-Based Violence and Sexual Harassment Ethics Charter for Staff and Student Leaders, as recommended by the UMC on 8 November 2022.

NWU Code of Ethics

In August 2022, the IF received a report on the NWU Ethics Strategic Intent, the Ethics Management Plan and the reviewed NWU Code of Ethics. The IF was requested to provide input on the reviewed NWU Code of Ethics. The NWU Council approved the Code of Ethics in November 2022.

Providing advice on the appointment of office bearers

In March 2022, the IF resolved that Dr S Chalufu, Dr A Geduld and Ms E Killian would be the members nominated to serve on a rotational basis in selection panels that required the presence of the Institutional Forum in accordance with the Rules for the Appointment of Office Bearers. In October 2022, the IF additionally nominated Mr B Mahlangu, Dr C Banda and Mr L Malan to serve on a rotational basis.

During 2022, the IF provided advice on the appointment of the following office bearers:

- Vice-Chancellor;
- Executive Dean: Faculty of Economic and Management Sciences;
- Executive Dean: Faculty of Education;
- Executive Dean: Faculty of Engineering; and
- Deputy-Dean: Research and Innovation, Faculty of Economic and Management Sciences.

Composition of the IF, the IF Rules and functioning of the IF

The IF noted in August 2022 that the IF Rules had last been reviewed in 2018, and a review of the Rules was now due. The IF resolved to establish a team to review the IF Rules, with a view to having the reviewed rules tabled at the October IF meeting for recommendation to Council.

The IF also received and discussed reports from the Campus Student Councils (SCCs) at each meeting.

From a discussion that emanated at the Executive Committee of Council, a joint meeting between selected members of the Council Executive Committee and members of the IF Exco was held on 31 October 2022. Their brief was to discuss budget provisioning for the IF and the importance of proper reporting structures for the IF.

Regarding budget provision, it was confirmed that the IF had the same standing as other statutory structures, such as the Board of Donors and the Convocation, and therefore budget and administrative support were provided by the Registrar and the Secretariat.

It was resolved that the IF Chairperson, through the IF Secretariat, would engage IF members on the need for further workshops and training, and provide feedback to the Registrar. It was formally placed on record that the IF had administrative and budgetary support from the Registrar's Office and any requests could be sent to the Registrar at any stage.

Regarding reporting procedures, the meeting's attention was drawn to the functions of the IF as prescribed in paragraph 24 of the NWU Statute, that being to advise the Council on matters affecting the university. The meeting noted that the IF performed these functions at each meeting, and that the agenda of the IF was structured to address all these matters and as per the IF Rules.

The IF reported to Council after each meeting, and the IF Chairperson was a permanent attendee at Council meetings, and although the IF Chairperson held no voting rights, he had been invited to take part in discussions.

In regard to the preceding, it was resolved that IF reporting procedures were clear and should any question arise, the Registrar was the relevant authority to provide guidance.

The meeting concluded with the understanding that doors of support and understanding between the IF and the Council had been opened and the productive meeting had provided the required clarification.

In accordance with the prescripts of the NWU Statute, the IF may have up to 25 members representing a broad range of stakeholder constituencies.

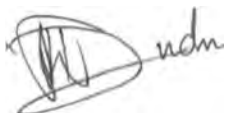
The following table lists these constituencies, together with their representatives as at December 2022.

Constituency	Members
Member of Council	Ms S Britz
University Management Committee	Mr NC Manoko
Senate	Prof V Leendertz
	Prof W Dudu
	Prof BO Mmusinyane
Academic staff	Dr C Banda
	Ms E Kilian
	Mr MC Stoffels
Recognised union*	Vacant
	Vacant
	Vacant
	Vacant
Support staff	Mr N Tom
	Mr L Malan
	Mr P Mahoko
Campus Student Representative Councils	Ms C Baloyi
	Ms K Mogoshoa
	Ms C De Klerk
	Ms A Du Preez
	Mr T Tshabalala
	Ms H Mdladla
NWU Convocation	Mr B Mahlangu
	Vacant
Special expertise	Vacant
	Dr A Geduld

* None of the unions had sufficient membership for recognition in 2022.

Meeting dates in 2022

The IF convened on 9 March, 24 May, 23 August, and 25 October 2022.



PROF WASHINGTON DUDU
CHAIRPERSON OF THE INSTITUTIONAL FORUM

11 Incentivising for achievement

Our strategy to encourage high performance and productivity includes offering performance incentives that are attractive and sustainable and are applied fairly and consistently.

We use integrated performance management to recognise superior organisational, team and individual performance.

11.1 Remuneration mix aligned to strategy

Market-related remuneration is essential for recruiting and retaining the best staff. Our remuneration strategy is aligned with the overall NWU strategy, business drivers and values, ensuring a good skills and culture fit.

Our remuneration mix has variable and fixed elements and includes monetary and non-monetary rewards. Variable pay includes performance bonuses and various value-adding allowances and is paid according to the results of individual remuneration reviews.

Annually, we do benchmark to ensure continued competitiveness of guaranteed pay.

Employees contribute 7,5% to the pension fund and can choose an employer contribution of 12%, 15%, 17,5% or 20%.

11.2 Remuneration governance and management

The NWU Council fulfils its oversight function for remuneration through the Remuneration Committee. This committee understands how the income differentials between the higher and lower salary bands affect fair and responsible remuneration and contribute to the positioning of the NWU as a value-adding institution for employees and other stakeholders.

Closing the income differentials and addressing the enhancement of salaries of academic staff are important objectives. The salary increases agreed on through the collective bargaining process for 2022 supported this by building on the differentiated increase that was introduced from 2019 onwards to cater for academic staff and staff at the lower income bands.

11.3 Executive contracts

Council oversees and approves the appointment of senior officer bearers, in line with our Statute and the Council's Rules on these appointments. The Council process applies to the appointment of the vice-chancellor, deputy vice-chancellors, the registrar, executive directors and deputy vice-chancellors for assignable functions and campus operations.

Name	Basic Salary	Employee benefits	Other allowance payments	Total cost to NWU 2022
Prof ND Kgwadi	431 605	34 109	309 435	775 148
Prof MB Tyobeka	1 940 387	197 007	1 014 307	3 151 701
Prof LA Du Plessis	2 327 507	283 330	1 051 905	3 662 743
Prof D Balia	2 242 293	213 077	247 472	2 702 842
Prof S Swanepoel	2 013 511	327 068	204 078	2 544 657
Prof M Verhoef	2 566 838	281 698	827 342	3 675 878
Prof RJ Balfour	2 301 109	245 755	308 007	2 854 871
Prof MJ Mphahlele	2 366 459	223 901	165 634	2 755 994
Mrs E de Beer	2 565 171	275 087	1 266 316	4 106 574
Prof V Singh	2 166 192	206 118	232 685	2 604 995
Mr NC Manoko	2 037 324	193 175	197 292	2 427 791

Name	Basic Salary	Employee benefits	Other allowance payments	Total cost to NWU 2022
Dr JS Chalufu	1 890 102	179 634	148 712	2 218 448
Prof DM Modise	1 819 642	173 181	195 565	2 188 387
Grand total	26 668 141	2 833 140	6 168 750	35 670 031

- Prof ND Kgwadi resigned at the end of January 2022.
- Prof MB Tyobeka was appointed on 1 June 2022.
- Prof LA Du Plessis was acting vice-chancellor from 1 February 2022 to 31 May 2022.
- Prof DM Modise was acting deputy vice-chancellor Operations Vanderbijlpark Campus from 1 February 2022 to 31 May 2022.

11.4 External members' fees

The remuneration of members of Council and Council committees comprises an honorarium paid as a token of our gratitude for their time and effort. The honorarium, paid in August and December, is linked to our annual cost of living adjustment (COLA) process and approved by Council's Executive Committee.

[\(More information about the honoraria that members received for each meeting attended.\)](#)

Honoraria payments (gross remuneration to Council members) in 2022:

Name	R-Value	Name	R-Value
Mrs UAD Baravalle	87 792	Mr LE Seilane	21 932
Mrs S Britz	62 186	Mr AM Sorgdrager	361 953
Prof AL Combrink	25 606	Ms E Stander	37 809
Mr JDS de Bruyn	95 092	MR MSJ Thabethe	86 077
Rev PD Dinkebogile	41 184	Mrs PP Thebe	10 974
Mr XV Hadebe	32 326	Mr PM Tlhabanyane	70 448
Mrs RA Kenosi	165 556	Prof MB Tyobeka	62 361
Mr TC Kgomo	84 252	Mrs M van Zyl	43 292
Adv M Kruger	60 132	Mr TP Venter	21 948
Mr CS Mabe	80 452	Ms PS Moleke	3 658
Ms S Mlambo	18 290	Mr OE Mongale	117 040
Mr SM Mohapi	43 864	Mrs MJ Mwase	27 415
Mr TV Mokgatlha	80 519	Adv PG Seleka	43 896
Grand total: 1 786 054			

11.5 Organisational culture

The NWU Culture Change Project is aimed at celebrating the milestones achieved in the establishment and embodiment of a unified NWU culture.

The university's dream is to be an internationally recognised university in Africa, distinguished for engaged scholarship, social responsiveness and an ethic of care. To achieve this dream, we are actively building a welcoming, inclusive and enabling culture among staff and students, underpinned by behaviours congruent with our commitment to social justice, diversity and an ethic of care.

We worked on building a common understanding and acceptance of the revised NWU values, while reinforcing and celebrating values-driven behaviours. We also cultivated a shared interpretation of an ethic of care.

The benefits for NWU through the culture project are to achieve:

- a socially cohesive and culturally inclusive environment where all students and staff are welcome and comfortable;
- an achievement-orientated environment where diversity is celebrated, and diverse talents are utilized and integrated;
- a supportive and empowering learning experience in an environment that promotes academic excellence and offers equitable services and facilities to staff and students across all campuses.

In 2022, the NWU Culture Project gained momentum among our staff and students, and the experience was very positive. The project, which consists of various activities that exemplify and celebrate the NWU values, is intended to encourage students and staff to **rediscover** and buy into the values and live them (make them their own), ensuring that they are an integral part of the university and the culture that we want to see demonstrated and fostered.

The NWU values and values-driven behaviours have been revised and published on the NWU webpage. The revised values were officially launched in 2022.

Two major launch events were the NWU cook-off for senior management and a gala evening for senior management and the Student Representative Council. The aim was to create a sense of excitement and inform management and the student leaders about the new NWU values and associated behaviours. Bursaries to the value of R5 000 were awarded to seven students in need, in collaboration with the NWU's Bursary department.

Other activities were also held to promote awareness of the revised values included Sidewalk Art, an Africa Day Celebration, team-building activities, the Purple Race and the NWU Organisational Citizenship project.

In distinguishing the NWU from other institutions competing for talent, our comprehensive talent management strategy is critical.

Components of this strategy are an employee value proposition that increases engagement and belonging, competitive compensation and a programme for the recruitment and retention of scarce and critical skills.

12 Future outlook for the NWU

For teaching and learning, our top priorities are to align academic programmes across campuses and allocate resources to ensure equity of provision.

As for research, our priorities are to advance research excellence, strengthen national and international research collaboration and boost postgraduate completion rates.

12.1 Consolidate successes and reposition for new opportunities

The inauguration of Dr Bismark Tyobeka as the third vice-chancellor of the NWU is the start of an exciting new journey for the university.

This journey will be characterised by the consolidation of the NWU's successes and the repositioning of the university to explore new frontiers and opportunities, nationally and internationally. The NWU is poised to play a key role in finding solutions for societal problems and unlock opportunities for our stakeholders.

Therefore, we must strengthen our positioning as an internationally recognised university in Africa, distinguished for engaged scholarship, academic excellence and an ethic of care.

12.2 Key issues to focus on

our focus in the medium to long term will be on a few key issues. These include raising funds for the missing middle and postgraduate students to intensify the NWU's contribution towards building a knowledge economy.

Other focus areas are to increase graduate employability and entrepreneurship development, accelerate the decolonisation of the curriculum and secure the sustained impact on the NWU's research and community engagement programmes.

The NWU will also place emphasis on internationalisation and Africanisation, strategic collaboration initiatives towards improving food security within the North West Province, exploring sustainable mining excellence, and deploying innovative solutions towards energy and water security on the university's campuses.

Other initiatives that will be given preference during the vice-chancellor's tenure are public-private partnerships, the diversification of income streams, internal staff cost optimisation to enable the NWU to recruit and retain scarce skills, the establishment of medical and veterinary schools and improving the quality of student leadership.

The NWU wishes to make an impactful contribution towards building the capacity of the state, including through the partnerships that we have recently been involved in, such as the one we have with the Special Investigating Unit (SIU). Strengthening relations and cooperation with local government will also receive special attention.

12.3 Development of indigenous languages

The NWU will invest more funding in developing Setswana, Sesotho and isiZulu to the level of maturity required for them to be languages of instruction. The language policy that the NWU adopted a few years ago clearly sets out how the NWU's functional multilingualism should enable access and inclusion, and not impede it.

12.4 Promoting excellence

The institutional strategy of the NWU is centred around promoting excellence in teaching and learning, intensifying research and innovation, aligning community engagement with core institutional activities, developing a differentiated student value proposition and retaining excellent staff while driving equity.

The Fourth Industrial Revolution (4IR) has demonstrated the immense potential and benefits that institutions of higher learning can gain in leveraging digital technologies. The Covid-19 pandemic, while tragic, has catapulted organisations into enhancing digital operations overnight, and to this end, the university has developed the Digital Business Strategy (DBS). Its aim is to leverage the opportunities presented by digitalisation and digital transformation to deliver on the university's core strategic goals and ensure sustainability.

In alignment with the NWU's business strategy, the DBS seeks to use digital technologies to enhance business operations across all campuses and to extend and transform the teaching and learning environment in innovative ways that improve the student experience while promoting equity and access.

Through the implementation of the DBS, these will be the hallmarks of the NWU:

- Efficient, automated, and highly optimised business processes.
- Digitally orchestrated, self-service-inclined student and employee engagement.
- Learning environments that leverage data and technology to expand the NWU footprint, enhance learning experiences and improve student retention and success.
- An inclusive, digitally savvy workforce and student community that can navigate and make best use of available technologies and facilities.
- A next generation technology platform that is integrated, secure, stable, and responsive, capable of providing quality data and insights to enable strategic decision-making.

Our DBS does not operate in a vacuum or create silos; rather the modes of operations and delivery it advocates are embedded within the different operational areas of NWU. Its success therefore depends on the understanding, appreciation, and enthusiasm of all tasked with execution and change management of the different strategic initiatives being undertaken.

12.5 In summary

In 2022, we continued positioning the NWU as an institution of superior academic excellence with a commitment to social justice. We welcomed new leadership, the vice-chancellor Prof Bismark Tyobeka.

We continued conducting novel research and shared this new knowledge to benefit society. We renewed our commitment to the communities we serve through our expertise. We nurtured old relationships and forged new ones on the national and international stage through our various events and sent a new generation of graduates into the world to make a difference.

Our future focus is on finalising and implementing a new strategy and successfully rolling out a Digital Workplace (DWP) environment. This will provide personalised, role-based services and applications and collaboration tools required for employees to work from anywhere, on any device, at any time.

We are optimistic about the future, while realising that load-shedding, higher education funding and funding for the missing middle are critical areas of concern.



13 Annexures

13.1 Annexure 1: 2022 Performance Assessment Report

Performance vs Targets

The following performance indicators link to the relevant goals in the Annual Performance Plan.

Goal 1: Promote excellent learning and teaching and reposition the NWU to attain the size and shape required by the market direction decisions

	Relevant performance indicator	Actual 2021	Target 2022	Actual 2022
1	Contact student success rate	87%	87% ²	84,7%
Online learning and continuous assessment that was implemented during COVID-19 meant students had a higher level of engagement ensuring higher participation and success. This was continued throughout 2021 and student reacted positively to the flexibility in the academic presentation as can be seen in their success rates. During 2022 face-to-face classes resumed for contact students with a decline in continuous assessment; a contributing factor towards the slight decrease in our success rate.				
2	Contact undergraduate, graduation duration factor	1,09	1,20 ³	1,08
The attainment of this target can be attributed to enhanced strategies for student support, early identification of at-risk students and improved NSFAS funding with provision for books and accommodation.				
3	International student enrolment	2,95%	4,70% ⁴	2,68%
Our largest number of foreign students are enrolled for distance programmes. The drop in distance enrolments had a detrimental impact on the percentage of foreign students. Difficulties in obtaining study visas as well as compulsory vaccination, also have a negative impact on enrolments.				
4	Headcount Enrolments	53 469	60 548	54 176
Our enrolment targets are set for a three-year cycle, and we experienced a drop in our distance numbers due to the Advanced Certificate in Education, the NPDE and the B.Ed. Honours phasing out faster than anticipated and the approval of our new distance offering taking longer than expected.				
5	First-Time Entering Enrolments	9 708	12 869	12 625
In 2022 the increase in NSFAS funding and the funding of accommodation saw an increase in First Time Entrants as compared to 2021. The slightly lower enrolment than the 2022 target is due to a under enrolment in the Distance diplomas.				
6	Graduates	14 484	14 918	13 735
We have not reached our graduates target due to a lower number of distance enrolments and thus also graduates.				

² A deviation of 2% is allowed on either side of target for achievement of the KPI

³ A deviation of 0.05 is allowed on either side of target for achievement of the KPI

⁴ A deviation of 1% is allowed on either side of target for achievement of the KPI

7	Graduation Rate	27%	25%	25.4%
We are within the range of our target in terms of the graduation rate. This is mainly due to a lower total enrolment count while maintaining a high contact graduate count. We have however seen a notable decrease in our distance graduation rate.				

Goal 2: Strengthen research and innovation with a strategic focus on impactful globalisation

	Relevant performance indicator	Actual 2020	Target 2021	Actual 2021 ⁵
8	Publications per permanent academic staff member	0,93	0,97 ²	0,99
The restructuring process took additional commitment for academic, whilst affording us the opportunity to strategically reposition the academic environment to reach our strategy. Our focus has also moved from purely quantity to quality and high impact journals.				
9	Weighted research output	2811,186	2864 ¹	2958,062
The university produced 264 Doctorates in 2021. This combined with an increased publication output contributed to a better weighted research output.				

Goal 4: Develop a clearly differentiated student value proposition

	Relevant performance indicator	Actual 2021	Target 2022	Actual 2022
10	Student: Academic Staff FTE ratio	28,41 : 1	26,1 : 1 ⁶	28,45 : 1
The academic staff component did not grow significantly over the past few years. The NWU's ratio is influenced by the fact that contact and distance students are included in the calculation of the ratio. At the start of the pandemic, several vacant positions were frozen due the negative financial impact of the pandemic. As we now have more stability and a resumption of all our activities, some of the positions are unfrozen.				
11	First time entrant dropout rate for contact degrees (as on 1 May 2023)	8,96%	Below 13%	9.79%
Learning support services and structures targeting first-time entering students continues to assist them in performing.				

⁵ 2021 final approved research publication units are reported as the approved 2022 publications are only received from the DHET later in in this year

⁶ A deviation of 3 is allowed on either side of target for achievement of the KPI

Goal 5: Develop and retain excellent staff and create an equitable staff and student profile

Relevant performance indicator		Actual 2021		Target 2022		Actual 2022	
12	Student mix: NWU Contact & Distance; All Campuses	African (%)	65%	African	59%	African (%)	68,51%
		Coloured (%)	4.4%	Coloured	5%	Coloured (%)	4,28%
		Indian (%)	1,4%	Indian	2%	Indian (%)	1,23%
		White (%)	29.2%	White	33%	White (%)	25,93%
		Female (%)	63%	Female	62%	Female (%)	62,85%
		Male	37%	Male	38%	Male	37,15%
Due to the increase in NSFAS funding as well as better funding for accommodation and the accreditation of private accommodation, our student profile differs from the original submitted and approved enrolment plan but is still seen as a student mix.							
13	Staff mix	African (%)	39,4%	African	41,04%	African (%)	41,74%
		Coloured (%)	7%	Coloured	7,19%	Coloured (%)	7,39%
		Indian (%)	1,6%	Indian:	1,95%	Indian (%)	1,62%
		White (%)	52%	White:	48,71%	White (%)	49,25%
				Foreign National	1,12%		
Our recruitment strategy paid off and we made positive progress in attracting professional and academic staff from designated groups							
14	Permanent academic staff with PhDs	56%		54% ¹		56%	
Under COVID-19 staff had more flexibility to complete their higher qualifications as noted in the increase in staff with a PhD. We also implemented better tracking mechanisms on the DIY portal of the NWU so that staff members can ensure that the correct qualifications are loaded and captured on our Oracle system							

13.2 Annexure 2: List of Council committee meetings and attendance

Committee	List of meetings	% Attendance 2020	% Attendance 2021	% Attendance 2022	Self-evaluation undertaken
Council	17 March 2022 23 June 2022 8 September 2022 17 November 2022	94%	94%	94%	<input checked="" type="checkbox"/>
Council Executive Committee (Exco) (also fulfilling the role of council membership committee)	17 January 2022 February 2022 9 February 2022 9 March 2022 25 March 2022 11 May 2022 14 June 2022 10 August 2022 30 August 2022 October 2022 November 2022 6 December 2022	97%	95%	95%	<input checked="" type="checkbox"/>
Council Extended Exco	17 May 2022 28 October 2022			79%	<input checked="" type="checkbox"/>
Finance Committee	25 May 2022 27 October 2022 11 November 2022	91%	83%	100%	<input checked="" type="checkbox"/>
Transformation Oversight Committee	17 February 2022 9 June 2022 17 August 2022 1 November 2022	89%	84%	92%	<input checked="" type="checkbox"/>
Student Life Oversight Committee	7 February 2022 31 May 2022 August 2022 25 October 2022	82%	83%	88%	<input checked="" type="checkbox"/>

Committee	List of meetings	% Attendance 2020	% Attendance 2021	% Attendance 2022	Self-evaluation undertaken
Student Housing Committee	18 February 2022 29 April 2022 1 August 2022 17 October 2022	N/a	N/a	91%	<input checked="" type="checkbox"/>
People and Culture and Employment Equity Committee	25 May 2022 21 October 2022	92%	83%	75%	<input checked="" type="checkbox"/>
Tender Committee	14 February 2022 8 March 2022 24 May 2022 June 2022 19 July 2022 October 2022 13 December 2022	85%	93%	100%	<input checked="" type="checkbox"/>
Honorary Awards Committee	17 May 2022 5 October 2022	100%	92%	100%	<input checked="" type="checkbox"/>
Audit, Risk and Compliance Committee	2 March 2022 30 May 2022 17 August 2022 19 October 2022	88%	88%	96%	<input checked="" type="checkbox"/>
Remuneration Committee	1 March 2022 1 June 2022 21 October 2022 6 December 2022	96%	100%	94%	<input checked="" type="checkbox"/>
Assets Committee	3 May 2022 17 October 2022	75%	100%	100%	<input checked="" type="checkbox"/>
Investments Committee	10 March 2022 5 May 2022 19 August 2022 30 September 2022	92%	71%	100%	<input checked="" type="checkbox"/>

Committee	List of meetings	% Attendance 2020	% Attendance 2021	% Attendance 2022	Self-evaluation undertaken
TI Governance Committee	22 February 2022 26 May 2022 16 August 2022 24 October 2022	74%	93%	93%	<input checked="" type="checkbox"/>
Social and Ethics Committee	28 February 2022 10 May 2022 22 July 2022 11 October 2022	79%	77%	82%	<input checked="" type="checkbox"/>

13.3 Annexure 3: Composition of committees as at 31 December 2022

13.3.1 Composition of the NWU Senate

	Reference to Statute	Description	Member name / Vacancy	Ex officio Senate member	Campus
Vice-chancellor					
1	14(1)(a)	Vice-chancellor (Chairperson)	Tyobeka MB, Prof	Ex officio member	Potchefstroom Campus
Vice-Principal					
2	14(1)(b)	Vice-principal	Du Plessis, L, Prof	Ex officio member	Vanderbijlpark Campus
Deputy vice-chancellors					
3	14(1)(c)	Deputy vice-chancellor: Teaching-Learning	Balfour, RJ, Prof	Ex officio member	Potchefstroom Campus
4	14(1)(c)	Deputy vice-chancellor: Research and Innovation	Mphahlele, J, Prof	Ex officio member	Potchefstroom Campus
5	14(1)(c)	Deputy vice-chancellor: IT and Campus Operations (Potchefstroom)	Balia, D, Prof	Ex officio member	Potchefstroom Campus
6	14(1)(c)	Deputy vice-chancellor: Community Engagement and Campus Operations (Mahikeng)	Swanepoel, S, Prof	Ex officio member	Mahikeng Campus
-	14(1)(c)	Deputy vice-chancellor: Strategic Planning and Campus Operations (Vaal Triangle)	Du Plessis, L, Prof (see no 2)		
Registrar					
7	14(1)(d)	Registrar	Verhoef, M, Prof	Ex officio member	Potchefstroom Campus
Executive Directors					
8	14(1)(e)	Executive Director: Finance and Facilities	De Beer, E, Ms	Ex officio member	Potchefstroom Campus
9	14(1)(e)	Executive Director: Corporate Relations and Marketing	Manoko, NC Mr	Ex officio member	Potchefstroom Campus
10	14(1)(e)	Executive Director: People and Culture	Singh, M, Dr	Ex officio member	Potchefstroom Campus
11	14(1)(e)	Executive Director: Student Life	Chalufu, S, Dr	Ex officio member	Potchefstroom Campus
Executive Deans					
12	14(1)(f)	Executive Dean: Law	Morei, N, Dr	Ex officio member	Mahikeng Campus
13	14(1)(f)	Executive Dean: Natural and Agricultural Sciences	Modise, D, Prof	Ex officio member	Vanderbijlpark Campus
14	14(1)(f)	Executive Dean: Engineering	Van Dyk, L, Prof	Ex officio member	Potchefstroom Campus
15	14(1)(f)	Executive Dean: Health Sciences	Kotzé, AF, Prof	Ex officio member	Potchefstroom Campus
16	14(1)(f)	Executive Dean: Theology	Goede, H, Dr	Ex officio member	Potchefstroom Campus
17	14(1)(f)	Executive Dean: Education	Conley, L, Prof	Ex officio member	Potchefstroom Campus
18	14(1)(f)	Executive Dean: Humanities	Moyo, D, Prof	Ex officio member	Potchefstroom Campus
19	14(1)(f)	Executive Dean: Economic and Management Sciences	Surujlal, B, Prof	Ex officio member	Mahikeng Campus
Deputy Deans					
20	14(1)(g)	Deputy Dean: Humanities (Research and Innovation)	Nel, M, Prof	Ex officio member	Vanderbijlpark Campus

	Reference to Statute	Description	Member name / Vacancy	Ex officio Senate member	Campus
21	14(1)(g)	Deputy Dean: Humanities (Teaching and Learning)	Chaka, M, Prof	Ex officio member	Mahikeng Campus
22	14(1)(g)	Deputy Dean: Education (Teaching-Learning)	Reyneke, M, Prof	Ex officio member	Potchefstroom Campus
23	14(1)(g)	Deputy Dean: Education (Research and Innovation)	Dudu, W, Prof	Ex officio member	Mahikeng Campus
24	14(1)(g)	Deputy Dean: Natural and Agricultural Sciences (Teaching-Learning)	Drummond, H, Prof	Ex officio member	Mahikeng Campus
25	14(1)(g)	Deputy Dean: Natural and Agricultural Sciences (Research and Innovation)	Van der Westhuizen, F, Prof	Ex officio member	Potchefstroom Campus
26	14(1)(g)	Deputy Dean: Economic and Management Sciences (Teaching-Learning)	Van der Merwe, HJ, Prof	Ex officio member	Vanderbijlpark Campus
27	14(1)(g)	Deputy Dean: Economic and Management Sciences (Research and Innovation)	Leendertz, V, Prof	Ex officio member	Vanderbijlpark Campus
28	14(1)(g)	Deputy Dean: Health Sciences (Research and Innovation)	Du Plessis, J, Prof	Ex officio member	Potchefstroom Campus
29	14(1)(g)	Deputy Dean: Health Sciences (Teaching and Learning)	Hanekom, G, Prof	Ex officio member	Potchefstroom Campus
30	14(1)(g)	Deputy Dean: Law (Quality Assurance and Stakeholder Relations)	Barnard, M, Prof	Ex officio member	Potchefstroom Campus

Deputy Registrar					
31	14(1)(h)	Deputy Registrar	Temane, QM, Prof	Ex officio member	Potchefstroom Campus

Chief Director of the NWU Business School					
32	14(1)(i)	Chief Director of the NWU Business School	Smit, A, Prof (acting)	Ex officio member	Potchefstroom Campus

32 Academic staff members elected by academic staff in the faculties								
Faculty of Economics and Management Sciences								
	Reference to Statute	Description	Member name/ Vacancy	Category	Term starts	Term ends	Term notes	Campus
33	14(1)(j)	(1) Academic staff elected by academic staff in the Faculties	Vacant	Associate Professor				
34	14(1)(j)	(2) Academic staff elected by academic staff in the Faculties	Vacant	Professor				
35	14(1)(j)	(3) Academic staff elected by academic staff in the Faculties	Moncho, IB, Ms	Senior Lecturer	19-Nov-22	19-Nov-25	1 st term	Vanderbijlpark Campus
36	14(1)(j)	(4) Academic staff elected by academic staff in the Faculties	Els, C, Prof	NRF rated researcher	29-Mar-21	29-Mar-24	1 st term	Potchefstroom Campus
Faculty of Education								
37	14(1)(j)	(1) Academic staff elected by academic staff in the Faculties	Geduld, BW, Prof	Associate Professor	23-Feb-22	23-Feb-25	1 st term	Potchefstroom Campus
38	14(1)(j)	(2) Academic staff elected by academic staff in the Faculties	Mentz, E, Prof	NRF rated researcher	10-Mar-19	10-Mar-22	2 nd term	Potchefstroom Campus
39	14(1)(j)	(3) Academic staff elected by academic staff in the Faculties	Marais, LM, Dr	Senior Lecturer	29-Mar-20	29-Mar-24	1 st term	Potchefstroom Campus
	Reference to Statute	Description	Member name/ Vacancy	Category	Term starts	Term ends	Term notes	Campus

40	14(1)(j)	(4) Academic staff elected by academic staff in the Faculties	Mentz, PJ, Prof	Professor	05-Jul-21	05-Jul-24	2 nd term	Potchefstroom Campus
Faculty of Engineering								
41	14(1)(j)	(1) Academic staff elected by academic staff in the Faculties	Helberg, ASJ, Prof	Professor	14-Oct-21	14-Oct-24	1 st term	Potchefstroom Campus
42	14(1)(j)	(2) Academic staff elected by academic staff in the Faculties	Eloka-Eboka, AC, Prof	Associate Professor	23-Feb-22	23-Feb-22	1 st term	Potchefstroom Campus
43	14(1)(j)	(3) Academic staff elected by academic staff in the Faculties	Nzo, AB, Mr	Senior Lecturer	23-Feb-22	23-Feb-25	1 st term	Potchefstroom Campus
44	14(1)(j)	(4) Academic staff elected by academic staff in the Faculties	Ntwampe, SK, Prof	NRF rated researcher	06-Apr-21	06-Apr-24	1 st term	Potchefstroom Campus
Faculty of Health Sciences								
45	14(1)(j)	(1) Academic staff elected by academic staff in the Faculties	Useh, U, Prof	Professor	31-Oct-22	30-Oct-25	2 nd term	Mahikeng Campus
46	14(1)(j)	(2) Academic staff elected by academic staff in the Faculties	Moss, SJ, Prof	NRF rated researcher	12-Jul-21	12-Jul-24	1 st term	Potchefstroom Campus
47	14(1)(j)	(3) Academic staff elected by academic staff in the Faculties	Sparks, M, Prof	Associate Professor	4-Mar-22	4 Mar-25	1 st term	Potchefstroom Campus
48	14(1)(j)	(4) Academic staff elected by academic staff in the Faculties	Bisschoff, CA, Dr	Senior Lecturer	06-Apr-20	26-Apr-23	1 st term	Mahikeng Campus
Faculty of Humanities								
49	14(1)(j)	(1) Academic staff elected by academic staff in the Faculties	Holtzhausen, L, Prof	Associate Professor	21-Apr-20	21-Apr-23	1 st term	Potchefstroom Campus
50	14(1)(j)	(2) Academic staff elected by academic staff in the Faculties	Hofisi, C, Prof	NRF rated researcher	3-Oct-222	3-Oct-25	1 st term	Vanderbijlpark Campus
51	14(1)(j)	(3) Academic staff elected by academic staff in the Faculties	Verhoef, AH, Prof	Professor	16-Mar-21	16-Mar-24	1 st term	Potchefstroom Campus
52	14(1)(j)	(4) Academic staff elected by academic staff in the Faculties	Botha, YV, Dr	Senior Lecturer	17-Mar-21	17-Mar-24	1 st term	Potchefstroom Campus
Faculty of Law								
53	14(1)(j)	(1) Academic staff elected by academic staff in the Faculties	Carnelley, M, Prof	Professor	16-Mar-21	16-Mar-24	2 nd term	Potchefstroom Campus
54	14(1)(j)	(2) Academic staff elected by academic staff in the Faculties	Mmusinyane, BO, Prof	Associate Professor	21-Apr-20	21-Apr-23	1 st term	Mahikeng Campus
55	14(1)(j)	(3) Academic staff elected by academic staff in the Faculties	Geduld, AJN, Dr	Senior Lecturer	16-Mar-21	16-Mar-24	1 st term	Potchefstroom Campus
56	14(1)(j)	(4) Academic staff elected by academic staff in the Faculties	Vacant	NRF rated researcher				
Faculty of Natural and Agricultural Sciences								
57	14(1)(j)	(1) Academic staff elected by academic staff in the Faculties	Mkhize, Z, Dr	Senior Lecturer	15-Aug-22	15-Aug-25	1 st term	Mahikeng Campus
58	14(1)(j)	(2) Academic staff elected by academic staff in the Faculties	Ruzvidzo, O, Prof	Professor	15-Aug-22	15-Aug-25	1 st term	Mahikeng Campus
59	14(1)(j)	(3) Academic staff elected by academic staff in the Faculties	Nemakonde, LD, Prof	Associate Professor	19-Nov-22	19-Nov-25	1 st term	Potchefstroom Campus
60	14(1)(j)	(4) Academic staff elected by academic staff in the Faculties	Louw, R, Prof	NRF rated researcher	23-Mar-21	24-Mar-24	1 st term	Potchefstroom Campus
Faculty of Theology								
61	14(1)(j)	(1) Academic staff elected by academic staff in the Faculties	Magezi, C, Dr	Senior Lecturer	15-Aug-22	15-Aug-25	1 st term	Mahikeng Campus
62	14(1)(j)	(2) Academic staff elected by academic staff in the Faculties	Viljoen, FP, Prof	Professor	16-Mar-21	16-Mar-24	2 nd term	Potchefstroom Campus
63	14(1)(j)	(3) Academic staff elected by academic staff in the Faculties	Freeks, FE, Prof	Associate Professor	15-Aug-22	15-Aug-25	1 st term	Potchefstroom Campus
64	14(1)(j)	(4) Academic staff elected by academic staff in the Faculties	Du Toit, PLG, Dr	NRF rated researcher	16-Mar-21	16-Mar-24	1 st term	Mahikeng Campus

Non-academic staff elected by non-academic staff (support staff)

	Reference to Statute	Description	Name	Term starts	Term ends	Term notes	Campus
65	14(1)(k)	(1) Non-academic staff elected by non-academic staff (support staff)	Fourie, M, Dr	12-Nov-21	12-Nov-24	1 st term	Potchefstroom Campus
66	12(1)(k)	(2) Non-academic staff elected by non-academic staff (support staff)	Du Plessis, GI, Dr	29-Jul-20	29-Jul-23	1 st term	Potchefstroom Campus

SRC members							
	Reference to Statute	Description	Name	Term starts	Term ends	Term notes	Campus
67	14(1)(l)	SRC President (SRC chairperson)	Andreas, Y, Mr	Sep-2022	Sep-2023		Mahikeng Campus
68	14(1)(l)	Students designated by the SRC: Arts and Cultural Officer	Baloyi, C, Mr	Sep-2022	Sep-2023		Mahikeng Campus
69	14(1)(l)	Students designated by the SRC: Academics	Du Preez, A, Ms	Sep-2022	Sep-2023		Potchefstroom Campus
70	14(1)(l)	Students designated by the SRC: Fundraising and Projects	Makhothi, RBK, Mr	Sep-2022	Sep-2023		Vanderbijlpark Campus

Chairperson of Council or delegate and one other council member							
	Reference to Statute	Description	Name	Term starts	Terms ends	Term notes	Campus
71	14(1)(m)	Chairperson of Council	Sorgdrager, B, Mr	28 Jul-20	27-Jul-23	Term on Council	External
72	14(1)(m)	Delegate Council member elected by Council	De Bruyn S Mr	22-Jun-21	21-Jun-24	Term on Council	External

Academic staff members co-opted by the Senate upon the advice of the Senate Standing Committee (Faculty Board)							
	Reference to Statute	Description	Name	Term starts	Term ends	Term notes	Campus
73	14(1)(n)	Academic staff members co-opted by the Senate upon the advice of the Senate Standing Committees (F-EMS)	Lodewyk, R, Ms	4-Apr-22	4-Apr-25	2 nd term	Potchefstroom Campus
74	14(1)(n)	Academic staff members co-opted by the Senate upon the advice of the Senate Standing Committees (F-EDU)	Naidoo, S, Dr	19-May-20	19-May-23	1 st term	Potchefstroom Campus
75	14(1)(n)	Academic staff members co-opted by the Senate upon the advice of the Senate Standing Committees (F-ENG)	Roopa, M, Mr	15-Aug-22	15-Aug-23	1 st term	Potchefstroom Campus
76	14(1)(n)	Academic staff members co-opted by the Senate upon the advice of the Senate Standing Committees (F-HUM)	Ramolai, P, Ms	12-Apr-21	12-Apr-24	1 st term	Vanderbijlpark Campus
77	14(1)(n)	Academic staff members co-opted by the Senate upon the advice of the Senate Standing Committees (F-HEALTH)	Abrahams, C, Ms	4-Mar-22	4-Mar-25	1 st term	Potchefstroom Campus
78	14(1)(n)	Academic staff members co-opted by the Senate upon the advice of the Senate Standing Committees (F-LAW)	Zazo, GR, Adv	23-Feb-22	23-Feb-25	1 st term	Mahikeng Campus
79	14(1)(n)	Academic staff members co-opted by the Senate upon the advice of the Senate Standing Committees (F-NAS)	Serake, MO, Mr	15-Aug-22	15-Aug-25	1 st term	Vanderbijlpark Campus

Academic staff members co-opted by the Senate upon the advice of the Senate Standing Committee (Faculty Board)

	Reference to Statute	Description	Name	Term starts	Term ends	Term notes	Campus
80	14(1)(n)	Academic staff members co-opted by the Senate upon the advice of the Senate Standing Committees (F-THEO)	Davis, SV, Ms	12-Oct-21	12-Oct-24	1 st term	Mahikeng Campus

13.3.2 Composition of the Finance Committee

As at the October meeting of the Finance Committee:

Name	Designation
Chairperson	
Mr C Mabe*	External member of Council
Standing members	
Mr TV Mokgatla	External member of Council
Mr A Sorgdrager	External member of Council and chairperson of Council
Ms R Kenosi	External member of Council
Mr S Mohapi	Chair: Investment Committee
Dr MB Tyobeka	Vice-chancellor
Prof M Verhoef	Registrar (ex officio secretary)
In attendance	
Ms E de Beer	Executive Director: Finance and Facilities

13.3.3 Composition of the Audit, Risk and Compliance Committee

As at the October meeting of the ARCC:

Name	Designation
Chairperson	
Mr TV Mokgatla*	External member of Council
Standing members	
Mr JDS de Bruyn	External member of Council
Mr N Omar	External member of Council
Mr MSJ Thabethe	External member of Council
Ms M van Zyl CA(SA)	Independent audit specialist
Ms R Kenosi	External member of Council: Finance Committee
Prof M Verhoef (ex officio)	Registrar
In attendance	
Dr MB Tyobeka	Vice-chancellor
Ms E de Beer	Executive Director: Finance and Facilities
Ms M van der Merwe	Director: Internal Audit
Mr A Dale, Mss F Bootha, Ms S Bootha	External Auditors: PwC
Mr PB van Zyl	Representative: Auditor General

13.3.4 Composition of the Remuneration Committee

As at the November meeting of the Remuneration Committee:

Name	Designation
Chairperson	
Mr C Mabe*	External member and chairperson of the Finance Committee
Standing members	
Mr A Sorgdrager	External member and chairperson of Council
Ms R Kenosi	External member and chairperson of PCEE
Mr TV Mokgatlha	External member and chairperson of ARCC
Mr OE Mongale	External member of Council
Prof MB Tyobeka	Vice-chancellor
Prof M Verhoef	Registrar (ex-officio secretary)
In attendance	
Dr M Singh	Executive Director: People and Culture
Ms E de Beer	Executive Director: Finance and Facilities

13.3.5 Composition of the Tender Committee

Note: The Reporting Regulations for Public Higher Education Institutions stipulate that the Tender Committee adjudicated on significant tenders during the year under review, details of the Tender Committee's terms of reference, activities, and membership must be disclosed.

As at the October meeting of the Tender Committee:

Name	Designation
Chairperson	
Mr OE Mongale*	External member of Council
Standing members	
Mr S de Bruyn	External member of Council
Mr TC Kgomo	External Member: Council
Ms MJ Mwase	External tender expert
Prof BM Tyobeka	Vice-chancellor
Prof M Verhoef	Registrar (ex officio secretary)
In Attendance	
Ms E de Beer	Executive Director: Finance and Facilities

* All council committees are chaired by external independent members, with the required skills and expertise.

13.3.6 Composition of the Technology and Information Governance Committee

As at the October meeting of the TI Governance Committee:

Name	Designation
Chairperson	
Mr MSJ Thabethe*	External Council member
Standing members	
Adv M Kruger	External Council member
Ms U Barravalle	External Council member
Dr AA le Roux	Internal Council member
Mr XV Hadebe	Independent external IT expert
Ms E Stander	Independent external information expert
Prof MB Tyobeka	Vice-chancellor
Prof M Verhoef	Registrar (ex officio secretary)
In attendance	
Prof D Balia	Deputy vice-chancellor: Information Technology
Mr CE Pretorius	Chief Director: Information Technology

* All council committees are chaired by external independent members, with the required skills and expertise.

13.3.7 Council committee reports

13.3.7.1 Audit, Risk and Compliance Committee (ARCC)

The overall purpose of the ARCC is to provide independent oversight in assisting Council in fulfilling its oversight responsibilities in determining the effectiveness of the university's risk and compliance management, assurance functions, and related services.

There is a particular focus on combined assurance arrangements (including external auditors, Internal Audit, and the finance function). Other key focuses are the integrity of the annual financial statements, the financial reporting process, the system of internal control, the risk management process, the internal and external audit processes, as well as the university's process of monitoring compliance with laws and regulations and codes of conduct.

The ARCC has scrutinised the financial activities at the NWU as reported in this integrated report as well as in the audited consolidated financial statements prepared in accordance with the IFRS and independently audited by our external auditors, PricewaterhouseCoopers.

As a result, the ARCC's mandate is to declare whether it is satisfied or not with the following:

- the expertise, resources, and experience of the institutional finance function;
- the independence of the external auditor, the financial statements, and the accounting practices; and
- the effectiveness of the internal controls and the internal audit function.

Reports to Council

For the period under review, the ARCC continued to report to Council on its statutory duties, on activities performed, and on major findings of the internal audit functions and the external auditors.

The committee also continued to report on its communication and engagement with the external auditors, the risks reported to the Council, and the importance of certain compliance matters.

The ARCC streamlined its activities to allow for reporting on specific topics at each meeting throughout the year. March: General update – a brief overview of matters, June: Annual Report and Financial statements as well as progress made by Internal Audit against the Audit plan, August: Focus on Risk and Compliance. Brief update by Internal Audit and October: Detailed planning of Internal Audit, performance or self-evaluations, and a brief mention of the other matters (risk and compliance); External audit planning.

Par 13.2 and 13.3.3 include the composition and meeting attendance information.

Key decisions in 2022: Recommendations to Council for approval

- To recommend the consolidated financial statements for 2021 to Council for approval.
- To recommend the re-appointment of PriceWaterhouseCoopers (PWC) as external auditors for the final year of their five-year contract for approval by Council.
- To recommend to Council the final engagement letter from the External Auditors for approval and to be signed by the vice-chancellor.
- To recommend the NWU Policy and Rules on Conflict of Interest and of Declarations of Interest and of Gifts to Council for approval.

Key decisions in 2022: Resolutions

- To establish a task team to ensure that all requirements had been met in terms of general matters for the Integrated Annual Report 2021.
- To conclude on the process giving effect to the resolution of ARCC in August 2020 to arrive at a clear understanding of the notion "risk appetite" and "risk tolerance".
- To utilise the outcome of the risk assurance discussion process.
- To scrutinise the adequacy of the first and second levels of assurance by a third level of assurance on the top ten risks on the NWU Strategic Risk Register, to inform the subsequent risk management and assurance provisioning processes.
- To prioritise the inculcation of the notions of *risk appetite* and *risk tolerance* in each of the top-ten risks in the period August to November 2022.
- To submit a formal report regarding the commission to BDO (an external firm whose services had been procured) not performing according to the contractual agreement and how the matter progressed.

Key discussions 2022

- Self-evaluation results for 2021 and the review of the NWU Council Quality Manual.
- External quality review of the Internal Audit department.
- Annual Internal Audit quality review by the School of Accountancy.
- Progress with special investigations, audit assignments, and continuous monitoring.
- Progress with IT audits.
- Progress with outsourced audits and risks encountered with BDO.
- Related entities and the comprehensive assessment of related entities.
- Status reports on risk management, including risk assurance and risk appetite/tolerance matters.
- Status reports on compliance management.
- Business Continuity and disaster management reports.
- PWC's 28th Annual Education Conference.
- Internal Audit progress reports.
- Report on declarations of conflict of interest at the NWU.
- Plagiarism status reports.
- Policy review progress reports.
- External audit planning.
- Risk-based Internal Audit plan.
- Performance appraisal of the Internal Auditor.
- Reports from the Combined Assurance Forum.

13.3.7.2 Finance Committee

The purpose of the Finance Committee and its subcommittees (Assets Committee and Investment Committee) is to advise Council in general on financial and investment matters and the long-term development of the university's infrastructure.

The committee reinforces the governance function of the Council with regard to sound, responsible, and effective financial planning, financial administration, financial governance, and financial reporting.

Par 13.2 and 13.3.2 include the composition and meeting attendance information.

Reports to Council

The Finance Committee continued to report to Council on its statutory duties, the budget process, and activities performed.

Key decisions in 2022: Recommendations to Council for approval
<ul style="list-style-type: none">• To recommend the Financial Overview of 2021 to the NWU Council.• To recommend the approval of an unscheduled project: The macro maintenance and upgrades to the vice-chancellor's residence to Council for approval.• To recommend the 2023-2025 Budget.• To recommend the mid-year report on financial information for 2022.• To recommend the provisioning for the payment of cash advances to NSFAS students.• To recommend the revision of the Financial Policy and Preferential procurement strategy.
Key decisions in 2022: Approvals and resolutions
<ul style="list-style-type: none">• Infrastructure projects recommended for implementation for which business cases had been concluded.• Approval of additional funds for projects due to escalations in construction costs or increases in scope.• Approval to continue with DHET projects from NWU funds while awaiting feedback from DHET, well knowing that DHET might not approve the full amount of the IEG 6th Cycle application. Also, to top-up the shortfall on projects from previous funding cycles from NWU reserves in instances where the application for funding from the interest earned / savings on ring-fenced DHET funds would not be approved by DHET.• Approve and recommend the investment in the Stable Income Portfolio as well as the revised Investment Limits to accommodate new instruments.
Key discussions 2022
<ul style="list-style-type: none">• List of donations for 2021.• Variance reports.• Student funding and student debt.• Sundry debtors.• Residence finance reports.• Assets Committee reports.• Investment Committee reports.• Risk as contained in the NWU strategic risk register as it relates to financial matters.• Compliance with legislation as it related to financial matters.• Management statements.• Debtor reports.• Proposed changes to the NSFAS model.• Review of the 2022 Council Quality Manual.• Finance Committee Self-Evaluation• Conservation and Maintenance of the Calderbank Property

13.3.7.3 Tender

The purpose of the Tender Committee is to advise the Council on matters related to governance and oversight as these pertain to the NWU's procurement processes and to ensure that these are fair, equitable, transparent, cost-effective, and compliant with all relevant regulations and rules.

Reports to Council

The Tender Committee reported to Council on tenders considered for specific contracts within its mandate and the Schedule of Financial and Contractual Authorisation Levels.

Key decisions in 2022: Recommendations to Council for approval
<ul style="list-style-type: none">• Tender TR002/2022PC Refurbishment of spaces: To recommend to Council that the tender be awarded to GVK Siya-Zama Building Contractors (Gauteng) (Pty) Ltd who scored the fourth-highest points for the amount of R62 899 250 which is 0.74% above the pre-tender estimate.• Tender NWUTR055/2022NW Provision of protection services on the Mahikeng and Potchefstroom Campuses: to award the tender to Mi7 National Group for both Campuses for the amount of R71 796 529 for three years including VAT, but excluding escalation for the Mahikeng Campus and for R48 194 964 for the Potchefstroom Campus for 3 years including VAT, but excluding escalation. The Committee further resolved to approve provisional amounts of R7mil and R9mil for services for the Molelwane Farm and Cachet Park respectively.• To recommend amendments to the NWU Financial Policy and Preferential Procurement Strategy.
Key decisions in 2022: Approvals
<p>The Tender Committee approved the following tenders:</p> <ul style="list-style-type: none">• Tender TR063/2021MC Supply of General Building Maintenance Services for the NWU Mahikeng Campus: The tender was awarded to J.J.L. Steel and Construction (Pty) Ltd who scored the highest points for three years at a value of R16 866 368 (campus buildings: R 6 393 681 and student residences; R10 472 687) including VAT, but excluding escalation. The annual amounts tendered as per the BOQ and Form of Tender were R2 131 227 for campus buildings and R3 490 896 for student residences. The actual spending on the contract was limited to the annual budget for these specific services.• Tender TR064/2021MC Supply cleaning and cartage services on the Mahikeng Campus: The tender was awarded to Tsebo Solutions (Pty) Ltd for the amount of R40 882 641 for 3 years including VAT, but excluding escalation as Tsebo Solutions (Pty) Ltd scored the highest points and complied with all the requirements of the tender.• Tender TR093/2021MC Construction for the relocation: Faculty of Humanities, Education and Economics and Management Sciences on the Mahikeng Campus: The tender was awarded to DSR Enterprises for the amount of R16 152 932 as they scored the highest points.• Tender TR007/2022VC Proposed construction of a new building for Psychosocial Health on the Vanderbijlpark Campus: The tender was awarded to Dwellers Trading and Projects cc who scored the second highest for the amount of R43 321 096.• Tender TR136/2021PC Supply of landscaping, garden maintenance, and refuse-removal services on the Potchefstroom Campus: The tender was awarded to Servest (Pty) Ltd for the amount of R25 126 513 for three years including VAT, but excluding escalation.• Tender TR138/2021PC Supply cleaning services on the Potchefstroom Campus: The tender was awarded to Delta Facilities Management (Pty) Ltd for the amount of R40 553 623 for three years including VAT, but excluding escalation.• Tender TR 139/2021PC Service and maintenance of sports grounds on the Potchefstroom Campus: The tender was awarded to Servest (Pty) Ltd for the amount of R23 956 410 for three years including VAT, but excluding escalation.• Tender 155/2021MC Proposed construction of new building for community law centre on the Mahikeng Campus (construction work): The tender was awarded to Dwellers Trading and Projects cc for the amount of R15 434 526, subject to the approval of the shortfall by Council.• Tender 045/2022NW Supply and delivery of diesel for generators during emergencies for all three of the NWU Campuses: The tender was awarded to Piston Power Chemicals (Pty) Ltd who scored the highest points, for three years at a value of R28 630 800 including VAT on the transport.• Tender TR045/2022NW – Supply and delivery of diesel for generators during emergencies for all three of the NWU Campuses: The tender was awarded to Tipublox (Pty) Ltd, who scored the second highest points for three years at a value of R30 570 750 including delivery costs.• Tender NWUTR065/2022PC Proposed construction of new laboratory spaces for Education on the Potchefstroom Campus: The tender was awarded to Rembu Construction (Pty) Ltd, who scored the second highest points for the amount of R47 734 867.• Tender NWUTR079/2022VC Supply of cleaning services on the Vanderbijlpark Campus: The tender was awarded to Bidvest Services Holdings Pty Ltd t/a Prestige for the amount of R28 747 404 for three years, including VAT, but excluding escalation.

- Tender NWUTR080/2022MC Supply of gardening and sports facilities maintenance and refuse removal services on the Mahikeng Campus: The tender was awarded to Bidvest Services t/a Top Turf Pty Ltd for the amount of R33 279 852 for three years, including VAT, but excluding escalation.
- Tender NWUTR096/2022PC General building maintenance on the Potchefstroom Campus: The tender was awarded to SKS Business Solutions CC for the amount of R16 674 930 for three years including VAT, but excluding escalation.
- Tender NWUTR101/2022PC Electrical maintenance on the Potchefstroom Campus: The tender was awarded to SMZEE Property Development CC for the amount of R15 328 626 for three years including VAT, but excluding escalation.
- The Tender Committee resolved to approve the ordering of specialised IT Equipment directly as there was a severe global shortage of the components at the time and a Tender Process was not feasible. The ordering of specialised IT equipment was approved for TechExpress (Pty) Ltd for R15 899 752.78.

Key decisions 2022: Resolutions

- Requested advice, through the Office of the Registrar and the Office of the Executive Director Finance and Facilities, regarding the potential impact of the Supreme Court of Appeal ruling that the Minister's promulgation of regulations 3(b), 4, and 9 of the Procurement Regulations was unlawful. The Tender Committee received legal advice indicating that the Preferential Procurement Policy Framework Act did not apply to the NWU but that the NWU was required to create a preferential procurement system.
- A workshop was held to address the amendments to the Financial Policy and Preferential Procurement Strategy, after which the amended Financial Policy and Preferential Procurement Strategy were recommended to the Finance Committee and Council for approval.

Key discussions 2022

- Self-evaluation results of 2021 and the review of the NWU Council Quality Manual.
- Perceived monopoly by large companies.
- Widening of the scope of documentation provided to Tender Committee members to not only include checklists, but the full pack of background documentation.
- Continued use of Havenga Olivier Quantity Surveyors.
- Risks from the strategic risk register of the NWU that related to tender matters.
- Compliance with legislation as per the regulatory universe of the NWU as it related to tender matters.
- Amendments to the Financial Policy and Preferential Procurement Strategy.

13.3.7.4 Remuneration Committee (RemCom)

The mandate of the Remuneration Committee is to assist Council in carrying out its responsibilities toward the conceptualisation and implementation of a fair and responsible remuneration philosophy that is evident in remuneration policies and strategies.

Reports to Council

For the period under review, the committee continued to report to Council on its statutory duties.

Par 13.2 and 13.3.4 include the composition and meeting attendance information.

Key decisions in 2022: Approvals and resolutions

- To approve a 5.5% cost-of-living adjustment increase for staff on Peromnes levels 1 to 4, based on the assurance provided that the increase was affordable for the NWU and had been budgeted for.
- To approve the payment of performance bonuses to UMC members as per the confidential schedule elucidated by the vice-chancellor.
- To approve the provision of a signing-on bonus of 20% of Total Cost-To-Institution (TCTI) for all new UMC members, except for the vice-chancellor who would receive a bonus of 25%, with effect from 1 June 2022.
- To approve the phasing out of the retention bonus for future-term extension reviews of UMC members.
- To approve that the existing retention bonus as approved by RemCom for the current UMC members remain and were to be paid out after their respective contracts.
- To approve the payment of a retrospective retention bonus to the Executive Director: Finance and Facilities who had not received such a bonus due to an oversight by the selection panel.
- To approve the granting of Individual Remuneration Review payments of 3.75% to UMC members together with the directives on individual remuneration review of university management members on Peromnes Levels 1 to 4.
- Management budget allocation for bonuses.
- The allocation of the budget to the vice-chancellor's office to be used as discretionary bonuses.
- The moderated performance scores of the university management members (executive management).
- To approve the sign-on bonus for the Chief Director of the Business School of 20% of the salary package.
- To maintain the practice of determining a retention bonus based on the recommendation from the Selection Committee for those members who were not of retirement age after their contracts. Such bonuses should not exceed 20% of the total package of the employee. A non-solicitation clause would be added to all new contracts of executives, while for existing contracts the clause would be added with the consent of the incumbent. In this regard, the advice of the Legal Services Department would be solicited.
- Confirmation that the probation period of the vice-chancellor had been successfully completed and his appointment was confirmed.
- To support a pro-rata bonus for the Chief Strategy Officer.

Key discussions 2022

- Self-evaluation outcome of 2021 and the review of the NWU Council Quality Manual.
- Performance management process for 2022 and the development of a new DIY performance management application.
- Performance management process for university management members for 2022 (executive management).
- Succession planning for both university management members (executive management) and senior staff and the use of the 9-box grid for identifying potential.
- Terms of office of university management members and executive deans to ensure timeous filling of imminent vacancies.
- Noting *ex gratia/ex lege* payments, honoraria payments to council members, and executive remuneration.
- People and Culture policies due for revision.
- Risks from the strategic risk register of the NWU related to remuneration matters.
- Compliance with legislation as per the regulatory universe of the NWU as it related to remuneration matters.
- Staff cost optimisation process due to the continued decline of state funding.
- The ratio of academic to support staff.
- The review of the Conditions of Employment.
- The signing of non-solicitation agreements by university management members (executive management).

13.3.7.5 Technology and Information (TI) Governance Committee

The TI Governance Committee is responsible for information technology governance and ensuring that Council fulfils its role as the overall governing body for information technology. Its mandate is to:

- Oversee the implementation of a TI governance framework that sets the direction for technology and information at the NWU.
- Recommend policy to Council that articulates and gives effect to the direction set.
- Hold university management accountable for the implementation and execution of effective technology and information management.
- Exercise ongoing oversight of technology and information management, including IT risk management, prevention of cyber-attacks, and ensuring legal compliance.

Reports to Council

For the period under review, the committee continued to report to Council on its statutory duties.

Par 13.2 and 13.3.6 include the composition and meeting attendance information For the Council Statement on IT, see par 9.1.15

Key decisions in 2022: Recommendations to Council
<ul style="list-style-type: none">• To recommend the Information and Communication Technology Policy on Fair Use to Council for approval.• To recommend the Information and Communication Technology Governance Policy to Council for approval.• To recommend the Records, Archives and Museums Policy to Council for approval.• To recommend the Data and Information Security Policy to Council for approval.
Key decisions in 2022: Resolutions
A document outlining the mission and vision as well as the objectives of the Digital Business Strategy project had to be approved by Council with the understanding that the projects already implemented would be on an operational level and not a strategic level.
Key discussions 2022
<ul style="list-style-type: none">• Training for Technology and Information Governance Committee members through IoDSA and in October feedback on the training as provided by Mr Marlon Moodley of IoDSA• Self-evaluation report feedback from 2021 and the review of the NWU Council Quality Manual.• Progress made with the implementation of the Digital Business Strategy (DBS).• Information Technology Statement of Intent consists of five building blocks.• Investment in and expenditure on IT.• Development related to cyber security as it was one of the University's top ten strategic risks.• Mitigation strategies of third-party providers' risks.• Information management including the management of compliance with POPIA and PAIA at the NWU.• Risks related to technology and information governance as contained in the NWU strategic risk register.• Compliance with technology and information-related legislation.• Future focus matters (information and technology) and key focus needed in the short- and medium-term.• Implementation of a new Student Information System (SIS).• IT strategy.• Short-term and long-term mitigation plans to address the identified vulnerabilities in the security architecture landscape.• Implementation of the Information Governance Framework of the NWU.• Ethical and responsible use of information and technology.• Quality measures, risk management, assurance provisioning, business continuity, and business resilience regarding the management of information technology.• Risk of IT systems in the Cloud.

13.3.7.6 Council Membership Committee

The NWU Council resolved in 2015 to add to the mandate of the Council Executive Committee that of Council Membership Committee.

In this regard, Council fulfils the role of a Council Membership Committee (*as per R464, 9 June 2014, GG37726, p 22*) in (refer to paragraph 2.5 of the Exco terms of reference):

- considering nominations for vacancies related to council and council committee membership in terms of the University Statute;
- overseeing nomination and election processes for vacancies and noting the outcomes of election audit reports;
- dealing with all other membership matters as contained in the Code of Conduct for Council members and taking the necessary steps to empower Council to deal with membership matters on a higher level, including matters related to declarations of interest made by Council members and members of Council Committees;
- having the mandate to form and delegate authority to sub-committees as deemed necessary;
- overseeing the attendance of Council members at Council and Council committee meetings and taking corrective action;
- overseeing the self-evaluation results (appraisals) of the performance of the Council and its committees and taking corrective action where necessary; and
- in accordance with the Statute, recommending the establishment of committees necessary for the performance of the functions of the Council, including joint committees with the Senate where appropriate.

During 2022, Exco at each ordinary meeting noted and considered the vacancies and imminent vacancies on Council and the processes for filling and scrutinising these vacancies.

Exco continued to follow the prescribed process for the filling of vacancies as approved by Council in June 2021:

- That the regular setting of skills and diversity matrix (as the one approved by the Council in November 2018) to guide the nominations and elections was continued and was to take place formally at three-year intervals.
- That the process was managed proactively and in ongoing communication with the stakeholder constituencies (in the relevant categories, i.e. from which environments members would need to be nominated and elected).
- That with the announcement of an imminent vacancy (six months before expiry), for Council Exco to consider the diversity and skills set profile of the Council at the given time and to resolve the need to be included in the call for nominations to the constituency.
- That the call for nominations made known the identified skills- and diversity needs.
- That the Council Exco was informed of the outcome of the nomination process before the commencement of the election process to determine the extent to which the requirements had been met.
- That, in the instance, that the relevant skill set, and diversity criteria had not been displayed during the nomination process, one further round of nomination would be requested, after which the election process would continue.

In June 2022, Exco recommended the review of the Rules for the Nomination, Election, Designation, and Appointment of Council as it related to community leaders to Council for approval. Exco noted that over time, Council had adopted the practice to designate community members on Council from the environments where the NWU's campuses were situated. The guiding principle motivating the matter had not been included in the relevant section of the Rules. The following suggestion for the amendment to paragraph 10.3 was discussed and recommended to Council for approval:

Nominations (each one of the three from a campus of the university as per the multi-campus principle stated in para 2.2) are submitted on a nomination form prescribed by the Registrar to be signed by two employees of the NWU, and the nominee.

Council approved the recommendation on 23 June 2022.

In August 2022, Exco noted the NWU Statute as promulgated on 24 June 2022 and a report on the matters for implementation in terms of the new Statute. Pursuant to the promulgation of the reviewed Statute on 24 June 2022, the process for final consideration of the revision to the NWU Rules for the Nomination, Election, Designation, and Appointment of Council Members commenced. In accordance with para 5(2)l of the revised NWU Statute, the Rules for the Nomination, Designation, Election, and Appointment of Council Members paragraph 2.3 had been added to the said set of rules: *The council has the authority to determine requisite skills and diversity targets to ensure that due sensitivity to race, gender, and disability is reflected in the membership of the Council and its*


committees and must put measures in place to ensure transparent, inclusive and pro-active processes towards realising the requisite skills and diversity in membership.

At the level of operation of the Council Executive Committee, several recommendations had been made for implementation after the promulgation of the revised Statute: (i) That, with the announcement of an imminent vacancy (six months before expiry), for Council Exco to consider the diversity and skills set profile of Council at the given time and to resolve on the particular need to be included in the call for nominations to the constituency and, (ii) that, regarding persons living with disability to amend the ideal diversity profile and to make provision for a 2% (one person) representivity.

Council approved the amendment to the Rules for the Nomination, Election, Designation and Appointment of Council members with reference to para 2.3 and also approved the proposal that the diversity profile as agreed upon at the Council meeting held in November 2018 be retained with the specific requirement that the membership includes two members living with disabilities.

Exco also continued to receive a list of all vacancies in Council committees and made recommendations for the filling of these vacancies to Council for approval at each meeting.

13.4 Annexure 4: NWU Combined Risk Register as at 31 December 2022




Risk-Num	Risk-Owner	Risk-Type	Risk-Name	Risk-Description	Inherent			IR	Residual		CER	RR	Risk-Cause-Description	Current-Controls	Strategic-Objective
					Impact	Likelihood	Exposure		Impact	Likelihood					
42	DVC/IT	Strategic	Cyber Security	Cyber security is not adequately addressed at the NWU and is the number one IT issue worldwide. An attack on the NWU is likely. Digital transformation will increase the cyber security risk.	5	5	RD	25	0	0	0,20	20	Cyber crime is increasing. There are inadequate measures in place to adequately protect against this crime. Measures include cyber security positions, security strategy, security software etc.; *Lack of awareness under staff	<p>The University has successfully deployed a SIEM. The SIEM works by collecting log and event data generated by host systems, Firewall and bringing it together into a single centralized platform, with dashboarding and artificial intelligence as to identify abnormalities in the NWU's IT environment. (Also, abnormalities in Cybersecurity). This dashboard is currently monitored by IT-OI-Systems and escalates of any major cybersecurity abnormalities to Cyber incident response team.</p> <p>*The Cybersecurity Strategy has been approved by TI Governance committee. Targets in terms of NIST targeted NWU profile improvements (in Cybersecurity capabilities) have been achieved. The targets were: improving Detection capabilities and Identifying capabilities.</p> <p>* Palo Alto Firewall solution, rated by Gartner in leader quadrant, subscription AI-feed (wildfire) identifies threats proactively worldwide, updated hourly doing continuous checks. All threats identified are monitored by IT-OI-infrastructure. Only report on exceptions to Cyber Incident Response (CIR) Team.</p> <p>* Institution-wide use of network access control system, all clients registered and authenticated when logging in to prevent unauthorized access and identify vulnerabilities on the device of the user. When vulnerabilities are detected, the user will automatically/ manually be forced into isolation. Incident identified in service manager, user put in isolation and IT service desk ensures safe computer environment before allowed on network again.</p> <p>*The use of external vulnerabilities scanning facilities such as SecurityScorecard, Shodan and Shadowvault are monitored to complement internal vulnerabilities scanning.</p> <p>SecurityScorecard is a subscription service that provides monthly reports and interactive dashboard (it scans the environment on daily basis). The report and access to the dashboard is distributed to the relevant IT-directors. SecurityScorecard is a major dashboard and used in reporting NWU's security posture to relevant internal stakeholders.</p> <p>*Auditing the network environment through network access control; *Asset management process in place to determine the age of critical equipment. Contractual end-of-life agreements are also being monitored.</p> <p>*Monthly Nessus scans on the operating systems and some software.</p>	Goal 6B

Risk No#	Risk-Owner#	Risk-Type	Risk-Name#	Risk-Description#	Inherent#			IR#	Residual#		CE#	RR#	Risk-Cause-Description#	Current-Control#	Strategic-Objective
					Impact#	Likelihood#	Exposure#		Impact#	Likelihood#					
234	DVC-IT#	Strategic#	The implications and demand for digital transformation on the NWU's business#	IT provisioning for certain admin and academic functions not optimal; indications exist that individual IT staff are overburdened due to inadequate human resources in IT; uncertainties evident about the direction in regard to digital business strategy leading to delays in new system design and implementation. Digital transformation will have a severe impact on operational models, structures, people, processes and roles.#	4#	5#	R0#	20#	0#	0#	0,20#	16#	Current use of technology is not strategic and innovative. # 1) There is a structural dis-incentive for researchers to advance their inventions after publication and patenting. It typically requires more work and dedication to get it market ready for sale or licensing. # 2) Our inventions are seldom caused by "industry pull" forces, often leaving it irrelevant or of little interest to industry.#		Goal 5# Enabler 2#
4#	VC, UMC-Members#	Strategic#	Business Model#	The lockdown forced a change in stakeholder behaviour and habits. The approach to being a university and how people interact has fundamentally changed. The organisation has had to adapt to a significant change in stakeholder behaviour whilst ensuring adequate alignment of quality teaching and learning in relation to student access and success and fit-for-purpose workforce utilisation. Universities have had to re-invent their business models to ensure that they could compete in these shifting circumstances and, in some cases, ensure that they take advantage of unprecedented demand.#	4#	5#	R0#	20#	0#	0#	0,20#	16#	It is not clear any more what the competitive advantage of the NWU would be in a post-COVID era.# Strategic projects facilitated by IT, the Centre for Teaching and Learning and Space Management to position the NWU (e.g. "integrated facilities project; "student information system renewal project, the work-integrated learning and service learning (WISL) system, e-assessment and proctoring platform/ software, further development of the NWU LMS with additional online functionalities), as overseen by Senate and UMC; #IT Committee advises UMC on the optimisation of IT infrastructure to meet current and future business needs. # # Strategic Intelligence # Reports provided at regular intervals to FMCs and other structures for monitoring and informed decision-making purposes. # # Online open days, a panel presenting, people can join online, can post questions and inquiries in the chatbox , interactive sessions. All questions answered by the Deans and Panel. Overall open day and then follow up sessions are presented that are more faculty specific. Marketers go to schools to get information and prepare on what matters should be addressed during sessions. Targets are guided by the enrolment plan. Reports are available to see who attended the online sessions and out of that who enrolled. # # Requirement for admission of FTE students to have a laptop/computer from 2021, approved by Council. Well-equipped computer laboratories are available for students without laptops. # # Virtual tours of all campuses for parents and students that cannot attend face-to-face, posted on the website and app. These videos are preloaded on the respective platforms. This is managed by Marketing and Student recruitment by the Manager--Recruitment-Events # # Marketers provide assistance with the application process for students in rural areas with mobile units while in the field. # # My-NWU App where prospective, registered students and stakeholders can get information on all NWU information and communicate with the NWU, linked with WhatsApp , email and SMS line, a team under the management of the Senior Manager Digital Media responsible to attend to this information and ensure that all communication are followed up on and directed to the correct platform. Surveys done to follow up on effectiveness, overall, very good feedback and experience. Reports also generated on stakeholder experience of the app.#		Goal 6#

Risk- No#	Risk- Owner#	Risk- Type	Risk- Name#	Risk- Description#	Inherent#			Residual#		CE#	RR#	Risk-Cause-Description#	Current-Control#	Strategic- Objective	
					Impact#	Likelihood#	Exposure#	IR#	Impact#						Likelihood#
40#	JMC#	Strategic#	Environmental- Management#	The lack of focus and clarity in regard to the placement, functioning and monitoring of environmental management at the NWU poses a risk to sustainability and compliance. =	4#	5#	R10000000#	20#	0#	0#	0,20#	16#	Placement of environmental management in Community-Engagement where there is no sufficient expertise. =	*Awareness campaigns are driven by Sustainability and Community-Impact unit. # *SHE Charter with NWU Sustainability policy and guidelines. # *SHE Policy approved by Council. # *Hazardous Waste Management - All waste is collected by approved specialist service provider and in accordance with applicable Environmental Legislation. # *General Waste - Service providers appointed to collect and dispose of waste for each campus at local municipal licensed dumping site. # *Facilities Dept: 2017 to current: install water meters to measure water use and monitor excessive use and possible wastage ; * Maintenance 2016 to current: Upgrading of water networks (bulk supply and one-line supply to buildings)#	Goal 3#
233#		Strategic#	Business model- adequacy after- COVID-19#	The lockdown forced a change in stakeholder behaviour and habits. The approach to being a university and how people interact has fundamentally changed. The organisation has had to adapt to a significant change in stakeholder behaviour whilst ensuring adequate alignment of quality teaching and learning in relation to student access and success and fit-for-purpose workforce utilisation. - Universities have had to re-invent their business models to ensure that they could compete in these shifting circumstances and, in some cases, ensure that they take advantage of unprecedented demand. - Inadequacies around a focused approach on the management of the COVID-19 situation as this impact directly on the NWU's governance and management, could hamper the NWU's sustainability on the short-, medium- and long-term. =	4#	5#	R0#	20#	0#	0#	0,20#	16#	Covid-19-pandemic.# * It is not clear any more what the competitive advantage of the NWU would be in a post-COVID era.# * The impact of the global pandemic influences the realisation of the NWU's 2015-2025 strategy. # * The five-year strategic plan, the realisation of the 2020 APP and the 2021 APP are all impacted by the COVID situation. # * Every established internal business process/business operation is impacted by the COVID situation. =	Goal 1# Goal 2# Goal 3# Goal 4# Goal 5# Enabler 1- Enabler 2- Enabler 3- Enabler 4#	

Risk No [Ⓜ]	Risk Owner [Ⓜ]	Risk Type	Risk Name [Ⓜ]	Risk Description [Ⓜ]	Inherent [Ⓜ]			IR [Ⓜ]	Residual [Ⓜ]		CE [Ⓜ]	RR [Ⓜ]	Risk-Cause-Description [Ⓜ]	Current Controls [Ⓜ]	Strategic-Objective [Ⓜ]
					Impact [Ⓜ]	Likelihood [Ⓜ]	Exposure [Ⓜ]		Impact [Ⓜ]	Likelihood [Ⓜ]					
232 [Ⓜ]	UMC members [Ⓜ] Executive Director Finance and Facilities [Ⓜ]	Strategic [Ⓜ]	Funding and fee regulation [Ⓜ]	Government funding model is not sustainable, the HE sector is not sufficiently informed by the DHET, also the impact is not known, exacerbated by an over-dependence on a single source of income (government subsidies and sustainability of NSFAS) which is further exacerbated by uncertainty of overall sustainability due to unofficial regulation of fee increases since 2016 and the uncertainties brought about by the process already commenced to regulate fees by DHET. [Ⓜ]	4 [Ⓜ]	4 [Ⓜ]	R0 [Ⓜ]	16 [Ⓜ]	0 [Ⓜ]	0 [Ⓜ]	0,20 [Ⓜ]	13 [Ⓜ]	<ul style="list-style-type: none"> * Inadequate funding to sustain growth and sustainability. [Ⓜ] * Sustainability of NSFAS. [Ⓜ] * NWU is overdependent on government and NSFAS grants with limited income from other sources. [Ⓜ] * DHET wants to control the cost of education as they have to fund it. Free education in an ever-declining State Income environment main cause. - 0% fee increase announcement in Oct 2020 and the expectation created by the previous President that fee free education is possible in future[Ⓜ] 	<ul style="list-style-type: none"> * NWU is part of the Fee Regulation Task Team (USAF). NWU representative part of fee-regulation task and technical task team in DHET for the HE sectors. Financial strategy task team input in the development of Financial Model for the sector. Keeping HE fee inflation above CPI. [Ⓜ] * Initiatives in regard to fundraising and endowment to ensure new sustainable source of income. [Ⓜ] * Preserving available and growing reserves by E&D, FF and financial team to cover at least one year's operational expenses for sustainability purpose. Capitalising on reserves by creating a sustainable source of investment income - Money Market. [Ⓜ] * Building optimal relationships with funders, facilitating start-up capital by TTIS. [Ⓜ] * NWU Fundraising advisory group with members that are well known in the business world sitting twice a year to oversee projects that require funding in SA and internationally. --- Director Stakeholder Relations are responsible for Fundraising since 2019. Fundraisers are appointed and responsible to drive these initiatives. Targets set in the Directors performance agreement. [Ⓜ] * Targeted initiatives focusing on alumni and potential international sources. [Ⓜ] * Comprehensive, regularly updating and reported on 3-year rolling Financial Plan to various committees (UBC, UMC, Fin Asset Committee, Council, etc.) linked to specific goals/targets as performance measurement. E.g., Initiatives - Staff Cost Mitigation - Finance and P&C involved. [Ⓜ] * Focus on increasing throughput in the academic environment to effectively utilise subsidy. Targets and approaches followed to support and follow-up on student's academic progress. [Ⓜ] * UCE - Strategic project to ensure a sustainable source of income through continued education - UCE and executive studies training at the PBS - focus on building 3rd stream income. [Ⓜ] * Growing of research income from international/national/government research funders/institutions. Income generation (2nd Stream). [Ⓜ] * Informal discussions to release NSFAS funding. Part of decision making regarding receiving of and making NSFAS money available to students.[Ⓜ] 	Enabler 4 [Ⓜ]

Risk- No#	Risk- Owner#	Risk- Type#	Risk- Name#	Risk- Description#	Inherent#			IR#	Residual#		CE#	RR#	Risk-Cause-Description#	Current-Controls#	Strategic- Objective#
					Impact#	Likelihood#	Exposure#		Impact#	Likelihood#					
231#	Registrar and- DVC-IT#	Strate- gic#	BCP and DRP#	Inadequacies around disaster-recovery and business-continuity management could hamper the NWU's-operations and lead to compliance-risks and financial-losses and reputational-damage.#	4#	4#	R0#	16#	0#	0#	0,20#	13#	<p>Inadequate-BC-planning-#</p> <p>*Lack-of-institution-wide-approach-to-DR/BCP-contributes-to-duplication-of-effort-and-inefficiencies-#</p> <p>*Development-of-new-Student-Information-System-underway-#</p> <p>*NWU's-business-continuity-governance-and-management-environment-not-sufficiently-established-to-have-ensured-an-appropriate-response#</p>	<p>*BCP-and-Contingency-planning-in-place-at-execution-of-key-processes-e.g.,-registration-etc.-BCP-Policy-approved-by-Council-#</p> <p>*Refining-of-business-processes-in-place-to-remove-redundancies-#</p> <p>*UMC-approved-a-2-year-plan-to-implement-a-BCP-governance-and-management-process.-Process-is-underway-#</p> <p>*Council-approval-of-BCP-policy-#</p> <p>*Rules-for-Business-Continuity-approved-by-UMCCHAR(13)-+CHAR(10)-#</p> <p>*The-University-has-successfully-deployed-a-SIEM.-The-SIEM-works-by-collecting-log-and-event-data-generated-by-host-systems,-Firewall-and-bringing-it-together-into-a-single-centralized-platform,-with-dashboarding-and-artificial-intelligence-as-to-identify-anomalies-in-the-NWU's-IT-environment-(Also,-abnormalities-to-Cybersecurity).-This-dashboard-is-currently-monitored-by-IT-OI-Systems-and-escalates-of-any-major-cybersecurity-anomalies-to-Cyber-incident-response-team-#</p> <p>*The-Cybersecurity-Strategy-has-been-approved-by-TI-Governance-committee.-Targets-in-terms-of-NIST-targeted-NWU-profile-improvements-(to-Cybersecurity-capabilities)-have-been-achieved.-The-targets-were-improving-Detection-capabilities-and-Identifying-capabilities-#</p> <p>*ReliableFirewall-solution,-rated-by-Gartner-in-leader-quadrant,-subscription-AI-feed-(wildfire)-identifies-threats-proactively-worldwide,-updated-hourly-during-continuous-checks.-All-threats-identified-are-monitored-by-IT-OI-infrastructure.-Only-report-on-exceptions-to-Cyber-Incident-Response-(CIR)-Team-#</p> <p>*Institution-wide-use-of-network-access-control-system,-all-clients-registered-and-authenticated-when-logging-in-to-prevent-unauthorized-access-and-identify-vulnerabilities-on-the-device-of-the-user.-When-vulnerabilities-are-detected,-the-user-will-automatically-manually-be-forced-into-isolation.-Incident-identified-in-service-manager,-user-put-in-isolation-and-IT-service-desk-ensures-safe-computer-environment-before-allowed-on-network-again-#</p> <p>*Auditing-the-network-environment-through-network-access-control-#</p> <p>*The-use-of-external-vulnerabilities-scanning-facilities-such-as-SecurityScorecard,-Shodan-and-Speedypaperare-monitored-to-complement-internal-vulnerabilities-scanning.-SecurityScorecardis-a-subscription-service-that-provides-monthly-reports-and-interactive-dashboard-(it-scans-the-environment-on-daily-basis).-The-report-and-access-to-the-dashboard-is-distributed-to-the-relevant-IT-directors.-SecurityScorecardis-a-major-dashboard-and-used-in-reporting-university'ssecurity-posture-to-relevant-internal-stakeholders-#</p> <p>*Three-monthly-Nessus-scans-on-the-operating-systems-and-some-software-#</p> <p>*Asset-management-process-in-place-to-determine-the-age-of-critical-equipment.-Contractual-end-of-life-agreements-are-also-being-monitored-#</p>	#

Risk- No#	Risk- Owner#	Risk- Type#	Risk- Name#	Risk- Description#	Inherent#			IR#	Residual#		CE#	RR#	Risk-Cause-Description#	Current-Controls#	Strategic- Objective#
					Impact#	Likelihood#	Exposure#		Impact#	Likelihood#					
230#	Registrar#	Strategic#	Information-Governance#	Inadequacies around a focused approach to information governance implementation could hamper the NWU's operations and expose the NWU to compliance risks. =>	4#	4#	R0#	16#	0#	0#	0,20#	13#	<ul style="list-style-type: none"> *Current use of technology is not strategic and innovative. ¶ *Cybercrime is increasing. There are inadequate measures in place to adequately protect against this crime. Measures include cyber security positions, security strategy, security software etc. ¶ *Inadequate measures to ensure integrity of information due to poor input control. ¶ *Ineffective and inefficient administrative processes and systems. ¶ *Unauthorized access might be possible to NWU information due to improper access control and information stored on computers and not according to records management procedures. ¶ *Reports might be based on incorrect information or data that is possibly not trustworthy. ¶ *Destruction of records procedure not followed. ¶ *Lack of data security measures. ¶ *The integrity of student records might be compromised and not be trustworthy because of multitude of users of VSS who might not have been properly trained. ¶ *Non-compliance to important pieces of legislation regulating information management regulating information management. ¶ 	<ul style="list-style-type: none"> *TIGOV Committee provides oversight on information governance matters. ¶ *POPIA task team appointed in the sphere of the Registrar and implemented a project to ensure compliance with POPIA by 1 July 2021. ¶ *Privacy Impact Assessments on projects are done by the POPIA task team, when requested. ¶ *Employees have access to the NWU IGF and know what the framework entails. Structures and projects have been established from the IGF to ensure implementation of IGF. ¶ *A POPIA project is documented and implemented in accordance with project deadlines to ensure compliance to key aspects as identified by Information Regulator by 1 July 2021. ¶ *Structured programme for training and awareness implemented and overseen by UACoPo. POPIA training compulsory for all NWU staff and to be repeated every 4 years. * Training in records management compulsory in accordance with new RAM policy and RAM rules – this includes training on BORUACHAR(13) + CHAR(10). ¶ *Records management rules approved by UMC in August 2022 as part of RAM policy approved by Council in June 2022. CHAR(13) + CHAR(10). ¶ *Electronic storage areas to be managed by a set of rules (provided for in the reviewed RM policy) – Rules to be provided by RAM after approval of the policy. ¶ *Systematic annual review process implemented involving all owners of legislation with the aim to complete compliance checklists, draft improvement plans that are, in turn, monitored by management and governance structures. ¶ *Information Management Committee as a sub-committee of the UMC implemented to advise the UMC on the implementation of policies relevant to information management and the monitoring of information management matters at the university. ¶ *Information Governance Coordinator appointed to oversee all information management matters. => 	Enabler-¶ Goal-5#
3#	DVC R&I- ExDipFF#	Strategic#	PG-Students#	Poor financial support to PG students resulting in loss of student income and continuity from UG to PG. Furthermore, postgraduate numbers' dependency on bursaries. =>	3#	5#	R0#	15#	0#	0#	0,20#	12#	<ul style="list-style-type: none"> *Inadequate funding to sustain growth and sustainability. ¶ *Declining bursaries for PG students. ¶ *NRF reduced, bursaries for PG studies (Masters and PhD – 20% out). ¶ *Strict NRF rules limit bursary allocations. ¶ 	<ul style="list-style-type: none"> *Post-graduate funding model where merit bursaries are available for qualifying students who received NSFAS funding during UG studies. ¶ *Strategic funds are made available for PG bursaries for only a small number of potential candidates. ¶ *Special fund of R10M to fund as per the A-Rule. Linked to maximum duration of studies. => 	Goal-2#
9#	DVC RI#	Strategic#	Research-Quality#	Poor quality of research products due to decline or inadequate resources for research and research chairs. =>	3#	5#	R200-000-000	15#	0#	0#	0,20#	12#	<ul style="list-style-type: none"> *NRF reduced, bursaries for PG studies (Masters and PhD – 20% out). ¶ *Strict NRF rules limit bursary allocations. ¶ *Incentive NRF funding not available anymore (only R30-000 one-off payment to NRF-rated staff member). No further payments made to NRF-rated researchers. ¶ *Inadequate incentives to staff for publishing. Improvement of IREA funds had been put on hold. ¶ *Research integrity challenges. => 	<ul style="list-style-type: none"> *NWU budgetary process to focus on sustaining and enhancing the research function. ¶ *Processes to detect and manage instances of academic misconduct in place. ¶ *Internal audit executing ongoing compliance audits on Policy on Academic Integrity. ¶ *SCIMAGO tool in place to independently determine the quality of research products before the research paper is sent to journals. ¶ *RISC webinars and awareness on academic integrity in place. * System in place (control sheets) to monitor spending of research funds in the office of the DVC R&I, to avoid money being returned to the funders. ¶ *Turn it in system to submit research work for plagiarism check, the responsibility of DVC RI, and monitored by the library. => 	Goal-2#

Risk No#	Risk-Owner#	Risk-Type	Risk-Name#	Risk-Description#	Inherent#			IR#	Residual#		CE#	RR#	Risk-Cause-Description#	Current-Control#	Strategic-Objective
					Impact#	Likelihood#	Exposure#		Impact#	Likelihood#					
41#	ExDgP&C;#	Strategic#	Staff#	Lack of competitive salaries in the academic environment might lead to exodus of talent leading to possible loss of accreditation. =	3#	4#	R0#	12#	0#	0#	0,20#	10#	*Moretime on re-evaluation of positions. # *Limited funds and resources available for staff costs. # *External influence of HE institutions unrealistic salary increases in the higher education sector. # *Allowances are paid in some instances, but it does not increase the take-home pay-out. =	*IRR guidelines strictly applied for the purpose of addressing disparities, the guidelines provide the details within parameters. # *Clear position profiles for senior management indicating roles and responsibilities. # *Private Work Policy. # *Source skills allowance for academic and IT, differentiated COLA, Differentiated IRR. # *Succession Planning Guidelines has been finalised starting with mission-critical positions and UMC positions. =	Goal 5#
36#	DVC-Campus-Operations; ExDgFF#	Strategic#	Campus and Safety#	Student safety on and off-campus at risk due to escalation in criminal activities on and around campus. =	3#	4#	R0#	12#	0#	0#	0,20#	10#	*Protection services have limited jurisdiction when incidents happened off campus. # *Inadequate residence on campus (MC and VAB). # *Poor access management to campus grounds. # *Private accredited accommodation not complying to campus accommodation safety standards. =	*Well-described process to deal with any instances of crime as establishment of Joint-Operating Teams including SAPS, liaison with Public Order Policing and Intelligence Services. # *Protection services at all campuses operating in accordance with pre-determined SOPs. # *All campuses are access controlled. # *Cachet Park City Improvement District Non-Profit Company (Cachet Park CID NPC) and rolling out of initiative to other campuses. # *To gain from the outcomes of the USAF-SAPS Task Team on Campus Safety, GBV and the Protection of Vulnerable People dealing with safety and security on and off campuses of PSET institutions, instances of GBV, interrelationships between private security, S&ES and institutions of higher learning, as well as matters related to student transport and student accommodation as these pertain to safety. # *GBV Policy approved by Council in June 2021. # *Higher Health telephone number to report any criminal activities. =	Goal 4#
26#	DVC-Integrated-Planning; Registrar; DVC-IT; DVC-TL; Deans; DVC R&I; ExDgFF#	Strategic#	Business Processes#	Loss of students and student income due to the processes and systems that drive the core business being inadequate. =	3#	4#	R100-000-000	12#	0#	0#	0,20#	10#	*Current use of technology is not strategic and innovative. # *Challenges are experienced in the conversion to an electronic learning environment; *Inability to deliver WIL. # *VSS architecture is outdated; securities not watertight; reporting not sufficient. # *Space management is not optimal. # *Business processes not sufficiently lean, fit, effective, and efficient; many redundancies. # *VSS not adequately positioned to cater to HD students. =	BCP and Contingency planning in place at execution of key processes e.g., registration etc. BCP Policy approved by Council. =	Goal 6#
6#	ExDgP&C; All line managers; ExDgCRM; ExDgEa#	Strategic#	Diversity#	Insufficient levels of diversity in staff and student environment undermining the university strategy. =	3#	4#	R0#	12#	0#	0#	0,20#	10#	*Market related salaries not paid, and employee value proposition not understood. # *Lack of a proper recruitment strategy. # *Lack of talent pool in the academic environment. =	*EE targets built into the performance agreements of SMC members and is measured as part of the performance evaluation process. # *Clear position profiles for senior management indicating roles and responsibilities. # *Staff cost mitigation plan. # *The purposes of this policy are to ensure that the university creates equal opportunities for all its employees and prospective employees and to remove all barriers. # *Headhunting process for senior management staff, the responsibility of Client Services. # *Succession Planning Guidelines has been finalised starting with mission-critical positions and UMC positions. =	Goal 4# Goal 5# Goal 6#

Risk No#	Risk Owner#	Risk Type	Risk Name#	Risk-Description#	Inherent#			IR#	Residuals#		CE#	RR#	Risk-Cause-Description#	Current-Control#	Strategic-Objective#
					Impact#	Likelihood#	Exposure#		Impact#	Likelihood#					
28#	Registrar- Ex-Dir:RSC/ DVC RA#	Strategic#	Business processes#	The NWU academic project could be in jeopardy because of ineffectiveness and inefficiencies of support functions, possibly leading to loss of income and potential growth, loss of staff, and negative impact on the reputation of the NWU. =	4#	4#	R0#	16#	0#	0#	0,50#	8#	* Ineffective and inefficient administrative processes and systems.¶ * Meritism on re-evaluation of positions.¶ * Different cultures across campuses.¶ * Inadequate understanding of roles and responsibilities.¶ * Silo-functioning hampering optimization of service delivery.¶ * Predominant manual processes in the admin environment result in duplication of effort, lack of effective and efficient service delivery. =	* Productivity and Human Resource Allocation Model (P&C).¶ * A controlled environment is established in SALA in which each of the sections understands the university policies relevant to their environments, the structure, and brown/yellow lines of operation.¶ * The job descriptions of support staff in the Registrar's portfolio are up-to-date and the annual performance appraisal process contains personal development plans to assist with knowledge enhancement.¶ * The assignment of authority within the SALA environment is clearly defined.¶ * Clarity on roles and responsibilities guide the implementation of the responsibility matrix.¶ * A quality manual has been developed, approved, and is implemented.¶ * Scheduled meetings between Deputy Registrar and Ex-Depts. =	Goal 6¶ Goal 5¶ Goal 4¶ Goal 2¶ Goal 1#
30#	Ex-Dir:FF#	Strategic#	Infrastructure#	Loss of opportunity income, subsidy and loss of return, loss of students and staff and compromise in teaching quality due to limited and inadequate infrastructure planning for teaching. Availability of facilities and infrastructure =	3#	5#	R0#	15#	0#	0#	0,50#	8#	* Inadequate information pertaining to facilities and capacity utilisation.¶ * Absence of tracking physical infrastructure, a new system is required to track utilisation of infrastructure.¶ * Inadequate integration between academic planning and infrastructure planning, long lead times of project delivery. =	* Enrolment plan (2020-2025) developed and approved.¶ * Institutional Budget Committee makes provision for infrastructure planning in budgeting planning.¶ * Space management project established to optimize governance and management of space across NWU (teaching spaces and non-teaching spaces) (WMS) =	Goal 6¶ Goal 5¶ Goal 1#
39#	Vice-Chancellor#	Strategic#	Staff#	Key person dependencies leading to loss of institutional knowledge and create vacuums in key functional areas	3#	3#	R0#	9#	0#	0#	0,20#	7#	* Market related salaries not paid, and employee value proposition not understood.¶ * The NWU does not have shadow-posting opportunities. =	* Leadership coaching and mentoring programme implemented to ensure capacity building and meeting position profile requirements.¶ * Differentiated COLA for academic staff. =	Goal 5#
5#	Ex-Dir: P&O#	Strategic#	Staff#	Difficulty to recruit and retain qualified and talented staff due to challenges in staff morale due to change and uncertainties and perceived non-implementation of retention strategies. =	2#	4#	R0#	8#	0#	0#	0,20#	6#	* Market related salaries not paid, and employee value proposition not understood.¶ * Loss of staff to competitors in public sector, private sector, and better-resourced universities. Loss of high-calibre staff and an inability to design specific career paths for existing staff.¶ * Employee value proposition not clearly understood and communicated across the institution.¶ * The lack of quality teachers and researchers impacts on the throughput rates and thus impacts on the DHET subsidy.¶ * Inadequate implementation of the Scarce Skills Guidelines resulting in challenges with the attraction and retention of scarce skills.¶ * Dependencies on key staff leads to loss of key skills when such staff members resign.¶ * Lack of a proper recruitment strategy for international students and internal processes for welcoming international students not optimal. =	* Provision for scarce skill allowance.¶ * Succession Planning Framework in place.¶ * Communication of a clear employee value proposition.¶ * Well-defined recruitment and admission process in place.¶ * Scarce Skills Policy and Strategy developed, consulted, and approved.¶ * Differentiated COLA for academic staff. =	Goal 6¶ Goal 5#
33#	Chief Director TTIS, Director of Companies Shareholder Representatives	Strategic#	Commercialisation#	Failure of licensee or spin-out to commercialise due to conflicting bureaucratic university processes. =	2#	4#	R0#	8#	0#	0#	0,20#	6#	* Follow-through of processes not optimal and governance not sufficiently in place.¶ * Final Loggia report unclear on some core aspects.¶ * Too much bureaucracy in processes. =	* Building optimal relationships with funders, facilitating start-up capital by TTIS.¶ * Establish and maintain proper governance and management environment to ensure accountability and optimal functioning. =	Goal 2#

Risk No#	Risk Owner#	Risk Type	Risk Name#	Risk-Description#	Inherent#			IR#	Residual#		CE#	RR#	Risk-Cause-Description#	Current Controls#	Strategic-Objectives
					Impact#	Likelihood#	Exposure#		Impact#	Likelihood#					
16#	Registrar, ExD, FF#	Strategic#	Fraud#	The risk that fraudulent activities could be prevalent in some business process environments and could impact negatively on the reputation of the NWU. =	4#	3#	R0#	12#	0#	0#	0,50#	6#	*NWU members standing in a conflict-of-interest relationship with the NWU that is not disclosed and regarded non-compliant to stipulations of HEA, NWU Policy on interest, also possibly contributing that leads to possible misappropriation of funds/processes. *Leaking of exam papers.† *Forging of degree certificates and transcripts.† *Possible lack of sufficient internal controls giving rise to internal misappropriation of university funds.† *NWU employees failing to report unethical behaviour. =	*KFS process established and implemented by Finance to detect and prevent transactions between NWU and staff.† *Reporting to UMC and to ARCC which covers the risk.† *Awareness campaigns are driven by Internal Audit by means of the regular annual programme across NWU.† *NWU Policy and Rules on Conflict of Interest and on the declaration of interest and of gifts approved and implemented.† *Internal Audit reporting to UMC and to ARCC the details of incidents.† *Antifraud Policy, (ip) antifraud strategy in place to guide the correct understanding of the subject matter and the prevention thereof.† *Training programme rolled out across NWU to create awareness around fraudulent activities.† *Zero tolerance approach in dealing with disciplinary cases where academic dishonesty is displayed.† *SCC Rules, Student Disciplinary Rules, and Residence Rules.† *Secure process implemented for the drafting, printing and transport of examination papers.† *Policy and Manual on Student Discipline approved, implemented, and monitored. =	Goal-6#
35#	ExD, Student Life, DVC, Campus-Operations#	Strategic#	Sexual and Gender-based violence#	Presence and escalation in sexual and gender-based violence on the campuses =	3#	4#	R0#	12#	0#	0#	0,50#	6#	incidents of sexual assault and gender-based violence against students on campus. =	*Protection services at all campuses operating in accordance with pre-determined SOPs.† *All campuses are access controlled.† *Well-described process to deal with any instances of crime as establishment of Joint Operating Teams including SAPS, liaison with Public Order Policing and Intelligence Services.† *Protection services together with SAPS visits residences during R&O to conduct crime awareness by distributing pamphlets and discuss the abuse of alcohol and drugs. =	Goal-4#
20#	ExD, SL, Campus, DVC, DVC-IT#	Strategic#	Standardising#	Varied student experiences across campuses might lead to dissatisfaction because of the possible negative effect of standardising student life across campuses and the management of student life in new structure. =	3#	4#	R0#	12#	0#	0#	0,50#	6#	*Inadequate funding to sustain growth and sustainability.† *The student profile at the NWU is constantly evolving and becoming widespread in terms of academic capacity, socio-economic profile, and demographic trends.† *Student life differs between the three campuses, and measures must be in place to prevent resentment among groups of students.† *Electricity and water supply not like other campuses. Still a problem. Will impact our strategic goals. Lack of maintenance on generators a problem (2 generators, 1 broken).† *Wi-Fi not equally available on MC. Some accommodations do not have Wi-Fi in their bedrooms but only in living room. =	*Student satisfaction survey done annually.† *IT service (Call centres, Wi-Fi) equally shared and aligned on all three campuses.† *Facilitated an e-learning environment during lockdown, by ensuring that students in need received a laptop and data are provided to students to participate optimally in the TL environments.† *Zero-rated website facilitated by IT after Covid started.† *CTL call centres on all three campuses.† *Monthly meetings at campus level with all SL Directors Forum aimed at alignment.† *COSSS operating as a reporting forum of campus COSSS. =	Goal-4† Goal-6#

Risk No#	Risk-Owner#	Risk-Type	Risk-Name#	Risk-Description#	Inherent#			IR#	Residual#		CE#	RR#	Risk-Cause-Description#	Current-Control#	Strategic-Objective
					Impact#	Likelihood#	Exposure#		Impact#	Likelihood#					
8#	DVC Rt. Ex Di CRM#	Strategic	Internationalisation#	Global engagement/internationalisation effort not sufficient with the effect that the NWU has little international exposure in terms of attracting international staff, students, investment and sponsoring of research. Financial constraints hampering internationalisation. =	3#	4#	R0#	12#	0#	0#	0,50#	6#	*Lack of a proper recruitment strategy for international students and internal processes for welcoming international students not optimal. ¶ *Global engagement office not sufficiently strategically positioned. ¶ *Concerns exist on the lack of international funders of cooperative agreements and lack of partnerships with international funders. Also, there is inadequate budgeting and planning to launch a strategic drive; also, to steer a process by relevant functionaries to collect and visit philanthropists. ¶ *Covid-19 pandemic. ¶ *Lack of sufficient funding opportunities nationally, necessitating an international drive for fundraising and international investment opportunities, while this is market remains untapped. ¶ *Lost opportunities possible regarding commercialisation of research products in TEH. =	*Internationalisation Policy approved by Council (Sept 2019). ¶ *Business process established to ensure a well-organised process in place regarding cooperative agreements by the DVC R&I. ¶ *GE office footprint established on MC and VDB. ¶ *Commercialisation and investment opportunities explored in international markets. ¶ *Campaigns targeting alumni living abroad for donations. =	Goal-2#
23#	DVC IT#	Strategic	DRP#	Possible inadequate Disaster Recovery Plan within IT could halt the operations of the NWU =	4#	3#	R0#	12#	0#	0#	0,50#	6#	*Inadequate BC planning. ¶ *Cyber-attacks. ¶ *Lack of environmental control (redundant chiller plant) =	*Monitoring of machine rooms. ¶ *Disaster Recovery Plan. ¶ *Replicated site on campus. =	Goal-6#
180#	Ex Dir SL and Ex Dir FF#	Strategic	Campus and Safety#	Student safety on and off-campus at risk due to escalation in criminal activities on and around campus including an increase in gender-based violence. =	3#	4#	R0#	12#	0#	0#	0,50#	6#	*Incidents of sexual assault and gender-based violence against students on campus. ¶ *Protection services have limited jurisdiction when incidents happened off campus. ¶ *Inadequate residence on campus (MC and VDB). ¶ *Poor access management to campus grounds. ¶ *Private accredited accommodation not complying to campus accommodation safety standards. =	*Protection services at all campuses operating in accordance with pre-determined SOPs. ¶ *All campuses are access controlled. ¶ *Well-described process to deal with any instances of crime as establishment of Joint Operating Teams including SAPS, liaison with Public Order Policing and Intelligence Services. ¶ *Protection services together with SAPS visits residences during R&O to conduct crime awareness by distributing pamphlets and discuss the abuse of alcohol and drugs. ¶ *Cachet Park City Improvement District Non-Profit Company (Cachet Park CID NPC) and rolling out of initiative to other campuses. ¶ *To gain from the outcomes of the USAF-SAPS Task Team on Campus Safety, GBV and the Protection of Vulnerable People dealing with safety and security on and off campuses of PSET institutions, instances of GBV, interrelationships between private security, SAPS and institutions of higher learning, as well as matters related to student transport and student accommodation as these pertain to safety. ¶ *GBV Policy approved by Council in June 2021. ¶ *Higher Health telephone number to report any criminal activities. =	Goal-4#
29#	Ex Di P&C#	Strategic	Staff#	Absenteeism leading to loss of productivity and optimal functioning. =	3#	4#	R25-331-61#	12#	0#	0#	0,50#	6#	*Moratorium on re-evaluation of positions. ¶ *Absence of promotion/progress policy for support staff. ¶ *Limited funds and resources available for staff costs. ¶ *Leave conditions not implemented strictly enough by line managers – line managers not vigilant enough. =	*Positions on P7 and below advertised internally first to provide growth opportunities for staff within the NWU. ¶ *Line managers have access to the P&C Dashboard reflecting absenteeism trends in their respective environments. =	Goal-6# Goal-5# Goal-4# Goal-1#

Risk-Not	Risk-Owner	Risk-Type	Risk-Name	Risk-Description	Inherent			IR	Residual		CE	RR	Risk-Cause-Description	Current-Control	Strategic-Objective
					Impact	Likelihood	Exposure		Impact	Likelihood					
27	ExO; Student Life	Strategic	Student experience	Inadequate measures to create a welcoming student environment at the NWU.	3	3	R0	9	0	0	0,50	4	*Inoculate a welcoming environment during the R&O programme. ¶ *Uncertainties of roles and responsibilities in respect of the mandate of SCCs and residences to exercise disciplinary measures. ¶ *Ineffective training to make student leaders aware of positive values.	*Thoughts and complaints line. Inclusive planning process takes place with all the stakeholders. Planning includes feedback from the Thoughts and Complaints line process. ¶ *Defined process to appoint and train house parents. ¶ *Aligned R&O programme across all three campuses.	Goal 4 ¶ Goal 6 ¶
18	DVC-TL and DVC-RJ	Strategic	Programme Offering	Possibility that UG and PG academic offering and services related to offering are not responsive, price appropriate and that the quality is not of the required standard. Slow external approval process of qualifications/programmes leading to loss of opportunities and possible irrelevance of NWU programme offering.	3	3	R0	9	0	0	0,50	4	*Qualification approval process. Slow external process of programme approval leads to loss of opportunities and possible irrelevance of NWU programme offering. ¶ *Insufficient IP representation on committee level for academic offerings. ¶ *Inherent demand for students decreases. ¶ *Roll players not having input in the academic planning.	*External (HEQC) and internal (Q&APP) workshops hosted to ensure a proper understanding of relevant regulatory frameworks. ¶ *Clear internal and external business processes to ensure academic programme development, sufficient curriculum design, and clarity on internal and external approval processes in place. ¶ *NWU-TL Strategy, Teaching-Learning and Assessment Policy and Rules clarifies the purpose and scope of sound academic programme development at macro, meso, and micro levels. ¶ *Regular opportunities exist for the quality review of internal and external academic programmes. ¶ *Productivity measurement tool has been implemented in all faculties. ¶ *Productivity and quality model designed for departments to give objective insight. ¶ *Rigorous planning process in place for new academic offerings, after the completion of the HEQSF process. ¶ *Planned roll-out of IPEs and EPEs in faculties and support departments. ¶ *Scheduled IPEs and EPEs evaluation in faculties and support department.	Goal 1 ¶ Goal 2 ¶
21	DVC-TL, DVC R&I, DVC Integrated Planning, ExO, FF, Register	Strategic	Programme Offering	Possibility that UG and PG academic offering and services related to offering are not responsive, price appropriate and that the quality is not of the required standard.	3	3	R0	9	0	0	0,50	4	*Insufficient IP representation on committee level for academic offerings. ¶ *Inherent demand for students decreases. ¶ *Roll players not having input in the academic planning.	*Executing a situational analysis for new products before development. ¶ *Rigorous planning process in place for new academic offerings, after the completion of the HEQSF process. ¶ *Productivity measurement tool has been implemented in all faculties. ¶ *Planned roll-out of IPEs and EPEs in faculties and support departments. ¶ *Productivity and quality model designed for departments to give objective insight. ¶ *Scheduled IPEs and EPEs evaluation in faculties and support department.	Goal 1 ¶
17	Register	Strategic	Academic Integrity	Inconsistent application of the NWU Policy on Academic Integrity resulting in negative impact on the reputation of the University, the issuing of penalties, revoking of qualifications and loss of income from subsidised publications.	3	3	R3 000 000	9	0	0	0,50	4	*Students and staff not sufficiently made aware and trained in ethical academic practices. ¶ *Policy and process not sufficiently inoculated in faculty practices to create and nurture an environment conducive to academic integrity. ¶ *Teaching-learning delivery during Covid-19 situation gave rise to higher incidents of academic dishonesty. ¶ *Internal Audit report of 2020 pointed to several instances where the policy is not properly implemented by all role-players. ¶ *Faculty reports in 2020 indicated isolated instance of transgressions on academic integrity matters.	*Policy and Rules on Academic Integrity approved by Council and implemented, including clear rules on the way alleged cases are to be interpreted and managed. ¶ *In student environment, the Writing Laboratories across campuses and the Student Judicial Office collaborate in regard of all cases related to transgressions pertaining academic integrity matters. ¶ *Ongoing refinement of capabilities to execute technical investigations in order to produce credible and trustworthy reports. ¶ *Capability in regard to similarity software expanded by the implementation of homegrown application that focus on style and register of writing. ¶ *DVC R&I hosted webinars on academic integrity to enhance general awareness thereof in the research environment. ¶ *Faculties embarked on awareness campaigns to enhance awareness to academic integrity amongst students. ¶ *Policy and Rules on Academic Integrity were revised and approved by Council in June 2021.	Goal 6 ¶ Goal 1 ¶ Goal 2 ¶

Risk- No#	Risk- Owner#	Risk- Type	Risk- Name#	Risk- Description#	Inherent#			IR#	Residual#		CE#	RR#	Risk-Cause-Description#	Current-Control#	Strategic- Objective#
					Impact#	Likelihood#	Exposure#		Impact#	Likelihood#					
38#	DVC-TL#	Strategic#	Business Model#	Uncertainties in regard to the language plan implementation in the unitary model could lead to disruption#	3#	3#	R0#	9#	0#	0#	0,50#	4#	#Faculty language plans, CRM language plan and SL plans approved. #Leadership coaching and mentoring programme implemented to ensure capacity building and meeting position profile requirements. #Monitoring and evaluation of implementation in place by Senate Committee. #SLPs on multilingual pedagogies developed for offering to academic staff.#	Goal-6#	
2#	ExOp,FF#	Strategic#	Student Debt#	Increase in student debt as a result of non-paying culture, exacerbated by uncertainties on the sustainability of the NSFAS model.#	3#	3#	R500-000-000	9#	0#	0#	0,50#	4#	#Inadequate funding to sustain growth and sustainability. #NWU is overdependent on government and NSFAS grants with limited income from other sources. #Students allowed to register with outstanding debt it is a significant financial risk and contributes to negative cash-flow. #Students only pay the minimum payable amount to register, and no further payments are made, or do not keep to payment arrangements made. Students who were previously funded by NSFAS and did not meet the requirements to proceed with funding, planned to register but failed to keep to it. Senior NSFAS students qualifying for NSFAS for the first time with outstanding debt in the years they were not funded by NSFAS are allowed to register, but their debt of the previous years is not covered.#	#Careful implementation of Financial Rules guidelines. #Consistent information-sharing and communication on NSFAS processes by Student Finance Department to NWU student population. #Preserving available and growing reserves by ExOp, FF and financial team to cover at least one year's operational expenses for sustainability purpose. Capitalising on reserves by creating a sustainable source of investment income - Money Market. #Building optimal relationships with funders; facilitating start-up capital by TTIS. #NWU Fundraising advisory group with members that are well known in the business world sitting twice a year to oversee projects that require funding in SA and Internationally. #Director Stakeholder Relations are responsible for Fundraising since 2019. Fundraisers are appointed and responsible to drive these initiatives. #Targets set in the Directors performance agreement. #Process in place by Student Finance dept. to follow-up on student debt matters, such as ongoing communication with students; pre-registration finance committee structures at respective campuses, various options to students to pre-agree on settlement of debt.#	Goal-6# Goal-5# Goal-4# Goal-3# Goal-1# Goal-2#
31#	VC, ExOp,FF, JMC#	Strategic#	Compliance#	Loss of lives, financial losses and closure of business due to non-compliance to health and safety laws.#	4#	2#	R100*000#	8#	0#	0#	0,50#	4#	#Inadequate management of health and safety requirements. #Lack of awareness of compliance requirements, absence of consequences to non-compliance, some inefficiencies in the implementation of the process and compliance responsibilities.#	#Continuous OHS training and monitoring per schedule and budget. Departmental Health and Safety reps. Health and safety appointments such as 16(2)'s. #NWU OHS management system implemented. #Compliance to the OHS national regulatory environment. #NWU OHS Policy approved, supported by the relevant rules and standard operating procedures. #Regular self-assessment compliance audits; also, compliance audits by Internal Audit.#	Goal-6#
13#	DVC-TL and ExOp#	Strategic#	Student Throughput#	Decline in student throughput and student success due to external factors such as NSFAS rules, lack of focus of student support services and other factors.#	3#	5#	R0#	15#	0#	0#	0,75#	4#	#NSFAS rule to pay cash to students possibly contributing to students not attending sufficiently to an academic project. #Throughput rate of students in UG and PG programmes not managed sufficiently, resulting in pressure on enrolment plan and strain on resources. #The services regarding academic support to distance students are not optimized. #Academic and other support to FTENs not optimized.#	#Admission tests and placement tests are performed to guide admission into qualifications and allocation of students to second and third choices if admission requirements to preferred choice have not been met. #Measuring tools in place to trace and track student success. #Faculty plans in place to enhance and manage student throughput. #Offering of supplemental instruction (SI) interventions, group, and individual tutorial interventions, and one-on-one student support and walk-in services. Each faculty has student advisors (usually honours or master's students) who mentor junior students. #NWU 2015-2025, as well as subsequent APPs, determine the thresholds for student success. #NSFAS rules set clear boundary conditions for eligibility in regard to NSFAS funding. #Facilitated an e-learning environment during lockdown, by ensuring that students in need received a laptop and data are provided to students to participate optimally in the TL environments. #Keep on Teaching and Learning - Website of CTL.#	Goal-1#

Risk No	Risk Owner	Risk Type	Risk Name	Risk-Description	Inherent			IR	Residual		CE	RR	Risk-Cause-Description	Current-Control	Strategic-Objective
					Impact	Likelihood	Exposure		Impact	Likelihood					
11	DVC-TL	Strategic	Technology-Based Learning	Apparent unpreparedness for functioning in blended-learning environment, exacerbated by the perception that technology does not support the Teaching-Learning effort in an optimal way, leading to missed opportunities for blended learning.	4	3	R0	12	0	0	0,75	3	<ul style="list-style-type: none"> *Current use of technology is not strategic and innovative. *There is a structural disincentive for researchers to advance their inventions after publication and patenting, it typically requires more work and dedication to get it market-ready for sale or licensing. *Our inventions are seldom caused by "industry-pull" forces, often leaving it irrelevant or of little interest to industry. *Ineffective and inefficient administrative processes and systems. 	<ul style="list-style-type: none"> *Induction programme on blended teaching offered by CTL even within the online context. *NWU Teaching-Learning and Assessment policy guides the implementation of a blended model aimed at enhancing access and success. *Bi-annual/Annual report on TL support activities to provide an update on the scope and extent of technology uptake in TL environment. *Vigorous training programme for staff and students in the online and face-to-face context is continuous and often on a daily/weekly basis by the CTL staff. *TL Strategy 2021-2025 has been approved after wide buy-in was sought from all the faculties and support departments and approved by all the relevant structures up to the level of Council – the blended approach and increased use of appropriate technologies during teaching and learning thus have wide support. All procedures are being updated that give operational effect to the TL strategy. *Video platform Panopto-UCDG funding has been received to pilot its use through licensing. Lecture capturing hardware and software download. (More enabling environment for what is available in the CTL space) – One button studio on campuses – technology for lecturers to capture the class and upload for students to watch repeatedly. Voice-over/PowerPoints have become common and effective in the online environment; *LMS functionalities have been well-enhanced. 	Goal-1 Goal-6
32	DVC (R); Chief Director: TTIS	Strategic	Commercialisation	Missing out on commercialisation opportunities	2	3	R0	6	0	0	0,50	3	<ul style="list-style-type: none"> *Follow-through of processes not optimal and governance not sufficiently in place. *Too much bureaucracy in processes. 	<ul style="list-style-type: none"> *Continuous engage with potential funders to understand funding criteria. *Recruit additional senior-commercialisation specialists. *Governance Project completed, and signalities defined. 	Goal-2
34	ExDip Student Life	Strategic	Student Leadership	Inadequacies in student leadership skills leading to possible human rights and other values infringements presenting a student offering no longer desired by students.	3	4	R0	12	0	0	0,75	3	<ul style="list-style-type: none"> *Inefficient incorporation of the NWU strategy and core values into the student-driven student life offering. *Failure to recognise and react to the changing student needs/dynamics at campus and institutional level. *Lack of understanding as to the importance of social cohesion and the promotion of the values of human dignity, equality, and equity. *Poor training and preparation with regards to project and financial management. 	<ul style="list-style-type: none"> *Awareness and training programmes on LGBTQ+ and other human rights issues – structures established in Societies Portfolios and also in Race Language Awareness programmes. *Leadership coaching and mentoring programme implemented in order to ensure capacity building and meeting position profile requirements. *Continuous process of review and measurement to gauge the student offering and its acceptance among the student body. *Poor training and preparation with regards to project and financial management. *Template for dealing with concerns and giving proposals, by Student leaders for UMC members to respond. This leads to better communication to student leaders and regular meetings with key UMC members. 	Goal-4
25	Registrar; DVC-TL	Strategic	Commercialisation	Commercialisation risks – offering of non-compliant SLAs; income not coming to NWU.	3	4	R0	12	0	0	0,75	3	<ul style="list-style-type: none"> No process in place for the governance and quality control of SLAs regarding commercialisation/third-stream income in faculties. 	<ul style="list-style-type: none"> *Oversight body – Registrar's Committee for TL-related agreements – established in 2014 to guide the approval process. *Establishment of UCE with a clear mandate to work proactively with faculties towards income stream 3 to add value. *Faculties implemented a process by means of which responsibility of ExDip and involvement of Legal Office are spelled out and reporting to mentioned committee. *Monitoring by UMC and Senate in place. 	Goal-3 Goal-6

Risk- No#	Risk- Owner#	Risk- Type#	Risk- Name#	Risk- Description#	Inherent#			IR#	Residual#		CE#	RR#	Risk-Cause-Description#	Current-Control#	Strategic- Objective#
					Impact#	Likelihood#	Exposure#		Impact#	Likelihood#					
22#	ExO-CRM#	Strategic#	Protecting the brand and reputation of the NWU#	A reputational risk is evident if the public and stakeholders do not believe the university is living up to its promise of social justice. The perceptions of stakeholders with regard to the NWU's standing in comparison with other HEIs.#	3#	4#	R0#	12#	0#	0#	0,75#	3#	*Varying levels of client service resulting in poor customer satisfaction. # *Underdeveloped ethical culture at the NWU. # *Market research amongst FTENs who do not take up the offered spaces, some hold the perception that the NWU is not as good as other universities. # *Poor client service evident in some departments leading to complaints on social media and H&J. # *The exit interviews of some employees indicate unhappiness with their experience at the NWU. # *Complaints on social media indicate unequal treatment. # *Ethics assessment of 2020 shows that the NWU has an underdeveloped ethics culture. #	*The marketing strategy promoting multi- (0,0,0,0) # *The recruitment strategy currently focuses on quality of TL delivery. # *Message to stakeholders focuses on the delivery of the promise of academic excellence and overtly moving away from any notion related to 'campus niche'. #	Goal-1# Goal-4# Goal-6#
12#	DVC-Integrated-Planning#	Strategic#	Enrolment#	Over and under-enrolment resulting in financial losses.#	3#	4#	R100-000-000	12#	0#	0#	0,75#	3#	*Risk of not reaching enrolment targets. # *Decline in distance students over time. # *Haphazard process admitting FTEN students in instances where first choice could not be implemented. #	*Enrolment plan (2020-2025) developed and approved. # *Well-defined recruitment and admission process in place. #	Goal-1# Goal-4# Goal-6#
10#	DVC-TL; Executive-Deans#	Strategic#	School Leavers#	Standards gap between basic and tertiary education leading to ill preparedness of school leavers for tertiary education. #	3#	3#	R120-000-0#	=	0#	0#	0,75#	2#	*Basic Education curriculum and teaching quality not sufficient. Students entering HE is not adequately prepared for university studies. The general quality of entering students into HE is declining leading to under preparedness. The declining quality of entering students has a knock-on effect on the realisation of the enrolment plan. # *The Covid-19 pandemic also influenced 2020 (and 2021) matriculant progress significantly as all needed to go online. Quality remains speculative. #	*Admission tests and placement tests are performed to guide admission into qualifications and allocation of students to second and third choices if admission requirements to preferred choice have not been met. # *Faculty plans in place to enhance and manage student throughput. # *Offering of supplemental instruction (SI) interventions, group, and individual tutorial interventions, and one-on-one student support and walk-in services. Each faculty has student advisors (usually honours or master's students) who mentor junior students. # *Offering of Academic Literacy module that runs over the whole first year including components of reading, writing and basic computer literacy; also providing guidance in terms of learning strategies. # *Offering of bridging courses to augment skills of university entrants. # *NWU-TL Strategy (2016-2020) indicating that the NWU student-value proposition is, amongst others, underpinned by the equity of access and an empowering and supportive learning experience. # *Strategic Intelligence Reports provided at regular intervals to FMCs and other structures for monitoring and informed decision-making purposes. #	Goal-1# Goal-4#
14#	DVC-TL; ExO-QA; Registrar#	Strategic#	Programme Offering#	Slow external approval process of qualifications/programmes leading to loss of opportunities and possible irrelevance of NWU programme offering. #	3#	3#	R0#	9#	0#	0#	0,75#	2#	Qualification approval process. Slow external process of programme approval leads to loss of opportunities and possible irrelevance of NWU programme offering. #	*External (HEQC) and internal (Q&AP) workshops hosted to ensure a proper understanding of relevant regulatory frameworks. # *Clear internal and external business processes to ensure academic programme development, sufficient curriculum design, and clarity on internal and external approval processes in place. # *NWU-TL Strategy, Teaching-Learning and Assessment Policy and Rules clarifies the purpose and scope of sound academic programme development at macro, meso, and micro levels. # *Regular opportunities exist for the quality review of internal and external academic programmes. # *Productivity measurement tool has been implemented in all faculties. # *Productivity and quality model designed for departments to give objective insight. #	Goal-1# Goal-6#

Risk- No#	Risk- Owner#	Risk- Type	Risk- Name#	Risk- Description#	Inherent#			IR#	Residual#		CE#	RR#	Risk-Cause-Description#	Current-Control#	Strategic- Objectives
					Impact#	Likelihood#	Exposure#		Impact#	Likelihood#					
19#	Student Life; Campus DVCs; Registrar#	Operational#	Protest#	Possibility of student protests/unrest on campuses disrupting academic activity and endangering staff and student safety.#	3#	3#	R50 000 000#	9#	0#	0#	0,75#	2#	*The ongoing possibility for student unrest and violence at the various campus levels; as well as the inadequacy of security services (including electronic equipment) at campus levels to contain possible unrest situations. # *Lack of an optimal model to deal with student grievances before such become the cause for disruption. # *Unjustified movement possibly erupting again. # *Damage to property is possible, also the risk of safety of staff and students. # *Political national agendas.#	*Well-described process to deal with any instances of crime as establishment of Joint-Operating Teams including SAPS, liaison with Public Order-Policing and Intelligence Services. # *Protection services at all campuses operating in accordance with pre-determined SOPs. # *Policy and Rules on Gatherings, Demonstrations and Picketing. # *Emergency contingency plans in place. # *Continuous engagement with stakeholders. # *Monitor and identify any possibility for unrest at campus due to elections. # *Template for dealing with concerns and giving proposals, by Student leaders for UMC members to respond. This leads to better communication to student leaders and regular meetings with key UMC members.#	Goal-4# Goal-6#
15#	Registrar#	Strategic#	Compliance#	Financial losses, possible imprisonment, and penalties due to lack of compliance to legislation, statutory requirements, licenses and other legal requirements.#	3#	3#	R0#	9#	0#	0#	0,75#	2#	*Lack of awareness of compliance requirements, absence of consequences to non-compliance, some inefficiencies in the implementation of the process and compliance responsibilities. # *Lack of follow-through on the implementation of policies. # *Ethics risk assessment indicating that NWU could be prone to members disregarding policies and not adhering to these, bypassing rules and organisational procedures.#	*Systematic annual review process implemented involving all owners of legislation with the aim to complete compliance checklists, draft improvement plans that are, in turn, monitored by management and governance structures. # *Reporting to UMC and to ARCC which covers the risk. # *Risk and Compliance Policy approved by Council to guide institution-wide implementation. # *OHS committee functionalised (16(1) and 16(2)) and committee structures finalised and operational. # *Governance oversight done by ARCC who reports to Council.#	Goal-6#
7#	DVC-TL#	Strategic#	Market-place Expectations#	Perceived inability to meet market-place expectations in that graduates do not find employment quickly enough.#	2#	3#	R0#	6#	0#	0#	0,75#	2#	*There is a structural disincentive for researchers to advance their inventions after publication and patenting, it typically requires more work and dedication to get it market-ready for sale or licensing. # *Our inventions are seldom caused by "industry-pull" forces, often leaving it irrelevant or of little interest to industry. # *Skills mismatch of students into labour markets (mix and level) considering mega-trends. The materiality revolves around: (i)- evident gaps between skills required by workplace and the content of academic programs; (ii) the inability to have a smooth integration of Work-Integrated-Learning opportunities into mainstream offerings.#	*Participation of NWU in ratings and rankings process by means of clear focus and strategy and with bespoke data. # *The NWU, through the development of graduate attributes and integrating these into module outcomes, better prepares its students to lead fulfilling and productive professional, public and personal lives and afford them a strategic edge in the world of work. # *Stronger focus on entrepreneurial skills through various initiatives within but also external to academic programmes. # *Through proper academic-programme planning and curriculum design, the NWU's PQM is relevant and responsive. # *The NWU Career Office provides services to NWU students and potential employees to ensure the relevance of the graduate output of the NWU. # *Through regular engagements with the industry, the NWU ensures that its graduate output meets professional demands.#	Goal-1# Goal-4#

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13.5 Annexure 5: Annual Financial overview 2022

Report of the chairperson of the Finance Committee and the Executive Director: Finance and Facilities

The purpose of this report is to present a summary of the financial results of the University for 2022 and to provide information regarding the following:

- Budgeting and budgetary control processes
- Overview of financial achievements

13.5.1 Budgeting and budgetary control processes in 2022

The NWU budget process is an interactive process where all levels of management take ownership and participate actively in compiling the budget. To ensure a transparent and effective process the UMC annually approves the budget process, the principles and the high-level budget framework (HLBF) to use during the process, as well as the timeline before the process starts.

Since 2020 a three-year rolling budget has been compiled and approved by Council at the November Council meeting. The process followed to compile the 2022–2024 budget was once again an interactive budget process where managers were requested to link their portfolio's/department's strategy and annual performance plan (APP) to resources, thus putting an R-value against the plans for the next three years. Assumptions, trends of the past, risks and concerns, the impact of the COVID-19 pandemic, benchmarking and zero-based budgeting principles, where possible, assisted managers during the process.

As indicated in the 2021–2023 budget report the NWU management adopted a prudent and cautious approach to manage the possible financial impact of COVID-19. The possible financial impact and mitigation plan options were informed by the Financial Impact Model (FIM) that caters for different scenarios with the focus on future financial sustainability. It was agreed that management would be flexible during the implementation of this mitigation plan and would update and adjust the plan as and when more information became available.

As a pre-calculated high-level budget framework for 2021–2024 had already been prepared as part of the financial impact model (FIM), taking into account the approved APP, the viability and sustainability indicators, the possible impact of the COVID-19 pandemic and the NWU mitigation plan, as well as other financial information that was available, the 2022–2024 high-level budget framework was a continuation of this work that had been done before.

The approval process regarding the 2022–2024 three-year-rolling budget was the same as in the past, namely by the University Budget Committee, University Management Committee, Finance Committee, and then final approval by Council. The use of task teams (as in the past) to compile a recommendation to the University Budget Committee was supported and encouraged, e.g. staff costs, infrastructure and strategic funds.

13.5.2 Budget control process

As the performance agreements of all staff are linked to the APP, all the different levels of management remained involved in the management of the budget and therefore the budget control process did not change. In the course of any given year all staff members who deal with finances remain closely involved through the monthly variance reporting structures. Variance reports were monitored up to University Management level on a quarterly basis via the Management Statements that served at the University Management Committee (UMC), and also reported biannually to the Finance Committee of Council. Furthermore, for source of funds (SOF) 2, 3 and 5, only income actually received was allowed to be spent.

13.5.3 Overview of financial achievements

The COVID-19 pandemic situation (past, current and to a lesser extent, ongoing) and the implications thereof in their entirety should be kept in mind when reading and referring to the analysis and interpretation of the content of this overview. Surplus should rather mostly be seen as an rolling effect of “unspent funds” and not interpreted as income in excess of expenses. Focus should be placed on the unprecedented times under which operations had to be conducted since 2020 and the delay of, or the restrictions on, normal operating activities, giving rise to distorted spending patterns over the last three years.

The financial review for the year ended 31 December 2022 is presented under the following headings:

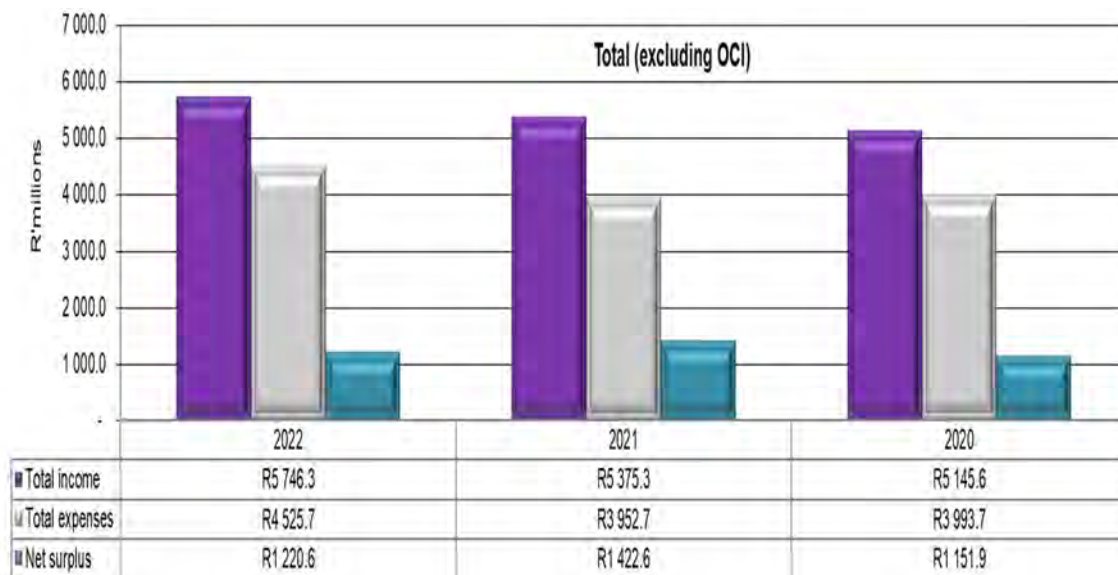
- **Surplus and growth**

The total surplus for 2022 is R1 220,6 million (2021: R1 422,6 million and 2020: R1 151,9 million) and decreased by 14,2% compared to 2021. The total surplus expressed as a percentage of total income was 21,2% for 2022 (2021: 26,5% and 2020: 22,4%). The total surplus can be divided into surplus from recurrent activities of R1 272,2 million (2021: R1 282,2 million and 2020: R1 107,8 million) and deficit from non-recurrent activities of R51,6 million (2021: R140,4 million surplus and 2020: R44,1 million surplus). Expressed as a percentage, surplus from recurrent operations represents 22,1% of total income for 2022 (2021: 23,9% and 2020: 21,5%) and non-recurrent deficit – 0,9% (2021: 2,6% surplus and 2020: 0,9% surplus).

The total income of the University increased by 6,9% during 2022 to R5 746,3 million compared to the previous year (2021: R5 375,3 million) and increased by 11,7% compared with 2020 (R5 145,6 million). Total expenditure of R4 525,7 million increased by 14,5% for the 2022 financial year (2021: R3 952,7 million). Total expenditure has increased by 13,3% since 2020 (R 3 993,7 million). Operating expenditure has increased due to staff and students returning to campus after the National State of Disaster was lifted.

The impact of IAS19 valuations on expenses is an increase of R2,9 million for 2022 (2021: R8,6 million increase), compared to the decrease of R12,2 million for 2020.

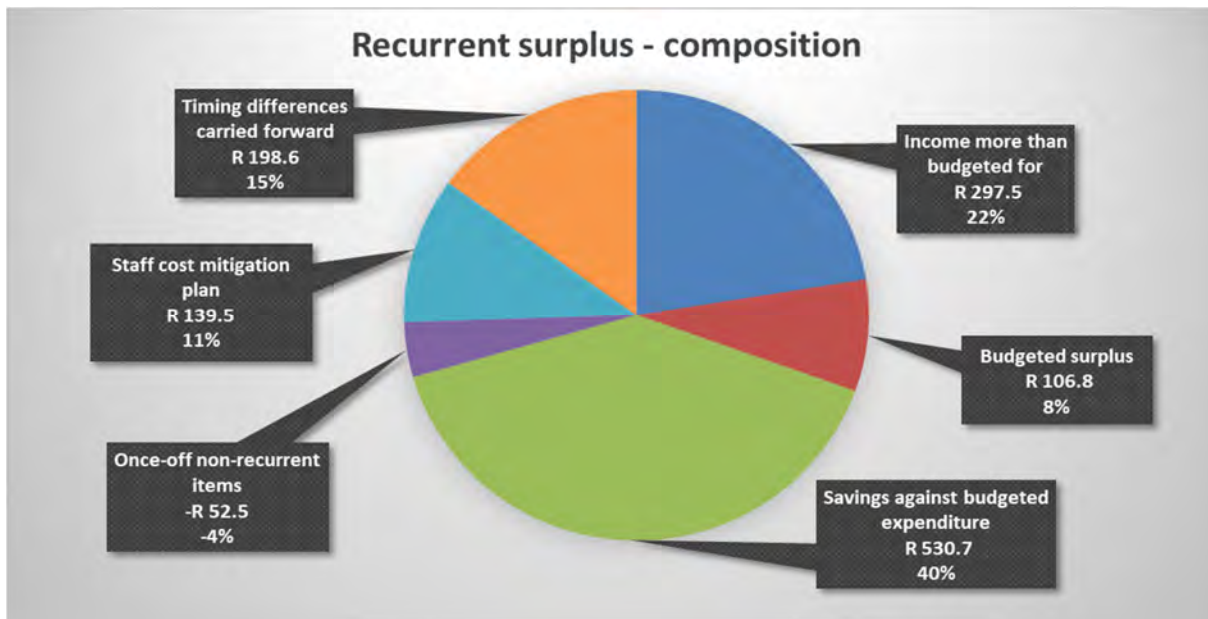
Other comprehensive income (OCI) for 2022 totalled a surplus of R17,0 million (2021: R87,4 million and 2020: R23,1 million). This gave rise to a reportable total comprehensive income for the year of R1 237,6 million (2021: R1 510,0 million and 2020: R1 174,9 million).



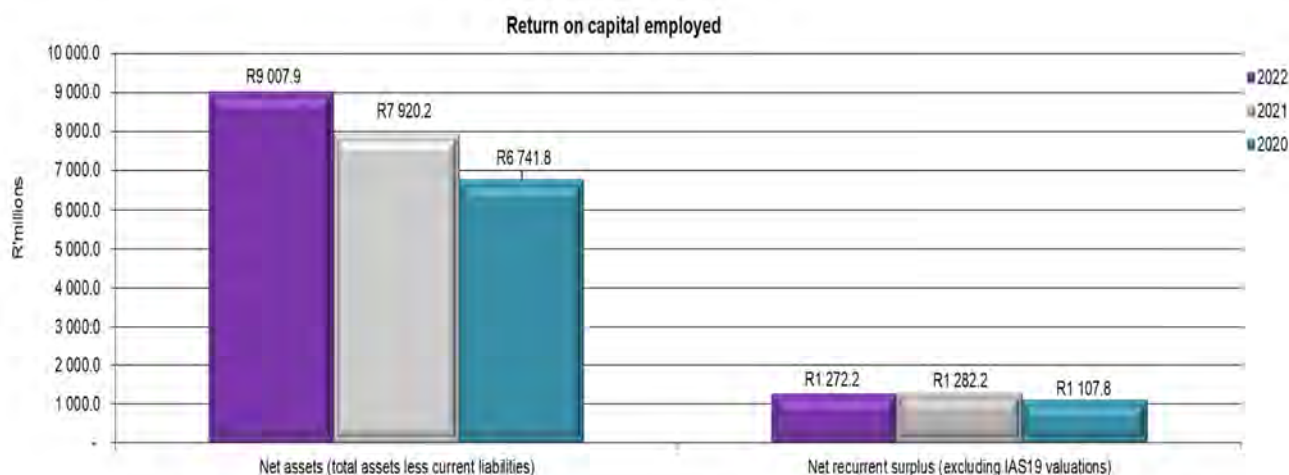
The income of the University from recurrent activities increased by 9,7% to a total income of R5 744 million, while the total expenses from recurrent activities increased by 13,1% to a total expenditure of R4 471,8 million for 2022. The surplus for the 2022 financial year from recurrent activities represents 22,1% (2021: 24,5% and 2020: 21,8%) of the total recurrent income.

The material contributing items to the amount of unspent funds are the saving on operational costs, as well as staff costs, which are still a resultant outflow of the impact of COVID-19 and the accompanying lockdown levels that prevented certain activities from continuing during 2020 and also 2021, or became the “new way of doing” post-COVID-19. Furthermore, savings on staff costs in the amount of R139,5 million (2021: R213,3 million) were planned in line with the medium to long term staff cost mitigation plan that was informed by the Financial Impact Model. The surplus from recurrent activities can be attributed to a number of factors, including.

- The infrastructure efficiency earmarked grant for infrastructure projects that is recognised only as and when the expenses are incurred;
- timing differences due to for example capital and macro-maintenance projects, as well as strategic projects not completed during the year, which were carried over to 2023;
- favourable investment returns on a growing long term investment portfolio and an increase in the interest rate;
- staff remuneration savings on vacant positions, etc.;
- staff remuneration savings in line with the medium to long term COVID-19 mitigation plan; and
- savings against operating budget allocations still in the process of being phased out due to lower activity levels during 2020 and 2021 as a result of COVID-19.

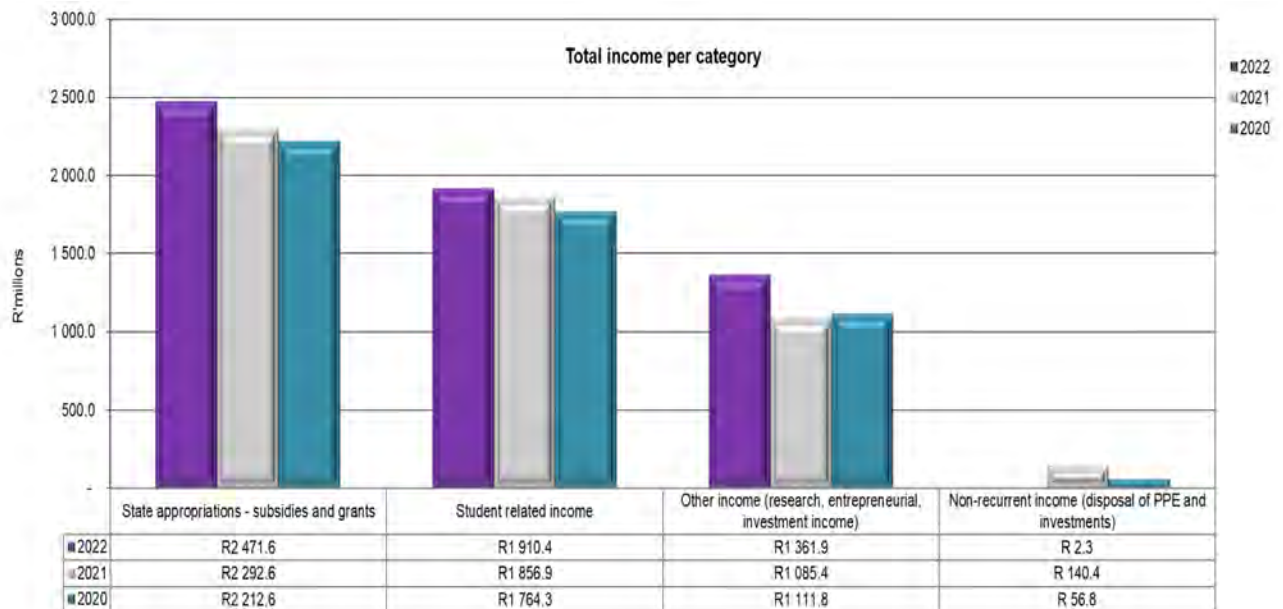


The University's return from recurrent operating activities on capital employed (total assets less current liabilities) decreased to 14,1% (2021:16,2% and 2020: 16,4%). This is mainly due to an increase of 15,4% in net assets and a decrease in in the recurrent surplus.

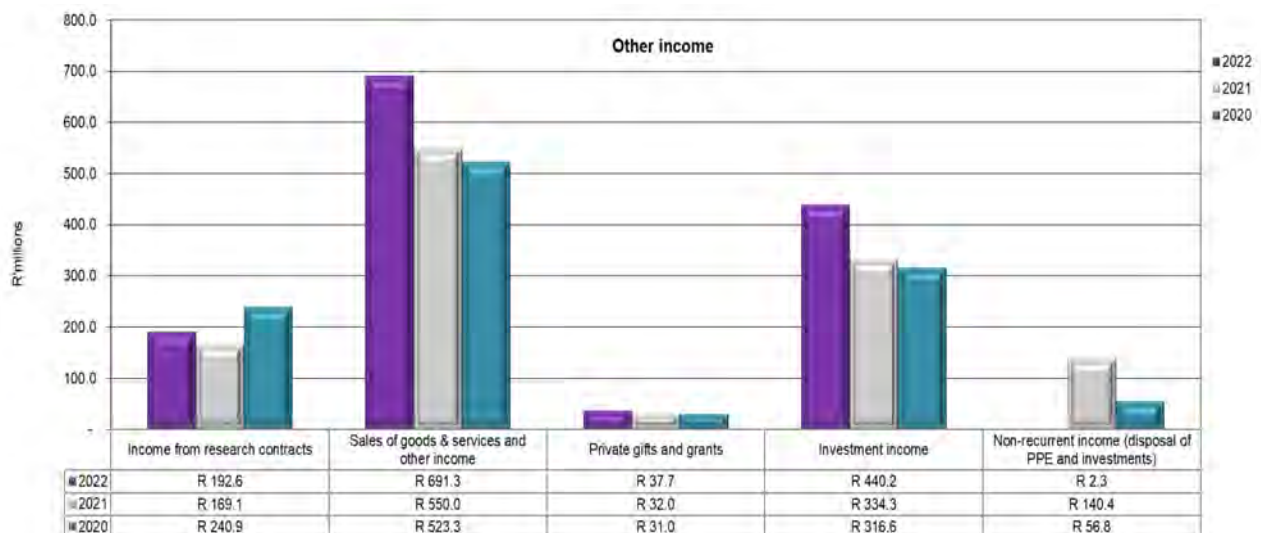


Income from state appropriations (subsidies and grants) represents 43,0% of total income (2021: 42,6% and 2020: 43,0%), an increase of 7,8% from 2021 to 2022 – compared to the 3,6% increase from 2020 to 2021. The earmarked grant subsidies were revised during October 2022 and the Department of Higher Education and Training reduced the 2022 allocation by R18,5 million. Total state subsidies comprise a 97,1% block grant and 2,9% earmarked grants. Earmarked grants in the amount of R97,0 million were deferred (2021: R121,7 million and 2020: R162,0 million). This amount includes R33,9 million received in advance regarding the final gap funding grant, which is being phased out. Universities will be responsible for surpluses and deficits in gap grant funding until the cohort of students who benefitted from the gap grant no longer enrol at the University.

Tuition fees increased by 4,23% for contact students and 4,7% for distance students for 2022 (2021: 4,7% for contact students and 5,4% for distance students, compared to 5,4% for contact students and 5,3% for distance students for 2020). Our major growth driver, namely student numbers, increased by 1,3% for 2022 and student-related income was 2,9% higher than in 2021 (2021: 5,2% higher and 2020: 3,2% higher in comparison with previous years). NSFAS funding enabled a higher number of enrolments of students funded by NSFAS. The number of NSFAS students for 2022 was 26 586 (2021: 23 897 and 2020: 22 280 students). The total student-related income represents 33,2% of the total income (2021: 34,5% and 2020: 34,3%).



Other income represents 23,8% of total income (2021: 20,2% and 2020: 21,6%). This ratio excludes non-recurrent income (0,0% of total income), which may affect comparability depending on events and related amounts per year. Non-recurrent income was 2021: 2,6% and 2020: 1,1%.



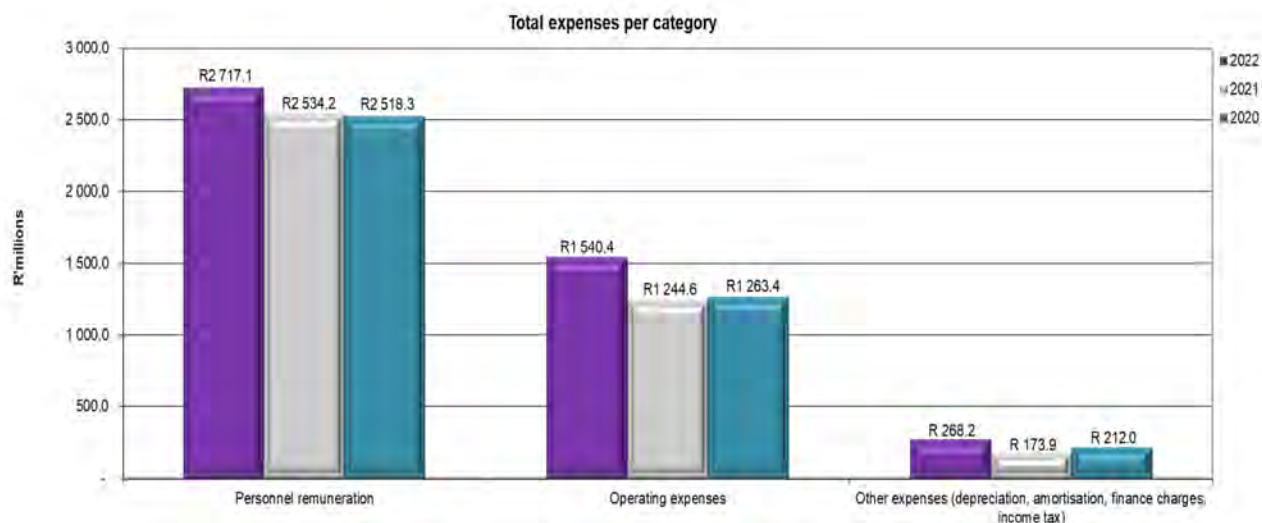
Total expenditure increased by 14,5% (2021: decreased by 1,0% and 2020: decreased by 6,6%). Note should be taken of the increase for 2022 as would normally be expected in line with higher education inflation. Underspending of funds on operations due to the impact of COVID-19 which interrupted trends in this ratio and gave rise to a decrease in total expenditure during 2020 and 2021.

Personnel remuneration increased by 7,2% compared to 0,6% for 2021 (2020: 4,7%). The increase reflects a combined weighted annualised average of the 6,3% Cost of Living Adjustment (COLA) as a result of a differentiated COLA offer implemented, based on peromnes levels of permanent and fixed term staff. The total cost of personnel expenditure for 2022 increased to 47,3% of total income (2021: 47,1% and 2020: 48,9%), mainly due to the increase in income and the impact of the IAS19 valuations. Council-controlled personnel expenditure is closely monitored to stay within the norm set by the Department, i.e. 57,5%–63,0%. This target includes amounts paid for services outsourced, while the University shows amounts paid for services outsourced as part of operating income. The ratio for total council-controlled personnel cost compared to total council-controlled income was 51,1% for 2022 (2021: 50,2% and 2020: 52,8%). The main reason for this increase in 2022 is the increase in income and the normal process of vacancies being filled as operations are stabilising. The staff cost mitigation plan in response to the forecast medium to long term financial impact of COVID-19 is still applicable. The total effect of IAS19 valuations amounted to a R2,9 million increase in staff expenses (recurrent and non-recurrent) for 2022 (2021: R8,6 million increase and 2020: R12,2 million increase).

Operating expenditure increased by 23,8% compared to 2021 as a direct result of operations recovering from COVID-19 implications, with no restrictions that prevented activities from continuing. During 2021 operating expenses decreased by 1,5% compared to 2020 (2020: 18,5% decrease). Operating costs represent 34,0% of total income (2021: 31,5% and 2020: 31,6%), which is mainly due to the increase in income as well as savings still occurring on certain categories of operating expenses. This ratio is therefore still below the maximum target of 42%. A number of projects were carried over to 2023 due to the ripple effect of COVID-19 being phased out.

Expenses include an amount of R59,2 million (2021: R50,9 million and 2020: R54,9 million) written off as irrecoverable and doubtful student debt. The student debt ratio (before impairment) is set to be less than the maximum norm of 20,0% for the sector. The NWU has a student debt (before expected credit loss) to tuition fees ratio of 10,8% for 2022 (2021: 14,3% and 2020: 17,8%). Provision for expected credit loss on student debtors decreased by R30,0 million or 52,4% in 2022, compared to the R28,7 million or 31,2% decrease in 2021 (2020: R30,5 million or 49,7% increase). The impact of the expected credit loss on sundry debtors was a decrease of R2,0 million for 2022, and bad debt of R20,8 million was written off.

Other expenditure relating to depreciation and finance charges, also including non-recurrent expenditure, increased by 54,2% (2021: 18,0% decrease and 2020: 33,3% decrease). Additional depreciation on right-of-use lease assets of R45,7 million and finance charges of R7,7 million on lease liabilities, together with fair value loss on financial assets through profit and loss of R53,6 million, were the main contributors to these increases.



Strict monitoring of income and expenses together with tight budgetary controls, heightened awareness and behaviour regarding savings resulted in a surplus for 2022 and therefore a positive contribution towards the University's available reserves. As mentioned above, a material portion of the savings can be attributed to timing differences and will result in a spending against reserves in 2023 and beyond. The increase in assets serves as an indication that timing differences relating to 2021 were partially eliminated during spending in 2022, thereby "catching up" with time lost during COVID-19 and creating potential for income generating operations.

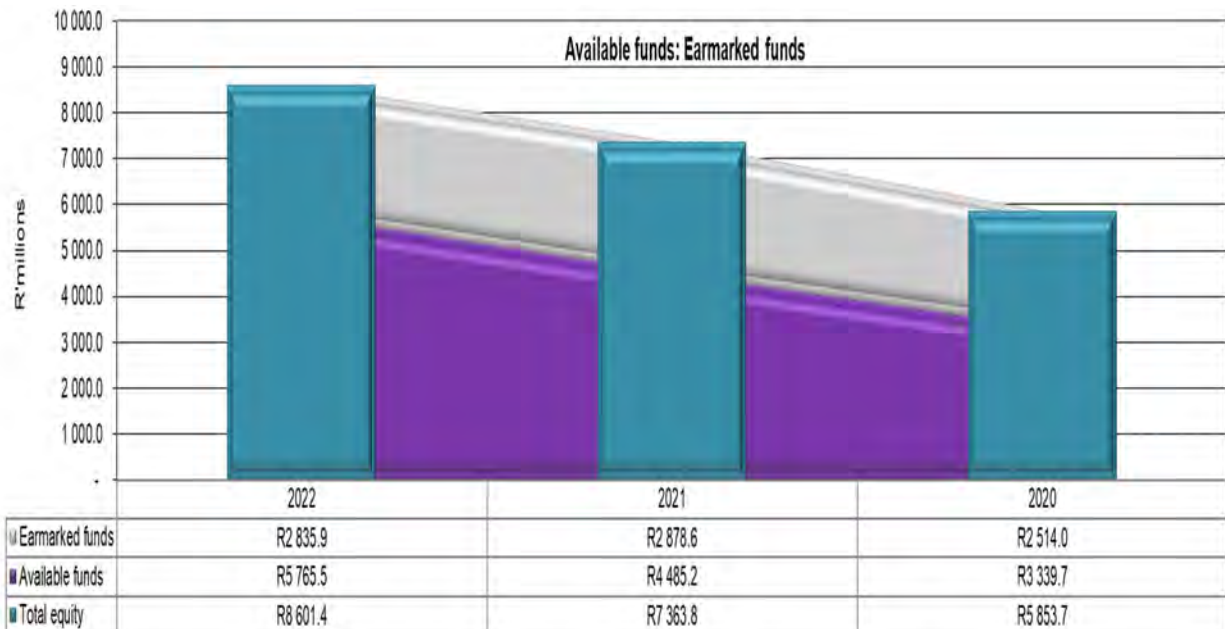
• Equity

The University's equity increased by 16,8% in the 2022 financial year (2021: 25,8% and 2020: 25,1%), mainly due to the surplus for the year. An increase of R8,1 million in the net asset value of employee benefits (employer surplus account of the pension fund and disability reserve fund) on 31 December 2022 must be noted – as per external actuarial valuation in terms of IAS19 (2021: R78,2 million increase and 2020: R0,7 million decrease). This increase is purely the return earned on the employer surplus portion of the pension fund investments in 2021 and 2022 compared to the small deviation in 2020 attributable to all members being converted to defined contribution members as opposed to the previous combination of defined contribution members and defined benefit members in 2019. Investment in property, plant and equipment contributed R153,2 million to the higher equity percentage (2021: R83,1 million and 2020: R61,0 million). The unrealised fair value adjustment reserve decreased by R53,6 million during 2022, compared to the R126,4 million increase in 2021 (2020: R56,8 million increase). This is the result of volatile and unpredictable markets worldwide.

The available funds increased to 67,0% of total equity (2021: 60,9% and 2020: 57,1%), mainly due to the recurrent surplus of 22,1%. Although the University has a normal target of 3% to 6% of turnover for surplus from recurrent activities, the current target is set higher, in an effort to increase the level of available Council-controlled reserves in order to reach the norm for the sector. The impact of COVID-19 on the University's activities has had a material impact on the spending pattern since 2020 to date. Some infrastructure and other projects were postponed, while

other projects commenced late in 2022 and will only be completed in 2023 – thus spending against carried-forward 2022 available reserves will again take place during 2023.

The sustainability ratio of Council-controlled reserves over total expenditure for the year was 1,27 (2021: 1,13 and 2020: 0,84). This trend, as well as the vast improvement in Council-controlled reserves (which increased from R2 401,0 million in 2019 to R5 765,5 million in 2022), although on a lower-than-normal expense base, is indicative of the commitment of the NWU to financial sustainability and maintaining the DHET norm of 1,0. The University expects this ratio to decrease in future once spending patterns normalise from the fluctuations attributable to COVID-19-related conditions over the last three financial years.



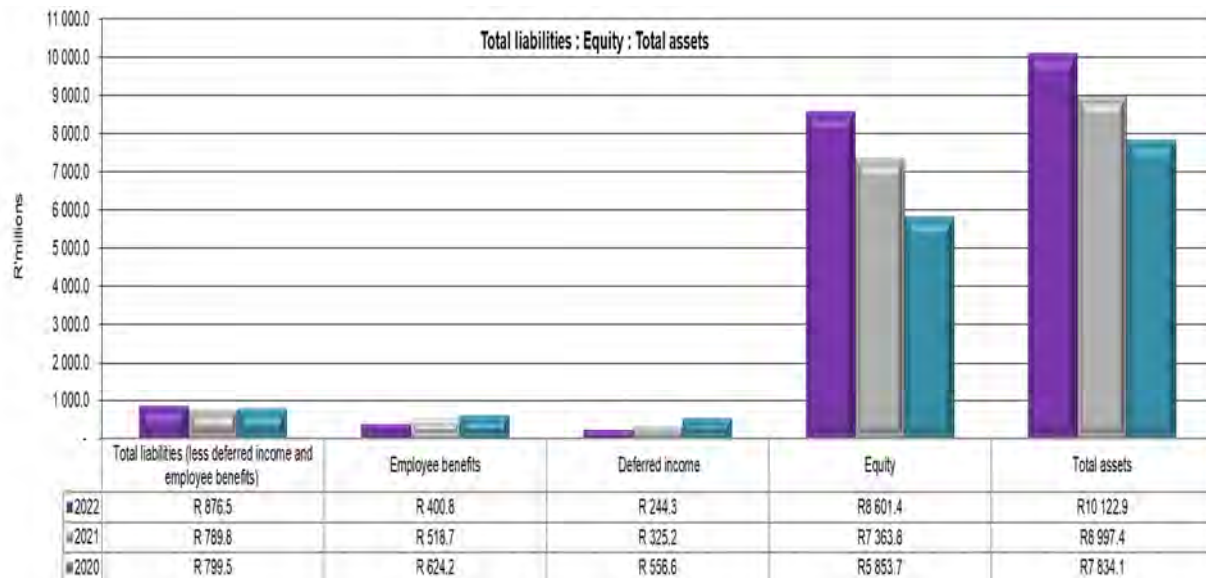
- **Solvability**

The total liabilities (R1 521,6 million) at year-end for 2022 expressed over total equity (R8 601,4 million) means the University's ratio of debt to equity is 0,18 (2021: 0,22 and 2020: 0,34). This is the result of an increase of 16,8% in equity (2021: 25,8% and 2020: 25,1%) for the reasons explained above, and a decrease of 6,9% in total liabilities (2021: 17,5% decrease and 2020: 17,1% increase). The amount of R244,3 million (2021: R325,2 million and 2020: R556,6 million) (including accumulated interest) relating to the previous as well as the new cycle infrastructure grants, is included in total liabilities under deferred income. The final of three accumulated leave pay-outs in the amount of R110,1 million was paid in January 2022 (January 2021: second pay-out of R111,0 million and January 2020: first pay-out of R130,1 million), resulting in a decrease regarding employee benefit obligations.

Infrastructure projects were able to continue during 2022, as well as the capitalisation of buildings, resulting in a deferred income decrease of R80,9 million for the year (2021: R231,4 million decrease, compared to an increase of R210,0 million for 2020, mainly due to COVID-19 restrictions that halted projects). A twenty-year long-term loan in the amount of R235,0 million was entered into with the Development Bank of Southern Africa (DBSA). An amount of R102,2 million was taken up during 2022 (2021: R111,9 million and 2020: nil) for the establishment of student housing on the Mafikeng campus, resulting in R20,9 million still available for utilising to complete the project in 2023.

The total liabilities expressed over total assets indicate a ratio of 0,15 for the year (2021: 0,18 and 2020: 0,25). Thus, total liabilities are covered 6,65 times by total assets (2021: 5,51 and 2020: 3,96 times).

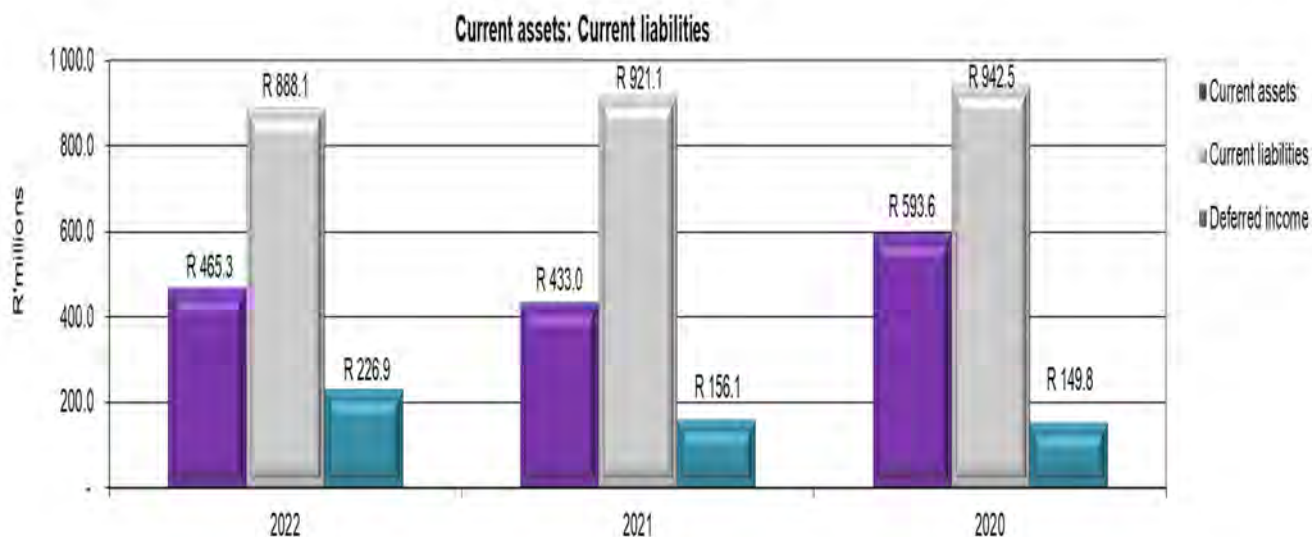
The Financial Impact Model built in response to the COVID-19 pandemic indicates that the University's income sources are volatile and therefore will result in a significant financial impact if any change occurred in the medium and long term, and therefore the University will be vigilant in monitoring and managing this potential impact on the current solvability and sustainability, while the current improvement on the solvency ratios will go a long way towards enabling the University to withstand the potential financial impact.



- Liquidity**

The working capital ratio indicates that the current liabilities are covered 0,42 times by the current assets (2021: 0,40 times and 2020: 0,54 times). If the analysis is expressed in rand value, the current assets (excluding current portion of investments) increased by R32,2 million for the 2022 financial year, whilst current liabilities for the same period increased by R37,7 million, this being the reason for the increase in the working capital ratio compared to 2021. This is due to the increase of R70,8 million in the current portion of deferred income (R226,9 million or 23,1% of total current liabilities) relating to infrastructure grants. For 2021 this portion of deferred income represented 14,5% (2020: 13,7%) or R156,1 million (2020: R149,8 million) of total current liabilities. Seeing that the final accumulated leave pay-out was made in January 2022, no amount is included in the current portion of employee benefits compared to R110,1 million that was included in the 2021 amount (2020: R111,0 million). Council approved a change in the accumulated leave policy during 2019 to reduce the liability over a period of three years.

Due to recent developments and changes in requirements, an adjustment was made, as recommended by the external auditors, to include the full amount regarding leave provision as part of current liabilities. This has an impact on the liquidity ratio compared to previous years.



Funds invested in highly liquid instruments for 2022 improved to R7 220,3 million (2021: R6 445,6 million and 2020: R5 510,5 million), representing an increase of 12,0% from 2021 to 2022, compared to movement from 2020 to 2021 where funds increased by 17,0%. This total includes the amount of R705,9 million as the current portion of investments for 2022 (2021: R1 904,9 million and 2020: R1 486,0 million).

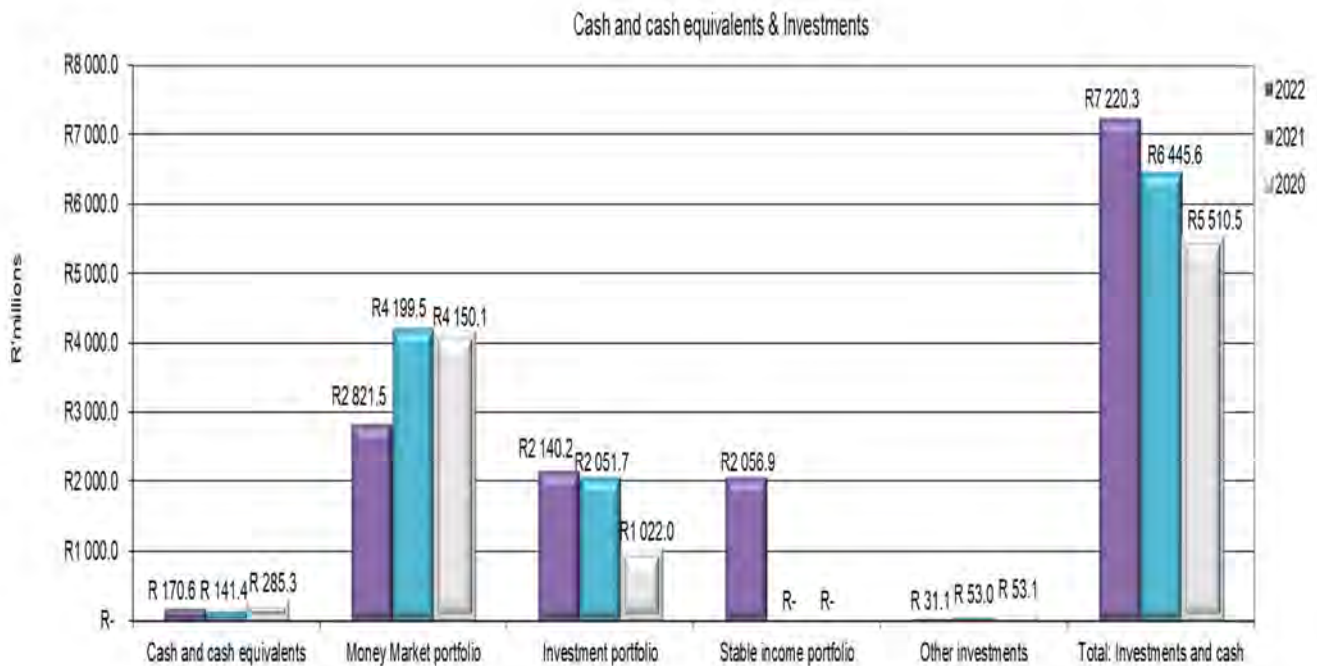
	2022	2021	2020
	R million	R million	R million
Cash and cash equivalents	170,6	141,4	285,3
Money market portfolio (NCDs)	2 821,5	4 199,5	4 150,1
Broker portfolio (listed shares and bonds)	2 140,2	2 051,7	1 022,0
Stable income portfolio	2 056,9	0,0	0,0
Other investments (unlisted, including associates)	31,1	53,0	53,1
Total investments and cash	7 220,3	6 445,6	5 510,5

The cash-flow situation is monitored closely in order to achieve an optimal balance between long-term and short-term investments to optimise investment income without compromising cash flow for operational needs.

- **Cash flow**

The University generated a surplus of R1 223,5 million for the 2022 financial year (2021: R1 431,2 million and 2020: R1 164,0 million), excluding total IAS19 adjustments, while the net cash flow amount generated from operating activities was R830,9 million (2021: R968,7 million and 2020: R1 090,4 million). The total net cash flow increased by R29,1 million in 2022, taking into account inter alia R431,4 million of net investment income, transfers of cash and cash equivalents to longer term investments (R797,6 million), investment in property, plant and equipment (R416,0 million) and an R80,9 million decrease in deferred grant income. For the 2021 financial year the net cash flow decreased by R143,9 million and for 2020 it decreased by R139,2 million.

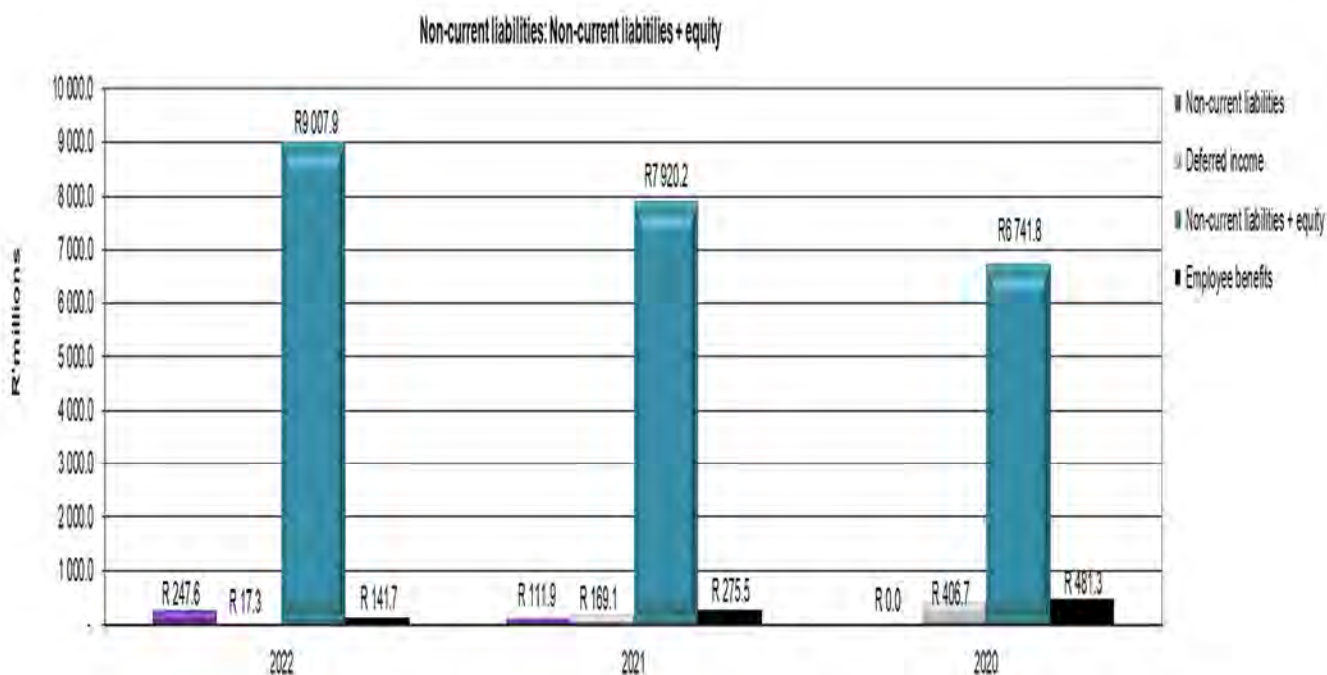
The University manages and plans cash flow needs with great caution, even more so in response to the medium to long-term financial impact of COVID-19. Constant effective decision-making resulted in the University currently being in a viable cash-flow situation. Although 11,0% of the money market investment portfolio has maturity dates during 2023 and is shown as part of current assets, the nature and purpose of these investments are long-term, focusing on investments with a period of 12 months and longer to optimise returns. Funds are reinvested as they become available on maturity, taking cash flow needs into consideration.



- **Gearing ratios**

Gearing ratios analyse the extent to which long-term finance is used as a source of financing. It is a longer-term indication of liquidity.

Non-current liabilities represent 4,5% of total funds employed (2021: 7,0% and 2020: 13,2%). This ratio decreased as equity increased by a large margin, even though borrowing commitments and lease liabilities increased and infrastructure grant amounts expected to be utilised in 2023 were transferred to current liabilities.



• Conclusion

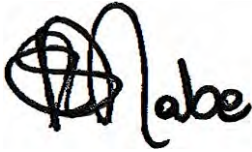
With regard to the University as a tertiary institution with the core business of teaching-learning, research and implementation of expertise (including community service), the NWU again added material value to the economy, and was able to achieve its financial goals. In this regard the following can be highlighted:

- NWU still provides affordable higher education.
- 13 735 students received degrees and diplomas during 2022.
- The University remains committed to supporting and enhancing academic performance and awarded bursaries in the amount of R229,2 million from own funds to students.
- The NWU's Financial Aid offices administered a total of R3,1 billion bursary funds in 2022.
- The cash flow investment in property, plant and equipment amounted to R416,0 million (2021: R353,4 million and 2020: R210,2 million), which is mainly attributable to DHET infrastructure and efficiency funding. (Not all projects have been completed, resulting in macro-maintenance to be carried forward to 2023). Total assets increased by 12,5% (2021: 14,9% and 2020: 23,0%).
- The increase in the available reserves to 67,0% of total equity from a very low base at the end of 2014 (although some spending against this reserve is to be expected, as explained above).
- The maintaining of a sound solvency position and optimal liquidity levels during the 2022 financial year to ensure that the NWU remains a going concern.

Council and Management are jointly committed to managing the NWU in such a way that the sound financial position will be sustained in 2023, as well as in the medium and long term. It needs to be pointed out that our two largest sources of income, namely state subsidy and tuition fee-related income totalling 76,2% of turnover (2021: 77,1% and 2020: 77,3%), continue to emphasise our dependence on these income stream one funds. In addition, our number of students funded by NSFAS increased from 4 837 in 2015 to 26 586 in 2022, adding to the dependency on state funding. Income stream three revenue fluctuates year on year as a percentage of total income, putting pressure on the viability of the University.

The biggest challenge for NWU and the Higher Education Sector as a whole in the months or even years to come, is the successful management of continued uncertainties, and adapting to rapidly changing circumstances. Further

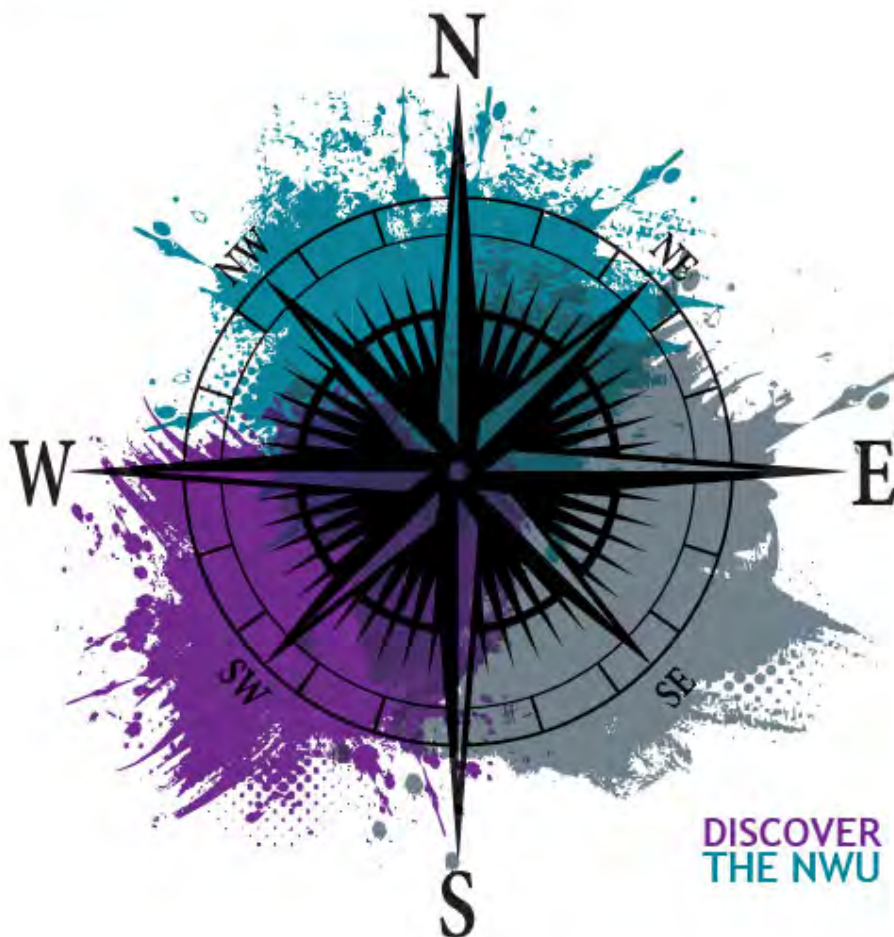
pressure will definitely be added by the widely spread weakened South African economy and conditions as experienced by other sectors and individuals, which will influence the University in many forms and ways. The NWU Management and Council are of the opinion that the financial results of the past few years provide the basis for sound decision-making during these challenging times to steer the NWU, together with all its stakeholders, through this difficult situation in a sustainable manner.

A handwritten signature in black ink, appearing to read 'Mabe'. The signature is stylized with a large, circular initial 'M' that contains a grid-like pattern.

MR CLEMENT MABE
CHAIRPERSON: FINANCE COMMITTEE

A handwritten signature in black ink, appearing to read 'De Beer'. The signature is highly stylized and cursive, with the 'D' and 'B' being particularly prominent.

MS ELMARIE DE BEER
EXECUTIVE DIRECTOR: FINANCE AND FACILITIES



CONSOLIDATED
FINANCIAL STATEMENTS FOR THE YEAR
31 DECEMBER 2022



**CONSOLIDATED
FINANCIAL STATEMENTS
for the year ended
31 December 2022**

**Prepared in the format required by
Section 41 of the Higher Education Act, 1997
(Act No. 101 of 1997, as amended)**

22 JUNE 2023

**AUTHORISED FOR ISSUE
30 JUNE 2023**



Established: 1 January 2004 (by merger)

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Mafikeng
Potchefstroom
Vaal Triangle

Auditor

PricewaterhouseCoopers Inc.
Mafikeng
South Africa

NORTH-WEST UNIVERSITY**CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022****CONTENTS**

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NORTH-WEST UNIVERSITY**COUNCIL'S STATEMENT OF RESPONSIBILITY AND APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS**

The Council is ultimately responsible for the preparation, integrity and objectivity of the consolidated financial statements and related financial information included in this report, which is a fair presentation of the activities of the University at the end of the financial year. In order to meet this responsibility, they are assisted by management, the Audit, Risk and Compliance Committee of the Council, the Finance Committee of the Council, and the internal auditors of the University. Both the internal and external auditors have unrestricted access to all documents, minutes, records and information and no limitations have been placed on the audits. The external auditor is responsible for reporting on the consolidated financial statements. Internal controls and administrative systems, which have been designed to provide reasonable assurance regarding the integrity of the financial statements and that assets have been protected and transactions carried out in terms of the University's policies and procedures, are in place and are properly maintained on a cost-effective basis.

The consolidated financial statements comply with International Financial Reporting Standards (IFRS), including full and responsible disclosure in accordance with the University's accounting policies and in the manner required by the Minister of Higher Education, Science and Innovation in terms of Section 41 of the Higher Education Act, 1997 (Act No. 101 of 1997 (as amended)). The consolidated financial statements are prepared on the going concern basis and all indications are that the University will continue in existence for the foreseeable future. The accounting policies have been applied consistently and are supported by reasonable and prudent judgements and estimates.

The consolidated financial statements for the year ended 31 December 2022 as set out on pages 9 to 60 have been approved and authorised by the Council on 22 June 2023 and are signed on behalf of the Council by:

**CHAIRPERSON OF COUNCIL****EXECUTIVE DIRECTOR:
FINANCE AND FACILITIES****VICE-CHANCELLOR**



Independent auditor's report to the Council and the Minister of Higher Education, Science and Innovation on the North-West University

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of the North-West University and its subsidiaries (the group) set out on pages 9 to 60, which comprise the consolidated statement of financial position as at 31 December 2022, the consolidated statement of comprehensive income (as required by Section 41 of the Higher Education Act, 1997 (Act No. 101 of 1997, as amended)), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, as well as notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the group as at 31 December 2022, and their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Higher Education Act and the Regulations for reporting by Public Higher Education Institutions, 2014, issued in terms of the Higher Education Act of South Africa, 1997.

Basis for opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the consolidated financial statements section of our report.

We are independent of the group in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (Including International Independence Standards).

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Council for the consolidated financial statements

The Council is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards and the requirements of the Higher Education Act of South Africa, 1997 and the Regulations for reporting by Public Higher Education Institutions, 2014, issued in terms of the Higher Education Act of South Africa, 1997, and for such internal control as the Council determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Council is responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Council either intends to liquidate the group or to cease operations, or has no realistic alternative but to do so.

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Chief Executive Officer: L S Machaba

The Company's principal place of business is at 4 Lisbon Lane, Waterfall City, Jukskei View, where a list of directors' names is available for inspection.
Reg. no. 1998/012055/21, VAT reg.no. 4950174682.



Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

A further description of our responsibilities for the audit of the consolidated financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

Introduction and scope

In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, we have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for selected goals presented in the annual performance report. We performed procedures to identify material findings but not to gather evidence to express assurance.

Our procedures address the usefulness and reliability of the reported performance information, which must be based on the University's approved performance planning documents. We have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. Our procedures do not examine whether the actions taken by the University enabled service delivery. Our procedures do not extend to any disclosures or assertions relating to the extent of achievements in the current year or planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, our findings do not extend to these matters.

We evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected goals presented in the University's annual performance report for the year ended 31 December 2022:

Goals	Pages in the annual performance report
Goal 1: Promote excellent learning and teaching and reposition the NWU to attain the size and shape required by the market direction decisions	147 – 148
Goal 2: Strengthen research and innovation with a strategic focus on impactful globalisation	148

We performed procedures to determine whether the reported performance information was consistent with the approved performance planning documents. We performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

We did not identify any material findings on the usefulness and reliability of the reported performance information for these goals:

- Goal 1: Promote excellent learning and teaching and reposition the NWU to attain the size and shape required by the market direction decisions
- Goal 2: Strengthen research and innovation with a strategic focus on impactful globalisation.

Other matter

We draw attention to the matter below.

Achievement of planned targets

Refer to the annual performance report on pages 147 to 149 for information on the achievement of planned targets for the year.

Report on the audit of compliance with legislation

Introduction and scope

In accordance with the PAA and the general notice issued in terms thereof, we have a responsibility to report material findings on the University's compliance with specific matters in key legislation. We performed procedures to identify findings but not to gather evidence to express assurance.

The material findings on compliance with specific matters in key legislation are as follows:

Procurement and contract management

Some of the members of staff did not notify the University of a conflict or possible conflict of interest before the University procured goods or services from such member of staff or an organisation within which such employee held an interest, in contravention of section 34(4)(b) of the Higher Education Act.

Some of the employees conducted business directly or indirectly with the University at which he or she is employed that entailed or may have entailed a conflict of interest with the University in contravention of section 34(5)(a)-(c) of the Higher Education Act.

Other information

The Council is responsible for the other information. The other information comprises the information included in the "*NWU Integrated Annual Report - 2022*". The other information does not include the consolidated financial statements, the auditor's report and those selected goals presented in the annual performance report that have been specifically reported in this auditor's report.

Our opinion on the consolidated financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and we do not express an audit opinion or any form of assurance conclusion on it.

In connection with our audit, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements and the selected goals presented in the annual performance report, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Internal control deficiencies

We considered internal control relevant to our audit of the consolidated financial statements, reported performance information and compliance with applicable legislation; however, our objective was not to express any form of assurance on it.

The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on compliance with legislation included in this report.

Not all employees logged their declarations of interest, despite University processes in place. There was no monitoring control implemented to enable the University to evaluate the completeness and accuracy of the declarations submitted by employees.

Other reports

We draw attention to the following engagements conducted by various parties which had, or could have, an impact on the matters reported in the University's consolidated financial statements, reported performance information, compliance with applicable legislation and other related matters. These reports did not form part of our opinion on the consolidated financial statements or our findings on the reported performance information or compliance with legislation.

Agreed-upon procedures engagements that were concluded or that are still in progress are listed below:

Engagement	Period end	Party performing the engagement	Purpose of the engagement	Report date
Foundation Provision Grant	31/03/2023	PwC	Agreeing of expenditure to supporting documentation.	24/05/2023
Veterinary Science project	31/03/2023	PwC	Agreeing of expenditure to supporting documentation.	24/05/2023
Department of Higher Education and Training Excel	31/12/2022	PwC	Agreeing of financial data to the consolidated financial statements.	In progress
New Generations of Academics Grant	31/03/2023	PwC	Agreeing of expenditure to supporting documentation.	25/05/2023
Department of Arts and Culture Language Grant	31/12/2022	PwC	Agreeing the grant received and student data to supporting documentation.	10/03/2023
University Capacity Development Programme Grant	31/12/2022	PwC	Agreeing of expenditure to supporting documentation.	16/05/2023

Brics Grant	28/02/2023	PwC	Agreeing of expenditure to supporting documentation.	30/03/2023
Department of Higher Education and Training - Infrastructure Grant	31/12/2022	PwC	Agreeing of expenditure to supporting documentation.	10/03/2023
Student Representative Council (SRC) Election	29/08/2022	PwC	Agreeing SRC results to the voting data.	07/09/2022
Veterinary Enrolments	31/12/2022	PwC	Agreeing enrolments, graduate and employee information to the Hemis data.	31/05/2023
Nurturing Emerging Scholars Programme grant	31/03/2023	PwC	Agreeing of expenditure to supporting documentation.	25/05/2023
University Staff Doctoral Programme	31/03/2023	PwC	Agreeing of expenditure to supporting documentation.	25/05/2023
Publications and Submission of Articles	31/12/2022	PwC	Agreeing of research outputs of published articles to supporting documentation and personnel records.	22/05/2023
Water Research Hydrogen	31/03/2023	PwC	Agreeing of expenditure to supporting documentation.	31/05/2023
Clinical Training Grant	31/03/2022	PwC	Agreeing of expenditure to supporting documentation.	24/05/2023
National Research Fund Projects	31/12/2022	PwC	Agreeing of expenditure to supporting documentation.	14/03/2023
Clinical Health Enrolments	31/12/2022	PwC	Agreeing enrolments to Hemis data.	In progress
Higher Education Management Information System (HEMIS)	31/01/2022	PwC	Perform agreed-upon procedures on the employees and students' data of the NWU.	In progress

PricewaterhouseCoopers Inc

PricewaterhouseCoopers Inc.
 Director: F Bootha
 Registered Auditor
 Mafikeng, South Africa
 30 June 2023

The examination of controls over the maintenance and integrity of the North-West University's website is beyond the scope of the audit of the financial statements. Accordingly, we accept no responsibility for any changes that may have occurred to the financial statements or annual report since they were initially presented on the website



Annexure – Auditor’s responsibility for the audit

As part of an audit in accordance with the ISAs, we exercise professional judgement and maintain professional scepticism throughout our audit of the consolidated financial statements, and the procedures performed on the reported performance information for selected goals and on the University’s compliance with respect to the selected subject matters.

Consolidated financial statements

In addition to our responsibility for the audit of the consolidated financial statements as described in this auditor’s report, we also:

- identify and assess the risks of material misstatement of the consolidated financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University’s internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council.
- conclude on the appropriateness of the Council’s use of the going concern basis of accounting in the preparation of the consolidated financial statements. We also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the North-West University and its subsidiaries to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the consolidated financial statements about the material uncertainty or, if such disclosures are inadequate, to modify our opinion on the consolidated financial statements. Our conclusions are based on the information available to us at the date of this auditor’s report. However, future events or conditions may cause the University to cease operating as a going concern.
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and determine whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

Communication with those charged with governance

We communicate with the Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

NORTH-WEST UNIVERSITY
CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

	NOTES	2022 R'000	2021 R'000
ASSETS			
NON-CURRENT ASSETS			
PROPERTY, PLANT AND EQUIPMENT (PPE)		10,122,930	8,997,441
INVESTMENT PROPERTIES	6a, 6b	8,951,754	6,659,479
INTANGIBLE ASSETS	7	2,147,430	1,809,052
INVESTMENTS	8	16,543	17,029
EQUITY-ACCOUNTED INVESTEEES	9	6,320	4,509
DEFERRED TAX ASSET	10	6,343,809	4,399,238
EMPLOYEE BENEFITS	31	0	0
	17	437,519	192
			429,459
CURRENT ASSETS			
INVENTORIES	12	1,171,176	2,337,962
TRADE AND OTHER RECEIVABLES	13	36,839	32,566
INCOME TAX RECEIVABLE	31	257,828	259,016
CURRENT PORTION OF INVESTMENTS	9	0	16
CASH AND CASH EQUIVALENTS	14	705,895	1,904,918
		170,614	141,446
EQUITY AND LIABILITIES			
EQUITY			
NON-DISTRIBUTABLE RESERVES			
FIXED ASSET RESERVE FUND (PPE)	15	10,122,931	8,997,441
UNREALISED FAIR VALUE ADJUSTMENT RESERVE		8,601,351	7,363,782
		1,979,594	1,879,996
RESERVE FUNDS			
RESTRICTED USE FUNDS		1,850,399	1,697,190
STUDENT LOAN FUNDS		129,195	182,806
STUDENT AND STAFF ACCOMMODATION FUNDS		6,620,930	5,482,957
DONATIONS AND SIMILAR FUNDS		535,850	526,822
RESEARCH AND OTHER (CONTRACTS) FUNDS		0	563
NWU PENSION FUND AND DISABILITY FUND		262,616	246,681
HELD FOR INVESTMENT IN PROPERTY, PLANT AND EQUIPMENT		59,552	72,286
UNRESTRICTED RESERVE FUNDS - EDUCATION AND GENERAL		213,682	207,292
DESIGNATED RESERVE FUNDS - EDUCATION AND GENERAL		437,519	429,459
NON-CONTROLLING INTERESTS		38,708	41,525
		36,648	32,496
		5,572,205	4,452,655
		827	829
NON-CURRENT LIABILITIES			
BORROWINGS - INTEREST-BEARING	16	406,575	556,394
EMPLOYEE BENEFITS	17	210,743	111,862
DEFERRED STATE GRANT	18	141,658	275,458
LEASE LIABILITIES	6b	17,344	169,074
		36,830	0
CURRENT LIABILITIES			
CURRENT PORTION OF BORROWINGS - INTEREST-BEARING	16	1,115,004	1,077,265
CURRENT PORTION OF EMPLOYEE BENEFITS	17	3,273	0
CURRENT PORTION OF DEFERRED STATE GRANT	18	259,172	243,238
CURRENT PORTION OF LEASE LIABILITIES	6b	226,936	156,125
TRADE AND OTHER PAYABLES	19	51,632	0
INCOME RECEIVED IN ADVANCE	20	463,354	505,731
NET CONTRACT LIABILITIES	21	99,818	125,305
INCOME TAX PAYABLE	31	10,814	46,866
		5	0

* Amounts less than R1 000 are disclosed as Rnil due to rounding down to the nearest thousand.

The notes on pages 14 to 60 are an integral part of these consolidated financial statements.

NORTH-WEST UNIVERSITY
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)
(as required by Section 41 of the Higher Education Act, 1997 (Act No. 101 of 1997, as amended))

	NOTES	EDUCATIONAL & GENERAL						2021 TOTAL R'000
		COUNCIL- UNRESTRICTED OR DESIGNATED R'000	SPECIFICALLY FUNDED ACTIVITIES: RESTRICTED R'000	SUB-TOTAL R'000	STUDENT & STAFF ACCOMMO- DATION: RESTRICTED R'000	2022 TOTAL R'000		
SURPLUS FOR THE YEAR		1,131,856	34,532	1,166,388	54,184	1,220,572	1,422,591	
OTHER COMPREHENSIVE INCOME (OCI)		16,997	0	16,997	0	16,997	87,449	
Items that will not be reclassified to surplus or deficit		16,997	0	16,997	0	16,997	87,449	
Remeasurements of employee benefit obligations		8,060	0	8,060	0	8,060	78,196	
PENSION FUND - SURPLUS	17.1	(14)	0	(14)	0	(14)	6,467	
DISABILITY RESERVE FUND - (DEFICIT)/SURPLUS	17.2	8,951	0	8,951	0	8,951	2,786	
HEALTH CARE (MEDICAL) - SURPLUS	17.3							
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>1,148,853</u>	<u>34,532</u>	<u>1,183,385</u>	<u>54,184</u>	<u>1,237,569</u>	<u>1,510,040</u>	
Surplus for the year attributable to:		1,131,858	34,532	1,166,390	54,184	1,220,574	1,422,591	
- North-West University		(2)	0	(2)	0	(2)	0	
- Non-controlling interests		<u>1,131,856</u>	<u>34,532</u>	<u>1,166,388</u>	<u>54,184</u>	<u>1,220,572</u>	<u>1,422,591</u>	
Total comprehensive income for the year attributable to:		1,148,855	34,532	1,183,387	54,184	1,237,571	1,510,040	
- North-West University		(2)	0	(2)	0	(2)	0	
- Non-controlling shareholders		<u>1,148,853</u>	<u>34,532</u>	<u>1,183,385</u>	<u>54,184</u>	<u>1,237,569</u>	<u>1,510,040</u>	

The notes on pages 14 to 60 are an integral part of these consolidated financial statements.

**NORTHWEST UNIVERSITY
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2022**

DESCRIPTION	UNRESTRICTED RESERVE FUNDS: EDUCATIONAL AND GENERAL R'000	DESIGNATED RESERVE FUNDS: EDUCATIONAL AND GENERAL R'000	SUB-TOTAL A R'000	RESTRICTED RESERVE FUNDS: DONATIONS AND SIMILAR FUNDS R'000	RESTRICTED RESERVE FUNDS: RESEARCH AND OTHER (CONTRACTS) R'000	SUB-TOTAL B R'000	RESTRICTED RESERVE FUNDS: STUDENT LOANS R'000	RESTRICTED RESERVE FUNDS: STUDENT AND STAFF ACCOMMODATION R'000	FIXED ASSET RESERVE FUND (PPE) R'000	HELD FOR INVESTMENT IN PROPERTY, PLANT AND EQUIPMENT R'000	UNREALISED FAIR VALUE ADJUSTMENT RESERVE R'000	NWU PENSION FUND AND DISABILITY FUND R'000	SUB-TOTAL C R'000	TOTAL R'000	NON-CONTROLLING INTEREST R'000	TOTAL EQUITY R'000
BALANCE AT 31 DECEMBER 2020 (note 15)	25,081	3,314,594	3,339,675	62,525	219,344	281,869	563	200,622	1,614,101	8,401	56,420	351,263	2,231,370	5,852,914	829	5,853,743
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	0	1,220,686	1,220,686	2,790	40,265	43,055	0	41,717	0	0	126,386	78,196	246,299	1,510,040	0	1,510,040
SURPLUS/(DEFICIT) FOR THE YEAR OTHER COMPREHENSIVE INCOME	0	1,217,900	1,217,900	2,790	40,265	43,055	0	41,717	0	0	126,386	(6,467)	161,636	1,422,591	0	1,422,591
TRANSFERS	7,416	(82,625)	(75,209)	6,971	(52,317)	(45,346)	0	4,342	83,089	33,124	0	0	120,555	0	(0)	0
BALANCE AT 31 DECEMBER 2021 (note 15)	32,496	4,462,655	4,485,151	72,286	207,292	279,578	563	246,681	1,697,190	41,525	182,806	429,459	2,598,224	7,362,954	829	7,363,782
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	0	1,194,404	1,194,404	(7,269)	41,801	34,532	0	54,184	0	0	(53,611)	8,060	8,633	1,237,569	0	1,237,569
SURPLUS/(DEFICIT) FOR THE YEAR OTHER COMPREHENSIVE INCOME	0	1,185,453	1,185,453	(7,269)	41,801	34,532	0	54,184	0	0	(53,611)	14	587	1,220,572	0	1,220,572
TRANSFERS	4,152	(74,854)	(70,702)	(5,465)	(35,411)	(40,876)	(663)	(38,249)	153,209	(2,817)	0	0	111,580	2	(2)	(0)
BALANCE AT 31 DECEMBER 2022 (note 15)	36,648	5,572,205	5,608,853	59,552	213,682	273,234	0	262,616	1,850,398	38,708	129,195	437,519	2,718,437	8,600,524	827	8,601,351

The notes on pages 14 to 60 are an integral part of these consolidated financial statements.

NORTH-WEST UNIVERSITY
CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2022

	NOTE	2022 R'000	2021 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
INVESTMENT INCOME LESS COST OF FINANCE	<u>28</u>	830,948	968,734
INTEREST RECEIVED		431,427	331,585
DIVIDENDS RECEIVED	26	427,789	324,402
INTEREST PAID	26	12,415	9,920
	27	(8,777)	(2,737)
NET CASH GENERATED FROM OPERATING ACTIVITIES		1,262,375	1,300,320
CASH FLOWS UTILISED BY INVESTING ACTIVITIES			
DISPOSAL OF OTHER INVESTMENTS		(1,294,945)	(1,522,768)
PURCHASES OF PROPERTY, PLANT AND EQUIPMENT	<u>6a</u>	0	1
PROCEEDS FROM SALE OF PROPERTY, PLANT AND EQUIPMENT		(416,034)	(353,362)
RECEIVED DEFERRED STATE GRANT		1,882	6,758
UTILISED DEFERRED STATE GRANT	<u>18</u>	29,754	14,014
INCREASE IN INTANGIBLE ASSETS (internally generated)	8	(110,673)	(245,389)
PROCEEDS ON INVESTMENTS		(2,294)	(3,246)
WITHDRAWALS FROM INVESTMENTS		2,148	12,300
PURCHASES OF INVESTMENTS		5,676,600	2,950,000
		(6,476,328)	(3,903,844)
CASH FLOWS FROM FINANCING ACTIVITIES			
PROCEEDS FROM INTEREST-BEARING BORROWINGS	16	61,738	78,582
PAYMENTS OF INTEREST-BEARING BORROWINGS	16	102,154	111,862
PRINCIPAL ELEMENTS OF LEASE PAYMENTS	<u>6b</u>	0	(5,965)
		(40,416)	(27,315)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		29,168	(143,867)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		141,446	285,314
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	14	170,614	141,446

The notes on pages 14 to 60 are an integral part of these consolidated financial statements.

NORTH-WEST UNIVERSITY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

STRUCTURE OF THE UNIVERSITY

1.1 Legal persona and country of registration

The University is a legal person in the Republic of South Africa and is regulated by the Higher Education Act 101 of 1997, as amended by Act 54 of 2000.

1.2 Nature of business, operations and main activities

The operations and main activities of the University are education, research and community service, based on its vision and mission.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

These consolidated financial statements are presented in rand (R) (rounded off to the nearest thousand, unless otherwise indicated), which is the University's functional currency, and are prepared in accordance with International Financial Reporting Standards (IFRS). The financial statements comply with IFRS as issued by the International Accounting Standards Board (IASB). The consolidated financial statements are also prepared in accordance with the requirements set by the Minister of Higher Education, Science and Innovation in terms of Section 41 of the Higher Education Act, 1997 (Act No. 101 of 1997 (as amended)). Council approved the consolidated financial statements on 22 June 2023.

The consolidated financial statements are prepared on a going concern basis under the historical cost convention, except for:

- electing to carry financial assets at fair value through profit or loss;
- and
- valuing post-employment and disability benefit obligations by using the projected unit credit method.

Management is of the opinion that the University has adequate resources to continue with operational activities for the foreseeable future and therefore will continue to adopt the going concern basis in preparing its consolidated financial statements.

The preparation of consolidated financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in note 4.

Since the financial amounts relating to subsidiaries are insignificant in relation to the consolidated financial accounts, only the consolidated financial statements are presented in the annual report.

NORTH-WEST UNIVERSITY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

(a) *Standards, amendments and interpretations effective in 2022 and adopted by the University*

There were no changes to the financial reporting requirements this year that effected the disclosures in the NWU financial statements.

(b) *Standards, amendments to and interpretations of existing standards that are not yet effective and have not been adopted early by the University*

- **Definition of Accounting Estimates – Amendments to IAS 8**

The amendment to **IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors'**, clarifies how companies should distinguish changes in accounting policies from changes in accounting estimates. The distinction is important, because changes in accounting estimates are applied prospectively to future transactions and other future events, but changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as to the current period.

- **Disclosure of Accounting Policies– Amendments to IAS 1**

The IASB amended **IAS 1, 'Presentation of Financial Statements'**, to require entities to disclose their *material* rather than their *significant* accounting policies. The amendments define what is 'material accounting policy information' and explain how to identify when accounting policy information is material. They further clarify that immaterial accounting policy information does not need to be disclosed. If it is disclosed, it should not obscure material accounting information.

To support this amendment, the IASB also amended IFRS Practice Statement 2, 'Making Materiality Judgements', to provide guidance on how to apply the concept of materiality to accounting policy disclosures.

Both of the above-mentioned standards are effective 1 January 2023.

The University does not expect the application of these amendments to have a significant impact but will do a comprehensive evaluation in the coming financial year and apply where applicable from the effective date.

There are no other standards that are not yet effective and that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

2.2 Basis of consolidation

All the different components, including the institutes, bureaux, companies and educational units of the University, as well as the results, assets and liabilities of the Mafikeng, Potchefstroom and Vaal Triangle Campuses, are included in the consolidated financial statements.

Subsidiaries are entities controlled by the University. The University controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

NORTH-WEST UNIVERSITY**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)**2.2 Basis of consolidation** (continued)

Subsidiaries are consolidated from the date on which control commences until the date on which control ceases.

The consolidated financial statements have been prepared using uniform accounting policies for similar transactions and other events in similar circumstances.

(a) Subsidiaries

When the University loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, as well as any non-controlling interests (NCI) and other components of equity. Any resulting gain or loss is recognised in the statement of comprehensive income.

The University applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities assumed towards the former owners of the acquiree and the equity interests issued. The consideration does not include amounts related to the settlement of pre-existing relationships. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement.

Subsequent changes in the fair value of the contingent consideration are recognised in surplus or deficit. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

The University recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of the acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

Goodwill is initially measured as the excess of the aggregate of the consideration transferred and the fair value of the non-controlling interest over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the gain on a purchase is recognised immediately as a surplus.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the University.

(b) Associates (equity-accounted investees)

Associates are all entities over which the University has significant influence but over which it does not have control or joint control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting.

Under the equity method, the investment is initially recognised at cost (which includes transaction costs), and the carrying amount is increased or decreased to recognise the University's share of the profit or loss and other comprehensive income (OCI) of the equity-accounted investee after the date of acquisition. The University's share of post-acquisition profit or loss is recognised in surplus or deficit.

NORTH-WEST UNIVERSITY**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)**2.2 Basis of consolidation** (continued)*(c) Transactions eliminated on consolidation*

Inter-company transactions, balances, income and expenses on transactions are eliminated. Surpluses and deficits resulting from inter-company transactions that are recognised in assets are also eliminated.

2.3 Property, plant and equipment (PPE)

2.3.1 Property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses, except for donations of assets, which are initially recorded at fair value less depreciation and impairment. Fair value is considered as deemed cost. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in an asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the University and the cost of the item can be measured reliably (macro maintenance). The carrying amount of the replaced part is derecognised. All other repairs and maintenance not recognised as macro maintenance are charged to surplus or deficit during the financial period in which they are incurred.

2.3.2 Land and buildings comprise mainly lecture halls, laboratories, hostels and administrative buildings. Land and buildings are not depreciated. The useful life of buildings is considered to be indefinite due to building maintenance done according to the ten-year macro maintenance rolling plan. However, the macro maintenance included in the carrying amount of land and buildings is depreciated using the straight line method. Buildings still under construction at year end are included at cost. Depreciation on other assets is calculated using the straight-line method to depreciate the depreciable amount, which is the difference between their cost and their residual values, over their estimated useful lives, as referred to below.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 2.6).

Gains and losses on disposals of property, plant and equipment are determined by comparing the proceeds with the carrying amount and are recognised in surplus or deficit.

NORTH-WEST UNIVERSITY**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)**2.3 Property, plant and equipment (PPE)** (continued)

CATEGORY	PERCENTAGE PER ANNUM	USEFUL LIFE
Buildings and other improvements (macro maintenance)	Indefinite	: The useful life is estimated as indefinite.
Computer equipment	10,00%	: The useful life is estimated at 10 years.
Computer equipment less than R5 000	20,0%–33,3%	: The useful life is estimated at 3 to 5 years.
Servers and printers	33,3%	: The useful life is estimated at 3 years.
Laboratory equipment	20,0%	: The useful life is estimated at 5 years.
Specialised equipment	15,0%	: The useful life is estimated at 6,67 years.
Furniture	4,0%–20,0%	: The useful life is estimated at a range between 5 and 25 years.
Vehicles	5,0%–10,0%	: The useful life is estimated at a range between 10 and 20 years.
Synthetic hockey field (carpet)	10,0%–20,0%	: The residual value of the vehicle pool is estimated at 50% after 5 years for passenger vehicles, which is the average replacement term of vehicles and 10 years for commercial vehicles
Synthetic hockey field (base)	12,5%	: The useful life is estimated at 8 years.
Low value assets	2,0%	: The useful life is estimated at 50 years.
Right-of-use leased assets	33,3%	: The useful life is estimated at 3 years.
	50,0%–33,3%	: Depreciated over the lease term.

2.3.3 Actual improvements to buildings are capitalised (macro maintenance) when it is probable that future economic benefits exceeding the originally estimated performance standard of the existing asset will flow to the business. Routine maintenance with regard to buildings and equipment is charged to surplus or deficit as incurred.

2.3.4 Costs relating to library books are written off in the year acquired. See note 30.

2.4 Investment properties

Investment properties, principally comprising land and buildings, are held for long-term capital appreciation and rental yields and are not occupied by the University. Investment properties are carried at cost less accumulated impairment losses and accumulated depreciation.

Depreciation on investment properties is calculated using the straight-line method to allocate their cost less their residual value over the estimated useful life of 50 years.

NORTH-WEST UNIVERSITY**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)**2.5 Intangible assets**Goodwill

Goodwill arises on the acquisition of subsidiaries and represents the excess of the consideration transferred over the University's interest in net fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interest in the acquiree.

For the purpose of impairment testing, goodwill acquired is allocated to each of the cash-generating units that is expected to benefit from the acquisition or business combination. Each unit to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

Separately recognised goodwill is carried at cost less impairment losses and goodwill impairment reviews are undertaken annually. The carrying value of goodwill is compared to the recoverable amount, which is the higher of the cash generating unit's (CGU's) value in use and its fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

Computer software

Computer software is initially recognised at cost and subsequently at cost less accumulated amortisation and accumulated impairment losses. Amortisation is provided to write down intangible assets, on a straight-line basis, over an average useful life of 10 years. The residual value, amortisation period and amortisation method are reassessed when there is an indication that there is a change from the previous estimates.

Computer software is the result of consolidation of subsidiaries.

2.6 Impairment of non-financial assets

Intangible assets not ready for use are not subject to amortisation and are tested annually for impairment. Assets that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and its value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash flows (cash-generating units).

Impairment losses are recognised in surplus or deficit in the period in which the impairment loss occurs. Prior periods' impairments of non-financial assets (other than goodwill) are reviewed for possible reversal at each reporting date. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

NORTH-WEST UNIVERSITY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.7 Foreign currency translation

Functional and presentation currency

Items included in the financial statements of each of the University's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in South African rand (R) (rounded to the nearest thousand, unless otherwise indicated), which is the University's presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year-end exchange rates are recognised in surplus or deficit.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the statement of comprehensive income within 'finance income or cost'. All other foreign exchange gains and losses are presented in the statement of comprehensive income within 'other (losses)/gains'.

Changes in the fair value of monetary securities denominated in foreign currency classified as available-for-sale are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences relating to changes in amortised cost are recognised in surplus or deficit, and other changes in carrying amount are recognised in other comprehensive income.

Translation differences on non-monetary financial assets and liabilities, such as equities held at fair value through profit or loss, are recognised in surplus or deficit as part of the fair value gain or loss. Translation differences on non-monetary financial assets such as equities classified as available-for-sale are included in other comprehensive income.

2.8 Investments and other financial assets

(i) Classification

The University classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value through profit or loss; and
- those to be subsequently measured at amortised cost.

The classification depends on the University's business model for managing its financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will be recorded in surplus or deficit.

The University reclassifies debt investments when and only when its business model for managing those assets changes.

NORTH-WEST UNIVERSITY**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)**2.8 Investments and other financial assets** (continued)

(ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the University commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the University has transferred substantially all the risks and rewards of ownership.

(iii) Measurement

At initial recognition, the University measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in surplus or deficit.

Financial assets with embedded derivatives (when applicable) are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the University's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the University classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in surplus or deficit and presented in other gains/(losses) together with foreign exchange gains and losses;
- FVPL: Assets that do not meet the criteria for amortised cost or fair value through other comprehensive income (FVOCI) are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in surplus or deficit and presented net within other gains/(losses) in the period in which it arises.

Equity instruments

The University subsequently measures all equity investments at fair value. Where the University's Management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to surplus or deficit following the derecognition of the investment. Dividends from such investments continue to be recognised in surplus or deficit as other income when the University's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of comprehensive income as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

NORTH-WEST UNIVERSITY**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)**2.8 Investments and other financial assets** (continued)

(iv) Impairment

The University assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the University applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables (see note 2.11 for further details).

Equity-accounted investees

An impairment loss in respect of an equity-accounted investee is measured by comparing the recoverable amount of the investment with its carrying amount. An impairment loss is recognised in surplus or deficit and is reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

2.9 Inventories

Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the cost of completion and applicable variable selling expenses.

Cost of inventory is determined by the following methods:

- 2.9.1 Central warehouse, trade, cafeteria and residence inventories are stated at the weighted average cost.
- 2.9.2 Printed publications are stated at the weighted average purchase price.
- 2.9.3 Veterinary health inventory is stated at the weighted average purchase price.

Provision for obsolete and slow-moving inventory is made where applicable and recognised in surplus or deficit.

2.10 Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks and investments in money-market instruments with an initial maturity of less than three months. Cash and cash equivalents are short-term highly liquid instruments that are readily convertible to known amounts of cash which are subject to insignificant changes in value.

2.11 Trade and other receivables

The University holds trade receivables with the objective of collecting the contractual cash flows and therefore trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less loss allowances.

The University applies the IFRS 9 simplified approach to measuring expected credit losses, which uses a lifetime expected credit loss allowance for all trade receivables and contract assets.

NORTH-WEST UNIVERSITY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.11 Trade and other receivables (continued)

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. Receivables held by the University do not have a significant financing component. The contract assets (which arise from research contracts) relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The University has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The expected loss rates for student debtors are based on the three payment collection profiles and the corresponding historical credit losses experienced. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the cash-paying students to settle their accounts. The University uses a global rating as the probability of default (PD) to calculate the expected credit loss (ECL) for government funded student debt.

Sundry trade receivables and contract assets are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the University, and a failure to make contractual payments for a period of more than 90 days past due.

Impairment losses on trade receivables and contract assets are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the income from sale of goods and services and other income as bad debt recovered.

For other sundry receivables the University uses a global corporate average rating table to indicate the PD for government and similar-to-government debt. Interest rates applicable to unsecured loans are used for credit ratings regarding corporate customers. Outstanding debt of 90 days and older owed by individuals is expected to be impaired in full.

2.12 Equity

The accumulated funds are subdivided on the basis of their employability between restricted and unrestricted funds and comprise mainly the following:

Educational and General – Council-controlled – Unrestricted or designated

Unrestricted and designated funds relate to funds over which the Council of the University has absolute legal control and discretion. Designated funds are unrestricted income which the Council has designated for purposes that it deems fit. Decisions in this regard can always be changed at the discretion of Council. The Council-controlled segment predominantly represents the teaching component of the University.

It reflects the University's subsidised activities and comprises mainly formula subsidy, tuition fees, sales of goods and services and investment income. (Refer to sub-total A in the statement of changes in equity.)

NORTH-WEST UNIVERSITY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.12 Equity (continued)

Educational and General – Specifically funded activities – Restricted

Specifically purposed income (restricted) relates to funds that have been provided in terms of legally enforceable requirements of the purpose for which they may be expended. This may result from a contract, a condition of a grant, a bequest or a condition stipulated in a notarial deed of donation. Council has no discretion or control in this regard, but retains an oversight role in regard to ensuring that expenditure is in accordance with the mandate received from funders. (Refer to sub-total B in the statement of changes in equity.)

Included in sub-total C of the statement of changes in equity are the following funds:

Student and staff accommodation – Restricted

The student housing segment relates to the provision of accommodation and accommodation-related services to students (residences). Income from this source (income stream 3) is shown separately in the statement of comprehensive income as per requirements of the Department of Higher Education and Training (DHET).

Fixed asset reserve fund (PPE)

These are funds utilised and invested in property, plant and equipment (PPE).

Held for investment in property, plant and equipment

These funds are reserved for approved and already committed future investment in, or acquisition of PPE (refer to note 29).

Unrealised fair value adjustment reserve fund

The University has elected to recognise unrealised changes in the fair value of investments at FVPL in a separate fund as these funds are not readily available for use.

NWU Pension Fund and Disability Fund

These funds equal the amount invested in employee benefits as reflected in non-current assets.

Other

Funds representing non-controlling interests, as a result of the consolidation of other entities, are shown separately in the last column of the statement of changes in equity.

2.13 Employee benefits

2.13.1 Pension

The University has a defined-contribution plan. A defined-contribution plan is a pension plan under which the University pays fixed contributions into a separate entity. The University has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

NORTH-WEST UNIVERSITY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.13 Employee benefits (continued)

2.13.1 Pension (continued)

Defined-contribution plan

Retirement-benefit costs are provided in terms of a defined-contribution plan (North-West University Pension Fund). The North-West University Pension Fund had a fixed-contribution plan with a defined-benefit guarantee for all new enrolments since 1 January 1995 but this option was ring-fenced on 31 December 2003. A new option was introduced on 1 January 2004 for all new members of the fund and is a pure defined-contribution plan. The contributions to the defined-contribution plan are recognised as expenditure in the relevant period in which the liability arises, and the liability is thus matched with the benefit received by the employee during his/her working life.

2.13.2 Disability Reserve Fund

The disability benefits are provided in accordance with the rules of the North-West University Disability Reserve Fund, which was established on 1 January 1995.

The objective of the fund is to provide disability benefits to the members of the North-West University Pension Fund. After a waiting period of six months, a member who is disabled receives a disability income equal to 82,5% of the member's monthly salary, subject to a maximum disability income benefit as determined by the Trustees. The income is reduced by the member's contributions to the North-West University Pension Fund. The disability income will continue to the earlier of recovery or 65 years of age.

The asset recognised in the statement of financial position is the fair value of plan assets less the present value of the liabilities at the end of the reporting date. This is calculated annually by qualified independent actuaries using the projected unit credit method and discounting the estimated future cash outflows using interest rates of government corporate bonds that are denominated in rand (R).

Actuarial gains and losses arising from experienced adjustments, changes in actuarial assumptions, the effects of asset ceilings (if any, excluding interest) and amendments are charged or credited to other comprehensive income (OCI) in the period in which they occur.

2.13.3 Post-employment medical benefits

The University's net obligation in respect of post-employment medical benefits is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of post-employment medical benefits is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the University, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

NORTH-WEST UNIVERSITY**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)**2.13 Employee benefits** (continued)**2.13.3 Post-employment medical benefits** (continued)

Remeasurements of the net post-employment medical benefit liability, which comprises actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in OCI. The University determines the net interest expense (income) on the net post-employment medical benefit liability (asset) for the period by applying the discount rate used to measure the post-employment medical benefit obligation at the beginning of the annual period to the then net post-employment medical benefit liability (asset), taking into account any changes in the net post-employment medical benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to post-employment medical benefit plans are recognised in profit or loss in personnel remuneration costs.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The University recognises gains and losses on the settlement of a post-employment medical benefit plan when the settlement occurs.

2.13.4 Termination benefits

Termination benefits are payable when employment is terminated by the University before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The University recognises termination benefits when it is demonstrably committed to a termination when the University has a detailed formal plan to terminate the employment of current employees without possibility of withdrawal. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the reporting date are discounted to their present value and are treated as other long-term employee benefits. Termination benefits settled within 12 months are treated as short-term employee benefits. Refer to note 24.

2.13.5 Bonus plans

The University recognises a liability and an expense for bonuses. The University recognises an accrual where contractually obliged to do so or where there is a past practice that has created a constructive obligation.

2.13.6 Accumulated annual leave

Employee entitlements to annual leave are recognised at an undiscounted amount in accordance with the conditions of service of the employees, with leave accruing to them as a result of services rendered. These include annual leave and accumulated leave. Leave payments that become payable within 12 months after the reporting date are disclosed as the current portion of employee benefit obligations.

NORTH-WEST UNIVERSITY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.14 Income

Income is measured at the fair value of the consideration received or receivable and represents amounts receivable from the sale of goods and delivery of services in the ordinary course of the University's activities. Revenue is shown net of value-added tax (as applicable), rebates and discounts and after eliminating sales within the group.

Income is recognised when the amount of revenue can be reliably measured, when it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the University's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the activity have been resolved. The University bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

The accounting policy regarding the elements of gross income includes the following:

- 2.14.1 State apportionment – subsidies and grants are recognised as income over the periods that are required to systematically match the income with the related expenditure for which it is intended. Subsidies for specific purposes, e.g. capital expenditure, are brought into the appropriate fund at the time they are available for expenditure for the purpose provided. However, if the funding is provided in advance of the specified requirement (i.e. the University does not have immediate entitlement to it), the relevant amount is retained as a liability until the University has complied with all the conditions attached to the construction of the asset, after which the grant is deducted from the carrying amount of the asset.
- 2.14.2 Grants from the government are recognised where there is a reasonable assurance that the grant will be received and the University will comply with all conditions attached.
- Government grants relating to costs are deferred and recognised in the statement of comprehensive income over the period necessary to match them with the costs that they are intended to compensate.
- Government grants relating to property, plant and equipment are deducted in calculating the cost of the asset. The grant is carried as a liability in the statement of financial position until the University has complied with all the conditions attached to the construction of the asset, after which the grant is deducted from the carrying amount of the asset.
- 2.14.3 Tuition fees and residence fees are recognised as the service and products are rendered over a period of time. These fees are based on the services rendered to date as a percentage of the total services to be performed by the University. Income is considered to be received for the performance of a single obligation based on a fixed transaction price and it is highly probable that there will not be a significant revenue reversal. Tuition fees do not contain a significant finance component and full payment is required by end of July of each year. Delivery of these services falls within the financial period of the University.

NORTH-WEST UNIVERSITY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.14 Income (continued)

2.14.4 Research income mainly arises from contracts with customers. Contracts may differ regarding time frames and performance obligations but revenue is recognised based on a fixed transaction price. Payments from customers are received according to contract terms and revenue is recognised over time when the University satisfies a performance obligation in terms of a research contract. Research contracts do not contain a significant finance component.

The University assesses the progress made and confirms the stage of completion on the reporting date based on the percentage of completion method. For contracts with completion dates after year end, assessments may give rise to a contract asset or a contract liability. Contract assets relate to the University's right to consideration for work completed but not billed at reporting date. Contract liabilities relate to the advance consideration received from the customer for which the University is to still satisfy an obligation.

2.14.5 Dividends are received from financial assets measured at fair value through profit or loss (FVPL). Dividends are recognised as investment income in surplus or deficit when the right to receive payment is established. Where the dividend clearly represents a recovery of part of the cost of an investment, the dividend is recognised in OCI if it relates to an investment measured at FVOCI.

2.14.6 Interest income from financial assets at FVPL is included in the net fair value gains/(losses) on these assets. Interest income on financial assets at amortised cost, calculated using the effective interest method, is recognised in the statement of comprehensive income as part of investment income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset.

2.14.7 Donations received are recognised at the fair value on the date of the donation.

2.14.8 Rental received is recognised over the lease term on a straight-line basis.

2.15 Leases

From 1 January 2019, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the University. Assets and liabilities arising from a lease are initially measured on a present value basis. The lease payments are discounted using the interest rate implicit in the lease and are allocated between principal and finance cost. Refer to note 6b for detail.

2.16 Provisions

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

NORTH-WEST UNIVERSITY**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)**2.14 Income** (continued)**2.16 Provisions** (continued)

Provisions for legal claims are recognised when the University has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

2.17 Tax

The University is exempt from income tax in terms of Section 10(1)(cN) of the Income Tax Act. Subsidiary entities are not exempt from tax and are liable for normal South African Income Tax. On consolidation, this may give rise to current income tax and deferred tax.

2.18 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Trade payables are measured initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.19 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of comprehensive income over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the University has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

2.20 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings, pending their expenditure on qualifying assets, is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

NORTH-WEST UNIVERSITY**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)**3. FINANCIAL RISK MANAGEMENT**

The University's activities expose it to a variety of financial risks: market risk (including currency risk, price risk, cash flow interest rate risk and fair value interest rate risk), credit risk and liquidity risk.

The University's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the University's financial performance.

Council delegated the responsibility of the process of risk management to the Audit, Risk and Compliance Committee. This Committee reports key risks to Council twice a year, or more often if the need arises.

The risk approach of the University is based on the following definition of risk: "Risk can be defined as a potential threat or possibility that an action or event will adversely affect an organisation's ability to achieve its objectives". The University's approach is to balance opportunities and risks based on the supposition that the University sustains itself as a going concern. As there are risks that will have direct financial implications and others that will not have (immediate) direct financial implications, risk profiles are differentiated as "financial risks" and "non-financial risks".

Risk abatement strategies are identified based on the strategic objectives of the University according to the Institutional Plan. The University Management (through defined responsibility and accountability of Executive Management) identifies the most significant risk events, conditions or areas. There is an established line function with the remit of determining the identification, assessment, intervention measures and all aspects of the management of risk affecting the University.

Previously identified and newly identified risks as well as new events and actions that are potential risks are included in the risk register of the University. The list is maintained, reviewed and updated at least biannually and is managed accordingly.

Despite these structures and procedures, the potential exists that adverse events may occur that may affect the results of normal operations throughout the University at all levels of activity.

Only in limited instances are financial instruments used to cover risks linked to the University's activities. Where instruments are used to cover risks linked to the University's activities, each instrument is linked to an asset or liability, or an operational or financing transaction. Management of these instruments, which are mostly traded on organised or related markets, is centralised. Financial institutions are selected on their national grading to limit risks and to provide diversification.

The University's investment policy is designed to limit exposure to financial risks and no portfolio that has speculative characteristics is utilised. A money-market division and five independent investment management companies are responsible for managing these related risks.

NORTH-WEST UNIVERSITY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

3. FINANCIAL RISK MANAGEMENT (continued)

3.1 FINANCIAL RISK FACTORS

Market risk

(i) Price risk

The University's exposure to equity securities price risk arises from investments held by the University and classified in the statement of financial position either as at FVOCI or at FVPL.

To manage its price risk arising from investments in equity securities, the University diversifies its portfolio. Diversification of the portfolio is done in accordance with the prescripts set by the Committee for Investments.

The majority of the University's equity investments are publicly traded and are included in listed shares that are traded on the Johannesburg Securities Exchange. The risk exists that the value of these financial instruments may fluctuate as a result of changes in the market price.

A 1% movement of the ALSI of the JSE, while all other variables held constant and all the University's equity instruments moved accordingly, would affect the value of the investments to be R6 195 000 higher/lower as at 31 December 2022 (2021: R6 567 000) (refer to note 9.1). Owing to the unpredictability of equity market returns, a general indicative percentage of 1% is used to highlight the changes in market value of equity investments.

(ii) Cash flow and fair value interest rate risk

In the case of long-term borrowings, the University's interest rate risk is limited because loans are only entered into at a fixed interest rate and in South African currency. Borrowings issued at fixed rates expose the University to fair value interest risk. Interest rates on overdraft facilities are linked to the prime rate and are floating. Income and operating cash flows are substantially independent of changes in the market interest rates and therefore no formal interest rate risk management policy exists.

Interest rate risk and therefore cash flow risk arises mainly from cash and cash equivalents.

At 31 December 2022 an investment performance measurement was done by the University, which indicated an actual yield on the University's cash and cash equivalent portfolio of 6,89% (2021: 6,15%). Had the interest rate been 0,5% higher/lower (50 basis points), the surplus would have been R19 117 000 higher/lower (2021: R20 998 000).

(iii) Credit risk

Credit risk arises from cash and cash equivalents, contractual cash flows of debt investments carried at amortised cost and at FVPL, favourable derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures regarding outstanding receivables.

The University's policy is designed to limit exposure to any single financial institution. Council evaluates the financial institutions annually and sets a credit limit for each institution. The University's investments in debt instruments are considered to be low-risk investments. Cash and cash equivalents as well as investments are only placed with reputable financial institutions with high credit ratings.

NORTH-WEST UNIVERSITY**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)**3. FINANCIAL RISK MANAGEMENT** (continued)

3.1 FINANCIAL RISK FACTORS (continued)

(iv) Credit risk (continued)

No credit evaluations are done for trade receivables – other debtors, nor for student debtors.

The University also does not require any collateral as security.

This credit risk exposure is mitigated by requiring students to pay an initial instalment in respect of tuition and accommodation fees at registration. Students with an outstanding balance from the previous year are only permitted to renew their registration after settling the outstanding amount as well as paying the current year's initial requirements. (Refer to note 13 for detailed disclosure.)

Credit risks are limited by the large number of clients, the diversity of the University's activities and a strict recovery policy. The University is of the opinion that no significant concentration of risk that has not been insured or adequately provided for existed at year end.

Trade receivables, contract assets, debt investments carried at amortised cost and debt instruments carried at FVOCI are subject to the expected credit loss model. (Refer to note 11b.)

The maximum credit exposure in relation to debt investments that are measured at fair value through profit or loss at the end of the reporting period is the carrying amount of these investments.

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash levels and ensuring availability thereof to meet obligations when due. Constant monitoring, cash management and thorough cash planning ensure that the University is able to meet its commitments (arising from borrowings and other liabilities) at all times, under both normal and stressed conditions. The University has minimised the risk of liquidity, as is reflected in its substantial cash and cash equivalents.

	2022	2021
Listed investments – shares and bonds	95%	94%
Cash and cash equivalents	5%	6%
Total	<u>100%</u>	<u>100%</u>

NORTH-WEST UNIVERSITY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

3. FINANCIAL RISK MANAGEMENT (continued)

3.1 FINANCIAL RISK FACTORS (continued)

Liquidity risk (continued)

The table below analyses the University's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed are the undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	R'000	R'000	R'000	R'000
	Less than	Between	Between	Over
	1 year	1 and 2 years	3 and 5 years	5 years
Liabilities at amortised cost				
2022				
Borrowings	23,617	32,466	89,640	259,725
Lease liabilities	51,632	43,782	0	0
Trade and other payables	462,467	0	0	0
2021				
Borrowings	12,687	20,468	71,031	343,317
Lease liabilities	0	0	0	0
Trade and other payables	505,743	0	0	0
Liquidity ratio				
			2022	2021
			R'000	R'000
Current assets*				
Inventories			36,839	32,566
Trade and other receivables			257,828	259,016
Income tax receivable			0	16
Cash and cash equivalents			170,614	141,446
			<u>465,281</u>	<u>433,044</u>
Current liabilities				
Trade and other payables			462,466	505,743
Contract liabilities			10,814	46,866
Income tax payable			893	(12)
Current portion of interest-bearing borrowings			3,273	0
Current portion of post-employment benefits			259,172	243,238
Current portion of deferred grant income			226,936	156,125
Current portion of lease liabilities			51,632	0
Income received in advance			99,818	125,305
			<u>1,115,004</u>	<u>1,077,265</u>
Net liquidity of operations			<u>(649,723)</u>	<u>(644,221)</u>
Ratio			<u>0.42</u>	<u>0.40</u>

* Current portion of investments is not included in the calculation of the liquidity ratio as it is the intention of the University to reinvest these investments when they mature in investments of the same nature as our non-current investments portfolio.

3.2 CAPITAL MANAGEMENT

The University's objectives when managing capital are to safeguard the University's ability to continue as a going concern and to maintain an optimal capital structure to reduce the cost of capital. A well-planned budgeting process is followed each year to meet these objectives. A sound financial position has been established by limiting exposure to debt and increasing investments and cash balances.

NORTH-WEST UNIVERSITY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

3. FINANCIAL RISK MANAGEMENT (continued)

3.2 CAPITAL MANAGEMENT (continued)

	2022	2021
	R'000	R'000
Assets		
Investments (current and non-current)	7,049,704	6,304,156
Cash and cash equivalents	170,614	141,446
Total	<u>7,220,318</u>	<u>6,445,602</u>
Liabilities		
Non-current liabilities (excluding deferred income)	389,231	387,320
Current liabilities (excluding deferred income)	888,069	921,140
Capital commitments (infrastructure) (note 29)	1,054,585	845,390
Total	<u>2,331,885</u>	<u>2,153,850</u>
Net position	<u>4,888,433</u>	<u>4,291,752</u>

The greater part of capital commitments is being financed through subsidy from the Department of Higher Education and Training.

3.3 FAIR VALUE ESTIMATION

The fair value of financial and non-financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transaction on an arm's length basis. The quoted market price used for financial assets held by the University is the current bid price. These instruments are included in Level 1 of the table below. Instruments comprise primarily JSE equity investments. The fair value of forward foreign exchange contracts is determined using quoted forward exchange rates.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The University uses a variety of methods and applies assumptions based on market conditions existing at each reporting date. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity-specific estimates. If all significant inputs required to determine the fair value of an instrument are observable, the instrument is included in Level 2.

If one or more of the significant inputs are not based on observable market data, the instrument is included in Level 3.

The carrying values of the following financial assets and liabilities are deemed to approximate their fair value: cash and cash equivalents, trade and other receivables and trade and other payables. An explanation of these is given by means of notes with regard to each item.

Note 9 contains further information with regard to investments and note 16 with regard to borrowings.

The following table presents the University's assets and liabilities that are measured at fair value at 31 December 2022.

	Level 1	Level 2	Total
	R'000	R'000	R'000
Assets			
Debt investments at fair value through profit and loss (FVPL)			
Equity securities - Listed shares in public companies	619,473		619,473
Bonds, credit linked notes and unit trusts	3,403,068		3,403,068
Investments - Unlisted shares that do not qualify as an investment in equity-accounted investees		1,694	1,694
Total assets	<u>4,022,541</u>	<u>1,694</u>	<u>4,024,235</u>

NORTH-WEST UNIVERSITY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

3.3 FAIR VALUE ESTIMATION (continued)

The following table presents the University's assets and liabilities that are measured at fair value at 31 December 2021.

Assets	Level 1	Level 2	Total
	R'000	R'000	R'000
Debt investments at fair value through profit and loss (FVPL)			
Equity securities - Listed shares in public companies	656,707		656,707
Bonds, credit linked notes and unit trusts	1,395,012		1,395,012
Investments - Unlisted shares that do not qualify as an investment in equity-accounted investees		1,179	1,179
Total assets	2,051,719	1,179	2,052,898

4. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

The preparation of financial statements requires the use of accounting estimates, which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the University's accounting policies. Estimates, assumptions and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the University and that are believed to be reasonable under the circumstances.

4.1 Critical accounting estimates and assumptions

Estimates and assumptions having a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are addressed below. Based on knowledge of the estimates and judgement, we do not expect there to be material adjustments to the carrying amount of the assets or liabilities within the next year.

(i) Property, plant and equipment

The University annually estimates the useful life and the expected residual value of items of property, plant and equipment for measurement and ensures that changing circumstances are taken into account. Refer to note 2.3.

(ii) Employee benefits

The present value of the employee-benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost/(income) for benefits include the discount rate, the expected salary and pension increase rates, mortality rates, contribution rates and number of dependants. Any changes in these assumptions will have an impact on the charge to surplus or deficit and other comprehensive income and may affect planned funding of the employee benefits.

The appropriate discount rate is determined at the end of each year, which represents the interest rate that should be used to determine the present value of the estimated future cash flows expected to be required to settle the pension, disability and post-retirement medical obligations. The expected increases in salaries and pensions are based on inflation rates, adjusted for salary scales.

Other key assumptions for pension, disability and medical obligations are based in part on current market conditions. Additional information is disclosed in note 17.

(iii) Loss allowance for impairment of trade receivables and contract assets

Measurement of expected credit loss allowance for trade receivables and contract assets. Management need to classify and group receivables according to characteristics and identify key assumptions in determining the loss rate. Refer to note 2.11.

(iv) Impairment of goodwill

Goodwill is allocated to the University's cash-generating units (CGUs). The recoverable amount of cash-generating units has been determined based on value-in-use calculations. These calculations require the use of estimates (refer to note 8).

4.2 Significant judgements

(i) Impairment of financial instruments

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The University uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the University's past history, existing market conditions and forward-looking estimates at the end of each reporting period.

5. NUMBER OF EMPLOYEES

The number of permanent employees and fixed-term employees with benefits totalled 3 975 at the end of 2022 (2021: 3983).

NORTH-WEST UNIVERSITY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
6a. PROPERTY, PLANT AND EQUIPMENT (PPE)

Movements (R'000)	Land	Buildings and other improvements *	Vehicles	Furniture	Laboratory equipment	Specialised equipment	Computer equipment	Servers and Printers	Synthetic hockey field	Assets less than R15 000	Computer equipment less than R5 000	Right-of-use assets **	Total
Carrying amount at 31/12/2020	30,713	1,120,675	35,261	58,565	42,479	166,563	104,219	33,402	8,663	17,476	3,050	23,686	1,644,776
Cost	30,713	1,325,261	57,193	149,388	81,903	386,141	205,287	58,820	11,701	37,728	6,319	99,244	2,447,701
Accumulated depreciation	0	(202,586)	(21,932)	(90,824)	(39,424)	(219,578)	(101,067)	(25,418)	(3,018)	(20,253)	(3,269)	(75,558)	(802,925)
Additions during the year	0	184,390	6,131	17,868	20,415	57,569	38,005	12,505	0	14,380	2,099	0	353,362
Depreciation for the year	0	(10,728)	(2,175)	(11,467)	(12,136)	(34,297)	(47,682)	(12,451)	(1,323)	(12,447)	(2,079)	(23,686)	(170,471)
Impairment loss	0	0	0	0	0	0	(13,191)	0	0	0	0	0	(13,191)
Cost of disposals/scrapings during the year	0	0	(2,424)	(9,716)	(455)	(38,434)	(44,278)	(8,776)	0	(14,987)	(2,173)	0	(121,243)
Accumulated depreciation of disposals	0	0	1,151	9,551	377	36,372	43,205	8,014	0	14,976	2,173	0	115,819
Carrying amount at 31/12/2021	30,713	1,294,337	37,944	64,800	50,680	187,773	80,279	32,694	7,360	19,397	3,070	0	1,809,052
Cost	30,713	1,507,651	60,900	157,540	101,863	405,276	199,014	62,549	11,701	37,121	6,245	99,244	2,679,820
Accumulated depreciation	0	(213,314)	(22,956)	(92,740)	(51,183)	(217,503)	(118,735)	(29,855)	(4,341)	(17,724)	(3,175)	(99,244)	(870,768)
Additions during the year	0	171,173	14,915	12,657	18,329	67,834	86,900	20,226	0	20,847	3,154	128,878	544,912
Depreciation for the year	0	(17,895)	(2,360)	(11,579)	(13,383)	(35,677)	(46,965)	(13,842)	(1,323)	(13,497)	(2,220)	(45,726)	(204,485)
Impairment loss	0	0	0	0	0	0	0	0	0	0	0	0	0
Cost of reclassifications during the year	0	260	0	(472)	0	0	212	0	0	0	0	0	0
Accumulated depreciation of reclassifications	0	(152)	0	194	0	0	(42)	0	0	0	0	0	0
Cost of disposals/scrapings during the year	0	0	(2,331)	(20,339)	(18,284)	(53,620)	(65,088)	(6,661)	0	(13,858)	(2,432)	0	(182,612)
Accumulated depreciation of disposals	0	0	1,150	20,231	18,265	53,593	64,382	6,658	0	13,851	2,432	0	180,563
Carrying amount at 31/12/2022	30,713	1,447,724	49,318	65,492	55,607	219,903	119,658	39,075	6,037	26,740	4,004	83,152	2,147,430
Cost	30,713	1,679,084	73,484	149,386	101,908	419,490	221,038	76,114	11,701	44,110	6,967	228,122	3,042,120
Accumulated depreciation	0	(231,361)	(24,166)	(83,894)	(46,301)	(199,587)	(101,380)	(37,039)	(5,664)	(17,370)	(2,963)	(144,970)	(894,690)

Buildings and equipment with a cost price of R151 248 000 (2021: R289 961 000), funded with Government grants, were not included above (note 2.14.2).

Government grants are recognised as deferred income (current liability) and then applied against the cost of the relevant asset as the asset is obtained/developed, in accordance with IAS 20.

All assets are unencumbered. All disposals of land and buildings acquired with the financial support of the government requires approval from the Minister of Higher Education, Science and Innovation in terms of the Higher Education Act.

The relevant impairment losses as indicated are accounted for as operating expenses. These amounts arose from physical damage and ageing.

The University has a ten-year rolling plan in accordance with which large-scale building maintenance takes place and which is evaluated annually in order to properly maintain the buildings.

The assets register with full particulars of land and buildings is available for inspection at the registered address of the University.

Refer to note 29 regarding capital commitments.

* Included are buildings still under construction at year end to an amount of R1 054 585 000 for 2022 (2021: R437 379 000) as well as borrowing costs capitalised to an amount of R13 039 000 (2021: R1 616 000) - refer to note 16.

** Refer to note 6b regarding right-of-use assets.

NORTH-WEST UNIVERSITY**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****6b. LEASES**

This note provides information for leases where the University is a lessee.

(i) Amounts recognised in the statement of financial position

The statement of financial position shows the following amounts relating to leases:

	2022	2021
	R'000	R'000
Right-of-use assets		
Buildings	<u>83,152</u>	<u>0</u>
Lease liabilities		
Non-current (discounted amount)	36,830	0
Current portion of lease liabilities	<u>51,632</u>	<u>0</u>
	<u>88,462</u>	<u>0</u>

(ii) Amounts recognised in the statement of comprehensive income

The statement of comprehensive income shows the following amounts relating to leases:

Depreciation charge of right-of-use assets (included in depreciation)	45,726	23,686
Interest expense (included in finance cost)	7,763	1,953
Expense relating to short-term leases (included in operating cost)	1,572	17,187

The total cash outflow for leases in 2022 was R55 061 000 (2021: R42 826 000).

(iii) The University's leasing activities and how they are accounted for

The University leases various buildings, mainly to accommodate students, as well as offices where needed. Rental contracts are typically for fixed periods of 12 months to 3 years, but may have extension options.

Contracts may contain both lease and non-lease components. For leases of real estate for which the University is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component because the difference is negligible.

Lease terms are negotiated on an individual basis although terms and conditions are of a similar nature. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of fixed payments (including in-substance fixed payments), but not lease payments to be made under extension options.

NORTH-WEST UNIVERSITY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

6(b). LEASES (continued)

(iii) The University's leasing activities and how they are accounted for (continued)

The lease payments are discounted using the interest rate implicit in the lease. If the rate cannot be readily determined, which is generally the case for the University, the University's incremental borrowing rate is used, being the rate that the University would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-in-use asset in a similar economic environment with similar terms, security and conditions.

The University borrowed funds from the Development Bank of Southern Africa during September 2021 at a rate of 7,85%. This rate was used as an indication of the weighted average incremental borrowing rate for the University.

Lease payments are allocated between principal and finance cost. The finance cost is charged to surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- * the amount of the initial measurement of lease liability; and
- * any lease payments made at or before the commencement date.

Right-of-use assets are depreciated over the shorter of the lease term or underlying assets useful life on a straight-line basis, and in the case of the NWU the lease term is shortest.

Payments associated with short-term operating leases are recognised on a straight-line basis as an expense in surplus or deficit. Short-term leases are leases with a lease term of 12 months or less.

(iv) Contractual maturities of lease liabilities

The amounts disclosed are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

As at 31 December	2022 R'000	2021 R'000
Less than 1 year	51,632	0
Between 1 and 2 years (discounted amount R36 830 000)	43,782	0
Total contractual cash flows	<u>95,414</u>	<u>0</u>

7. INVESTMENT PROPERTIES

Carrying amount at beginning of year	17,029	17,515
Cost	<u>24,327</u>	<u>24,327</u>
Accumulated depreciation	<u>(7,298)</u>	<u>(6,812)</u>
Depreciation	(486)	(487)
Carrying amount at end of year	16,543	17,029
Cost	<u>24,327</u>	<u>24,327</u>
Accumulated depreciation	<u>(7,784)</u>	<u>(7,298)</u>

NORTH-WEST UNIVERSITY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

7. INVESTMENT PROPERTIES (continued)	2022 R'000	2021 R'000
Income	9,813	8,529
Rental income (short-term investment income - note 26)	9,776	8,529
Other	37	0
Less: Expenditure (direct operating expenses arising from investment properties that generate rental income)	4,985	6,236
Bad debt written off	1,113	303
Personnel remuneration	770	480
Maintenance - buildings	705	985
Municipal fees and property tax	(85)	2,285
Operating costs	284	98
Services outsourced	1,712	1,598
Depreciation	486	487
Net surplus from investment properties	4,828	2,293

The fair value measurement for investment properties has been categorised as a Level 3 under IFRS 13.

Investment properties consist of business buildings that are leased.

Valuation processes

Valuation of investment property is done every 5 years.

The previous valuation in 2017 was done by Acom Valuers. The same valuers did the valuation for the year ending 2022. Valuer has appropriate qualifications and experience in the valuation field to professionally value the investment property.

Assumptions used for the valuation of Cachet Park include an occupancy rate of 95% (2017: 95%) and a rental margin of 68,6% (2017: 67,9%). No tax implications were applicable.

Present value of future cash flow projections, based on lease agreements, were used in the calculation of the fair value in the amount of R80 000 000 (2017: R82 000 000), using a discount rate per annum of 9,50% (2017: 9,50%).

The sensitivity analysis below shows the impact on the fair value of the investment property to changes in key valuation assumptions.

R'000	Discount rate		
	8,50%	9,50%	10,50%
Rental (5% decrease)	84,941	76,000	68,762
Rental (per valuers' report)	89,412	80,000	72,381
Rental (5% increase)	93,882	84,000	76,000

All assets are unencumbered. All disposals of land and buildings acquired with the financial support of the government require approval from the Minister of Higher Education, Science and Innovation in terms of the Higher Education Act, 1997 (Act No. 101 of 1997).

Leasing arrangements

The investment properties are leased to tenants under operating leases with rentals payable monthly. Lease payments for some contracts may include CPI increases, but there are no other variable lease payments that depend on an index or rate.

	2022 R'000	2021 R'000
Minimum lease payments receivable on leases of investment properties are as follows:		
Within 1 year	8,778	6,613
Between 1 and 2 years	7,767	5,974
Between 2 and 3 years	7,127	5,868
Between 3 and 4 years	3,918	5,497
Between 4 and 5 years	696	2,227
	28,286	26,179

NORTH-WEST UNIVERSITY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

8. INTANGIBLE ASSETS	Computer software R'000	Goodwill * R'000	Total R'000
Opening carrying value - 01/01/2021	507	950	1,457
Cost	521	950	1,471
Accumulated amortisation	(14)	0	(14)
Additions (externally with consolidation)	3,247	0	3,247
Amortisation charges	(195)	0	(195)
Closing carrying value - 31/12/2021	3,559	950	4,509
Cost	3,768	950	4,718
Accumulated amortisation	(209)	0	(209)
Additions (externally with consolidation)	2,294	0	2,294
Amortisation charges	(483)	0	(483)
Closing carrying value - 31/12/2022	5,370	950	6,320
Cost	6,062	950	7,012
Accumulated amortisation	(692)	0	(692)

* Goodwill from business combination

9. INVESTMENTS

9.1 Total investments

Financial assets at fair value through profit or loss (FVPL) as elected at initial recognition.

Comprise:

- * Debt investments that do not qualify for measurement at either amortised cost or FVOCI;
- * Equity investments that are held for trading; and
- * Equity investments for which the entity has not elected to recognise fair value gains and losses through OCI.

Refer to note 2.8.

Investments at FVPL	2022 R'000	2021 R'000
<u>Unlisted investments</u>		
Unlisted shares that do not qualify as an investment in equity-accounted investees	1,694	1,179
<u>Listed investments</u>		
Shares in public companies	619,473	656,707
Bonds and credit linked notes	2,570,667	1,395,012
Unit trusts	832,401	0
	<u>4,024,235</u>	<u>2,052,898</u>

Financial assets at amortised cost

Comprise assets that meet both of the following criteria:

- * asset is held within a business model whose objective is to collect the contractual cash flows; and
- * the contractual terms give rise to cash flows that are solely payments of principal and interest.

Refer to note 2.8.

Cash portfolio (Committee for Investments)	(4,628)	5,183
Negotiable Certificates of Deposits (NCD's) (Money Market portfolio)	2,995,156	4,199,535
Other	34,941	46,540
	<u>3,025,469</u>	<u>4,251,258</u>
<u>Presented as follows:</u>		
Non-current assets	6,343,809	4,399,238
Current assets	705,895	1,904,918
Total investments	<u>7,049,704</u>	<u>6,304,156</u>

The University reinvests all investments which mature in investments of similar long-term nature.

NORTH-WEST UNIVERSITY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

9. INVESTMENTS (continued)

9.1 Total investments (continued)

	2022	2021
<u>Financial assets at fair value through profit of loss (FVPL)</u>	<u>R'000</u>	<u>R'000</u>
Balance at beginning of year	2,052,898	1,023,637
Additions - shares in public entities	16,892	58,078
Additions - bonds and credit linked notes	1,175,655	844,797
Additions - unit trusts	832,401	0
Net profit transferred to surplus or deficit	(53,611)	126,386
Balance at end of year	<u>4,024,235</u>	<u>2,052,898</u>

There were no impairment provisions made on financial assets at fair value through profit or loss (FVPL) in 2021 and 2022.

FVPL financial assets are denominated in rand and none of the assets are impaired.

The fair value of unlisted securities is based on cash flows and other valuation techniques (note 2.8).

The maximum exposure to credit risk at the reporting date is the carrying value of the securities.

The carrying values (cost) of investments held at fair value are as follows:

The market value of listed investments represents the closing prices at year-end as fixed on the Johannesburg Securities Exchange. The valuation of unlisted investments which takes place on the reporting date in accordance with relevant valuation bases (note 2.8) is regarded to be the same value as reflected above.

Amounts recognised in the statement of comprehensive income

The following amounts were recognised in surplus or deficit:

Fair value gains/(losses) on debt instruments at FVPL

Listed investments	(54,126)	126,748
Unlisted investments	515	(362)
	<u>(53,611)</u>	<u>126,386</u>

Other information

Realised income on investments is included in investment income (note 26).

The register with full particulars of the above-mentioned investments is available for inspection at the registered address of the University.

Refer to notes 3 and 11 for additional disclosure on financial instruments.

PURCO SA is the purchasing consortium of the Higher Educational sector in South Africa. North-West University is a member of the consortium. The NWU is entitled to utilise PURCO SA on specific tenders to obtain the best prices. PURCO SA is not a subsidiary, associate, joint venture or unconsolidated special purpose entity.

The University has no other interest or investments in unconsolidated or structured entities.

9.2 Investment in subsidiaries

The University is the ultimate holding entity of the group.

All the subsidiary entities, with the exception of NWU Open Learning Operations Proprietary Limited, are incorporated in South Africa and their principal place of business is situated in South Africa. The principal place of business for NWU Open Learning Operations Proprietary Limited is situated in Windhoek, Namibia.

Details as reflected in the respective entities' annual financial statementsPUK Kanselierstrust (100% interest)

The principal business of the trust is to promote higher education at the University.

Carrying amount of trust funds	1,527	1,501
Attributable profit	<u>26</u>	<u>24</u>

WTX Invorderaars Proprietary Limited (100% interest)

The company is dormant and not actively trading.

Carrying amount of shares	0 *	0 *
Attributable profit/(loss) after tax	<u>0</u>	<u>0</u>

NORTH-WEST UNIVERSITY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

9. INVESTMENTS (continued)

9.2 Investment in subsidiaries (continued)

<u>Details as reflected in the annual financial statements</u> (continued)	<u>2022</u> <u>R'000</u>	<u>2021</u> <u>R'000</u>
<u>NWU Property Development NPC (Incorporated association not for gain) (100% interest)</u>		
(previously known as PUK Ontwikkelingstrust (Incorporated association not for gain))		
The principal business of the company is to generate funds in order to realise the vision and mission of the University.		
Carrying amount: Reserves	16,208	13,922
Attributable profit/(loss): Non-distributable	<u>0</u>	<u>0</u>
Notable related-party transaction: Amount held in NWU Money Market investments		
Investment is unsecured and payable/due on request from Trust	<u>5,698</u>	<u>5,698</u>
<u>OpenCollab Proprietary Limited (94,90% interest)</u>		
The principal business of the company is to provide software development, maintenance, support and consulting services.		
Carrying amount of shares	0 *	0 *
Attributable loss after tax	<u>(38)</u>	<u>(2)</u>
Notable related-party transactions:		
Operating expenses paid to related party	<u>9,955</u>	<u>10,329</u>
Amount held in NWU Money Market investments on behalf of related party		
Investment bears interest at 6,89% (2021: 6,15%) and is available on call.	<u>6,784</u>	<u>8,862</u>
<u>Innovation Highway Proprietary Limited (100% interest)</u>		
The principal business is acting as holding company as well as an incubator for early venturing in a commercial environment, from which fully-fledged spin-out companies will be formed.		
Carrying amount of shares	0 *	0 *
Attributable loss after tax	<u>(11)</u>	<u>(212)</u>
<u>Innovation Highway Enterprises Proprietary Limited (100% interest)</u>		
The principal business of the company is technology transfer, innovation and business commercialisation and any other related activities.		
Carrying amount of shares	0	0
Attributable loss after tax	<u>0</u>	<u>(95)</u>
This company was dissolved with a final deregistration date of 3 January 2022 at the Companies and Intellectual Property Commission (CIPC).		
<u>Hydrogen Core Technologies Proprietary Limited (100% interest)</u>		
The principal business of the company is the commercialisation of HySA technologies (under DST funding).		
Carrying amount of shares	0 *	0 *
Attributable loss after tax	<u>(14)</u>	<u>(13)</u>
<u>Medehive Proprietary Limited (previously Hyfra Proprietary Limited) (100% interest)</u>		
The principal business of the company is the commercialisation of HySA technologies (outside DST funding).		
Carrying amount of shares	0 *	0 *
Attributable (loss)/profit after tax	<u>(4)</u>	<u>17</u>

NORTH-WEST UNIVERSITY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

9. INVESTMENTS (continued)

9.2 Investment in subsidiaries (continued)

<u>Details as reflected in the annual financial statements</u> (continued)	2022 R'000	2021 R'000
<u>North West Fibre Proprietary Limited (100% interest)</u>		
The principal business of the company is the development of fibre technology.		
Carrying amount of shares	0 *	0 *
Attributable profit/(loss) after tax	<u>0</u>	<u>0</u>
<u>NWU Open Learning Operations Proprietary Limited (100% interest)</u>		
The principal business of the company is to act as a point of reporting and support to all Namibian students who are enrolled at the NWU through distance learning.		
Carrying amount of shares	0 *	0 *
Attributable (loss)/profit after tax	<u>(925)</u>	<u>1,502</u>
Total assets and liabilities of consolidated subsidiaries		
Assets	<u>34,099</u>	<u>25,972</u>
Liabilities	<u>(24)</u>	<u>(555)</u>

*Amounts less than R1 000 are disclosed as Rnil due to rounding down to the nearest thousand.

The University has no other interest or investments in unconsolidated or structured entities.

10. EQUITY-ACCOUNTED INVESTEEES

Balance at beginning of year	0	1,100
Disposal of holding in investees	0	(1)
Movement for the year	0	(1,099)
Share of profit/(loss)	<u>0</u>	<u>370</u>
Loan to Finclude Technologies Proprietary Limited	<u>0</u>	<u>(1,469)</u>
Balance at end of year	<u>0</u>	<u>0</u>

The University sold share holdings in equity-accounted investees during 2021 and has no interests at the end of 2022.

11. FINANCIAL INSTRUMENTS

Financial instruments carried in the statement of financial position include investments, trade and other receivables, cash and cash equivalents, borrowings, derivatives, trade and other payables.

The fair values of these financial assets are deemed to approximate their carrying amounts.

11a. FINANCIAL INSTRUMENTS BY CATEGORY

<u>31 December 2022</u>	Amortised cost R'000	Fair value through profit or loss R'000	Total R'000
Assets			
Investments (note 9)	3,025,469	4,024,235	7,049,704
Trade and other receivables (note 13) (excluding prepayments and VAT)	233,333	0	233,333
Cash and cash equivalents (note 14)	<u>170,614</u>	<u>0</u>	<u>170,614</u>
Total	<u>3,429,416</u>	<u>4,024,235</u>	<u>7,453,651</u>

NORTH-WEST UNIVERSITY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

11. FINANCIAL INSTRUMENTS (continued)

11a. FINANCIAL INSTRUMENTS BY CATEGORY (continued)

31 December 2022 (continued)		Amortised cost R'000	Total R'000	
Liabilities				
Borrowings (note 16)		214,016	214,016	
Trade and other payables (note 19)		462,467	462,467	
Total		676,483	676,483	
31 December 2021		Amortised cost R'000	Fair value through profit or loss R'000	Total R'000
Assets				
Investments (note 8)		4,251,258	2,052,898	6,304,156
Trade and other receivables (note 13) (excluding prepayments and VAT)		245,550	0	245,550
Cash and cash equivalents (note 14)		141,446	0	141,446
Total		4,638,254	2,052,898	6,691,152
Liabilities				
Borrowings (note 16)			111,862	111,862
Trade and other payables (note 19)			505,743	505,743
Total			617,605	617,605

11b. CREDIT QUALITY OF FINANCIAL ASSETS

The University has the following types of financial assets that are subject to the expected credit loss model:

- * Debt investments carried at amortised cost; and
- * Trade and other receivables;
- * Contract assets relating to research contracts.

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

Financial assets at amortised cost

Financial assets at amortised cost include NCDs, treasury bills and listed corporate bonds, loans to related parties and other receivables.

Instruments are considered to be of low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

Trade receivables and contract assets

The University applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

Refer to note 2.11 for accounting policy and method of grouping of assets.

NORTH-WEST UNIVERSITY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

11. FINANCIAL INSTRUMENTS (continued)

11b. CREDIT QUALITY OF FINANCIAL ASSETS (continued)

Trade receivables and contract assets (continued)

The following information was used to determine the expected loss allowance for both trade receivables and contract assets. Trade receivables were divided between student debtors and other debtors.

<u>STUDENT DEBTORS</u>	<u>Potch campus</u>	<u>Vaal campus</u>	<u>Mafikeng campus</u>
31 December 2022			
Groups as classified for payment collection purposes:			
NSFAS funded students	17	45	102
PD based on a BB- government rating	0.92%	0.92%	0.92%
Other government funded students	0 *	0 *	0 *
PD based on a BB- government rating	0.92%	0.92%	0.92%
Cash paying students	10,296	3,358	14,563
Historical 3 year average of actual bad debt + Unemployment %	32.90%	32.90%	32.90%
Other bursaries	139	198	27
Historical 3 year average of actual bad debt + Unemployment %	32.90%	32.90%	32.90%
Open distance learning students - Self paying	1,287	0	0
Historical 3 year average of actual bad debt + Unemployment %	32.90%	32.90%	32.90%
Open distance learning students - Other government funded	71	0	0
PD based on a BB- government rating	0.92%	0.92%	0.92%
Open distance learning students	0	0	0
Bursary projects (2013 - 2015) - written off in 2022	100.00%	100.00%	100.00%
Loss allowance per campus	<u>11,811</u>	<u>3,601</u>	<u>14,692</u>
TOTAL LOSS ALLOWANCE			<u>30,104</u>

* Amounts less than R1 000 are disclosed as Rnil due to rounding down to the nearest thousand.

31 December 2021

Groups as classified for payment collection purposes:

NSFAS funded students	4,614	15,651	32,200
PD based on a BB- government rating	0.96%	0.96%	0.96%
Other government funded students	1,462	747	639
PD based on a BB- government rating	0.96%	0.96%	0.96%
Cash paying students	47,741	13,573	49,525
Historical 3 year average of actual bad debt + Unemployment %	36.36%	41.50%	49.71%
Other bursaries	6,064	4,185	1,512
Historical 3 year average of actual bad debt + Unemployment %	36.36%	41.50%	49.71%
Open distance learning students - Self paying	6,384	0	0
Historical 3 year average of actual bad debt + Unemployment %	36.36%	41.50%	49.71%
Open distance learning students - Other government funded	39,961	0	0
PD based on a BB- government rating	0.96%	0.96%	0.96%
Open distance learning students	8,010	850	0
Bursary projects (2013 - 2015) for write-off in 2022	100.00%	100.00%	100.00%
Loss allowance per campus	<u>29,130</u>	<u>8,378</u>	<u>25,686</u>
TOTAL LOSS ALLOWANCE			<u>63,194</u>

NORTH-WEST UNIVERSITY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

11. FINANCIAL INSTRUMENTS (continued)

11b. CREDIT QUALITY OF FINANCIAL ASSETS (continued)

SUNDRY DEBTORS

31 December 2022	Rating	PD (90+ days)	Total R'000
Classified groups:			
Government	BB-	0.0092	126
Similar to government and universities	BB-	0.0092	131
Municipalities	BB-	0.0092	1
Corporates with balances above R1 million (3 customers)	individually calculated PD		88
Corporates with balances under R1 million		0.3082	17
Individuals and other	Full amount 90 days and longer outstanding		3,883
Loss allowance			<u>4,246</u>
31 December 2021	Rating	PD (90+ days)	Total R'000
Classified groups:			
Government	BB-	0.0096	68
Similar to government and universities	BB-	0.0096	130
Municipalities	BB-	0.0096	1
Corporates with balances above R1 million (7 customers)	individually calculated PD		127
Corporates with balances under R1 million		0.3082	17
Individuals and other	Full amount 90 days and longer outstanding		5,922
Loss allowance			<u>6,265</u>

The expected credit loss on contract assets at year end amounts to R56 000 (2021: R49 000) and is considered non-material.

Exposure per category:

	2022	2021
	R'000	R'000
Investments (note 9)		
FVPL - listed shares	619,473	656,707
FVPL - unlisted shares	1,694	1,179
FVPL - bonds, credit linked notes and unit trusts	3,403,068	1,395,012
Amortised cost - money market instruments*	3,025,469	4,251,258
Trade and other receivables (note 13)	257,828	259,016
Cash and cash equivalents	170,614	141,446
Total	<u>7,478,146</u>	<u>6,704,618</u>

* An amount of R3 823 497 000 (2021: R4 199 535 000) is invested in "AA" Bank NCDs and Treasury Bills with guaranteed buy-back. Same day settlement.

12. INVENTORIES

Net realisable value (see note 25)

Foodstuffs (Residence and Catering Services)	1,497	1,417
Other consumables	32,863	28,736
Veterinary health	2,479	2,413
	<u>36,839</u>	<u>32,566</u>
At cost		
Foodstuffs (Residence and Catering Services)	1,754	1,683
Other consumables	33,021	28,827
Veterinary health	2,479	2,413
	<u>37,254</u>	<u>32,923</u>

Obsolete inventory in the amount of R415 000 (2021: R357 000) was written off (see note 25).

NORTH-WEST UNIVERSITY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

	2022	2021
	R'000	R'000
13. TRADE AND OTHER RECEIVABLES		
Balance at beginning of year	328,475	383,048
Plus: Net movement	43,669	1,005
	372,144	384,053
Less: Bad debts written off	(79,966)	(55,578)
Balance at end of year	292,178	328,475
Less: Loss allowance	(34,350)	(69,459)
Balance at beginning of year	(69,459)	(98,652)
Debtors written off during current year	79,966	55,578
Allowance for credit losses created in current year	(44,857)	(26,385)
Balance at end of year	257,828	259,016
<u>Details of trade and other receivables</u>		
Students		
Tuition and residence fees	205,842	265,446
Less: Loss allowance	(30,104)	(63,194)
Sub-total: Students	175,738	202,252
Sub-total: Advances and prepayments	24,495	7,405
Other debtors	61,841	55,624
Projects: Services rendered	42,488	40,793
VAT	0	6,061
Other	19,353	8,770
Less: Loss allowance	(4,246)	(6,265)
Sub-total: Other debtors	57,595	49,359
Total trade and other receivables	257,828	259,016

Student receivables

Student debtors who have not paid their accounts by the autumn graduation ceremony of the following year are considered non-recoverable or doubtful and handed over to attorneys for collection. Current student debtors are also not allowed to register for studies unless outstanding balances are settled or repayment contracts have been negotiated. The increase or decrease in the loss allowance, debts written off, as well as amounts previously written off and recovered during the year, are included in current operating expenditure.

Refer to note 2.11 for accounting policy and calculation of expected credit loss (ECL).

	2022	2021
	R'000	R'000
Movement in the loss allowance for student debtors:		
Balance at beginning of year	63,194	91,870
Student debtors written off during current year as uncollectable	(59,181)	(50,886)
Increase in expected loss allowance during the year	26,091	22,210
Balance at end of year	30,104	63,194
The ageing of student debtors that are past due is as follows:		
Student debtors past due and impaired (enrolled up to 2022)	30,104	63,194
Student debtors past due but not impaired (enrolled again in 2023)	175,738	202,252
Total balance at end of year	205,842	265,446

NORTH-WEST UNIVERSITY**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****13. TRADE AND OTHER RECEIVABLES (continued)****Other debtors**

Trade receivables and contract assets are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the University, and a failure to make contractual payments for a period of 90 days or more.

Impairment losses on trade receivables and contract assets are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

Refer to note 2.11 for accounting policy and calculation of expected credit loss (ECL).

	2022	2021
	R'000	R'000
Movement in the loss allowance for sundry debtors:		
Balance at beginning of year	6,265	6,782
Other debtors written off during current year as uncollectable	(20,785)	(4,692)
Increase in expected loss allowance during the year	<u>18,766</u>	<u>4,175</u>
Balance at end of year	<u><u>4,246</u></u>	<u><u>6,265</u></u>
The fair values of trade and other receivables are as follows:		
Student debtors	175,738	202,252
Other debtors	<u>57,595</u>	<u>43,298</u>
Financial assets	233,333	245,550
Advances and prepayments	24,495	7,405
VAT	0	6,061
Total	<u><u>257,828</u></u>	<u><u>259,016</u></u>

The fair value is deemed to approximate the carrying amounts.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivables mentioned above. The University does not hold any collateral as security.

14. CASH AND CASH EQUIVALENTS

Short-term bank deposits	126,240	77,306
Bank balances	43,374	63,150
Petty cash advances	<u>1,000</u>	<u>990</u>
	<u><u>170,614</u></u>	<u><u>141,446</u></u>

The weighted average effective interest rate on short-term bank deposits was 6,89% (2021: 6,15%).

The fair value is deemed to approximate the carrying amounts.

The cash and cash equivalents are managed together with investments according to the financial needs of the University. Funds are totalled and restricted funds are not managed separately.

Unspent grant funds of R341 767 000 (2021: R446 889 000) are included in the total funds of the University consisting of cash and cash equivalents and investments. These funds are restricted and may only be used for specific grant requirements.

The reserves have been split between restricted funding and non-restricted funding.

Guarantees of R30 000 are currently held by ABSA Bank (2021: R1 324 000).

NORTH-WEST UNIVERSITY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

15. EQUITY

The movement in equity is the result of the normal financial cycle after fair value adjustments had been made. Refer to note 9 for detail.

Transfers between funds include the following:

- If the utilisation of funds results in the creation of an asset, the amount so utilised is transferred from its relevant fund to property, plant and equipment funds. It also includes depreciation;
- Where Council has designated funds for specific purposes, e.g. bursaries;
- Funds allocated for financing of major capital expenditure projects (funds held for investment in property, plant and equipment); and
- On completion of certain projects/defined activities, the surplus is transferred to designated funds.

16. BORROWINGS - INTEREST-BEARING

Carrying amounts	2022	2021
	R'000	R'000
<u>Development Bank of Southern Africa - Student housing</u>		
Total - Development Bank of Southern Africa loan	214,016	111,862
Less: Current portion	3,273	0
Non-current liabilities	<u>210,743</u>	<u>111,862</u>

Facility amount as per agreement is R235 000 000 with a term of twenty (20) years.

An ABSA Fixed Deposit of R28 654 000 serves as a debt service reserve required balance for the loan.

Capitalised borrowing costs

This loan bears interest at a base rate plus margin, the base rate being variable 1-month Jibar and margin 232 basis points. Interest is calculated on the facility outstanding from time to time on the basis of the actual number of days elapsed and a 365 day year, nominally compounded.

Capital repayment commences 24 months after the first disbursement, with 216 monthly instalments.

240 monthly interest instalments starting on the interest payment date following the first disbursement.

The first disbursement (based on first claim for expenditure expensed) was received on 29 September 2021.

Monthly repayment instalments of R1 973 085 will be made after the 24 months capital grace period.

Last payment to be made during September 2041.

Borrowings are carried at amortised cost using the effective rate method.

The fair value approximates the carrying amount.

Maturity of borrowings (capital and interest):

Less than 1 year	23,617	12,687
Between 1 and 2 years	32,466	20,468
Between 3 and 5 years	89,640	71,031
Over 5 years	<u>259,725</u>	<u>343,317</u>
	<u>405,448</u>	<u>447,503</u>

NORTH-WEST UNIVERSITY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

17. EMPLOYEE BENEFITS

	2022	2021
	R'000	R'000
ASSETS		
Net assets recognised in the statement of financial position		
North-West University Pension Fund (note 17.1)	437,519	429,459
Total employee benefit assets	<u>437,519</u>	<u>429,459</u>
LIABILITIES		
Accrued leave	259,172	371,030
Post-employment medical benefits (note 17.3)	141,658	147,666
Total employee benefit liabilities	400,830	518,696
Less: Current liability - accrued leave	<u>(259,172)</u>	<u>(243,238)</u>
Total non-current liability	<u>141,658</u>	<u>275,458</u>

17.1 North-West University Pension Fund

The North-West University Pension Fund, which is registered in terms of and governed by the Pension Funds Act (Act 24 of 1956 (as amended)), was implemented on 1 January 1995. The North-West University Pension Fund had two fixed-benefit options, which were only available to members who changed from the Associated Institutions Pension Fund to the North-West University Pension Fund on 1 January 1995 – closed options.

A fixed-contribution option with a defined-benefit guarantee applied to all new members joining from 1 January 1995. This option closed in December 2003. Both of these options are now phased out with no members as at the end of 2020. A fourth option was introduced on 1 January 2004 for all new members of the Fund, namely a fixed-contribution option (2022: 99,87% or 3 882 members and 2021: 99,87% or 3 889 members). A statutory actuarial valuation of the North-West University Pension Fund is undertaken every three years. On 31 December 2022, the effective date of the most recent statutory actuarial valuation, the retirement benefit fund was found to have a surplus of R437 744 000.

No formal valuation calculations were done in terms of IAS19 (revised) in reporting on the defined benefit pension fund, as the Fund converted all its defined benefit members to defined contribution members with annuity policies being purchased for all the pensioners in 2019. As at 31 December 2020, the Fund did not have any defined benefit obligations remaining as at that date. The asset reflected in the IAS19 disclosures was the balance in the employer surplus account.

Similarly, for 2021 and 2022, there are no defined benefit obligations as all obligations are of a defined contribution nature.

Only a build-up of the employer surplus account (reflected as an assets for IAS19) is being prepared since 2020.

	2022	2021
	R'000	R'000
Current estimated employee benefit obligation:		
Fair value of plan assets at year-end	<u>(437,519)</u>	<u>(429,459)</u>
Recognised in other comprehensive income:		
Actual return on assets	(8,060)	(77,745)
Adjustments made to finalise statutory valuation of the Pension Fund as at 31 December	0	(451)
Total actuarial gain	<u>(8,060)</u>	<u>(78,196)</u>
Recognised in the statement of financial position:		
Opening net asset	(429,459)	(351,263)
Remeasurements recognised in other comprehensive income	<u>(8,060)</u>	<u>(78,196)</u>
Asset at year-end	<u>(437,519)</u>	<u>(429,459)</u>

NORTH-WEST UNIVERSITY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

17. EMPLOYEE BENEFITS (continued)

	2022	2021
	R'000	R'000
17.1 North-West University Pension Fund (continued)		
Movement in the plan assets:		
Fair value of plan assets at 1 January	429,459	351,263
Actuarial gain/(loss)	8,060	78,196
Fair value of plan assets at 31 December	437,519	429,459
Plan assets comprise:		
	%	%
Local equity securities	46,3	48,4
Global equity securities	23,3	23,8
Local bonds	15,7	15,0
Global bonds	2,7	1,2
Local cash	3,5	0,8
Global cash	-0,6	0,1
Local property	5,5	5,9
Global property	1,8	1,4
Local commodities (other)	1,8	3,4
	100,0	100,0

17.2 North-West University Disability Reserve Fund

The disability benefit is 82,5% of the member's pensionable salary as at the date of disability. In addition the fund pays the employer contributions to the North-West University Pension Fund. The employee contribution of 7,5% is included in the 82,5% of pensionable salary. A decision was taken for the purposes of this valuation to include the employer contributions in the benefits payable. This additional liability was taken into account. A statutory actuarial valuation of the North-West University Disability Reserve Fund is undertaken every three years. On 31 December 2022, the effective date of the recent statutory actuarial valuation, the disability reserve fund was found to have a surplus of R1 275 000.

Disabled pensioners were outsourced in 2020 and the Fund did not have any defined obligations remaining as at 31 December 2021. Disclosure is limited to only a build-up of the net asset value (or surplus) at year end.

The surplus was reduced due to a contribution holiday taken on member disability premiums.

	2022	2021
	R'000	R'000
Current estimated employee benefit obligation:		
Fair value of plan assets	(1,275)	(1,261)
Impact of asset ceiling	1,275	1,261
Asset at year-end	0	0
Recognised in profit or loss:		
Current service costs	69	397
Net interest	(83)	(175)
Reinsurance premiums	0	6,245
Total included in personnel remuneration	(14)	6,467
Recognised in other comprehensive income:		
Impact of asset ceiling limitation	14	(6,467)
	14	(6,467)

NORTH-WEST UNIVERSITY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

17. EMPLOYEE BENEFITS (continued)

17.2 North-West University Disability Reserve Fund (continued)

Valuation calculations in terms of IAS19 (revised) (continued)

	2022	2021
	R'000	R'000
Recognised in the statement of financial position:		
Opening net asset	0	0
Expense	(14)	6,467
Remeasurement recognised in other comprehensive income	14	(6,467)
Asset at year-end	<u>0</u>	<u>0</u>
Movement in the plan assets:		
Fair value of plan assets at 1 January	1,261	7,728
Expected return on plan assets	83	175
Contribution (net of reinsurance premiums)	0	(6,245)
Cost of outsourcing	(69)	(397)
Fair value of plan assets at 31 December	<u>1,275</u>	<u>1,261</u>
Plan assets comprise:		
	%	%
Local cash	<u>100,0</u>	<u>100,0</u>

17.3 Post-employment medical benefits

In accordance with current staff practice, contributions to the medical aid fund are also made on behalf of retired employees (Potchefstroom and Vaal Triangle Campuses) who had been employed before 1 January 1999.

Valuation calculations in terms of IAS19 (revised) are done annually and the results of the valuation are as follows:

	2022	2021
	R'000	R'000
Current estimated employee benefit obligation:		
Present value of obligation	<u>141,658</u>	<u>147,666</u>
Recognised in profit or loss:		
Current service costs	966	1,026
Net interest	14,225	13,175
Total included in personnel remuneration	<u>15,191</u>	<u>14,201</u>
Recognised in the statement of comprehensive income:		
Actuarial gain recognised in other comprehensive income (OCI)	<u>(8,951)</u>	<u>(2,786)</u>
Recognised in the statement of financial position:		
Pensioners	117,362	121,246
Active employees	<u>24,296</u>	<u>26,420</u>
Present value of unfunded liability	<u>141,658</u>	<u>147,666</u>
Movement in the liabilities:		
Liability at 1 January	147,666	148,282
Interest cost	14,225	13,175
Service cost	966	1,026
Contribution	(12,248)	(12,031)
Actuarial gain	(8,951)	(2,786)
Liability at 31 December	<u>141,658</u>	<u>147,666</u>

NORTH-WEST UNIVERSITY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

17. EMPLOYEE BENEFITS (continued)

17.3 Post-employment medical benefits (continued)

Valuation calculations in terms of IAS19 (revised) (continued)

Principal actuarial assumptions at the reporting date:	2022	2021
	%	%
Inflation rate	6,44	6,18
Discount rate	11,07	10,05
Expected future salary increases	6,44	6,18
Expected future medical cost increases	8,44	7,68
Mortality rates	Pre-expected retirement age: SA1985-90 light Post-expected retirement age: PA(90)-2	

The sensitivity analysis below illustrates how results change under various alternative assumptions.

Assumption	Variation	% change in past-service contractual liability	% change in service cost plus interest (contractual liability)
2022			
Salary/Health-care cost inflation	+1%	-6,7%	+0,8%
	-1%	+7,6%	-1,0%
Mortality	+1%	-3,3%	- 3,3%
	-1%	+3,3%	+3,3%
2021			
Salary/Health-care cost inflation	+1%	-7,1%	+0,9%
	-1%	+8,3%	-1,2%
Mortality	+1%	-3,3%	- 3,4%
	-1%	+3,4%	+3,4%

Expected contributions to post-employment benefit plans for the year ending 31 December 2023 are R12 641 000.

There are currently no long-term assets set aside in respect of the NWU's post-employment health care liabilities. Therefore, no assumption specifically relating to assets has been made.

17.4 Associated Institutions Pension Fund

Some of the permanent staff in the relevant staff categories (Potchefstroom and Vaal Triangle campuses), (2022: 0,13% or 5 staff members and 2021: 0,13% or 5 staff members) exercised the option of remaining members of the Associated Institutions Pension Fund (AIPF), which fund is registered in terms of and governed by the Pension Funds Act (Act No. 24 of 1956 (as amended)). Upon retirement these staff members receive retirement benefits in terms of a defined-benefit plan. The University has a liability to make an additional contribution to the pension fund if the cash flow of the AIPF is insufficient for the payment of the pensions of pensioners. The latest valuation was done on 31 March 2005 and the results show a funding level of 151,4% and a R3 631 000 surplus. The AIPF is administered by the State.

The amount as recognised in the statement of comprehensive income (note 24 – Personnel remuneration) for 2022 is R726 900 (2021: R678 500).

17.5 NWU Provident Funds

The NWU provident funds were established on 1 March 1993 and 1 March 1996 respectively. All permanent staff members in the relevant staff categories (Potchefstroom and Vaal Triangle Campuses 2022: 60 staff members and 2021: 66 staff members) contribute to the NWU provident funds. The Registrar of Pensions does not require that a fixed-contribution fund be valued actuarially. The fund is 100% funded because benefits are limited to fixed contributions plus growth. The University has no further obligation towards the funds.

The amount as recognised in the statement of comprehensive income (note 24 – Personnel remuneration) for 2022 is R1 520 000 (2021: R1 532 000).

NORTH-WEST UNIVERSITY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

	2022	2021
	R'000	R'000
18. DEFERRED STATE GRANT		
Deferred income mainly comprises state infrastructure grants. These grants are capital by nature.		
Capital projects	244,280	325,199
Balance at beginning of year	325,199	556,574
Subsidy received during the year	16,290	0
Interest capitalised during the year	13,464	14,014
	354,953	570,588
Recognised during the year	(110,673)	(245,389)
Balance at end of year	244,280	325,199
<u>Presented as follows:</u>		
Non-current liability: Long-term portion	17,344	169,074
Current liability: Short-term portion	226,936	156,125
	244,280	325,199
19. TRADE AND OTHER PAYABLES		
Trade creditors	328,367	313,164
Student fees - credit accounts	134,099	192,579
Financial liabilities	462,466	505,743
VAT	888	(12)
	463,354	505,731
The fair value approximates the carrying amount.		
20. INCOME RECEIVED IN ADVANCE		
Student-related fees and deposits (including tuition fees)	2,864	2,896
Deferred earmarked grants (operational by nature - granted annually)	96,954	121,691
Other (research and projects)	0	718
	99,818	125,305
The fair value approximates the carrying amount.		
21. ASSETS AND LIABILITIES RELATING TO CONTRACTS WITH CUSTOMERS		
All contract assets and contract liabilities relate to research contracts.		
Contract assets		
Opening balance	33,390	44,709
Consideration received during the period	15,883	17,448
Performance obligations completed	(4,145)	(28,767)
Total contract assets - Closing balance	45,128	33,390
Contract liabilities		
Opening balance	80,256	51,412
Performance obligations met during the period	(86,030)	(169,283)
Performance obligations not satisfied	61,716	198,127
Total contract liabilities - Closing balance	55,942	80,256
Net contract liabilities	10,814	46,866

NORTH-WEST UNIVERSITY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

21. ASSETS AND LIABILITIES RELATING TO CONTRACTS WITH CUSTOMERS (continued)

Performance obligations not satisfied

Unsatisfied performance obligations amounting to R55 942 000 (2021: R80 256 000) relate to research contracts and revenue will be recognised as the performance obligations are met during future accounting periods.

22. STATE APPROPRIATIONS - SUBSIDIES AND GRANTS	2022	2021
<u>Unrestricted or designated</u>	<u>R'000</u>	<u>R'000</u>
Operating purposes	2,399,147	2,189,357
Earmarked grants	72,451	103,193
Total: State appropriations - subsidies and grants	<u>2,471,598</u>	<u>2,292,550</u>

There are no unfulfilled conditions or other contingencies at year end.

23. REVENUE

Revenue is derived from the transfer of goods and services over time and at a point in time in the following major categories:

	2022	2022	2022
	R'000	R'000	R'000
	Tuition and other fees	Income from contracts	Sales of goods & services and other income *
Timing of revenue			
Revenue recognised at a point in time	0	0	345,947
Revenue recognised over time	1,910,488	192,628	345,388
Total revenue from external customers	<u>1,910,488</u>	<u>192,628</u>	<u>691,335</u>
Total revenue from contracts with customers			<u>2,794,451</u>
	2021	2021	2021
	R'000	R'000	R'000
	Tuition and other fees	Income from contracts	Sales of goods & services and other income *
Timing of revenue			
Revenue recognised at a point in time	0	0	291,294
Revenue recognised over time	1,856,975	169,119	258,673
Total revenue from external customers	<u>1,856,975</u>	<u>169,119</u>	<u>549,967</u>
Total revenue from contracts with customers			<u>2,576,060</u>

	2022	2021
	R'000	R'000
* Included in this category is the following other income:		
Bad debt recovered	17,343	17,979
Insurance claims	11,376	2,012
Miscellaneous income	10,212	6,061
Rental income - various sources (continuous)	4,181	4,649
Recovered costs, discounts and rebates received	1,352	4,355
Staff-related income (housing, parking, development, etc.)	11,477	10,463

NORTH-WEST UNIVERSITY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

24. PERSONNEL REMUNERATION	COUNCIL- CONTROLLED: UNRESTRICTED OR DESIGNATED	SPECIFICALLY FUNDED ACTIVITIES: RESTRICTED	STUDENT & STAFF ACCOMMO- DATION: RESTRICTED	2022 TOTAL	2021 TOTAL
	R'000	R'000	R'000	R'000	R'000
Remuneration and fringe benefits	446,050	69,070	51,762	566,883	2,616,178
Arbitration awards	68	0	0	68	59
Accrued leave	(111,858)	0	0	(111,858)	(104,883)
NWU Disability Reserve Fund	(14)	0	0	(13)	6,467
AI Pension Fund	726,904	19	14	726,937	679
NWU Provident Fund	1,519,791	39	29	1,519,859	1,532
Post-employment medical benefits	15,191	0	0	15,191	14,201
	<u>2,596,132</u>	<u>69,129</u>	<u>51,806</u>	<u>2,717,067</u>	<u>2,534,233</u>

Annualised Gross Remuneration to University Management (excludes exceptional payments - exceeding an annual aggregate of R249 999)

Name	Office held	Basic salary	Employment benefits	Other payments / allowances	Total costs to NWU 2022	Total costs to NWU 2021
		R'000	R'000	R'000	R'000	R'000
Prof ND Kgwadi #	Vice-Chancellor	5,180	409	40	5,629	4,444
Prof MB Tyobeka #	Vice-Chancellor	3,326	338	91	3,755	0
Prof LA du Plessis	Deputy Vice-Chancellor: Assigned Functions and Campus Operations (Vaal Triangle)	2,328	283	1,053	3,664	3,265
Prof MM Verhoef	Registrar	2,567	282	15	2,864	2,694
Prof RJ Balfour	Deputy Vice-Chancellor: Teaching and Learning	2,301	246	308	2,855	2,677
Ms E de Beer	Executive Director: Finances and Facilities	2,565	275	3	2,843	2,676
Prof S Swanepoel *	Deputy Vice-Chancellor: Assigned Functions and Campus Operations (Mafikeng)	2,014	327	482	2,823	2,117
Prof MJ Mphahlele *	Deputy Vice-Chancellor: Research and Innovation	2,366	224	166	2,756	2,445
Prof DMD Balia	Deputy Vice-Chancellor: Assigned Functions and Campus Operations (Potchefstroom)	2,242	213	252	2,707	2,573
Dr V Singh	Executive Director: People and Culture	2,166	206	233	2,605	2,466
Prof BMP Setlaletoa *	Deputy Vice-Chancellor: Assigned Functions and Campus Operations (Mafikeng)	0	0	0	0	2,330
Mr NC Manoko	Executive Director: Corporate Relations and Marketing	2,037	193	197	2,427	2,289
Dr S Chalufu	Executive Director: Student Life	1,890	180	149	2,219	2,069
Prof F Waanders *	Deputy Vice-Chancellor: Research and Innovation	0	0	0	0	1,652
Total		30,982	3,176	2,989	37,147	33,696

Management member not in service for full year - 2022. Remuneration annualised.

* Management member not in service for full year - 2021. Remuneration annualised.

These include annual remuneration, levies, bonuses and in the case of the Vice-Chancellor, housing benefits.

Refer to note 33 - Related-party transactions.

Number of senior staff members 2022: 11 (2021: 11).

Other information regarding personnel remuneration	COUNCIL- CONTROLLED: UNRESTRICTED OR DESIGNATED	SPECIFICALLY FUNDED ACTIVITIES: RESTRICTED	STUDENT & STAFF ACCOMMO- DATION: RESTRICTED	2022 TOTAL	2021 TOTAL
	R'000	R'000	R'000	R'000	R'000
Accrued leave - decrease (note 17)	(111,858)	0	0	(111,858)	(104,883)
Retirement benefit costs	312,439	8,378	6,278	327,095	279,475
Members' contributions	111,544	2,991	2,241	116,776	100,039
Council contributions	200,895	5,387	4,037	210,319	179,436
Senior management remuneration	35,953	0	0	35,953	33,757
For managerial services	35,953	0	0	35,953	33,757

Payments for attendance at meetings of the Council and its Committees

Name	Number of members	2022 R'000	2021 R'000
Chair of Council: Honorarium, travel and accommodation expenses	1	401	341
Chairs of committees: Honorarium, travel and accommodation expenses	8	866	764
Members of Council: Honorarium, travel and accommodation expenses	42	852	225
Total		2,119	1,330

NORTH-WEST UNIVERSITY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

	COUNCIL- CONTROLLED: UNRESTRICTED OR DESIGNATED R'000	SPECIFICALLY FUNDED ACTIVITIES: RESTRICTED R'000	STUDENT & STAFF ACCOMMO- DATION: RESTRICTED R'000	2022 TOTAL R'000	2021 TOTAL R'000
25. OTHER CURRENT OPERATING EXPENSES BY NATURE					
Inventory written off (note 12)	144	0	271	415	356
Foodstuffs (Residence and Catering Services)	(14)	0	271	257	266
Other consumables	158	0	0	158	90
Auditor's remuneration	3,802	320	0	4,122	4,350
Audit fees	2,342	320	0	2,662	3,033
Other costs	1,460	0	0	1,460	1,317
Bursaries*	13,270	28,996	0	42,266	46,959
Electronic databases and project services	72,907	56	0	72,963	61,137
Licences	96,149	615	617	97,382	66,722
Maintenance	147,801	4,711	48,329	200,841	118,780
Professional fees	118,780	29,717	34	148,531	143,987
Rent: Buildings	2,996	464	(109)	3,351	22,290
Rent: Equipment	18,818	687	302	19,807	15,373
Services outsourced	91,847	191	44,161	136,199	117,336
Travel (local and international)	108,347	33,016	60	141,424	36,367
Utilities	112,308	240	78,339	190,887	158,798
Goods and services - other	327,678	41,455	64,403	433,536	423,525
	<u>1,114,848</u>	<u>140,468</u>	<u>236,408</u>	<u>1,491,724</u>	<u>1,215,980</u>
* Bursaries					
Bursaries paid from NWU funds - set off against tuition fees	205,618	0	0	205,618	205,369
Bursaries paid from external and other funds	13,270	28,996	0	42,266	46,959
Total bursaries paid	<u>218,888</u>	<u>28,996</u>	<u>0</u>	<u>247,884</u>	<u>252,328</u>
26. INVESTMENT INCOME					
26.1 Operating income (short-term investment income)	407,922	10,881	0	418,803	316,394
Interest	398,146	10,881	0	409,027	307,865
Rental received (investment properties - note 7)	9,776	0	0	9,776	8,529
Long-term investment income	21,401	0	0	21,401	17,928
Interest	8,986	0	0	8,986	8,008
Dividends (listed investments)	12,415	0	0	12,415	9,920
	<u>429,323</u>	<u>10,881</u>	<u>0</u>	<u>440,204</u>	<u>334,322</u>
26.2 Realised (loss)/profit on disposal of investments	2,148	0	0	2,148	12,300
Financial instruments at fair value through profit or loss	2,148	0	0	2,148	12,300
	<u>2,148</u>	<u>0</u>	<u>0</u>	<u>2,148</u>	<u>12,300</u>
27. FINANCE CHARGES					
Long-term loans (note 16)	(14,655)	0	15,117	462	325
Bank account	3	1	0	4	0
Exchange differences	10	(88)	0	(78)	(174)
Other	728	(107)	5	626	633
Interest paid for lease liabilities	5	22	7,736	7,763	1,953
	<u>(13,909)</u>	<u>(172)</u>	<u>22,858</u>	<u>8,777</u>	<u>2,737</u>

NORTH-WEST UNIVERSITY**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

	2022	2021
	R'000	R'000
28. CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus for the year	1,220,572	1,422,591
Adjusted for:		
Fair value profit on financial assets at fair value through profit or loss	53,611	(126,386)
Loss allowance: Trade and other receivables (note 13)	44,857	26,385
Other impairments	569	200
Depreciation (note 6a and 7)	204,971	170,956
Amortisation charges (note 8)	483	195
Impairment losses: Assets (note 6)	0	13,191
Loss/(profit) on disposal/write-off of assets - property, plant and equipment	167	(1,334)
Decrease in leave provision (note 17)	(111,857)	(104,883)
Increase in retirement benefit obligations (note 17)	2,929	8,636
Decrease in deferred income tax assets (note 31)	59	15
Investment income (note 26)	(442,352)	(346,622)
Finance charges (note 27)	8,777	2,737
Proceeds from equity-accounted investees (note 10)	0	1,099
Operating surplus before changes in working capital	982,786	1,066,781
Changes in working capital	(151,838)	(98,047)
Increase in inventories	(4,273)	(8,682)
Increase in trade and other receivables, excluding allowance for credit losses	(43,669)	(1,005)
Decrease/(increase) in income tax receivable	15	(2)
Decrease in trade and other payables	(42,377)	(10,294)
(Decrease)/increase in contract liabilities	(36,052)	40,163
Increase/(decrease) in income tax payable	5	0
Decrease in income received in advance	(25,487)	(118,227)
Cash flows from operating activities	<u>830,948</u>	<u>968,734</u>
29. CAPITAL COMMITMENTS		
The following commitments not recognised in the statement of financial position existed at year-end with regard to capital expenditure approved but not yet incurred:		
Buildings	<u>1,054,585</u>	<u>845,390</u>
This expenditure will be financed with internal and external funds (note 6).		
30. CAPITAL EXPENDITURE EXPENSED		
Capital expenditure expensed consists of library books	<u>3,846</u>	<u>2,229</u>
31. INCOME TAX AND DEFERRED TAX ASSET		

The University is exempt from Normal SA Income Tax in terms of Section 10(1)(cA) of the Income Tax Act, and consequently also from the provision for any deferred taxation.

Other comprehensive income (OCI) relating to the University is therefore also exempt from taxation.

As a result of the consolidation of OpenCollab Proprietary Limited, Innovation Highway Proprietary Limited, Innovation Highway Enterprises Proprietary Limited, North West Fibre Proprietary Limited, Medehive Proprietary Limited, Hydrogen Core Technologies Proprietary Limited and NWU Open Learning Operations Proprietary Limited, which are not exempted from tax, a tax liability is shown with regard to tax currently payable, based on taxable income for the year.

NORTH-WEST UNIVERSITY**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****31. INCOME TAX AND DEFERRED TAX ASSET (continued)**

Tax is calculated at 28% (2021: 28%). Deferred tax is applicable to OpenCollab Proprietary Limited.

	2022	2021
	R'000	R'000
Income tax expense		
Current tax	0 *	0
Deferred tax	58	15
Total income tax expense	<u>58</u>	<u>15</u>
Tax reconciliation		
Surplus before tax	1,220,630	1,422,606
Unrecognised loss/(surplus)	954	(1,083)
Exempt income	(1,221,598)	(1,421,510)
Non-deductible expenses (SARS interest and penalties)	3	42
Prior year tax	219	0
Taxable income	<u>208</u>	<u>55</u>
Total unrecognised tax losses of R4 300 000 are carried forward for 2022 (2021: R1 881 000).		
Deferred tax asset (accrual for leave pay)		
Opening balance	192	207
Movement	(58)	(15)
Closing balance	<u>134</u>	<u>192</u>
Income tax payable		
Opening balance	0 *	0 *
Movement	5	0
Closing balance	<u>5</u>	<u>0 *</u>
Income tax receivable		
Opening balance	16	14
Movement	(16)	2
Closing balance	<u>0 *</u>	<u>16</u>

*Amounts less than R1 000 are disclosed as Rnil due to rounding down to the nearest thousand.

32. CONTINGENT LIABILITIES

Management considered all pending legal matters and is of the opinion that the possibility of any significant outflow in settlement is remote. No further disclosure regarding the details of each case is considered necessary.

33. RELATED-PARTY TRANSACTIONS

Included in unlisted investments are entities that do not qualify as an investment in equity-accounted investees which are related parties (refer to note 9.1).

Refer to note 9.2 for disclosure of subsidiaries.

Refer to note 10 for disclosure of equity-accounted investees.

The national Department of Higher Education and Training has a significant influence on the University and is therefore also considered a related party (refer to note 22).

Compensation of the University Management is considered related-party transactions. Refer to note 24 for disclosure of remuneration.

All transactions with related parties are transactions at arm's length and all transactions with related parties, with the exception of compensation of the University Management, have been eliminated on consolidation.

NORTH-WEST UNIVERSITY**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)**35. EVENTS AFTER THE REPORTING PERIOD**

Events after the reporting period are those events that occur between the reporting date and the date on which the financial statements are authorised to be issued. Adjusting events are those events that provide evidence of conditions that existed at the end of the reporting period and non-adjusting events are those events that are indicative of conditions that arose after the reporting period.

The University has appointed a COVID-19 task team during 2020 following the rapid changing circumstances and financial uncertainties as a result of the Corona virus pandemic. The task team is making use of a Financial Impact Model (FIM) to do financial planning and closely monitor the possibly still ongoing impact of COVID-19. This flexible model is based on different scenarios, assumptions and factors and these are constantly updated with new information and indicators. A mitigation plan was also implemented to address the medium term (2021 to 2024) financial needs of the NWU and to assist with cash flow.

Operations are slowly settling again and adapting to a new norm brought about by COVID-19. Patterns have definitely changed and the University adapted successfully.

The risk strategy of the University is that its investments are of a long-term nature and therefore the University has adequate available reserve funds at its disposal to help sustain financial stability while facing possible challenges.

The University does not intend to liquidate or cease trading, nor does Management perceive that the current events will influence or cast significant doubt upon the University's ability to continue as a going concern. The NWU Management is absolutely committed and completed the 2022 academic year successfully, with the support of the DHET and the Minister of Higher Education, Science and Innovation.

No adjustments affecting the financial position have been made between the reporting date and the date of approval of this report.

13.7 Annexure 7: Requirements as per the regulations

Check list – NWU Integrated Annual Report as compared to the stipulations of the reporting regulations (Regulation Gazette, no 10209, 9 June 2014)

Requirements of the RR in regard of the format and content of the Annual Report		Reference to relevant section in Reporting Regulations ("RR")	Substantiation in 2022 Integrated Annual Report IAR/notes
<i>Alignment should be apparent between the institution's strategic plan, APP, AR, budget and mid-term performance report</i>			Paragraphs 8, 9 and Annexure 1
The APP to be the basis of the AR			Paragraph 8.5 and Annexure 1
Annual Report to reflect the following:			
1	1	Info on performance of institution for preceding year to be signed by council chair and VC	<i>RR Implementation Manual 7(a) to be signed by council chair and VC</i> See paragraph 9
2	1	Must have a performance report in which the work of the university as reflected in APP and the extent to which APP had been realised, are contained; as well as the extent to which the institution believes it has met objectives and goals contained in the strategic plan	<i>RR Implementation Manual 7(a) to be signed by council chair and VC</i> See paragraph 9 and Annexure 1
3	2	Must include in the chairperson of council report the following:	<i>See chair of council report in section 10 (governance)</i> Paragraph 10
4	2	Council Chair report Council chair report assessing the performance and degree of progress in respect of objectives that were pursued by strategic plan for the year under review, done in a way that gives due account to economic, social and environmental aspects. Also not confining itself to past issues	<i>RR Implementation Manual 7(b) Council chair Section 10</i> Paragraph 10
5	2	Council Chair report Effective ethical leadership and corporate citizenship	<i>RR4</i> <i>RR Implementation Manual 7(b) Council chair</i> Yes – paragraph 10.9.2
6	2	Council Chair report Statement of council on IT in the report of the IT Governance Committee	<i>RR Implementation Manual 7(b) Council chair</i> Yes – paragraph 9.1.8

7	2	Council Chair report	Compliance with laws, codes, standards	<i>RR Implementation Manual 7(b) –Council chair</i>	Yes – paragraph 10.9.9
Requirements of the RR in regard of the format and content of the Annual Report				Reference to relevant paragraph in Reporting Regulations (“RR”)	Substantiation in 2022 AR/notes
8	2	Council Chair report	Remuneration of externally elected council members	<i>RR Implementation Manual 7(b) Council chair</i>	Yes – paragraphs 10.7.3 and 11.4
9	2	Council Chair report	Statement of council on sustainability	<i>RR Implementation Manual 7(b) Council chair</i>	Yes – paragraph 10.8
10	2	Council Chair report	Statement on going concern	<i>RR Implementation Manual 7(b) Council chair</i>	Yes – paragraph 10.10.1
11	2	Council Chair report	Statement on financial controls outside financial statements	<i>RR Implementation Manual 7(b) Council chair</i>	Yes – paragraph 10.10.2
12	2	Council Chair report	Financial control inadequacies considered material (individually or in combination with others) that resulted in actual financial loss, including fraud and material losses	<i>RR Implementation Manual 7(b) Council chair</i>	Yes – paragraphs 10.9.7 and 10.9.8 <i>(Note: this paragraph does not strictly address inadequacies that led to material losses)</i>
13	2	Council Chair report	Statement of financial health and viability	<i>RR Implementation Manual 7(b) Council chair</i>	Yes – paragraph 10.10.4
14	2	Council Chair report	Campus development; infrastructure development, facilities, major capital works events, student support, ODL, working with industry	<i>RR Implementation Manual 7(b) Council chair</i>	Student support – Yes in VC report (paragraph 4.5) Infrastructure/campus development/development, major capital work – paragraph 9.6
15	2	Council Chair report	Statement on risk management (how council has dealt with the matter, council taking responsibility for RM and making a statement on the effectiveness of the process; also how it came to making the statement in an objective and independent way. Disclosing that a reporting system is in place to monitor changes in the risk profile of the university and gaining assurance that RM is effective)	<i>RR Implementation Manual 7(b) Council chair</i>	Yes – paragraph 7.7

16	2	Council Chair report	In respect of all council committees, that these are chaired by external independent members, with needed expertise and skills. Also reference to important matters dealt with by the relevant committees that affected the institution – also possible unresolved matters. Summaries of attendance of members to these committee meetings to be included.	<i>RR Implementation Manual 7(b) Council chair</i>	Yes – paragraphs 10.7 , 10.9 and Annexure 3 paragraph 13.3.7
17	2	Council Chair report	Statement on borrowings	<i>RR Implementation Manual 7(b) Council chair</i>	Yes – paragraph 9.5.2.7
Requirements of the RR in regard of the format and content of the Annual Report				Reference to relevant section in Reporting Regulations (“RR”)	Substantiation in 2022 AR/notes
18	2	Council Chair report	Statement on tenders	<i>RR Implementation Manual 7(b) Council chair</i>	Yes – paragraph 10.10.3
19	2	Council Chair report	(Statement) Report of council on transformation	<i>RR Implementation Manual 7(b) Council chair</i>	Yes – paragraph 6.10 – statement Yes – paragraph 6 for report
20	2	Council Chair report	Statement on contracts management, SLAs, monitoring of suppliers’ performance	<i>RR Implementation Manual 7(b) Council chair</i>	Yes – paragraph 10.10.6
21	2	Council Chair report	Statement of workplace ethics	<i>RR Implementation Manual 7(b) Council chair</i>	Yes – paragraph 10.9.1
22	2	Council Chair report	Report of council on governance of risk ⁷	<i>RR Implementation Manual 7(b) Council chair</i> <i>RR Implementation Manual 7(i)</i> <i>Report to be signed by officer/committee with designated risk responsibility and the chair of that committee</i>	Yes – Paragraph 7.8 – Report on internal/administrative structures and controls
23	2	Council Chair report	PAIA requests	<i>RR Implementation Manual 7(b)</i>	Yes – paragraph 10.9.10
24	2	Council Chair report	Statement on penalties, sanctions, fines	<i>RR Implementation Manual 7(b) Council chair</i>	Yes – paragraph 10.10.5
25	2	Council Chair report	Events	<i>RR Implementation Manual 7(b) Council chair</i>	Yes – paragraph 5

⁷ Check compliance to these requirements and make sure that all elements are included

26	2	Council Chair report	Significant changes that took place	<i>RR Implementation Manual 7(b) Council chair</i>	Yes – main paragraphs 3 , 4 , 8 and 9
27	3	Governance statement	Statement of council on governance	<i>RR Implementation Manual 7(i) to be approved by council</i>	Yes – paragraph 10.1
28	3	Governance statement	Council and council committees (including statement that role of chairperson is distinct from that of VC; length of tenure of council chairperson); appraisal Also Council attendance register	<i>RR Implementation Manual 7(i) to be approved by council</i> <i>RR Implementation Manual 7(4)(ii)</i>	Yes – paragraphs 10.1 , 10.2 and para 10.5 , Annexures 2 and 3 Yes – Council percentage attendance (See Annexure 2, paragraph 13.2) Attendance figures are provided to DHET separately
Requirements of the RR in regard of the format and content of the Annual Report				Reference to relevant section in Reporting Regulations (“RR”)	Substantiation in 2022 AR/notes
29	3	Governance statement	Remuneration committee to explain remuneration philosophy and how implemented; reference to any ex gratia/ex lege payments / disclosure of performance evaluation, and bonuses paid; and a note to the finance report that reflects disclosure of executive remuneration	<i>RR Implementation Manual 7(i) to be approved by council</i>	Yes – Annexure 3, paragraphs 13.3.7.4 and 11
30	3	Governance statement	Finance committee	<i>RR Implementation Manual 7(i) to be approved by council</i>	Yes – Annexure 3, paragraph 13.3.7.2
31	3	Governance statement	Planning and resources committee – NWU has an Assets Committee and People and Culture and Employment Equity Committee	<i>RR Implementation Manual 7(i) to be approved by council</i>	Yes – paragraph 10.2
32	3	Governance statement	Council membership committee – Exco is the Council membership committee	<i>RR Implementation Manual 7(i) to be approved by council</i>	Yes – Annexure 3, paragraph 13.3.7.6
33	3	Governance statement	Audit committee and Risk committee – NWU has Audit, Risk and Compliance Committee	<i>RR Implementation Manual 7(i) to be approved by council</i>	Yes – Annexure 3, paragraph 13.3.7.2
34	3	Governance statement	IT Governance committee – NWU has a Technology and Information Governance Committee	<i>RR Implementation Manual 7(i)</i>	Yes – Annexure 3, paragraph 13.3.7.5
35	3	Governance statement	Statement on conflict management	<i>RR Implementation Manual 7(ii) -to be approved by council</i>	Yes – paragraph 9.2.4.3
36	3	Governance statement	Statement on worker and student participation	<i>RR Implementation Manual 7(iii) to be approved by council</i>	Yes – paragraph 9.2.4.4

Requirements of the RR in regard of the format and content of the Annual Report				Reference to relevant section in Reporting Regulations ("RR")	Substantiation in 2022 AR/notes
37	3	Governance statement	Statement on workplace ethics	<i>RR Implementation Manual 7(d)(iv) to be approved by council</i>	Yes – paragraph 10.9.1
38	4	Sustainability statement	Statement on sustainability	<i>RR Implementation Manual 7(d) to be approved by council</i>	Yes – paragraph 10.8
39	5	Senate report	Report of Senate to Council	<i>RR Implementation Manual 7i – to be signed by VC</i>	Yes – paragraph 3
40	5.	Senate report	Changes in academic structures	<i>RR Implementation Manual 7i – to be signed by VC</i>	Yes – paragraph 3
41	5.	Senate report	Composition of Senate	<i>RR Implementation Manual 7i Senate report to be signed by VC</i>	Yes – Annexure 3, paragraph 13.3.1
42	5.	Senate report	Significant developments and achievements in respect of TL & R	<i>RR Implementation Manual 7i Senate report to be signed by VC</i>	Yes – para 3.4.1 (TL), paragraph 3.4.2 (Research)
43	5.	Senate report	Composition and size of student body	<i>RR Implementation Manual 7i Senate report to be signed by VC</i>	Yes – paragraph 3.3.1
44	5.	Senate report	TL – Outputs– limitations on access to certain courses; levels of academic progress in different disciplines and levels of study; awards and achievements; outputs produced	<i>RR Implementation Manual 7i Senate report to be signed by VC</i>	Yes – paragraph 3.5.1
45	5.	Senate report	Research outputs – summaries of various programmes; awards; funding; outputs produced	<i>RR Implementation Manual 7i Senate report to be signed by VC</i>	Yes – paragraph 3.5.2
46	5.	Senate report	Access to financial aid – (for students and researchers)	<i>RR Implementation Manual 7i Senate report to be signed by VC</i>	Yes – paragraph 3.3.4
47	6	IF report	Report of IF to council (activities as per statute; all instances of advice sought from IF; composition of IF; number of meetings)	<i>RR Implementation Manual 7(f) – IF report to be signed by IF chair</i>	Yes – paragraph 10.11
48	7	VC report on M/A	Report of VC on management and administration	<i>RR Implementation Manual 7(g)- to be signed by VC</i>	Yes – paragraph 4
49	7	VC report on M/A	Principal <u>achievements</u> measured in relation to plans, goals, objectives	<i>RR Implementation Manual 7(g)- to be signed by VC</i>	Yes – paragraph 4.1
50	7	VC report on M/A	<u>Managerial and administrative aspects of the operations</u> of the university, including new appointments at senior level	<i>RR Implementation Manual 7(g)- to be signed by VC</i>	Yes – paragraph 4.2

Requirements of the RR in regard of the format and content of the Annual Report				Reference to relevant section in Reporting Regulations ("RR")	Substantiation in 2022 AR/notes
51	7	VC report on M/A	Achievement of admin structures and resources – re personnel and systems – to be assessed its realistic expectations (Including diversity management; HR matters; adequacy of staffing, quality of information.	<i>RR Implementation Manual 7(g)- to be signed by VC</i>	Yes – paragraph 4.4 and onwards
52	7	VC report on M/A	Extra-curricular activities; changing patterns iro the provision for academic courses	<i>RR Implementation Manual 7(g)- to be signed by VC</i>	Yes – paragraph 4.6
53	7	VC report on M/A	Statement on self-assessment of the achievement of the VC in attaining the objectives for the period under review, with detailed summary of realised achievements (or self-evaluation) to be included.	<i>RR Implementation Manual 7(g)- to be signed by VC</i>	Yes – paragraph 4.7
54	8	Report on internal admin/operational structures and controls	Internal audit report (Statement to be signed: <i>The ARCC reviewed the report on internal administrative/operational structures and controls in the year under review at its meeting held 8 October 2019, which meeting quorated, and the documentation for approval by the committee was circulated with the meeting agenda in advance with due notice"</i>	<i>RR Implementation Manual 7(h) – to be signed by ARCC chair and IA director</i>	Yes – paragraph 7.8
55	9	Report on risk exposure assessment and the management thereof	Report of council on risk (exposure) assessment and management of risk, including statement of risk management, reporting system in respect of risks, that university risk management measures are effective.	<i>RR Implementation Manual 7(b) RR Implementation Manual 7(i) Report to be signed by officer/committee with designated risk responsibility and the chair of that committee</i>	Yes – paragraph 7 Also Annexure 4
56	10	Annual financial review	Report by Chair of finance committee and CFO	<i>RR Implementation Manual 7(j) – report to be signed by chair of Fin Comm and CFO</i>	Yes – Annexure 5
57	10	Annual financial review	To provide an overview of budget process and how resource allocation was done; how strategic goals were supported and how operational sustainability is to be ensured	<i>RR Implementation Manual 7(j) – report to be signed by chair of Fin Comm and CFO</i>	Yes – Annexure 5
58	10	Annual financial review	Indicate inclusivity of stakeholders – also attending to budgetary control mechanisms in maintaining financial discipline	<i>RR Implementation Manual 7(j) – report to be signed by chair of Fin Comm and CFO</i>	Yes – Annexure 5

Requirements of the RR in regard of the format and content of the Annual Report				Reference to relevant section in Reporting Regulations ("RR")	Substantiation in 2022 AR/notes
59	10	Annual financial review	Address salient features in statements re financial condition of institution and how primary strategic drivers were attended to. Intelligent comments needed. Statement needed distinguishing between financial consequences of the use of assets representing restricted and unrestricted funds.	<i>RR Implementation Manual 7(j) – report to be signed by chair of Fin Comm and CFO</i>	Yes – Annexure 5 (Information below the headings Surplus and Growth)
60	10	Annual financial review	Report to focus on operational finance – thus excluding non-current items or dramatic movements in investments (although latter matters could be mentioned, the focus should be on operations)	<i>RR Implementation Manual 7(j) – report to be signed by chair of Fin Comm and CFO</i>	Yes – Annexure 5 (Information under the headings Surplus and Growth)
61	10	Annual financial review	To be viewed as a thorough financial analysis of the institution, using all data in financial statements, and any other financial records	<i>RR Implementation Manual 7(j) – report to be signed by chair of Fin Comm and CFO</i>	Yes – Annexure 5 (Information under the headings Equity, Solvability, Liquidity, Gearing ratios)
62	10	Annual financial review	Indicate access to financial aid and the provision thereof; incl. financial aid by external bodies	<i>RR Implementation Manual 7(j) – report to be signed by chair of Fin Comm and CFO</i>	Yes – paragraph 3.3.4
63	10	Annual financial review	Indicate changes in tuition fees	<i>RR Implementation Manual 7(j) – report to be signed by chair of Fin Comm and CFO</i>	Yes – Annexure 5 (Information under the headings Surplus and Growth)
64	11	Audit Comm report	Report of the Audit Committee	<i>RR Implementation Manual 7(k)- to be signed by chair of ARCC and council chair</i>	Yes – paragraph 7.8
65	11	Audit Comm report	Report indicative that the ARCC has satisfied itself with the expertise, resources, experience of the inst. Finance function. Results of the review to be disclosed	<i>RR Implementation Manual 7(k)- to be signed by chair of ARCC and council chair</i>	Yes – Annexure 3, paragraph 3.3.7.1
66	11	Audit Comm report	ARCC to report internally to Council re its statutory duties, and duties assigned to it by Council	<i>RR Implementation Manual 7(k)- to be signed by chair of ARCC and council chair</i>	Yes – Annexure 3, paragraph 13.3.7.1
67	11	Audit Comm report	ARCC to report on its statutory duties: how it was carried out; whether ARCC is satisfied with independence of external auditor; committee's view on financial statements and the accounting practices; whether internal controls are effective; and on the internal audit function	<i>RR Implementation Manual 7(k)- to be signed by chair of ARCC and council chair</i>	Yes – Annexure 3, paragraph 13.3.7.1
68	11	Audit Comm report	ARCC to provide a summary of its role and details of its composition, number of meetings and activities	<i>RR Implementation Manual 7(k)- to be signed by chair of ARCC and council chair</i>	Annexure 3, para 13.3.3 and Annexure 1, paragraph 13.2

Requirements of the RR in regard of the format and content of the Annual Report				Reference to relevant section in Reporting Regulations ("RR")	Substantiation in 2022 AR/notes
					Yes – Annexure 3, paragraph 13.3.7.1
⁶⁹	11	Audit Comm report	ARCC to recommend the integrated report to Council for approval	<i>RR Implementation Manual 7(k)- to be signed by chair of ARCC and council chair</i>	Yes – ARCC approval on 8 June 2023
⁷⁰	12	Transformation report	Policies that promote transformation in HE and their effectiveness and impact	<i>RR Implementation Manual 7(l) – report to be signed by VC and council chair</i>	Yes – various sub-paragraphs in paragraph 6
⁷¹	12	Transformation report	Report to indicate initiatives that seek to assist people from historically disadvantaged backgrounds, women, people with disabilities.	<i>RR Implementation Manual 7(l) – report to be signed by VC and council chair</i>	Yes – various sub-paragraphs in paragraph 6
⁷²	12	Transformation report	Transformation iro TL and R activities	<i>RR Implementation Manual 7(l) – report to be signed by VC and council chair</i>	Yes – 6.6 – academic transformation
⁷³	13		Report of the independent auditor	<i>Annexure 6</i>	Yes – Annexure 6

Requirements of the RR in regard of the format and content of the Annual Report				Reference to relevant section in Reporting Regulations ("RR")	Substantiation in 2022 AR/notes
⁷⁴	14		Other info and supplementary financial data (verified by independent auditor); copies of approved minutes of each council meeting with agendas and attendance registers	<i>Provided separately electronically to DHET</i>	
⁷⁵	15	Dept may arrange for a visit to institution to discuss AR, if necessary			
⁷⁶	16	Three hard copies to be submitted by 30 June as well as electronic copy			

Summary of stipulations of RR in regard to core capabilities of structures/functionaries

Responsibilities of Council reflected as follows in the Council report	
	To provide effective leadership based on ethics
	To ensure that this HEI is a responsible corporate citizen
	To ensure that this HEI's ethics are managed effectively
	To act as the focal point for and custodian of governance
	To understand that strategy, risk, performance and sustainability are inseparable
	To ensure that the ARCC is effective and independent
	To be responsible for risk governance and to ensure an effective risk-based internal audit function; to report on the institution's system of internal controls
	To be responsible for IT governance
	To comply and to ensure compliance with the laws
	To appreciate that stakeholders' perceptions affect the reputation of the HEI
	To ensure the integrity of the HEI's integrated report
	To act in the best interest of the HEI

Responsibilities of the vice-chancellor, through the executive team reflected as follows in management report	
	To see to adequate measures that would ensure economy, efficiency, effectiveness and ethical behaviour in accordance with relevant legislation
	Amongst others, for planning, budgeting, authorisation, controls, evaluation of procurement and utilisation of resources
	Important to see to best practices for general and management purposes.
	Financial planning needs to be flexible and reporting to be flexible so that budgeting, allocation and employment of financial resources are to the best advantage of the institution.
	Simultaneously seeing to high quality iro primary activities of teaching-learning and research
	Council to ensure that these primary operations and management & administration functions are fully functional
	Council remains responsible for governance and the exec management for effective management and administration
	The annual report needs to show how and the extent to which these functions were executed.
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14 List of Acronyms

4IR	Fourth Industrial Revolution
APP	Annual Performance Plan
AR	Annual Report
ARCC	Audit, Risk and Compliance Committee
Author	Africa Unit for Transdisciplinary Health Research
B-BBEE	Broad-based Black Economic Empowerment
BCP	Business Continuity Plan
BOD	Board of Donors
BRICS	Brazil, Russia, India, China, South Africa
BTMG	Bridging the Mathematical Gap Modules
Cachet Park CID NPC	Cachet Park City Improvement Districts Non-Profit Company
CAF	Combined Assurance Forum
CE	Community Engagement
CHCC	Campus Health Care Centre
CHE	Council on Higher Education
CIBD	Construction Industry Development Board
CIPC	Intellectual Property Commission
CIR	Cyber Incident Response
CLES	South African Research Chair in Cities, Law and Environmental Sustainability
COLA	Cost-of-Living Adjustment
Comserv	Community service years
CoSSS	Campus Committee on Student Support Services
Council EXCO	Council Executive Committee
Covid-19	Coronavirus disease
CRM	Corporate Relations and Marketing
CSIR	Council for Scientific and Industrial Research
CTL	Centre for Teaching and Learning
DBS	Digital Business Strategy
DHET	Department of Higher Education and Training
DRP	Disaster Recovery Plan
DVC	Deputy Vice-Chancellor
DVC IT	Deputy Vice-Chancellor: Information Technology
DVC RI	Deputy Vice-Chancellor: Research and Innovation
DVC TL	Deputy Vice-Chancellor: Teaching and Learning
EE	Employment Equity
Efundi	E-learning system
EPE	External Programme Evaluation
ExDeans	Executive Deans
ExDIR FF	Executive Director: Finance and Facilities

F-EDU	Faculty of Education
F-EMS	Faculty of Economic and Management Sciences
F-ENG	Faculty of Engineering
F-HS	Faculty of Health Sciences
F-LAW	Faculty of Law
FTEN	First Time Entrant
GBV	Gender-based Violence
GDPR	General Data Protection Regulation
HEMIS	Higher Education Information Management System
HEPI	Higher Education Price Index
HEQC	Higher Education Quality Committee
HESCoP	Higher Education Sustainability Community of Practice
HyFlex	Hybrid-Flexible
ICT	Information and Communication Technology
IDC	Industrial Development Corporation
IF	Institutional Forum
IFRS	International Financial Reporting Standards
IGF	Information Governance Framework
IIRC	International Integrated Reporting Council
IoT	Internet of Things
IPE	Internal Programme Evaluation
ISM	Internal Success Model
IT	Information Technology
IWMS	Workplace Management Software
LIS	Library and Information Services
LMS	Learning Management System
MBA	Master's in business administration
MC	Mahikeng Campus
NEMISA	National Electronic Media Institute
NGDE	Next Generation Digital Environment
NGO	Non-governmental organisation
NIST	United States National Institute of Standards and Technology
NPC	Non-profit company
NPO	Non-profit organisation
NRF	National Research Foundation
NSC	National Senior Certificate
NSFAS	National Student Financial Aid Scheme
NWU	North-West University
OHHRI	Occupational Hygiene and Health Research Initiative
OHS	Occupational Health and Safety
P&C	People and Culture
PAIA	Promotion of Access to Information Act

PC	Potchefstroom Campus
PG	Postgraduate
POPIA	Protection of Personal Information Act
PowerBI	Microsoft's interactive data visualisation and analytics tool for business intelligence
PPM	Project and Portfolio Management
PSET	Post School Education and Training
PYES	Presidential Youth Stimulus
QE	Quality Enhancement
R&O programme	Registration and Orientation programme
QS	Quacquarelli Symonds
RemCom	Remuneration Committee
RR	Reporting Regulations
SADC	South African Development Community
SALA	Student Academic Lifecycle Administration
SAMRC	South African Medical Research Council
SANORD	Southern African Nordic-Centre
SAPS	South African Police Service
SARCHI	South African Research Chairs Initiative
SARUA	Southern African Regional Universities Association
SCC	Students' Campus Council
SCD	Student Counselling and Development
SDG	Sustainable Development Goal
SDTC	Student Diversity and Transformation Committee
SER	Self-Evaluation Report
SETA	Sector Education Training Authorities
SHE	Sustainability, Health and Environment
SI	Supplemental Instruction
SIEM	Security Information and Event Management System
SIS	Student Information System
SL	Service learning
SMC	Senior Management Committee
SMME	Small, Medium and Micro Enterprises
SOP	Standard Operating Procedure
SRC	Students' Representative Council
TIA	Technology Innovation Agency
THE	Times Higher Education
TL	Teaching and Learning
TREES	Tourism Research in Economics, Environs and Society
TTIS	Technology Transfer and Innovation Support
UCDG	University Capacity Development Grant
UCE	Unit for Continuing Education
UG	Undergraduate

UMC	University Management Committee
UnivPrep	University Preparatory Programme
USAF	Universities South Africa
UTEA	University Teaching Excellence Award
VC	Vice-Chancellor
VdB	Vanderbijlpark Campus
VHIS	Vaalharts Irrigation Scheme
WIL	Work-integrated Learning
WISL	Work-Integrated and Service Learning



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