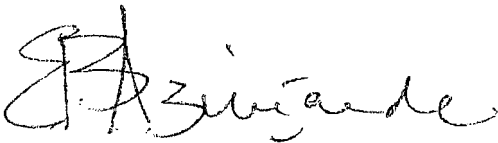

GENERAL NOTICE

NOTICE 861 OF 2010

MINISTRY OF HIGHER EDUCATION AND TRAINING

MINISTERIAL COMMITTEE FOR THE REVIEW OF THE PROVISION OF STUDENT HOUSING

I, Bonginkosi Emmanuel Nzimande, MP, Minister of Higher Education and Training, in accordance with Treasury Regulation 20 [issued in terms of the Public Finance Management Act, 1999 (Act No 1 of 1999)], hereby establish the committee set out in the schedule hereto to review the provision of student housing in the public university education system.



Dr BE Nzimande, MP
Minister of Higher Education and Training
Date: 18/08/10

Ministry of Higher Education and Training**Terms of Reference for the Review of the Provision of Student Housing****Background**

Education White Paper 3: A Programme for the Transformation of Higher Education (1997) provided the policy framework for the transformation of higher education over the past decade. The policies have been informed by the need to ensure:

- Improved access to higher education, particularly for students from poor and previously marginalised communities;
- Responsiveness of higher education to the economic and social development priorities of the country;
- Capacity in the higher education system for high level research and innovation;
- Enhanced quality of academic programme provision and the quality of student life; and
- Redress of historical inequalities.

In the Ministerial Statement on Higher Education Funding: 2009/10 to 2011/12 dated 10 November 2009 the Minister announced that a review will be undertaken to assess the system's need for additional student housing, the time frames for meeting these needs and examine different ways in which expansions of student housing could be financed.

Problem Statement

Universities' applications for the infrastructure and output efficiency grant for 2010/11 to 2011/12 indicated that all contact universities are experiencing severe pressures on their student housing resources. The applications received from universities were for a total 20 000 new student residence places to be provided for 2010/11 to 2011/12. The current provision of student housing places is approximately 100 000 student residence places for a contact student population of 530 000, an average provision of 18.8 per cent. This is a national average, with some universities providing in excess of this percentage while others provide housing far below this percentage.

It is purported that this lack of supply of student housing is the cause, in the first instance of much of the campus unrest apparent in recent times. In the second instance, the lack of supply is deemed to be a primary cause for the poor performance by many students as a result of living conditions purportedly not conducive for studying; this having a detrimental impact on the throughput rate at universities.

Different factors have influenced the supply of new student accommodation or the upgrading and maintaining of existing accommodation. In the last 2 years a larger portion of the infrastructure funding provided by the department has been earmarked for student accommodation. The maintenance and ownership costs that increase as the residence ages, poor collection of student revenue in some universities has had financial implications for university budgets, in some instances creating unsustainable financial pressure.

In the declaration of the Higher Education Stakeholder Summit on Transformation held on 22 and 23 April 2010, the poor conditions under which students learn and live are recognised.

Overall purpose of the review

To assess the current provision of student accommodation and benchmark the South African universities against each other as well as against international institutions operating in a similar environment. Furthermore, to determine the real need and assess the various models of provision of student housing, the various types of housing that can be provided and the potential funding models which may assist in alleviating the problem but ensuring that the provision thereof does not detrimentally affect the operating budgets of the universities in future.

Specific Terms of Reference

The scope of the review is to:

- Assess the real demand for student accommodation at an individual university level as well as at a national level, including the current state of student accommodation facilities.
- Determine the current mix of students in residences i.e. senior, junior, race, gender, disability etc in relation to the institutional policies.
- Benchmark the results of findings across universities in South Africa as well as worldwide with specific emphasis on countries with similar demographics as South Africa.
- Identify the different types of physical accommodation currently being provided and determine whether there are any other forms of physical accommodation suitable for the South African environment, including related facilities.
- Examine the various models of securing physical accommodation e.g. outright purchase, lease, public private partnerships (PPP), build own and transfer (BOT), private providers etc.
- Assess the current level of student payment for accommodation, including provision for student housing in NSFAS allocations.
- Explore the sources of finance available to universities.
- Develop in consultation with the sector the minimum standards of all residences.
- Undertake an analysis of the true ownership cost of new accommodation buildings and determine the impact thereof on operational budgets a few years after the proposed acquisition
- Propose possible changes to the funding framework to obviate the financing problems created by the provision of more accommodation and owning additional buildings.

Provide a report to the Minister in which information on the above issues have been documented with recommendations that are appropriate to the current and future provision of student housing in universities. It is expected that the report will have short-term, medium-term and long-term proposals.

Review Process and Committee

The committee will be chaired by Professor Ihron Rensburg, Vice-Chancellor of the University of Johannesburg and will not comprise of a full complement of members for the duration of the committee's work. The committee will comprise of the chairperson and officials from the Department of Higher Education and Training (DHET), Ms K Menon and Ms Swart. The committee will source different technical expertise to assist with the scope of its work in addition, a lead report writer to work under direction by Professor Rensburg is to be commissioned to undertake the work.

In the course of its work, the committee and expertise sourced by the committee may consult key stakeholders, including but not limited to universities, national student organisations, NSFAS,

financial services organisations, HESA and the Council on Higher Education. The committee should draw on studies undertaken in South Africa and on international best practice and may commission work in consultation with the DHET.

The DHET and University of Johannesburg will provide secretariat and administrative support for the Ministerial committee. The committee is accountable to the Minister and will provide the Minister of Higher Education and Training with a report by February 2010.
