



MINISTER  
EDUCATION  
REPUBLIC OF SOUTH AFRICA

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Prof E M Tyobeka  
Vice-Chancellor  
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By fax: 012 382 5422

Dear Prof Tyobeka

**ENROLMENT PLANS AND INFRASTRUCTURE AND EFFICIENCY FUNDING ALLOCATIONS**

I am pleased to inform you that I have finalized the current phase of the student enrolment planning process, which began in 2006. Following advice from the Council on Higher Education (CHE) and Higher Education South Africa (HESA), I instituted a consultative process that I believe is exemplary in its extensive reach. I am satisfied that this process has been comprehensive and inclusive.

As you are aware, the National Plan for Higher Education provides the framework and mechanisms for the restructuring of the higher education system to achieve the vision and goals for the transformation of the higher education system outlined in Education White Paper 3: A Programme for the Transformation of Higher Education (July 1997). In this regard, the Plan has identified planning, funding and quality as important instruments in the transformation of the higher education system. It is my view that the approved student enrolment plans will form a basis for coherent system and institutional planning.

In my letter of 30 November 2006 on preliminary funding allocations for 2007/08, I stated that Government had allocated R2 037 million of new funds in the 2007/08-2009/10 MTEF. These funds were to be used for improving institutional infrastructure and student outputs. In order to ensure a coordinated approach, I have augmented this allocation with funds allocated by Government for institutional restructuring. The total available during the period 2007/08 to 2009/10 for improving institutional infrastructure and student outputs will now, subject to confirmation by the National Treasury, be R3 578 million.

Furthermore, an amount of R434 million, drawn from other items in the 2006/07 higher education budget, will also be directed to improving institutional infrastructure and student outputs. The total available for the four-year period 2006/07 to 2009/10 will therefore be R4 012 million. I am sure that you will agree that this represents a significant injection of resources into the public higher education system. These funds must be used in focused and accountable ways, so that they can contribute to improved student outcomes, especially in the light of national human resource development priorities.

It is against this background that I have made my decisions on student enrolment and output targets for your institution, as well as on funding allocations for teaching and learning infrastructure and increase in graduate output.

### **National student enrolments and outputs**

The "Ministerial Statement on Student Enrolment Planning" (September 2005) provided the guidelines which steered both the Department's discussions with institutions and its final formulations of enrolment plans. These guidelines are:

- (1) The higher education system must contribute to national human resource and research priorities.
- (2) Enrolments must be matched to available resources, to enable the higher education system to deliver its teaching and research mandate.
- (3) Institutions must, in their enrolment plans, focus on improving graduation and success rates.
- (4) A differentiated approach to enrolment planning must be adopted. The planning process must accept that uniform sets of planning goals and targets cannot be applied across all institutions in the public higher education system.

The aggregated enrolment plans which I have approved have been consolidated into a national report, "Student Enrolment Planning Tables and Notes" (Department of Education: February 2007). A copy of this report will be sent to you under separate cover.

The overall features of this national report are:

Head count totals: The 2010 enrolment target for the public higher education system is a head count total of 820 000 students. This is 82 000 higher than the actual 2005 enrolment total of 738 000, and requires the system to grow at an average annual rate of 2.1% between 2005 and 2010. This growth in higher education enrolments will be augmented by a concomitant growth in NQF level 5 enrolments in further education and training colleges.

Shape of the system: The growth in enrolments will be accompanied by a change in the shape of the system by field of studies. The target share for majors in science and technology (including health sciences) is 30% by 2010, compared to the 2005 share of 29%. The target shares for the other broad fields of study in 2010 are: business and management majors 33% (29% in 2005), all education majors 13% (14% in 2005), and other humanities 24% (28% in 2005).



Vocational qualifications: A specific target for undergraduate diploma studies is set. The share which these qualifications have of the total enrolment will remain at least 34% during the period up to 2010. This is to ensure that the share which vocational qualifications have of the total enrolment does not drop as a result of an academic drift towards undergraduate degree studies.

Funded students: Currently, not all students are included in the teaching input unit totals assigned to institutions. Provision is now made for all students to be included in the teaching input unit totals assigned to institutions by 2010, provided that the totals enrolled by individual institutions conform to their set targets. This is an important development, but its successful implementation will depend heavily on institutions remaining within their growth parameters. I look forward to your co-operation in this regard.

New migration strategy: Because the 2010 targets of institutions reflect different growth rates, changes to institutional shares of the teaching input unit total will be implemented in annual stages up to 2010. If an institution's target growth rate is set below the average for the system because of capacity constraints and plans to improve quality, then additional funds will be made available to off-set losses in teaching input funding.

Student outputs: Student output levels are set to improve during this period. Targets have been set for success and graduation rates for each institution and for the system as a whole. The targeted success rate for 2010 in all undergraduate and postgraduate courses is 77%, compared to the 2005 average of 71%. The graduation target rate implies that at least 150 000 graduates would be produced by the system in 2010, compared to total of 120 000 in 2005.

### **Enrolment and output targets for Tshwane University of Technology**

The report "Student Enrolment Planning Tables and Notes" sums up the input and output targets which emerged from your discussions with my Department during 2006. With due regard for racial and gender equity imperatives, I have approved the following enrolment plan and performance targets of your institution, which constitute your statement of intent in this regard:

- (1) Head count student enrolments will be permitted to fall from 60 400 in 2005 to 56 000 by 2010; an average annual decline of -1.5% between 2005 and 2010.
- (2) 40% of head count enrolments must by 2010 be in science and technology majors and 35% in business/management majors. The proportion for humanities majors must be at most 25%, with education majors having at least a 7% share of the head count enrolment in 2010.
- (3) At least 82% of 2010 head count enrolments must be in undergraduate diplomas, and 14% in undergraduate degrees. The proportion of enrolments in postgraduate qualifications must not exceed 4%.

- (4) Unweighted full-time equivalent student enrolments are permitted to decline from 47 400 in 2005 to a maximum of 45 000 by 2010, an average annual decrease of -1.0%.
- (5) The average success rate for all undergraduate plus postgraduate courses must improve from the 2005 average of 67% to 70% by 2010.
- (6) The ratio of graduates to head count enrolments must improve from the 2005 ratio of 16% to 18% by 2010. The total of graduates produced must be at least 10 100 in 2010, compared to the 2005 total of 9 400.
- (7) Your university is allocated a total of 72 100 (weighted) teaching input units for 2010, on the understanding that it will operate within the above approved plan and meet the various agreed targets. Your university's share of the national funded total of teaching input units will thus change from 8.57% in 2005 to 6.67% in 2010. Earmarked funds will be allocated to your university to help it meet the shortfall in funding which will result from the decline in its share of the teaching input total.

The Department of Education will monitor, on an annual basis, the performance of your institution in relation to the above input and output targets. I will write to you should this monitoring indicate that your institution is operating outside of the approved planning parameters.

### **Funding allocations to Tshwane University of Technology**

In considering the distribution of funds allocated for the improvement of infrastructure and student output efficiencies, I took into account a range of factors including institutional needs, the approved enrolment plans, and the expectation that higher education will deliver increased numbers of graduates needed by the national economy, especially with regard to scarce skills.

The allocations which I have approved for your university are set out in the table below.

The disbursement of funds to you will be in accordance with the normal procedures of the Department of Education. The funds you will receive for teaching input funding may be added to your block grant funds. You will, in the case of the other funds, be required to submit regular reports to the Department, on the implementation of the projects, including accounting for all expenditure.

The amount for 2006/07 will be paid to you before 31 March 2007, on the basis of the plans we have received from you. You must submit a report to the Department, by 31 July 2007, on how you will use this R77 million, and on how this expenditure will be integrated into plans for further infrastructural improvements.



Financial year	Purpose of allocation	Amount: Rands millions
2006/07	Refurbishing of teaching/learning infrastructure	77
2007/08	Refurbishing of teaching/learning infrastructure and relocation of faculties	40
2008/09	(a) Refurbishing of teaching/learning infrastructure and relocation of faculties	55
	(b) Shortfall in teaching input funding	19
2009/10	(a) Refurbishing of teaching/learning infrastructure and relocation of faculties	130
	(b) Shortfall in teaching input funding	23
<b>Total</b>		<b>344</b>


Your further allocations from 2007/08 are made subject to these conditions:

- (1) You must submit project plans to the Department by 31 July 2007. These plans must give the time lines for the implementation of the projects and must include substantive cost estimates.
- (2) Should the cost of your plans exceed the allocation made, you must also indicate how you will make up any differences between total costs and the Department's allocations.
- (3) Payments will be made after the Department is satisfied that the proposed projects will meet the purposes for which funds have been allocated, and that they are affordable within the context of your institution's overall finances.

I trust that your institution will use, what I believe is a significant investment, both prudently and effectively. I am also hopeful that this round of enrolment planning will bring greater stability and predictability in the planning of the higher education system. In this regard, it is important for institutions to operate within these agreed enrolment and performance parameters.

I look forward to receiving by 30 June 2007, from your Council, confirmation regarding the approved student enrolment plan and performance targets together with the conditions attached to your institution's financial allocation.

Yours sincerely

  
 GNM Pandor, MP  
 Minister of Education  
 Date: 14-03-2007