

## DEPARTMENT OF HIGHER EDUCATION AND TRAINING

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## HIGHER EDUCATION ACT (ACT 101 OF 1997, AS AMENDED)

REPORT OF THE INDEPENDENT ASSESSOR INTO THE AFFAIRS OF MANGOSUTHU  
UNIVERSITY OF TECHNOLOGY, APPOINTED BY THE MINISTER OF HIGHER  
EDUCATION AND TRAINING

I, **Grace Naledi Mandisa Pandor, MP**, Minister of Higher Education and Training, in accordance with Section 47 (2) of the Higher Education Act (Act 101 of 1997, as amended), publish the report of Professor N Barney Pitso, the Independent Assessor, appointed under Section 44 of the Higher Education Act (Act 101 of 1997, as amended) on the investigation conducted into the state of affairs of Mangosuthu University of Technology, as set out in the Schedule.



*G.N.M. Pandor*

Mrs GNM Pandor, MP

Minister of Higher Education and Training

Date: 30-10-2018

**REPORT OF THE INDEPENDENT ASSESSOR INTO THE STATE OF  
AFFAIRS OF MANGOSUTHU UNIVERSITY OF TECHNOLOGY  
(MUT)**

Improve the quality of life of all citizens and free the potential of each person.

- Preamble to the Constitution of the Republic of South Africa.

**Independent Assessors:**

**Prof N Barney Pitso** GCOB

**Ms Judith Favish**

**30 June 2018.**

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## ACKNOWLEDGEMENTS

The Assessors wish to acknowledge the support of the team from the Universities Division of the Department of Higher Education and Training. The team had the assistance of Mr Luthando Mhlanga and Ms Denise DeKlerk who attended to all the logistics and supported us during our visits to the university. We thank them for their professional assistance without which we would not have accomplished our task.

The liaison team at the Mangosuthu University of Technology in the Office of the Vice Chancellor was indefatigable in attending to our requests, meeting our needs and generally making us very comfortable and welcome at the institution. It was a joy to work with the Executive Administrative Secretary in the Office of the Vice Chancellor.

The staff at the Mangosuthu University of Technology demonstrated to us that they welcomed the inquiry. We thank them for assisting the inquiry in every way possible and for responding to our requests timeously.

We also interviewed members of Council and the previous Chairperson of Council and the current Chairperson. Both gave us generously of their time, and took us into their confidence. We thank them for that.

Finally, we thank the Minister of Higher Education and Training, Ms Naledi Pandor, MP for appointing us and for making the resources of the Department available for us to undertake our work.

While we acknowledge assistance from a wide section of the university community, we do not wish to exclude anyone we may not have mentioned in this brief. What must be said, however, is that the views and opinions expressed in this Report are ours alone, and we take responsibility for them.

N Barney Pitso

Ms Judy Favish

30 June 2018.

## EXECUTIVE SUMMARY

The Terms of Reference for the Independent Assessor stipulate that the Independent Assessor must advise the Minister on the source and nature of the problems facing the institution, and on measures required to restore good governance and management at Mangosuthu University of Technology.

The Assessors spent a period of five weeks working on this brief, perusing documents and interviewing all the key actors in the drama that has been unfolding at the university over a long time. We wanted to place these matters in a context – historical, sociological and educational.

Our analysis has revealed that by February 2016 the conflict between Council and Management had reached irreconcilable proportions. At issue was the plain fact that Council appeared to have lost confidence in the Vice Chancellor and in the Executive Management. Executive Management had become decimated by suspensions and the institutional operations were deeply affected by the ongoing contestations. The institution has been functioning without critical policy instruments for an unacceptably long time. It became clear to us that while in large measure the facts were common cause, interpretation and perspectives differed widely depending on context and situation of the presenter. Previous external interventions by themselves do not seem to have been able to get to the bottom of the serious problems at MUT. We in turn were struck by the fact that the people with whom we spoke seemed unable or unwilling to accept responsibility for making the institution work.

In formulating recommendations, we have adopted an approach that is developmental, in order to promote institutional agency, which will require MUT to set clear targets for improvement for the next 5 years, whilst ensuring that measures are put in place to hold the Executive Management to account for delivery against approved targets. The current Vision and Mission Statement and Strategic Plan of the university are scheduled to expire in 2019. This provides the institution with an opportunity to come together around a new vision and strategic plan which will be lofty enough to inspire excitement amongst staff and students and provide external stakeholders with an indication of the compelling relevance of MUT in the regional context.

We observe that, maybe because of its location and its history, MUT appears to be very isolated among the Universities of Technology. The university should establish an Agreement with another UoT, for example, the Central University of Technology in Bloemfontein to enable intense sharing of ideas and practices, exchanges of managers and scholars and students, and an engagement in management systems to establish benchmarks for improvements in the university.

The relationship between the Executive Management and Council needs to be restored. We have recommended that in order to start afresh with the new VC serious consideration should be given to disbanding the current Council with appropriate processes put in place for selecting new Council members in a manner that takes account of the expertise needed on the Council and the exercise of due diligence.

We propose that the Minister should consider seriously the introduction of an independent Office of the Universities Ombudsman. Such offices have become very common in South Africa under our Constitution. The latest example has been the establishment of the Office of the Health Ombudsman. The Office of the Ombudsman should be an independent office provided for by the Higher Education Act. The Minister may consider whether such an Office could be established as part of the CHE system or independently altogether. The Office of the Ombudsman would ensure that the Ministry does not deal with many of the matters of breakdown in Governance and Management, failure to adhere to the Code of Conduct, financial malfeasance – all matters that currently may be implicated in and therefore unable to be resolved to satisfaction. This will relieve the Ministry so that the Ministry can attend to the duties set out in the Act.

Finally, we have also recommended the introduction of an Office of an Ombud within the institution so that disputes can be resolved internally and proactively as part of nurturing an empowering institutional culture.

## SECTION 1

### INTRODUCTION

By Notice in the Government Gazette (No 41643, 22 May 2018), the Minister of Higher Education and Training, Mrs GNM Pandor MP announced the appointment of an Independent Assessor in terms of s.44(1) of the Higher Education Act 1997 (Act No 101 of 1997, as amended). The Independent Assessor was mandated to “investigate the state of governance and management, including policies and procedures pertaining to financial management, management and administrative matters, supply chain management, human resources, information technology and infrastructure development and procurement at Mangosuthu University of Technology.”

By letter dated 6 May 2018, the Minister appointed Prof N B Pityana, retired Vice Chancellor of the University of South Africa, and Ms Judith Favish, retired Director of Institutional Planning at the University of Cape Town to act jointly as the Independent Assessors of the Mangosuthu University of Technology. The appointment would take effect upon publication in the Government Gazette.

The Terms of Reference are set out in the Government Gazette, the details of which are set out as Annexure A to this Report. The Independent Assessors are required to make recommendations on

- Restoring of effective and proper governance at the University;
- Any other recommendation that requires the attention of the Minister and the Department;
- What action, if any, ought to be taken.

The Independent Assessors are required to complete the investigation and to submit a Report to the Minister within 30 days from date of publication of the Notice.

Section 44 of the Act makes provision for the appointment of an Independent Assessor drawn from a panel of persons with appropriate expertise in higher education as set out in s.43 (1) of the Act. As per s.45 the Council of the Mangosuthu University of Technology resolved to request the Minister to appoint an Independent Assessor. The Council made the point that



the Independent Assessor must also investigate the role of Council in the Management and Governance difficulties that the institution was experiencing.

Two instruments are essential for the governance and management of higher education institutions in South Africa. These are the Higher Education Act, 1997 (as amended), and, in this case, the Statute of the Mangosuthu University of Technology published in the Government Gazette by Notice No 39315, dated 23 October 2015. Chapter 4 of the Higher Education Act sets out the structures of Governance that are binding on a higher education institution. The Statute sets out the appointment and functions of Council, Senate, Institutional Forum and the SRC and a framework for the appropriate collaboration between the various structures, with Council as the highest governing body in the university. Provision is also made for the establishment of a Management structure led by the Vice Chancellor as the chief executive and principal administrative functionary of the university. Both Council and Management have defined roles of accountability.

It is our view that as a public institution and an agent of state, universities are bound by the Constitution and by the law of the land. Under the Constitution all government processes must be conducted in such a manner as to “ensure accountability, responsiveness and openness” (s.1(d) of the Constitution). In that spirit, the institution is also bound by the provisions of the Bill of Rights, especially “academic freedom and scientific research”, labour relations and just administrative action (ss.16, 23, and 33), among others.

To regulate its internal relations and in pursuance of the Statute, especially its strategic and monitoring and evaluation roles Council must

- Ensure the realisation of the university’s values;
- Create a positive academic climate
- Adopt the university’s vision and mission statements; and
- Monitor the implementation of the strategic plans.

Towards that end Council must approve the management and strategic policies of the institution, sign off on the Annual Financial Statements, and approve the annual performance plans. To achieve this Council binds itself to an environment set out in the Council Code of

Conduct, which requires Council members to disclose any conflicts of interest in the execution of their fiduciary duties.

Our approach to this Report, in our view, has been more progressive and developmental. We recognize the potential of this institution to serve society for good, and to meet the policy of objectives set by government in the areas especially of vocations and skills development. Our proposals and recommendations, therefore, seek to give the university another chance to realise its own mission and ambitions.

## PROBLEM STATEMENT

Matters came to a crisis point at the Mangosuthu University of Technology when the Executive Committee of Council suspended or placed “on special leave” six members of Executive Management in February 2016. This decision was ratified by Council later that month, but not without some misgivings from a section of Council. The basis for this drastic action, according to a letter the then Chairperson of Council wrote to the then Minister of Higher Education and Training, dated 21 September 2016, was that there was a reasonable “apprehension of the failure of governance and financial and other forms of irregularities”. By that same resolution, Council undertook to have these matters investigated.

The Minister met with Council on 24 March 2016. At that meeting the Minister disclosed that he had been receiving a series of memoranda from the Vice Chancellor expressing deep foreboding about the activities of Council that served to undermine the authority of the Vice Chancellor and of Executive Management. The Minister advised that the best course of action would be for Council to request the Minister to appoint an Independent Assessor inasmuch as Council could not investigate itself. In later correspondence the Minister expressed his concern that the suspension of senior executives was sending the wrong message about the stability of the institution, and that the discord between Council and Management needed to be dealt with. The letter is dated 15 September 2016.

The question has been raised with us as to whether this process was not too late given the lapse of time from February 2016 to May 2018. At its meeting in September 2016, Council resolved to request the Minister to establish this investigation. New members of Council were

elected in November 2017, and a new executive Committee of Council was in place. A new Vice Chancellor had also been appointed and had already assumed office on 1 May 2018. The question then arose, what purpose will this process now serve? Such a question arose from the presumption that the problems that the institution experienced over a prolonged period of time were due to certain personalities. Nothing could be further from the truth. In our view, the problems in the institution are structural, and attitudinal.

When the Vice Chancellor's contract came to an end in July 2015, the processes for the renewal or otherwise of the contract had not been undertaken. The Chairperson of Council was not communicating with the Vice Chancellor to explain the reasons for the delay. Upon further enquiry he was informed that Council would deliberate on the matter at its scheduled meeting on 23 July 2015. Council approved the renewal of the contract for another five-year term subject to the signing of a Performance Agreement. Without any doubt this exacerbated already frigid relations between the Vice Chancellor and especially the Chair of Council. It undermined in particular the relationship of trust necessary in the relations between the two senior officers of the university.

Following the renewal of his contract, the Vice Chancellor reports that there was a systematic undermining of the authority of the Vice Chancellor, instances of the withdrawal of some powers due to the Vice Chancellor, involvement of members of Council in operational matters, the establishment of the Executive Committee of Council as a competing authority to Council, and evident conflicts of interest. These developments, according to the Vice Chancellor, caused confusion and uncertainty in the management of the institution. The Vice Chancellor pleaded with the Minister to intervene. This memorandum is dated 15 February 2016.

It is fair to observe that by February 2016 the conflict between Council and Management had reached irreconcilable proportions. Both sides were seeking solutions. At issue was the plain fact that Council appeared to have lost confidence in the Vice Chancellor and in the Executive Management. Executive Management had become decimated by suspensions and the institution was crippled in its operations.

Two events intervened into this scenario. First, new members joined the Council of MUT in November 2017. At that meeting a new Chairperson was elected, as the previous Chairperson and Deputy Chairperson had retired. Secondly, a new Principal and Vice Chancellor was appointed by Council. The new Vice Chancellor assumed duty on 1 May 2018.

## PROGRAMME AND METHOD OF THE INQUIRY

The Independent Assessors undertook their task by first receiving a briefing from the officials of the Department led by Dr DC Parker, Deputy Director General: Universities. Officials to assist the inquiry were assigned, files and relevant documents were made available to the Assessors. The Department briefed the Assessors about the independence of the inquiry, and the history of the matter under investigation. The next meeting was held on 11 May 2018. A subsequent meeting with the Chairperson of the Council of MUT and the Vice Chancellor was held on 18 May 2018.

We then agreed a programme for the inquiry. That included visits to the Mangosuthu University of Technology in Umlazi, Durban. We agreed a list of documents to be sourced from the university. We then drafted a programme of sessions for planning and visiting the university. The programme is attached as per Annexure B.

Regarding the method of the investigation, we agreed on a combination of documentation, and interviews. In large measure we sought to understand and to ask questions. We also invited members of the university community to make representations by email. A schedule of these representations and documents is attached in Annexure C. By its nature this method is not forensic, but rather exploratory. We do not pretend that we were able to get to the truth of the matter, or to come up ultimately with a factual account of developments at the university. It soon became clear to us that while in large measure the facts were common cause, interpretation and perspectives differed widely depending on context and situation of the presenter. We came to understand that the campus was deeply divided and just about every account we were given was partial. This made the task of unraveling the truth about the institution very difficult. But it also meant that our analytical and interpretational lens had to be sharpened. This to say, therefore, that we are not in the process of declaring fact from fiction, but that we shall weigh the evidence on the basis of probabilities.

## SECTION 2

### THE MANGOSUTHU UNIVERSITY OF TECHNOLOGY: History and Developments

MUT is a young institution of higher learning. Founded in 1979 to become a dedicated provider of skills, technical and vocational training under the then apartheid KwaZulu Bantustan, but based in the large urban conurbation of Umlazi, near the City of Durban. It was established as a Technikon under the Government of KwaZulu, a unique experiment because higher education institutions, though based within Bantustans were not usually under the governance of the Bantustan governments. Gradually, new Bantustan universities grew as in Transkei and in Bophuthatswana. Like various other apartheid higher education institutions, MUT bore the stigma of disadvantage and a vision defined by the apartheid system. Its strongest, positive selling point was that it was an institution with a social purpose of serving the needs of the most disadvantaged communities.

With the advent of the new democratic constitutional state in 1994, like other such institutions, Mangosuthu Technikon became part of the national system of higher education. In 2007 following the National Plan of Higher Education, the Technikon became a University of Technology, and as such the Mangosuthu University of Technology was re-born.

The transition from Technikon to a University of Technology does not appear to have brought about much change in the institution's identity and self-understanding. It remained an institution dedicated to teaching and learning offering National Diplomas. Later the mix of qualifications included BTech degrees, but it remained a largely teaching and learning institution at under-graduate level. It is also fair to say that the institution also exhibited the character of a school environment with little of the institutional autonomy, intellectual and critical climate, and advanced engagement as a provider of thought leaders for society. Many of the academic staff were inadequately qualified to teach at a higher education level. As a University of Technology (UoT), the institution carried its tradition of workplace learning and industrial placements. Its programme and qualification mix remained limited and vocation-based.

As a UoT, MUT was challenged on several fronts. It had to develop the characteristics of a university, and it had to embrace the identity of a higher education institution dedicated to providing qualifications in technology and resourced as such both in terms of its academic and administrative capacity, and in terms of facilities. In that regard its location in the township of Umlazi was both a burden and an opportunity. It was considered a burden in that it tended to draw its students predominantly from the African community. Yet based in the south of Durban it is not attractive enough to the many working-class communities in the region - Coloured, White and Indian. For historical reasons, perhaps, it also did not generate sufficient support from, and affinity to, the industrial and small technical skills complex of south Durban. The institution had to deal with the stigma of the fear of township life considered unsafe by other race groups. The effect of all this was that student life was very limited, and cultural exchanges did not extend beyond the African (and broadly Zulu-speaking) communities. It has been attested to us that this context meant that MUT had difficulty attracting qualified academic and highly skilled administrative staff.

The Higher Education Quality Committee (HEQC) Institutional Audit provided an opportunity for the institution to review its programmes, facilities, the quality of its academic programmes and qualifications, and also understand the institutional culture and ethos it sought to establish. The Institutional Audit Report was published in 2011. The Panel made thirty-one groundbreaking recommendations that had the potential of transforming the institution and advancing its academic and UoT mission.

Among the recommendations there are some that touch on governance and academic management matters. It refers to a need for an institution-wide conversation about Vision, Mission and Strategy, and about the institutional culture and ethos. It recommends that the institution attends to the transformation imperatives of the institution, about the legitimate role of Senate. Of significance, for our purposes, is the Recommendation that the institution “ensure the proper functioning of the university through implementing measures to ensure that staff and institutional structures are held accountable for decisions and actions they take in respect to the academic project. In particular, this refers to the academic staff attending to their lecturing duties and building appropriate partnerships with industry and local communities.”

The HEQC Institutional Report, therefore, charged the institution with the responsibility to transform the institution from its historical roots to become a modern higher education institution. Besides, it also had to attend to its identity and institutional character on the “necessary scholarship of teaching and learning beyond the provision of a supportive teaching and learning environment, (to) consider the effectiveness of its pedagogical approaches in educating students from disadvantaged backgrounds and identify graduate attributes and ways for students to attain them.”

Following the HEQC Audit Report, the institution submitted an Improvement Plan to the HEQC. The Improvement Plan did much to integrate the observations and Recommendations of the HEQC in the university’s already extant Vision and Mission Statement (2020). Some improvements were undertaken especially in setting up mechanisms for quality assurance and institutional research, monitoring and evaluation as well as accountability systems for staff and students, attending to the identity of the university especially in teaching and learning and establishing a Teaching and Learning Development Centre (TLDC) to be a focus for development and quality practice, as well as establishing a research unit that would advance the university’s character as a higher education institution. HEQC soon expressed satisfaction with the Improvement Plans and subsequent Progress Reports. Indeed, a critical document in that regard is the institution’s concept document on “The Academic Identity of Mangosuthu University of Technology” published in September 2016.

It may not be too farfetched to make the observation that debates about the identity of MUT, opened up through the audit process, were not fully resolved. Efforts to grow the research and postgraduate side of MUT, coupled with new appointments, have clearly ignited these unresolved issues, between executive Management and some elements at Senate; and among members of executive Management. It does not appear that Council was aware of the growing discord. It was focused instead on operational matters rather than governance and oversight of policy formation and implementation and the academic project.

On the positive side, there are reports that academic standards at MUT are comparable to any of the similar institutions in the country. Course success rates as distinct from throughput rates in some instances surpass those of similar institutions, and much is made of a mature student governance and leadership environment at MUT. Sadly, there is much contention

about the institution's provision for research. The result has been that the research portfolio does not appear to be in sync with the document on the Academic Character of the university. Much of this is frankly due to the failure of leadership in the manner in which this matter has been handled. While a new professoriate has been put in place, the research output and interests seem to lack focus.

Students on the other hand remain concerned about the quality of student life, especially the adequacy of residences for the needs of the students. Often, according to them, it appears that the university is never adequately prepared to cater for the accommodation needs of the students. While appreciative of the academic environment, students remain worried about the reputation of the institution and the resultant quality of their degrees.

The Profile of the university of worth commenting on.

Although at times disputed among the staff at MUT, the Quality Management Directorate produced a Survey report in 2017. Notwithstanding the claims made by management regarding success rates, the Report finds that on average about 25% of MUT students complete their diplomas in the prescribed minimum of three years (MUT, 12: 2017). In gender terms, the university is predominantly Male and overwhelmingly African, where well over 90% of the student intake is drawn from the Province of KwaZulu Natal. Even more worrying still, is the fact that 67% of MUT graduates reported not have employment at the time of graduation. The Report concludes by presenting various matters needing to be addressed if the university is to improve the way it functions and meet the needs of students and the community. The proposals suggested mirror those recommended by the HEQC institutional Audit Report (2011). It would appear therefore that notwithstanding the Improvement Plans, the implementation appears to be sluggish. For example, the establishment of a Student Centre deemed vital for improving the quality of the student experience at MUT is nowhere near completion. It took years for the new student residence to be completed on campus at millions in additional costs, and many of the infrastructure projects much needed for student life and experience are bogged down in controversy. From our observations, it would appear that the university has not yet come to terms with the strategic challenges it faces.



## SECTION 3

### GOVERNANCE

The UBAC Forensic Report:

It is necessary that we frame any discussion on Governance and Management on the Forensic Report by UBAC (Ubuntu Business Advisory Consulting (Pty) Ltd). The Forensic Report has been used by Council to effect suspensions against several members of the executive Management team including the Vice Chancellor. The Report arises from dissatisfaction by the Executive Committee of Council about management performance, as well as about indications that Council policies were flouted, and wasteful and profligate spending was undertaken without Council approval.

It is necessary to flag several matters of concern about the Report. First, the Report was commissioned by Council, by resolution of the Special Meeting of Council on 25 February 2016. Secondly, we are not aware that that the appointment was undertaken following appropriate procurement process. Thirdly, there is lack of clarity about the dates. The Report is dated 29 July 2016. However, it appears that action on the Report was taken by Council in February 2016 based on a report perhaps that had not been finalized at that stage. In any event, the letter of appointment was only signed by Ms Bathini Hlongwa on 21 May 2018, and by Mr Vishaal Bhumma on behalf of Ubuntu on 21 May 2018. It is strange that Ms Hlongwa should claim that the quotation has been accepted “after a thorough investigation” when in fact the Director of Risk and Compliance had already advised Ubuntu by letter dated 4 March 2016 that their quotation had been accepted. There may be evidence to suggest that the appointment of UBAC itself was irregular.

The quality of the Report and its findings are substantially undermined by the fact that none of the suspects were interviewed by the investigators. The investigation was focused largely on documentary evidence and the people implicated do not appear to have been given opportunity to offer their own explanations.

It would seem to us that the list of “Limitations” enumerated by the Report are sufficient to undermine its credibility. The writers seem to acknowledge that the Report is provisional

pending any additional information that comes to their attention. More astonishingly, the Report ends with the following disclaimer:

This Report was prepared solely for the purpose of reporting findings to MUT. It should therefore not be utilized for any other purpose. No part may be quoted, referred to or disclosed to any third party, without our prior written consent; and

The procedures performed do not constitute an audit or a review in accordance with International Standards on Auditing Standards on review Engagements (or relevant standards or practices). Consequently, we do not provide any audit assurance.

This is astonishing especially if regard is had to the sum of R107 870.00 that was paid by the university for this work. The net result is that the Report can barely withstand evidential scrutiny. It is astonishing that it was used as evidence for taking action against several members of the Executive Management team!

A Chequered History of Governance and Management:

Governance and Management at the MUT has been a matter of contention for many years. It can be stated that for something like a decade the Mangosuthu University of Technology has been unstable. It began with the two Independent Assessment investigations, one by Prof Jaap Durand in September 1999, and another by Dr Vincent T Maphai in 2008. Both investigations were occasioned by considerable breakdown in governance and management during the tenure of Prof A. Ndlovu as Vice Chancellor. Prof Ndlovu was appointed Vice Chancellor in 1997. Following the publication of the Report of the Independent Assessor that had recommended that disciplinary action be taken against Prof Ndlovu, Council lifted his suspension and he resumed duty in 2000.

The Maphai Report recommended that the Vice Chancellor be suspended and that disciplinary steps be taken against him, and that an Administrator be appointed to the institution. Finally, the Report gently called for the removal of the Council of MUT because of its failure in executing its governance functions. It is common cause that Prof Jonathan Jansen was appointed Administrator following the Maphai Report, and soon thereafter Prof Ndlovu resigned. The term of office of Prof Jansen was interrupted when he accepted a position as

Vice Chancellor of Free State University in July 2009. Dr MR Kgaphola was then appointed to continue as Administrator. Upon the expiry of the term of office of Prof A Ndlovu, Council advertised the position of Vice Chancellor. Dr Kgaphola was duly appointed Vice Chancellor with effect from August 2010.

Mr Jerome Ngwenya, a former judge of the High Court, was among the five members who continued in Council when the new Council was inaugurated in November 2009. He was elected Chairperson of Council. Relations between the Vice Chancellor and the Chairperson of Council, and the Executive Committee of Council soon deteriorated. By 2015, the Executive Committee of Council was of the view that the Vice Chancellor and the Executive Management were not performing their functions. They cited the inability of Management to submit drafts of policies for approval by Council, among others, the Supply Chain Management Policy, and Human Resources Policies, as well as Delegations of Authority which were never ready for adoption by Council. In addition, they charged that some key contracts were suspect and irregular, namely, the contracts for the construction of student residences on campus, of the Student Centre, the engineering laboratories and other infrastructure developments including the acquisition of the Ithala Building, and the MRC Building.

The then Chairperson of Council explains that it was on account of such lapses in Management performance and accountability that a decision was taken by the Executive Committee of Council to place the Deputy Chairperson of Council and Chair of the Finance Committee to chair the Bid Adjudication Committee. According to Prof Kgaphola, however, Council had been chairing and participating in Tender Committees from about 2010. According to the then Deputy Chairperson, Mrs D Hoorzuk financial management was so inefficient that she was obliged to be the one who authorized payments. Mrs D Hoorzuk told us that the Council revoked the Statute to the extent that financial approvals and membership of Council Tender Committees had to be assumed in order to manage controls better. For Council this was an emergency measure. This view of an inefficient and incompetent management appears to have been shared by other members of Council. Dr Fazel Randera, for example, says that early on, indeed after a few months as a member of Council, he asked the question as to why the performance of the Vice Chancellor was not improving. Instead the institution appeared to be on a downhill drift. He told us that reports to Council were not a true reflection of the

problems experienced at the university, and that the executive team routinely came to Council unprepared, and Executive Management could not respond to questions by members of Council.

On the other hand, Executive Management disputes these allegations. The common view is that the Executive Committee of Council “had captured” Council, and undertook decisions unilaterally, and indulged in activities well beyond their Mandate. There was some resistance at Council about this power usurped by ExCo, and some of the decisions were reversed. Management was of the view that members of Council had conflicts of interest as some of them had business dealings with the university. The view within Executive Management is that members of Council, especially the ExCo of Council, were in violation of their own Code of Conduct, and behaved in an arbitrary and unaccountable manner. Management felt that they were being constrained from undertaking their duties by the frequency of Council and Council Committee Meetings, and by the inability of Council to manage the Agenda of Council effectively. The result was that decision-making was very slow and prolonged, thereby affecting the operations of the university negatively.

It would appear that Council had never discussed their dissatisfaction with the Vice Chancellor. Instead, Council prevaricated when the contract of the Vice Chancellor was due for renewal in July 2015. Following various promptings by the Vice Chancellor, Council “eventually” as the Vice Chancellor puts it, agreed at its meeting on 23 July to extend the contract of the Vice Chancellor for a further term subject to the signing of a satisfactory performance contract. That performance contract was never signed, prompting the Chairperson of Council to raise the question as to whether indeed there was a valid contract between the Vice Chancellor and the university! There was a breakdown of trust between Council and Management, and animosity fueled mutual suspicion and attribution of unedifying motives in all actions of Management, and in return, of Council.

Inevitably, matters came to a head and on 10 February 2016 the Executive Committee of Council resolved to suspend six members of the Executive Management, including the Vice Chancellor. In a letter addressed to the Minister of Higher Education and Training, the Chairperson of Council reported that Council was obliged to act as Council had a “reasonable

apprehension of serious failure of governance and financial and other forms of irregularities...” So serious was this evidence of inefficiencies that the financial affairs of the institution were put at serious risk. He went on to report that the actions of the Executive Committee of Council were confirmed in a subsequent Council meeting on 25 February. The Chairperson further reported that the special Council meeting on 25 February 2016 also resolved to “extend the investigation to enquire into whether any member of Council was undertaking business with the university”. During our interview, Mrs D Hoorzuk disclosed that two members of Council were found to be involved in business relations with the university contrary to policy. There was no indication of what steps, if any were taken, to correct the situation.

Two questions regarding Governance arise. One, about the appointment or election of members of Council; and the other, is the understanding of Council members of their fiduciary responsibilities. Since the Maphai Report advised that members of Council needed to reflect on their continued membership of Council, not much has been done. At the time that Maphai made the recommendation, there were concerns that some members of Council had been in Council for far too long, and that the then Vice Chancellor seemed to exercise a free hand in recruiting members to Council. The result was that membership of Council was undertaken with only minimal probity. As a result, Council may be lacking in appropriate experience and maturity of judgment. A new Council was constituted in November 2017. Many of the longer-serving members left Council.

Membership of Council, on this occasion, was done by advertising for expressions of interest and inviting nominations to Council. The nominees were interviewed by a panel. Notwithstanding that, at least one of then-new crop of members eventually resigned from Council because he was not satisfied that members applied due diligence, read Council papers, asked the right questions and applied their minds to decisions before Council. Dr Seshi Conco charged that Council members had no understanding of their fiduciary duties, and some tended to be caught up in the internal politics of the university. The challenge is that Council has not worked out for itself what being a “fit and proper” person to serve on Council actually entailed. And yet, South African jurisprudence in recent years has defined what constitutes “fit and proper” persons to serve in public office.

The question that is being asked is whether the right level of skills and experience is being recruited to the Council of MUT? That then raises the question as to whether there was enough realization among Council members that they were in Council in their personal capacities, as well as in their collective capacities, and that they bore no brief for any constituencies that may have sponsored them to Council; and that they were under obligation at all times to act in the best interests of the university. Indeed, the Companies Act also makes it clear that members of Boards of Companies may be liable in their personal capacities for any wrongdoing during their term of office. The Code of Conduct for Council members at MUT was honoured in the breach.

We found that Council does not pause to review its own performance set against the responsibilities set out in the Statute as well as the Vision and Mission of the university. The current Chairperson of Council, it must be admitted, did share with us an intention to undertake a Council performance review. In other words, to what extent is Council attending to the mandate expressed in s.8(2) of the Statute, namely, that "Council has strategy-making and monitoring responsibility in general, including the

- (a) Realization of the University's values;
- (b) Creation of a positive academic climate;
- (c) Adoption of the university's Vision and Mission Statements; and
- (d) Monitoring of the implementation of strategic plans.

In our view, if Council measured itself against these elements it would never fail in its duty. If it fails, it will be because it fails to adhere to its mandate as stated above.

It seems that Council has now managed to rein-in the power of the Executive Committee of Council. The problem of compliance with policies and regulations, however, exists. It exists because not even Executive Management feels obligated to abide by the rules and the policies of the university. Monitoring by Council could have prevented many of the problems experienced in the infrastructure delivery and in facilities management. Accountability mechanisms and effective performance management do not function as they should. The charge by Executive Management is that at times Council and Council Committees meet so

frequently that there is never opportunity to implement decisions taken at the previous meeting.

Leadership in a university is shared and has mutual accountability built-in it in order to ensure its effective functioning. That means that trust and integrity are principles or the glue that binds all elements of the university together: governance, management; academic and administration. Part of the problem has been that there is nobody authoritative enough to monitor and enforce compliance of Council except Council itself. When Council is in breach there is no mechanism for self-correction, except perhaps by the heavy hand of the Minister. When Council goes rogue, what recourse does Executive Management have? We were variously alerted that the university was in need of three critical elements if it was to improve:

First, the university is in need of visionary and strategic *Leadership* both at Council and in a Vice Chancellor who is the academic and administrative leader of the institution. The relationship between the Council Chairperson and the Vice Chancellor needed to be managed carefully but with mutual respect. That is the collective leadership without which the university cannot succeed. In other words, Council must abide by the Code of Conduct, and Council must hold Management to account in a fair and transparent manner.

The next element is to ensure that both Management and Council undertake their duties with diligence. Management must produce reports that guide Council in its decision-making responsibilities. The policy environment must be stabilized and finalized as soon as possible. The policy uncertainty that seems to prevail at times must be attended to speedily. Planning and monitoring and project management systems across the institution need strengthening.

Secondly, *the Office of the Registrar* is a critical key to Governance and Management in the institution. From our observations, the person of the Registrar currently is very weak and does not understand his role even though he has been in office for 20 years. He does not understand, in our view, that he is the custodian of the laws, policies and rules of the university. He should be empowered to function like a Company Secretary, to act at all times with professional authority, and with the knowledge of the laws and policies of the institution binding on Council and Management alike. Mr M Naidoo, the MUT Registrar is incapable of confronting wrongdoing and advising about compliance. He was inclined to do whatever the

Chairperson of Council required him to do and fails to intervene at meetings for the sake of order and good governance.

*Committee Services:* The Registrar has responsibility for Committee Services in his portfolio. He has to ensure that the Minutes of Committees are faithfully recorded, duties assigned, and that those allocated tasks are aware thereof, and that they carry out and report at the next meeting. The impression we had was that not only did the Registrar not understand his role, none of the other members of management recognized it to be their duty as well to equip the Registrar to perform his functions. It is fair to say that the lapses of Governance at the institution are due in part to the failure of the Registry and Committee Services – the quality of reports, the quality of minutes, follow-up on Matters Arising and keeping proper records. From our observation, we found that the Minutes of Council Meetings were sanitized by the intervention of the Chairperson or the Vice Chancellor, not clear enough about decisions and resolutions, as well as who the actors were. Tampering with the Minutes, so the charge goes, is common at MUT. The result is that the setting of the Council Agenda was left to the Chairperson of Council, and the Registrar did not deem it necessary to consult with the Vice Chancellor about the Agenda. When the Office of the Registrar does not function effectively there is more at stake than just meetings. It is that the integrity of the academic management of the university may be compromised, and the quality of the academic qualifications may be in doubt. The Registrar, it has been reported to us, comes from the era of an authoritarian Vice Chancellor when dissenting voices or even contrary advice were not tolerated. He tends to be more compliant than creative.

Thirdly, *Senate:* It is our observation that Senate is caught up in factional battles in the institution and bureaucratic matters. That results in academic governance not receiving the priority it deserves in an academic institution. A review of the Minutes of Senate suggests that critical academic policies, reports and programmes are barely receiving attention. Much effort is devoted to battles about appointments and roles. At Council we could find no evidence that Council deliberated on academic matters beyond making appointments. As such, the relationship between Senate and Council is at best confusing. We gather that not even the strategic policies of the institution were debated by Senate, but they were approved. We had the sense that Senate was not performing credible oversight on academic



programmes and institutional performance. The relationship between Council and Senate is not understood in the institution. This ineptitude by Executive Management and inefficient operations of Senate has helped create a *cordon sanitaire* around the operations of Council.

*Termination and Removal of Council Members:* The Statute does make provision for the removal of a member of Council in instances where the said member has contravened any of the policies and prescripts of Council (s.12(2)). The difficulty, however, is that Council must initiate such action against a member in terms of s.7D of the Act. It must be in very rare cases where Council can take action against another member, especially in Councils that are divided and factionalised. A case in point is that the Chairperson of Council at MUT, Mr Morailane was elected Chairperson of Council in November 2017. It has since become known that Mr Morailane had a judgment taken against him at the North Gauteng High Court on 26 October 2017 in terms of which property was attached and a sale in execution was set to be held on 15 February 2018. The judgment was about a month old at the time Mr Morailane was elected Chairperson of Council in November 2017.

The Statute of Mangosuthu University of Technology states that a member of Council's membership terminates if, among others, "12(1)(e) he or she is declared insolvent by a court of law..." A judgment debt is not a state of insolvency in law but it does signal the fact that the member concerned's financial health is in doubt or under stress. That, at the very least, may well suggest that such a member cannot be entrusted with the resources of the institution. This matter was put to Mr Morailane. He did not dispute the fact that he had incurred a judgment debt, but that according to him it was a matter of oversight. The question remains, however, should not a member of Council, let alone one who occupies the position of Chairperson, have declared the matter to Council and the Council should have ruled on whether such a person qualified for appointment to Council, or not? It seems to us that matters like this cause doubts in the minds of the university community about the integrity and trustworthiness of members of Council. At the very least, Mr Morailane should have declared the matter to Council, and Council should have applied its mind on it.

## SECTION 4

### MANAGEMENT

#### Strategic Management

In January 2015 the Executive of Council approved a revised Strategic Plan 2015-2019'. According to the then Chair of Council, "the revised strategic plan ...responds to the changing policy, legislative and industry environment in which MUT finds itself. The revised strategic plan further provides a clear direction of where the university wants to move in the near future. The plan emphasises MUT's intention to provide high quality education and support to its students and to ensure student success". According to the Vice Chancellor, "the current Strategic Plan, seeks mainly and logically, to deal with the ... lag phase in the institution and its manifestations at the coalface of academic programme delivery and other critical student services. Equally, as important, the plan projects a medium-term future in which MUT becomes an institution that not merely complies with statutory requirements, but one that also excels in terms of pursuing its chosen mission".

Our assessment of the strategic leadership of the University is grounded in an analysis of the strategic goals and progress made towards the attainment thereof. The strategic objectives and associated key performance indicators provide an indication of what the institution felt needed to be done in order to position the institution as 'pre-eminent' among South African Universities of Technology (UoTs).

The 2015 and 2016 Annual Reports, submitted to DHET in compliance with national policy requirements, both reflect positive assessments of progress made towards achieving the institutional strategic targets. In both these years MUT achieved about 80% of its stated objectives. This is noteworthy given the state of the institution in 2010 as reflected in the reports of the Assessors in 2009 and 2010, and that 2016 was a year of huge disruptions in the higher education sector due to the "#fees-must-fall" demands and protests from students across the HE sector.

According to the Annual Reports, the areas in which MUT did not achieve its objectives and targets, were those areas related to inadequate financial resources or factors which fell outside of the control of the university. Hence the Chair of Council and the Vice Chancellor expressed satisfaction with the strategic performance of MUT. The question has to be asked, though, about the extent to which Council had interrogated these Reports and Annual Performance Plans ahead of their submission to the Department. We were told that matters were rushed to Council for signature because they had to be submitted to DHET to meet a deadline, and we saw no evidence in the Minutes or resolutions supporting adoption of these.

Notwithstanding the progress recorded in relation to the majority of indicators, we believe that questions need to be asked about whether the strategic goals are sufficiently specified to enable the identification of appropriate strategies for realising the vision of MUT, and whether the selected indicators are appropriate for measuring progress. When a more critical lens is adopted for analysing progress a number of significant shortcomings are identified.

For example, Goal 7 commits the University to “Promote good governance and management principles at MUT”. One of the indicators used for monitoring progress with regard to this goal relates to the “Holding of relevant statutory meetings” for which the target is 50%. It is arguable whether this inexplicably low target and the tracking of meetings convened are suitable indicators for monitoring the implementation of good governance and management principles, especially in the context of MUT with its history of ‘diminished governance’ and ‘de-institutionalisation’.

In a similar vein the successful implementation of Goals 3 and 8 it necessitates clearer conceptualisations of the distinctive institutional characteristics that would attract highly qualified academic staff to work at MUT, and would attest to the academic excellence of a ‘pre-eminent’ University of Technology beyond increasing the proportion of staff with higher degrees, offering competitive salaries and compliance with high level HEQC accreditation criteria.

The Annual Reports of 2015 and 2016 acknowledge that insufficient progress has been made with regard to the generation of third stream income to place the university on a more sustainable trajectory. As an institution that attracts the poorest students in the country this

challenge cannot be underestimated. However, it is critical for the Vice Chancellor to develop a clear strategy for generating more income for the university. The Annual Report refers to the development of a strategy in 2015, and the launch thereof in 2016. However, we have been informed that whilst a draft strategy was developed it has not yet been approved.

Finally, we are concerned about the lack of evidence of attempts to cascade the strategic plan down to the faculties and support departments. Indeed, we were informed by an Acting Dean that they now only have operational plans.

### **Overall Management of the Institution**

The Assessors were guided by the Terms of Reference which required *a detailed analysis* of the current situation of Management within the institution including policies and procedures pertaining to financial management, human resources, information technology and infrastructure development and procurement and to make recommendations regarding the restoration of effective and proper management within the institution.

In view of the fact that an analysis of major weaknesses in the institution's management systems had been identified in the reports of the Assessor appointed in 2009, the reports of the two Administrators appointed in the course of 2009 and the forensic investigation undertaken by UBAC in 2017, we wanted to try to understand the reasons for the re-occurrence, or the persistence, of the management problems in order to pinpoint internal improvements that would obviate the need for further ministerial interventions. In this regard we used the framework provided by the HEQC for institutional audits which outlined four elements of effective institutional arrangements.

- Quality assurance – the policies, systems, strategies and resources used by the institution to satisfy itself that its quality {and policy} requirements are being met
- Quality support – the policies, systems, strategies and resources used by the institution to support and sustain existing levels of {services and programmes}
- Quality development and enhancement – the policies, systems, strategies and resources used by the institution to develop and enhance its {services and programmes}
- Quality monitoring – the policies, systems, strategies and resources used by the institution to review, monitor and act on issues [requiring attention] (HEQC, 5: 2007).

The panel heard that despite the interventions made by Prof Jansen and Prof Kgaphola as Administrators, the proper administrative infrastructure for the management of a university was not put in place. It was suggested that many of the policies, processes and procedures that were developed at the time were developed largely from the top with little consultation by consultants, who didn't understand the institution well enough to contextualise the policies and didn't develop appropriate strategies for embedding the policies in the fabric of the institution. As a result, many of the policies that were developed have not been properly implemented or have been ignored. There is no institutional policy repository. Many of the policies that we saw still do not have clear approval dates and signatures and suggested review dates.

In 2015 the Internal Auditors reported that: "During our assessment and through discussion with various members of staff as well as management, it appears that there are insufficient policies to drive the mandate for standard operation procedures across various functional areas. In addition, it appears that certain policies may no longer be adequate/relevant and in some instances new policies may be required given the organisational and structural changes that MUT has implemented during the past few years. Policies are critical in defining the required standard operating procedures that should govern the entire organisation to achieve optimal efficiencies in the context of revenues and expenditure".

The risk registers from 2015 and 2016 also highlight policy gaps which pose serious risks to good governance and the institutional integrity such as a tender policy, a selection policy, a dispute resolution policy, a student debt policy, examination controls and moderating procedures, and an unapproved organisational structure.

The absence of clear and accessible policies means that requirements for the manner in which key things should be done, such as the recruitment of members of the Executive, are not specified. The challenges associated with the MUT policy environment have been compounded in the recent period by the tensions between council and senior management, which resulted in delays in approving critical HR policies and the Supply Chain Management Policy. Management informed us that the delays were also caused by Council agendas not being completed. A different opinion about the HR policy vacuum was expressed by the Chair of the

HR Committee, who informed us that the delays in processing HR policies were due to the poor quality of the documents that were presented to the Committee.

Until the approval of performance objectives for the Vice Chancellor in 2018 by the Council there have been no performance objectives for the Vice Chancellor, Deputy Vice Chancellors and Registrar and in turn for the Senior Directors and Deans within their respective reporting lines. The absence of a performance management system was listed as a risk to the institution in the 2015 and 2016 risk registers with associated action steps to mitigate the risk but these actions were not implemented. As a result, a key tool to enable the identification of annual deliverables for which individual staff members can be held accountable has been missing. An encouraging development in this regard is the addition of two new strategic objectives in the 2018 Annual Performance Plan related to the planned development of an integrated Performance Management System and a promotions policy, as well as references to the provision of training for managers and staff about the proposed Performance Management System.

Regarding the support component of management systems, we were informed by the head of the Quality Management Unit that the unit only focuses on assessing the quality management systems in the academic sector. The exclusion of the support sector's management systems is cause for concern as it impacts on the capacity of the institution to identify weaknesses in the institution's QMS and enable continuous improvement in the services provided by the support sector.

Regarding the development component of QMS, there is no human resources development policy to guide planning around staff development. The absence of a performance management system also constrains the capacity of the institution to identify development needs of staff in order to improve their performance. Whilst these are necessary for systemic approaches to staff development there is no reason why staff development initiatives cannot be implemented in the interim. We were informed of initiatives for academic staff but not about any for support staff. On the academic side, evidence was provided of several initiatives organised by the Teaching and Learning Centre to enhance the capacities of academic staff. It is also evident that progress is being made in enabling academic staff to upgrade their

qualifications. Staff are supported to enrol in postgraduate studies in higher education being offered at Rhodes and UKZN.

The apparent lack of training programmes for support staff is extremely worrying given that we were repeatedly informed that many staff in the institution do not have the appropriate level of skills to perform competently in their jobs. The institution does not appear to have succession plans in place and given the rapid turnover of staff this is also cause for concern.

Finally, regarding the monitoring and evaluation component of management systems, we were informed repeatedly by interviewees about the lack of overall project management and monitoring systems in the institution. We were informed that the Senior Management Team meets every second month! With respect, this is not frequent enough to allow the Executive Management Team to cohere as a team. Whilst annual calendars of meetings are drawn up, there is no mapping of deliverables for each of the committees with clear time lines in a manner that takes account of approval routes. This is a fundamental weakness that severely constrains effective management and monitoring. It also results in significant deadlines being missed such as timelines for tenders for student accommodation.

We were encouraged to learn that the current Chair of Council is totally committed to addressing this gap in the institutional management system. He has insisted on the implementation of a systematic approach to following up on Council decisions and has discussed with the Registrar and the Vice Chancellor. Evidence of progress in regard to scheduling of annual deliverables for council committees is contained in the Proposal for a Planning, Monitoring and Reporting Framework due to serve at a Council meeting on 27 June. The schedule contained therein serves as an example of what will hopefully be done throughout the institution. (See Annexure D).

More details on how the weaknesses in the overall management systems impact on particular functional areas are provided in the specific sections below.

## Executive Management

There have been several changes in the composition of the Executive Management between 2015 and 2018. This has clearly impacted on the stability of the institution and the capacity of the institution to address weaknesses identified in its management systems in this period.

In 2015 the Executive Management was comprised of:

Prof M Kgaphola	Vice Chancellor
Mrs V Mthethwa	Executive Director Office of the Vice Chancellor
Prof. K Ndlovu	DVC: Resource and Planning
Prof M Ramogale	DVC: Teaching and Learning
Prof Z Dlamini	DVC: Research, Innovation & Engagements
Mr M Naidoo	Registrar

Changes in the composition of the Executive are reflected in the table below.

Prof. M Kgaphola	Vice Chancellor & Principal (placed on special leave as from 25 February 2016. Prof Kgaphola resigned whilst the UBAC report was being completed in the first quarter of 2016. The suspension was lifted after Prof Kgaphola turned to the Labour Court to rule on the legality of his suspension. Prof Kgaphola returned to campus on 25 April 2016 after a decision of the Council. A settlement agreement was reached between MUT Council and Prof Kgaphola in June 2016 in terms of which Prof Kgaphola would leave MUT at the end of September 2016 and would stay off campus in this period.
Ms V Mthethwa	Executive Director, Office of the Vice Chancellor (resigned whilst the UBAC investigation was being completed)
Prof. M Ramogale	Acting Vice Chancellor and Principal (appointed from 25 February)
Prof. SK Ndlovu	DVC Resources and Planning (placed on special leave in June 2016 and resigned in
Prof ZL Dlamini	DVC Research, Innovation, and Engagements Portfolio (RIEP)
Prof NJ Ndlazi	Acting DVC: Resources and Planning (appointed after Prof Ndlovu was placed on special leave in June 2016)
G Govender	Acting DVC: Teaching & Learning (appointed when Prof Ramogale was asked to act as Vice Chancellor)

In February 2016 the following senior officials were also placed on special leave. Mr Zungu, Senior Director: Operations; Mr Dlamini, Senior Director: Human Resources; Mr Dube, Chief Financial Officer; Ms Mthethwa, Executive Director in the office of the Vice Chancellor, and Ms Mchunu, Dean of Students. By June 2016 these officials had all resigned with the exception of Mr Dlamini, Senior Director: Human Resources.



At the end of 2016 the composition of the full Executive Management Committee was as follows.

Prof. MM Ramogale	Acting Vice Chancellor and Principal
Prof ZL Dlamini	DVC RIEP
Prof NJ Ndlazi	Acting DVC: Resources and Planning
G Govender	Acting DVC: Teaching & Learning
MKO Zungu	Snr Director: Operations
S Naidoo	Registrar: Academic
LE Ndaki	Snr Director: Library
ZG Ngidi	Acting Director Finance
JM Makua	Snr Director: TLDC
EN Dube	Chief Financial Officer
MZ Dlamini	Snr Director: Human Resources
DR VR Jugoo	Acting Snr Director: ITN
Dr JF Van Koller	Acting Snr Director: Planning and Institutional Research

In 2016 and 2017 the Deans were not part of the EMC. In 2018 the new Vice Chancellor incorporated them into the EMC. At the time of our visit the deans were:

- Prof Alfred Msomi - (Faculty of Natural Sciences) – Acting
- Prof Chandra Jinabhai – (Faculty of Management Sciences - (Acting)
- Mrs Julia Baah – (Faculty of Engineering) - Acting
- Ms Thembi Kweyama – Dean of Students

We were informed during our visit that a call had gone out from the Vice Chancellor to the institution inviting people to express interest in acting as deans for a period of 3 months whilst preparations for advertising for 3 Executive Deanships took place.

In June 2018 the composition of the Executive Management Committee was as follows:

<b>Names and Surname</b>	<b>Position</b>
Dr Duma Malaza	Vice-Chancellor and Principal
Prof Z Dlamini	DVC: Research, Innovation and Engagements
Prof MM Ramogale	DVC: Teaching & Learning
Mr S Naidoo	Registrar
Mr ZG Ngidi	Acting Senior: Director Finance
Mr MZ Dlamini	Senior Director: Human Resources & Development
Ms M Mkhize	Senior Director: Marketing & Communications
Prof NJ Ndlazi	Acting DVC: Resources and Planning
Prof Jinabhai	Acting Dean: Faculty of Management Sciences
Ms T Kweyama	Dean of Students
Mrs J Baah	Acting Dean: Faculty of Engineering
Prof AM Msomi	Acting Dean: Faculty of Natural Sciences
Dr M Makua	Senior Director: Teaching and Learning Centre
Dr J Van Koller	Senior Director: Institutional Planning and Research

It is evident from the above tables that in the period between March 2016 and June 2018 there has been an unacceptably high number of acting senior officials in the institution. Five key positions have been led by acting staff for two years. Four legal cases involving current and ex members of the Executive are pending.

Prof Kgaphola is contesting the refusal by MUT to give him his pension pay-out and outstanding salary for September 2016, which Council is withholding because they wish to claim R5million from him to address the findings of the UBAC report. According to Prof Kgaphola, for MUT to proceed with this case the institution would need to cancel the settlement agreement reached with him and retain his services in order to discipline him retrospectively for alleged offences whilst he was in the employ of MUT. Frankly, we do not think that this is a dispute we could get into. However, in the meantime MUT has appointed a new Vice-Chancellor, who took office on 1<sup>st</sup> May 2018.

Prof Zodwa Dlamini has initiated a grievance against Prof Ramogale with the CCMA for maltreatment. She is also contesting the validity of the Vice Chancellor's recruitment process in the CCMA. Prof Ramogale instituted disciplinary proceedings against Prof Dlamini in December 2017 and a separate disciplinary case against Prof Dlamini for plagiarism in a matter that entailed failure to acknowledge sources in a policy document Prof Z Dlamini had drafted for presentation to Senate. To date there have been 3 hearings and another hearing is scheduled for the end of June. There is also a case involving the appointment of Prof Ndlazi to the position of the Executive in the Office of the Vice Chancellor which Council is contesting. The resort to expensive legal processes to resolve disputes which should be resolved by the Executive itself or by Council undermine the integrity of the institution.

The cases, and the high number of acting appointments, are indicative of problems stemming from inadequate oversight of the performance and the absence of appropriate policies and procedures.

The panel was informed that the tensions between and among members of the Executive Management have profoundly affected the functioning of the institution. Some interviewees referred to a 'war' within the institution as a result of the degree of factionalisation which has permeated the institution with staff either consciously or unconsciously being associated with either the 'Ramogale' or 'Dlamini' factions. Given the impact on the wellbeing and effective functioning of the institution and the issues highlighted by the conflict, the background to the conflicts will be described in some detail below.

The conflicts with Prof Dlamini started during Prof Kgaphola's tenure as VC. According to a submission sent by Prof Kgaphola to the Independent Assessors, in Prof Dlamini's letter of resignation of October 2015, she cited a number of issues which "led to her decision to quit the employ of MUT. In summary, she accused the University of subjecting her to what she claims to be "abuse", which she felt she could no longer tolerate. Subsequent to Prof Dlamini submitting her letter of resignation, the VC issued a letter to her declaring his intention to suspend her, citing allegations of gross misconduct as a reason for the action. The reasons for this included her non-attendance in Executive Management meetings, her absences from the institution without permission, insubordination, and rudeness to other members of staff. In

the interim the Chairperson of Council, having received notice from the VC on the matter, advised the latter not to proceed with the intended suspension of Prof Dlamini.

In the wake of these events, the Chairperson of Council convened a special meeting of the Executive Committee of Council (EXCO). The sole agenda item for this meeting was stated as 'Administrative matters in the Office of the Vice-Chancellor.' The meeting subsequently sat on the 9<sup>th</sup> October 2015. Following the special meeting of EXCO of 9<sup>th</sup> October 2015, the impending suspension of Prof Dlamini was rescinded, and the resignation of Prof Dlamini was noted and declined. The Executive Management was mandated to deal with Prof Dlamini's concerns about an appropriate location of her office, inadequate budgetary allocations and matters incidental thereto and an organogram for the Research and Innovation areas was to be finalised. From the interviews which the assessors held it appears that these matters have not yet satisfactorily been resolved.

The tensions have been exacerbated by the decision of the Chair of Council in June 2017 to replace the Acting Senior Management team with Professor Dlamini as Acting Vice Chancellor, Professor Msomi as Acting Deputy Vice Chancellor: Teaching and Learning and Dr Kwitshana as Acting Deputy Vice-Chancellor: Research, Innovation and Engagement, who had previously lodged a grievance with the CCMA about the level of her appointment. This decision, which was taken without any consultation with the incumbents or with Council, understandably dubbed 'a coup', was subsequently reversed by the full Council albeit with significant feelings of anger on the part of both groupings. The tensions were further exacerbated by open clashes in Senate about the draft internationalisation policy tabled in Senate by Prof Dlamini on the grounds of plagiarism and her challenges about the basis on which titles of 'professor' had been conferred on some academic staff.

In the interviews, it emerged that Prof Dlamini did not receive clear performance objectives when she commenced her employment at the institution. Nor, it seems, was she given a proper induction to the institution in which she was oriented to the budgeting, physical planning and HR procedures within the institution. Other members of the Executive argued that she didn't recognise the importance of trying to understand the procedures and structures etc of MUT resulting in clashes with staff at various levels within the institution.

We were informed that Prof Dlamini, had not adequately taken account of the Academic Identity Concept Document, endorsed in a joint meeting of the Senate Executive (SENEX) and the Academic Planning Committee on 1 October 2015, in formulating her plans for research. According to the Academic Identity Concept Document “the University identifies teaching and learning as its primary function within its tripartite core business of teaching, applied research and community engagement in formulating a vision for research at MUT. Members of the Executive Management were alarmed that Prof Dlamini arrives at the institution and then rubbishes work that had advanced and does not seek to engage with colleagues and share her own views and persuade.

Some members of staff whom we interviewed felt that the source of the tensions between Prof Ramogale and Prof Dlamini related to Prof Ramogale’s desire to retain control of the financial resources which he had previously managed in his capacity as DVC for Research and Teaching and Learning. Even among members of Council the view was expressed that the establishment of the new DVC: Research portfolio was done without careful planning hence the difficulties that ensued. Prof Ramogale denies this, as he was the author of this strategic restructuring of the academic profile of the university, to include an addition DVC for Research, Innovation and Partnerships.

We believe that in the absence of a clear long-term vision for the institution, which is shared by the majority of staff and Council, there is high likelihood that conflicts about the identity of the institute will continue to divide the institution. We note in this regard that recent black academic appointees with doctorates, and several senior more research oriented black staff seem to have aligned themselves with Prof Dlamini, perhaps against the ‘perceived old guard’, many of whom have been in the institution for over 25 years.

For about a year Prof Dlamini did not attend Executive Management Committee meetings and as a result the VC and other members of the Executive Management team only got sight of proposals emanating from Prof Dlamini in Exco or full Council through her direct communication with the Chair of Council. It is inappropriate for matters to serve in Council which have not gone through the Office of the Vice Chancellor and Executive Management. This clearly exacerbated the tensions between the Acting Vice Chancellor and the Chair of Council and between Prof Dlamini and the other members of the Executive Management Team.

Whilst acknowledging that Prof Ramogale sought the assistance of the Chair of Council in trying to resolve this and other matters, it is not clear why disciplinary proceedings against her were not taken immediately for not attending Executive Management meetings.

It is worth noting that the newly appointed Vice Chancellor Dr Duma Malaza has inherited a deeply divided institution, and with systems of management not functioning optimally, and with a staff component that is not only demoralised and uninspired, but that also needs a thorough review of staff qualifications and experience in order to determine whether the institution does have the staff to undertake its strategic mission. The temptation by the Vice Chancellor to seek to centralise authority in his office is a real one, but it is one that can go wrong. The Vice Chancellor informed us that he is currently undertaking a wholesale review of management processes at the university. One hopes that such will be undertaken in a consultative manner, and also such as to distribute responsibility across all responsible managers and at their levels. One hopes that the Vice Chancellor will exercise strategic leadership over the entire institution.

#### Human Resources

In this section we highlight weaknesses in four dimensions of quality management. Problems associated with HR policies were flagged in Dr Maphai's Report, repeated in Prof Jansen's Report and the UBAC report. The Internal Risk Registers in 2015 and 2016 flag the absence of critical HR policies such as the absence of a policy framework for monitoring and evaluating staff performance, a vacancy evaluation process, the absence of an approved organogram.

The interviews confirmed that these areas remain problematic. In addition, concerns about the number and duration of acting appointments; the protracted nature of the recruitment, selection and appointment procedures; the continued use of manual HR processes; poor succession planning; long turn-around times in responding to queries for information and the lack of opportunities for staff development were expressed.

We were informed by the Senior Director: HR, Mr Dlamini, that a laundry list of 'ideal human resources policies' had been compiled without necessarily looking at the challenges confronting the university and the level of readiness of the organisation to implement some of the ideal policies...management had also spent an inordinate amount of time drafting these policies

without critically looking at the appropriateness of their timing and by implication the development of essential policies had been overlooked". His view about the policies that were developed by consultants was echoed by other interviewees who indicated that the consultation had been inadequate and that the policies had not been sufficiently contextualised for the MUT environment. Hence there was insufficient ownership of the policies and poor implementation thereof.

Mr Dlamini confirmed our view that recent events in the institution, such as the aborted first VC recruitment and selection process and the re-hiring of staff who had been fired after disciplinary processes had been concluded, had indicated the importance of having approved MUT-specific policies such as a Disciplinary Procedure & Code, a Grievance Procedure, a policy on Incapacity Management, Human Resources Development; Remuneration, Recruitment and Selection; and Performance Management and a policy on General Conditions of Service for any organisation to operate optimally. It is clear to us as well that such interventions by Council have undermined the authority of the Vice Chancellor. Mr Dlamini indicated that difficulties in expediting the finalisation of HR policies and delays in the finalisation of HR processes had occurred as a result of Council's assumption of authority over all disciplinary and appointment procedures and holding back on approving policies. We were given a schedule outlining envisaged milestones and time lines for processing policies requiring urgent attention. See below.

<b>Policy Name</b>	<b>Status</b>	<b>Envisaged Council Approval</b>
Disciplinary Procedure & Code	On Council Agenda since June 2017.	March/June 2018
Grievance Procedure	On Council Agenda since June 2017	March/June 2018
Incapacity Management	On Council Agenda since June 2017	March/June 2018
Employment Equity	On Council Agenda	March/June 2018
Human Resources Development	Review underway	September 2018
Recruitment & Selection inclusive of acting appointments	Review underway	December 2018
Performance Management	Drafting of the policy underway	September 2018

Remuneration/Reward inclusive of acting allowances migrating to Total Cost of Employment Remuneration Approach	Review underway	September 2018
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A list of policies to be submitted to Council for approval in September was also provided.

Name	Status	Envisaged Council Approval
Overtime Work	Draft policy completed	September 2018
Study Assistance to Staff and their Depend	Review underway	September 2018
Succession Planning and Management	Drafting of the policy underway	September 2018
Leave inclusive of Study and Research Leave as well as Sabbatical	Review underway	September 2018
General Conditions of Service	Review underway- will be based on approved HR Policies	December 2018

The proposal cited above will go a long way in enabling the Human Resources & Development Function to focus on mission critical policies whilst a common understanding and expectations are being developed with regards to policies such as Performance Management and Succession Planning and Management which have a relationship with Recruitment & Selection and Reward or Remuneration Policies.

We note the progress already recorded in relation to many of the policies listed. However, the timelines may not be feasible given what we learned about the lack of senior capacity in the HR Department and the consequent excessive demands on Mr Dlamini.

Regarding the concerns about the appointment of staff we noted some positive achievements in line with the Strategic Plan. MUT managed to achieve its 2015 target of 13% of I/R staff with Doctoral degrees. However, MUT did not succeed in appointing the targeted number of permanent I/R staff which had a negative effect on the permanent I/R Staff/Student FTE ratio. In 2016 although there was some progress made with the appointment of additional Institutional & Research Staff, MUT did not achieve its target of 215 I/R staff for 2016. Possible



reasons for the non-achievement of this target could be the difficulty in some faculties (especially Engineering) to attract staff with the required qualifications as well as resignations due to people taking up positions at other institutions or in the private sector. Also with regard to its target of 15% I/R staff with a Doctoral qualification, MUT has not reached its target. In fact, there was a slight decline in the percentage of I/R staff with Doctoral qualifications (from 13% to 12%). The Annual Report suggested that possible reasons for the decline could be the increase in the number of I/R staff and some resignations of staff with Doctoral qualifications. We did not enquire whether the institution conducts exit interviews. It would be useful to conduct such interviews with I/R staff with Master's or doctoral qualifications to understand their reasons for leaving.

Regarding the length of time taken to complete a recruitment, selection and appointment process we were informed by members of the Executive Management that this was largely due to Council's insistence that it was responsible for appointing staff in accordance with the Statute. Prior to 2015 the framework of delegations provided the authority for appointing staff below the level of the Executive to the Vice Chancellor. We were not able to ascertain how long the internal processes took prior to submission of a proposal to Council. However, we did hear that the lack of automation of processes meant that files and papers often got lost and this caused unnecessary delays. Limited recruitment capacity in the HR Department along with staff turnovers in that department, the absence of delegated authority to deans and Senior Directors to manage the processes in their areas – with the requisite additional administrative capacity were also possible factors that contributed to the delay. The absence of clear policies governing the composition of selection committees may also be contributing to the delays.

Finally, we were informed that delays in filling vacancies and the long acting periods were due to the fact that in 2015 Council had frozen all posts that had not been advertised unless special circumstances exist to fill them in order to save money. The required procedures to be followed in such events have extended the duration of the process. This has resulted in many acting positions across the institution to fill positions which are necessary for the functioning of the institution. Problems have been raised about the manner in which Acting Staff are appointed and the implications for efforts to change the institutional culture if the institution is forced to rely on staff whose experiences of universities is limited to MUT.

## Going Forward

We were informed that a new workload model was developed for the academic sector by the Institutional Planning Department which was used to revise the institutional organogram. The HEQC audit found that MUT's academic staff/student ratio and the teaching load of lecturing staff was too high. The Audit findings recommended that MUT should benchmark its academic staff/student ratio with those of other universities and UoTs and attempt to address the high staff/student ratio and high teaching load (Recommendation 29). This recommendation served as a key consideration for the development of the Academic Workload Model and the proposed new staff structure. The DHET norm for the ratio between Academic and Support Staff of 1:1.7 served as the basis for the Support Staff structure. The intention of the proposed organisational structure is to "eliminate ineffectiveness and inefficiencies in the deployment and utilisation of MUT's staff resources. The specific objectives are to ensure that:

- MUT has sufficient HR capacity to implement its Strategic Plan and to achieve the objectives and targets that it has set for itself;
- MUT is able to execute its mandate as a career-orientated institution effectively;
- there is an acceptable academic staff/student ratio at MUT;
- there is an adequate correlation between academic and support staff and that there is adequate support provided to the Academic Sector of the university" (MUT, 1: 2017)

The Academic Workload Model as applied on the 2016 audited MUT data, prescribed that the number of permanent Instructional and Research Staff (I/R Staff) should increase from the current 196 to 239 in order to manage the workload as based on the 2016 enrolment data. The proposed academic staff structure also proposes the number of I/R staff per department that should be at the various academic ranks such as Junior Lecturer, Lecturer, Senior Lecturer and Professor. Based on the prescribed number of additional I/R staff, the application of the DHET academic/support staff norm of 1:1.7 prescribes that the support staff component should increase from the current 354 to 406. The proposed total number of support staff has not exceeded the prescribed total number of support staff of 406.

A draft of the structure served at Senate at a special meeting on 29 May 2017 and thereafter was discussed in a Council workshop in October 2017. It was scheduled to serve at the March 2018 Council meeting but was deferred to the September 2018 meeting of Council.

The draft new organogram makes provision for 5 new staff members in the HR department with 2 at a senior level; a committee servicing officer in the office of the Registrar, 6 new staff in the SCM unit with 4 fairly senior; and 3 upgraded senior positions in the Finance Department including a regrade for a CFO in an attempt to recruit more qualified staff and strengthen capacity in these areas. The changes in grades and titles were based on the re-evaluation of the two positions by an external HR specialist who assisted MUT in the development of appropriate staff structures for the two directorates. The proposed organogram also makes provision for academic posts at professorial level in many departments where there are currently no professors and for an ideal organisations structure for Research, Innovation and Engagement incorporating a P3 Executive Director, and three P4 senior directors in comparison with the current structure which has 3 P5 directors. No provision has been made for establishing an internal audit office.

If approved by Council, the new staff structure will have additional financial implications for the university. The EMC has proposed that the additional funds will be sourced from the following sources:

- Additional DHET Block grants resulting from the increase in MUT's Research Output Grant resulting from the increased research output as well as an increase in the Teaching Input Grant which will result from the new programmes (especially the postgraduate programmes) which MUT is busy introducing.
- Increases in MUT's Third stream income. MUT is putting in place measures which will ensure that MUT's third stream income is substantively increased in the next few years.
- The HDI Grant which has allocated a total of R 73 934 000 for increasing MUT's academic staff capacity for a five-year period. The increased academic staff capacity will enable the university to increase its research output substantively and the growth in our enrolments.

It should also be noted that according to the narrative accompanying the proposed organogram, MUT is not planning to implement the full structure for each faculty or directorate

immediately. The staff structure will be implemented progressively and in phases as MUT's income increases and as the university becomes able to afford the appointment of additional staff.

If Council approves the new organogram in its September, the implementation thereof will have a major impact on improving the capacity of staff in the support sector to improve the quality of its services and on the quality of the teaching and learning environment. It would also provide a solid foundation for expanding capacity related to applied research and postgraduate programmes. The filling of critical posts in HR, Finance, RIEP, ITN and Operations will also help reduce the expenditure on consultants and legal services.

***Expenditure on legal services***

2015	R 18 159 643
2016	R 2 350 000
2017	R 1 967 718

***Expenditure on consultants***

2015	R 7 102 760
2016	R 5 187 390
2017	R 3 301 418

The proposed introduction of positions for an Organisational Development and Resourcing Manager and an Employee Relations, Wellness and Reporting Manager would contribute to reducing the number of disputes which are currently being referred to the CCMA as a result of non-compliance with legislation regarding contract staff and the apparent absence of internal institutional capacity related to dispute resolution. (See Annexure E for the Report on the number of disputes that have been referred to the CCMA, their nature and their outcomes for the past three years).

The other key mechanism for enhancing staff capacity in the institution is staff development. The Senior Director: HR acknowledged that staff development had been neglected in the past particularly for the support section of the University resulting in deficiencies in service delivery. No training is provided for new managers. He hopes that the creation of a new Organisation

Development Specialist Position in the draft new organogram will assist with addressing this gap. On the academic side the 2016 target of 98% of I/R staff having at least a Master's degree was not achieved. The percentage at the end of 2016 was 57.7%. Arguably the original target was not realistic given the freezing of posts. 9 staff members obtained Master's qualifications in 2016, 2 obtained PhDs and one staff member obtained a Postgraduate Diploma in Education. It is suggested that the targets in the Annual Performance Plan are reviewed.

The final concern raised by stakeholders in the IF and in other submissions revolves around the setting of criteria for jobs that are advertised and the upgrading of levels at which are appointed post interviews with reference to 3 particular posts. The latter allegation was denied by members of the Executive Management team. Members of the IF complained that Selection Committees are not being allowed to comment on the criteria that were set by line managers. We were informed that the grading of jobs and job evaluations are undertaken by PWC who also develop the KPAs for jobs. There may be a need for training of staff who serve on committees so that they can understand how criteria are set and how they can engage with these without compromising the criteria that are linked to particular grades.

#### FINANCIAL MANAGEMENT, RISK AND AUDIT

##### *Financial Management*

The quality assurance requirements in relation to solid financial management are largely contained in financial audit criteria set nationally.

According to the 2016 Annual Report the institution has been operating at a deficit. The total deficit decreased from R16.074 million in 2014 to R5.137 million in 2015 and further decreased to R 3.080 million in 2016. This is a notable achievement. The major contributors to the deficit were:

- Post- retirement medical liability.
- Provision for doubtful debt

With regards to its financial management, MUT has managed to stay within its targeted variance of < 3% and has achieved a 3% variance. Furthermore, MUT managed to achieve clean audit opinions with no adverse findings in 2015 and 2016. However, MUT has not met its target

of R 5 million for the generation of third stream income in 2016. Possible reasons for the under-achievement were the lack of coordination of third stream income activities and the non-finalisation of the strategy for the generation of third stream income. A draft strategy was developed but was not approved by Senate or Council.

It is crucial for MUT's Council to ensure that MUT remains financially sustainable. Council has introduced strict austerity measures at MUT. The austerity measures have helped to ensure that there is no wasteful expenditure at MUT and that its financial matters are conducted with care and prudence. Council has ensured that there was a zero-deficit budget approved for 2016 and that the university's expenditure remained within budget (MUT, 2016).

Council confirmed in the 2016 Annual Performance Report that it has established formal policies and frameworks for the design and implementation of the system of internal financial controls and that a review of internal financial controls has taken place. Furthermore, Council stated that it found MUT's internal financial controls to be effective and reliable. However, the Management Letter of 2016 prepared by the external auditors, KPMG, flags a concern that "some of the finance personnel are unable to use and navigate the ITS system, as they could not provide accurate and complete reports requested for audit (e.g. bonus and leave pay provision listing, and a list of registered students)". The auditors also noted a significant number of inaccuracies in the bonus and leave pay provision calculations which may result in misstatements of the leave payable to staff or in staff being overpaid upon resignation or retirement or being overpaid bonuses due to incorrect salary notches being used as well as a number of deficiencies with regard to alignment with policies such as council committee minutes and contracts not being signed, non-compliance with IFRS, and that the Procurement Department is able to process orders without authorised purchase requisitions. A physical verification of assets during 2016 was not undertaken. All of these matters require attention.

Concerns have been raised by the Auditor General about the continued employment of KPMG as the external auditors due to their long association with the MUT. It is worthy of note that although the Report of the Administrator in 2009 raised the flag about the professional integrity of the work of the external auditor assigned to MUT by KPMG, we have no record as to what action, if any, was taken to correct the breach in confidence that resulted therefrom. Even

worse, for the university to find reason to continue with KPMG even when advised to the contrary by the Auditor General beggars belief.

#### Planning and Budgeting

Arising from the HEQC Institutional Audit in 2011, an internal Budget Committee was established. This Committee is responsible for reviewing and recommending the budget to the Council Planning and Resources Committee and then to the Council Finance and Remuneration Committee. It consists of the DVC Resources and Operations, the Senior Director: Finance, the Senior Director: Operations and the Senior Director: Institutional Research and Planning. We were informed that the approach to the budgeting processes is essentially historical. Departments and deans formulate their budgets based on historical trends with provision for inflationary increases. Proposals for additional budgetary allocations are made to the Budget Committee which discusses them and then issues guidelines to the budget holders for adjusting their initial budgets. The revised budgets are then re-submitted to the budget committee which then recommends prioritisation of the additional asks to the Vice Chancellor for decisions. A historical approach to budgeting does not explicitly address the challenge of aligning resource allocation to key institutional strategic priorities. Budget holders are not required to indicate how their plans for the following year will be aligned to institutional priorities and how their resources will be allocated accordingly. The limitations of a historical approach to budgeting were articulated by one of the deans who stated that the deans are not able to influence the allocation of resources to strategic initiatives as control of the process is concentrated in the hands of the central committee. A concern was also expressed that the institution had increased its enrolments without increasing the number of staff and this had placed inordinate strain on the academic teaching staff.

Whilst Council has approved the budgets and annual financial statements, we were informed by Council members that they had concerns about the high-level nature of the annual budgets and financial report that are presented to them as these do not contain information on the individual budgets of all the budget holders or reports on expenditure thereof. The high-level nature of the documents does not enable Council to exercise sufficient oversight of the allocation of resources within the institution. Quarterly financial reports are allegedly not presented to Council.

## Risk Management

An essential tool for identifying and proactively seeking to mitigate institutional risks is the institutional risk register.

In an interview with the Director: Risk Management we learned that each year the heads of support departments and deans are requested to submit issues of concern to them. These items are discussed in an annual risk workshop with members of senior management to prioritise actions for attention in the following year. A risk schedule is then drawn up and presented to the Audit and Risk Committee for comments prior to submission to Council for approval. Until 2018 the Director did not sit in the Audit and Risk Committee.

The 2015 and 2016 Annual Performance Reports contain summaries of the risk registers. It is concerning that the registers for the two years in the reports are identical. Yet they were signed off by the Director: Risk Management and the Chair of the Audit and Risk Committee. Analysis of the full risk registers for 2015 – 2017 reveals other worrying features. The Registers do not contain progress reports on all the risks identified in the previous year. The Annual Reports only report on progress with regard a few risks. Given the missing information it is not possible to use the registers to make judgements about progress made in mitigating risks. Several items have been held over from one year to the next with no explanations about why it had not been possible to address the issues in the previous year. Examples include failure to comply with the Health and Safety Act, unapproved SCM policies and procedures, and the absence of critical HR policies (Human Resource Development, Employee Relations, Selection Policy, leave policy, job evaluation policy, performance management etc).

There are also some notable omissions from the schedules. For example, risks associated with high unemployment rates of MUT graduates and contestations about the identity of the institution are not included. Questions are therefore raised about how seriously Management and Council have taken the work of the Audit and Risk Committee in the past. It is vital for this Committee to be composed of people with the necessary experience to deal with issues of audit and risk and we were informed that this is not the case presently.



The newly appointed Chair of the Audit and Risk Committee, who was an ordinary member of Council previously, indicated that there is a stronger commitment to engaging with the risk registers in the future. He informed us that the quality of reports that the Committee is receiving has already started improving. He concurred that the previous Exco had not taken the reports from the Committee very seriously and had not demonstrated a willingness to hold management accountable for non-delivery.

#### Internal Audit

We were informed that this function has been outsourced to K & M Consult & Sotobe Consortium. We received copies of reports for the period between September and October 2016. The foci of their audit in this period were on Information Security Management and Academic Administration and Examination. Both areas were assessed as requiring attention. We were not able within the time available to us to follow up on whether management had implemented the strategies that they had committed to. We also received several examples of audit reports prepared by Ernst and Young, the previous internal auditors. We referred to an extract from their report of February 2016 in which concerns were raised about the 'completeness, adequacy and relevance of existing MUT policies'.

#### Information Technology and Networks (IT&N)

The information gleaned from recent institutional reports such as the 2015 and 2016 Annual Reports and those submitted to the Council Planning and Resources Committee suggest that a lot of progress has been made over the last couple of years in improving the quality of the management systems in this area. We were informed by the Acting Senior Director, Mr Shackleton that the Directorate did not have senior managers for several years and this had resulted in a lack of leadership and low morale within the Directorate. He was brought in as an emergence measure on a short-term contract because of the staffing crisis in the Directorate. When he was appointed he spent time engaging with all the staff about their plans for their careers and discussed ideas for what they could do to achieve their objectives. He indicated that most of the staff in the Directorate are qualified for their jobs but some staff had been in the same position for far too long as there had been no opportunities for career progression. He pointed out that there were still key vacancies in the technical services area which poses a

risk for the institution. He suggested that the institution should consider shortening the scales within the IT domain in order to incentivise people to grow and develop new skills.

On the basis of the evidence perused it appears that the Directorate is making efforts to be responsive to the needs of the MUT Community and to expand the use of technology for administrative purposes, such as developing e-forms. A Committee is in place to ascertain needs and problems in an ongoing way.

According to the 2016 Annual Report, the Directorate extended MUT's online bandwidth from 500 500 megabytes per second to 1 Gigabyte per second. Further enhancements to the network infrastructure were made in line with the upgrade plan developed in 2016. New core switches were installed, some laboratory network cables were upgraded to a higher specification and new equipment and cabling installed in the library notebook laboratory. Improvements in the uptime statistics of server uptime and internet connectivity are reflected in the 2018 first quarter statistics below.

Service		Actual	Target
% Server uptime	E-mail	99%	97%
	ITS	99%	98%
% Internet Connectivity		99%	90%

To enhance the capability of the firewall to ensure cyber security, a problem identified in the UBAC report, the firewall application was upgraded to the Sophos product. Two network switches which were struck by lightning, were replaced.

Resulting from the slow Internet performance reported in 2017, an investigation by TENET into the performance of MUT's external internet connectivity was conducted. This revealed that the link to TENET was performing correctly. IT&N conducted an internal review of network performance and it was established that there was a firmware problem on the newly installed firewall. This has been rectified and the internal Internet performance is now within specification. The international bandwidth has been increased from 66Mb/s to 102Mb/s, which will improve user access. Following the establishment of the Disaster Recovery site in line with industry best practice, a review of the main server room on the main campus was undertaken. The installation of a raised floor will isolate the equipment from the effects of flooding and

permit the installation of under-floor air-conditioning to provide an improved cooling effect. The Directorate completed and successfully implemented online registration for new and returning students. A validation and verification process of the recently established Supplier database was conducted by external consultants, working in conjunction with procurement department and the ITN Finance Business Analyst. This has led to a more accurate and precise supplier database with all vital information existing in the Procurement ITS system. The Directorate also implemented a new platforms and processes for the purpose of monitoring IT assets. The PRC was informed in March 2018 that the platform has been successfully commissioned to monitor and manage IT contracts, services and assets. Once this is fully operational it will help to mitigate a risk to the institution which had been raised over a number of years. A process is also underway to develop business intelligence software. However, a policy for the disposal of assets is not yet in place. The need for this has been flagged by the external auditors.

The positive reports of progress were corroborated during the site visit as the only complaints we heard related to the lack of access to help desk officials in the evenings when night classes were taking place and problems related to lack of sufficient access to wi-fi especially in the residences.

One major concern, though, that surfaced was the lack of sufficient laboratory spaces for students. For disciplines such as Engineering and Biomedical Technology this severely curtails the learning component of courses where computer applications are required. Licencing of software is affected negatively by annual budget cuts. The provision of computers is not keeping pace with the increase in student enrolments and this has meant that large classes have to be split resulting in additional workload for staff. Hosting assessments on Black board still needs further development. Due to the increase number of learners the current workstations available (40) is insufficient in the department of CM & QS.

Finally, the provision of adequate access to wi-fi in the external residences is a major problem. This will be discussed further in the section on residences below.

## Supply Chain Management and Tenders

This area has been a major site of contestation between the Council and Management. According to Professor Kgaphola, in his letter to Minister Nzimande of 15 February 2016, the root cause of the conflict has been “Council’s insistence that it must be charge of the actual operations of the procurement processes, as against management doing so. Inevitably this has created numerous skirmishes and endless tensions between management and Council...Indeed, these tensions have come to the fore on every occasion that the SCM policy has been tabled for discussion...”. This letter states that the University had been working on an SCM policy since about 2012 and that the process of drafting the policy had been outsourced to PricewaterhouseCoopers. However, by 2016 the policy had not yet been approved by Council despite Management’s attempts to accommodate the feedback from Council in subsequent iterations of the policy.

According to Prof Kgaphola the insistence of the MUT Council on taking charge of the operational aspects of supply chain management/procurement was in contradiction with the Council approved policy on Delegation of Authority of 28 June, 2013 which clearly states that the supply chain processes are a delegated mandate under the purview of the Vice-Chancellor. Notwithstanding this the Council, according to Prof Kgaphola, “resists to actually delegate these same functions, and thus plays referee and player at the same time as a result of the fact that the final decision-making committee that awards tenders, the Bid Adjudication Committee, is made up of Council members”. During the site visit we were informed that this committee was chaired by the Deputy Chair of Council. This arrangement changed when the new Council came into office in November 2017.

According to Mr SJ Ngwenya, he and other members of Exco became concerned about the manner in which Management sought to obtain the services of the person to manage the building of the student residence by issuing an “Invitation to be a Project Manager” as opposed to issuing a tender. Their anxieties grew due to the delays in the completion of the four new building projects. Their anxieties were further compounded by Management’s alleged resistance to Council’s request that tenders should be issued for obtaining residences and led to the involvement of Council members in tender processes. Management argued that they preferred to proceed with month to month extensions on existing leases.

Both parties have made accusations about the possible involvement of students in the processes of selecting residences which is clearly problematic.

Significantly, it appears from a submission to the Assessors dated 31 May, from Prof Kgaphola that Council's involvement in tenders preceded these anxieties. "Council had been directly involved in adjudicating tenders since the days when MUT was put under administration in 2009. The backdrop to that situation was that management at the time (2009) was so thin in terms of capacity that Council got roped in as an interim measure. That said, it is significant to note that, bearing in mind the risks of the continued involvement of Council in procurement, sometime around the year 2010 management had proposed that the University enlists the assistance of the Purchasing Consortium (PURCO) for its procurement. Again, this proposal was to be a transitional step, while we were still developing internal capacity. However, Council found some excuse then to fend off this proposal from management".

By 2012 the implications of the absence of a proper Supply Chain Management (SCM) policy had become more pronounced, not least because university auditors were raising the subject year after year. In the end, it was agreed in 2012 to work on a definitive SCM policy. To this end, the university engaged the services of PriceWaterhouseCoopers (PWC) through a Council approved bidding process. PWC produced a draft that management started to engage with as early as September 2012, and not long thereafter the engagement was escalated to Council" where in several meetings according to Management suggestions were made for changes to the document which Management believed would compromise principles of good governance and Council members who were interviewed that the document was not approved as the quality of the document continued to be poor.

As a result of the contestations MUT operated without a policy on delegations recognized by Council and Management and without a supply chain management policy and schedule. In March 2017 the Supply Chain Policy was eventually approved by Council.

Several interviewees complained about the protracted nature of the procurement processes largely as a result of lack of capacity within the procurement office. However, some people suggested that the processes are unnecessarily complicated and not always appropriate for an

academic environment. One Acting Dean complained of having to go through a long process to buy a monitor for a computer. It is hoped that the new Delegation of Authority Framework will consider increasing the amounts for which Deans and HODs have authority whilst still enabling financial oversight. The establishment of a supplier database, referred to above in the IT & N section will also help to expedite procurement processes.

Management is in the process of finalising a revised policy on Delegations of Authority along with the necessary schedules on limitations of authority and requirements for approval. The schedules for the VC, the DVCs, the and the senior directors have been completed, but work still needs to be done on appropriate schedules for the academic sector.

#### STUDENT RESIDENCES

Currently there are 1028 students in the residence on campus and 5993 students in 19 external residences in the CBD in Durban.

According to Prof Kgaphola, when he joined MUT, there was no policy for acquiring residences. The processes for securing residences were ad hoc and greatly compromised by external political factors. The lease agreements in place in 2011 were expiring in December 2011 and January 2012. This presented the University with the opportunity to review and address the concerns and recommendations as raised by HEQC. In view of this, a task team comprised of the Dean of Students, the Senior Director: Legal Services and Senior Director: Operations was established by the Vice-Chancellor and Principal under the leadership of the Deputy Vice-Chancellor: Resources and Planning. The first task of the Task Team was to develop and streamline the process of acquiring, terminating or renewing lease agreements with landlords. Amongst other things the task team recommended that 3 of the buildings, including the Lonsdale Hotel, which is on the list of current residences, should no longer be used as they were not conducive learning environments. The UBAC report highlights changes in relation to the authority for signing leases as a result of the approved Delegation of Authority Framework in 2013. Thereafter it is not clear once authority for signing leases shifted to the Vice Chancellor what mechanism were in place for Council to exercise oversight of the leases through the relevant Council Committees.

We requested copies of the leases and only received copies of 5. One of the five documents was an offer to lease a property and not an actual lease. Three of the leases were signed by Dr Malaza on 3 May but the commencement date for these was January 2018. The copies of the leases we received did not contain any information on the approval route that had been followed prior to the signing of the leases. Due to the limited time available to us we were not able to devote the necessary time to investigating all the residence arrangements in detail. However, the information that we did receive, suggests that the problems highlighted in the UBAC report about the management of leases persists.

We visited 4 residences including Poynton House described as the best residence by the Head of Residences, Mr Madala, who took us around, and two of the worst residences, the Lonsdale Hotel - where a student was killed - and the Killarney Hotel. We learned that a task team consisting of staff from Student Services, Operations, Health and Safety, and Security assesses potential residences based on criteria which include compliance with health and safety regulations, the size of the rooms, the location of the building, and the facilities in the rooms. The 3 universities in Durban compete for a limited number of hotels and this creates pressure on each of the universities to enter into agreements which may not be completely satisfactory because the landlords use the scarcity to their advantage. We were informed that several of the landlords do not honour the agreements with respect to security, maintenance, and provision of facilities and management has not addresses this. Several of the residences are located in areas that are surrounded by clubs and bars resulting in high levels of noise and this encourages students to spend their time drinking.

We observed a number of problems in the residences which were of concern to us as the conditions are simply not conducive to creating effective learning environments. These are listed below.

- Lifts not working
- Limited access to Wi-Fi
- Poor security provisions resulting in easy access to rooms
- Inadequate or no cleaning of common spaces. In one building there were lots of cockroaches and rubbish in the corridors.

- Self-catering facilities including refrigerators and washing machines not serviced regularly
- Poor maintenance e.g. loose plugs.
- Health and safety regulations not adhered to, including regulations in case of fire.

All the residences provide tutorial and mentoring support for students and that the residence committees organise speakers to give talks in the residences. They also organise sports programmes and community engagement activities. Lay councillors visit the residences. Whilst MUT provides transport between the residences and the campus the last bus from the residences to the campus is at 15.00. In the interview we held with several of the wardens and residence assistants the following concerns were raised.

- In some residences the security personnel are not properly trained
- There are no study halls in some of the residences
- Many of the landlords don't cooperate with regard to maintenance and cleaning
- Limited Wi-Fi access
- Limited transport between the residences and the campus
- Different standards across the residences
- Unhygienic toilets because of the lack of cleaning
- High incidence of thefts
- Absence of emergency mechanisms on weekends

We were told that there are irregular meetings of wardens and assistant residences, with student leadership. They were not aware of any consolidated annual report on residences and residence life that were presented to Council. This suggests that Council did not exercise appropriate oversight over the residences in 2016 and 2017 despite the fact that several members of Council would have seen the UBAC report. The Chair of the newly established Student Services Committee confirmed that Council had indeed not been exercising appropriate oversight over the residences. Nor had they ever visited the residences until 2018. It is imperative that Council begins to exercise appropriate oversight over the residences and management needs to improve the overall management of the residences including implementing measures to deal with non-compliance with agreements on the part of landlords.



## ACADEMIC MANAGEMENT

In assessing this aspect of MUT we were mindful of the fact that a comprehensive institutional audit had taken place in 2011 and that there had been ongoing interaction between MUT and the CHE around the improvement plan. Whilst all the recommendations had not been fully addressed by the time that the audit was finally closed in 2015, the CHE had commended the MUT for the serious manner with which it had engaged with the recommendations and had indicated that it was satisfied that there were adequate mechanisms in place to ensure ongoing compliance with the minimum standards laid out in the audit criteria.

We believe that a number of issues raised by the audit panel about the robustness of the academic culture within the university are still pertinent. In particular we are concerned that the present structure of the Senate Agendas is not conducive to ensuring that adequate time is allocated in Senate for debate and discussion about the quality of the graduates that are being produced, the relevance of curricula and other substantive issues related to teaching and learning. The agendas are overcrowded with reports from many structures across the university leaving little time for debate on strategic and policy matters.

The need for provision of space for such discussions is underscored by the findings of the MUT Graduate Survey Report 2017 which, notwithstanding concerns that may be raised about the accuracy of all the data, contains some very alarming findings:

- Only 7% of the students in the Faculty of Engineering completed their diplomas in the prescribed three years, 39% in the Faculty of Management Sciences, and 29% in the Faculty of Natural Sciences
- Of the 376 respondents in the Faculty of Engineering 59% were unemployed at the time the survey was conducted; of the 320 respondents in the Faculty of Natural Sciences 63.5% were unemployed and of the 473 respondents in the Faculty of Management Sciences 78.2% were unemployed.

Whilst we recognise that the study did not include a question on whether the graduates had plans to study further, nationally the number of students who have gone to enrol for the old BTech or Advanced Diplomas is very low, and so factoring in this possibility is unlikely to have a

dramatic effect on the findings. Given the growing evidence that the South African economy is not growing at a sufficient rate to absorb new entrants to the formal labour market and the high incidence of unemployment amongst youth between 18 – 25 we would expect to see evidence of how the MUT is grappling with this reality in relation to implication for thinking about the curriculum.

We were informed that the Institutional Planning and Research Directorate, which is tasked with the provision of management information and HEMIS information, prepares reports on student and staff information and conducts regular surveys to assess levels of satisfaction with MUT amongst students and employers. These reports are useful resources for reflection within institutional structures and we encourage the institution to make more use of them for monitoring and improvement purposes.

We note that the MUT wishes to position itself as an institution that has a strong focus on the work readiness of its students. To this end the institution has put a lot of effort into institutionalising an Employability Improvement Programme (EIP) that teaches students soft skills that are required by industry across all disciplines, which is being rolled out as an initiative that resulted from a partnership between the Department of Higher Education and Training (DHET) and the Japan International Cooperation Agency (JICA). MUT is only one of two UoTs in the country that have commenced with the roll-out of the programme. We heard that efforts to accommodate this programme are bedevilled by the lack of sufficient laboratories and computers that the students can use.

Another key mechanism for enhancing the employability of graduates is the provision of opportunities for work-integrated learning. We did not ascertain the total number of students benefitting from WIL, but we note that Annual Reports of 2015 and 2016 record that over the two years 27 new partnerships were established enabling a total of about 650 students to gain work place experience. This number is very small. We believe that the University is not deriving full advantage from the Technology Station in Chemicals which is part of the Technology Stations Programme of the Technology Innovation Agency (TIA) as were informed in a submission that the attitude of the Executive Management to this Station is ambiguous. This Centre has a number of partnerships with industry and SMMEs which provide potential sites

for research into innovative approaches to thinking about how technological knowledge can be included in curricula.

The HEQC Audit Report recommended that MUT should monitor the effective functioning of programme advisory boards in all faculties by drawing on a range of key employers to provide information on the required skills and training requirements needed by graduates. We interviewed a sample of academics from the three faculties and employers, including one member of an Advisory Board. All of them felt that the students were not being provided with sufficient opportunities for practical application and that in some cases the technology that students were using for practice was totally outdated. Concerns were raised about the effectiveness of advisory boards where these exist in helping to bridge the gap between the campus and employers with the notable exception of the Human Resources Department which had very close relationships with industry, and where it seemed there were adequate mechanisms for reviewing the curriculum with people from the industry and academics from other institutions. We were not able to establish if the faculties boards are grappling with the challenge of improving communication between themselves and local industry.

The establishment of the Teaching and Learning Centre has clearly been positive. Workshops are being provided on a number of different aspects of teaching and learning and staff are also being encouraged to enrol for formal programmes. However, we got the impression to some extent that the task of thinking about the area of teaching and learning had almost been delegated to the Centre raising questions about the extent to which the Deans and Heads of Department see their roles as including academic leadership rather than just dealing with line management issues. We are also concerned that the function of oversight of examinations marks appears to have been allocated to the Quality Management Unit. Deans should be held accountable for ensuring that effective internal and external moderation procedures are in place in the departments and that the HODs are in turn held accountable for ensuring that effective moderation procedures are in place in their departments. Finally, we are concerned that Council appears to have exercised very limited oversight over the academic project.

We welcome the recent incorporation of the deans into the Executive Management Committee as we believe that this will help to bring the academic and support sectors closer together and

increase of awareness of the need for administrative systems primarily to be geared to enabling and supporting the academic project.

#### FACILITIES MANAGEMENT

To meet the ever-growing need for more infra-structure, and maintenance MUT received funding from DHET to construct a Student Centre; a building for Engineering laboratories and offices; a 640-bed Student Residence and the purchase of premises for additional office spaces (the Ithala Property). MUT also received funding for 14 refurbishment projects and security upgrades.

An amount of R24.5 million was paid to MUT during the 2015/16 financial year and R77.699 million was paid during the 2016/17 financial year. The university was informed that the remaining allocation of R77.565 million for 2017/18 would be released upon the submission of the project implementation plan and satisfactory annual progress report with an audit certificate for the previous infrastructure cycles.

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We were taken by the MUT project manager who was appointed in September 2017, Mr Luven Naidoo, to see the sites of the building projects. The residence should be ready by the beginning

of the second semester. Much work remains to be done on the other projects. Appropriate governance of progress with regard to the roll-out of the projects is now in place. Quarterly reports are being presented to the Resources and Planning Committee. It is evident that the employment of an internal project manager has had a major impact on unlocking obstacles impeding progress across the 4 projects.

## SECTION 5

### INSTITUTIONAL AUTONOMY

A feature of the successive events at the Mangosuthu University of Technology is the extent to which senior executives of the university tend to resort to reporting all forms of dissatisfaction and disgruntlement to the Ministry of higher Education and Training, and in some instances, to the Minister directly. In this matter there has been a succession of reports to the Department to a large degree with the Vice Chancellor appealing rather frantically for intervention by the Minister. The reports by the Vice Chancellor include the handling of the matter before the Labour Court by the Chairperson of Council; instances where the Chairperson of Council, in particular, has been systematically marginalizing the Vice Chancellor and stripping him of his regular powers and responsibilities; or complaints about the finalizing of his contract; as well as instances where Council has been taking management and operational decisions. The Vice Chancellor is not the only one. Tones of complaints have also come from the Deputy Vice Chancellors against each other; from members of Council and from all layers of staff and students. This surely puts the Minister and the Government in an invidious position as far as institutional autonomy is concerned.

The Minister appears to entertain these approaches. The Act provides for an intervention by the Minister in certain defined cases. In almost all cases, it is in instances where there is evidence of financial impropriety, or where a Council acts against the law or fails to govern the institution appropriately. In such a case the Minister may issue a directive for steps to be taken to correct the situation. In doing so the Minister must observe the promotion of Administrative Justice Act, 2000, and may appoint an independent assessor on his own, or at the request of Council by resolution thereof. Further, the Minister may appoint an Administrator who then assumes the function of Council upon the appointment of an Administrator.

MUT provides proof that these interventions by themselves do not seem to get to the bottom of the serious problems that become endemic in higher education institutions. At MUT independent assessors have been appointed thrice in a space of just twenty years, and an Administrator was also appointed. Yet, the problems persist. The question has to be asked,

though, whether part of the problem was not that the Council at MUT was never dissolved and seems to have functioned alongside the Administrator. In fact, the Administrator was treated as if he was the Vice Chancellor. The Maphai Report also did not call unequivocally for the dissolution of Council, which perhaps it should have done.

This Report will make specific proposals as to how best the Minister and the Department could be insulated from being drawn into the institutional matter at risk of breaching institutional autonomy.

## INSTITUTIONAL STRATEGY

The Institutional Strategy of MUT is under fierce contestation. The current Vision and Mission Statement of the university is scheduled to expire in 2020. This Vision and Mission was set in the institution's historical context, focused on skills and vocations training, technology-based education and service to the disadvantaged community which is the university's social setting. Questions must be raised as to whether this vision sets its sights at a lofty enough level, with an empowering idealism and compelling relevance.

There is no evidence that the Vision and Mission has been subjected to regular review and adjustment since it was adopted in 2009. What is clear from Reports is that the Vision and Mission Statement was the product of consultants, and it did not involve or engage the community of MUT to any great extent.

The matter of contention that is raging at the institution in a divisive manner is the relationship between the twin missions of Teaching and Learning and Research. It has been explained to us that originally there was only the Deputy Vice Chancellor Academic. A new position of Deputy Vice Chancellor Research, Partnerships. The new DVC eager to advance her portfolio has been complaining that she was being frustrated in her ambitions for her portfolio. It appears that she is contesting the position that declares that the institution focal area is in Teaching and Learning.

The institution has devised a new Statement on Institutional Identity. The Statement is dated September 2016. The motivation for this advancement is that the HEQC Institutional Audit had recommended that the university should establish its unique identity as a university of

technology. It was suggested that the university should “conceptualise its three core functions of teaching and learning, research and community engagement in such a manner that it reflects the identity as a university of technology.” The conceptual document also elaborates on the Vision and Mission of the institution, promotes a scholarship of teaching and learning, and then seeks to establish a niche for applied research. The Statement also sets out desirable Graduate Attributes and a Research Agenda. It would appear that the DVC Research was not consulted about this Statement, and she does not agree with the manner in which Research Development have been characterised at MUT. While this document may have been finalized ahead of the assumption of office of Prof Zodwa Dlamini, she arrived at the institution close enough to at least some of the processes. The matter served before Council on 1 October 2015 for final approval. Was it not then the responsibility of the new DVC: Research to familiarize herself with these new developments and make proposals for improvement if she found any shortcomings.

This matter could have been better handled with consultative leadership and collegiality. Moreover, where there was a shared perspective about the Mission of the institution and its character and identity.

The institution is in need of a new vision and mission strategy statement. The hope is that such a statement and strategy will be compelling enough to bind all sections of the institution to loyalty and confidence about the future of the institution and take pride in the achievements of the institution. The newly appointed Vice Chancellor, Dr Duma Malaza is initiating a process for a strategy review, ahead of the expiry of the current strategy of the institution due in 2029. His initial thoughts were shared with us. We trust that the basis that Dr Malaza has set will be thoroughly interrogated at Council, Senate and across the university in the hope that that could lift the institution to a culture of collaboration and common purpose.



## SECTION 6

### CONCLUSION AND RECOMMENDATIONS

The Terms of Reference for the Independent Assessor stipulate that the Independent Assessor must advise the Minister on the source and nature of the problems facing the institution, and on measures required to restore good governance and management at Mangosuthu University of Technology. The measures proposed, we understand, must be such that they may serve to “restore effective and proper governance and management.

Over a period of five weeks working on this brief, and having read documents, interviewed all the actors in the drama that has been unfolding at the university over a long time, it was important for us to place these matters in a context – historical, sociological and educational. We were assisted by the courtesy with which we were received and by the collaboration we enjoyed from Council and from the university authorities. We are not, however, unmindful of the fact that we were delving into a mine-field. Just about everyone we spoke to had an agenda, and that agenda was premised on the attitude they take to current developments and personalities in the institution.

Again and again, we heard that the long shadow of the late Prof A Ndlovu hovers over the affairs of the institution long after he had gone and was dead and buried. We are inclined to view this may by now be taking the form of an alibi. It is very difficult to get the university community to take any form of responsibility for the debacle that has become Mangosuthu University of Technology. Much of our interactions have been about explanation, justifications and defence, and very little about taking responsibility for repairing the damage caused. It is mindboggling that in an academic institution we found no reflective acknowledgement and taking responsibility on the part of all actors for the parlous state in which the university finds itself. In such a quagmire, the new Vice Chancellor gave indications of a very thoughtful approach to dealing with the problems of the university. Instead there was a litany of blame that pointed away from just about everyone we spoke to. For that reason, we are conscious that the proposals that we make may well be contested but we make them in the hope that they will move the institution towards finding lasting solutions.

We are also conscious that the community of Mangosuthu University of Technology is tired of the uncertainty, and that the instability and the factionalism are hurting. There is a prevailing atmosphere of demoralization and despair. There is even a prevailing messianic outlook about the new Vice Chancellor and the new Council. People are looking forward to leadership and to a healthy institutional environment. The new VC is seen as a savior. Our fear is that without a real commitment by the institution as a whole none of the people cited will be able to fix the institution. The members of the institution must make a resolve to correct what is wrong, and they must build-up their institution. Everyone is aware that this situation has been going on for nearly 20 years. It continued despite the removal of the alleged perpetrators, namely Prof A Ndlovu, Council Chairperson and others. That suggests that ultimately the problem was not with the personalities concerned. The problem lies at the deeper level, at a structural level, perhaps about the university, its self-understanding and its view of the worlds that impact on it. To the extent that such matters are unresolved, the difficulties and the contestation simmers. We have sought, therefore, to think very hard to find what could be deeper-level prescriptions that would possibly allow the institution renewal and a new life. As already indicated our approach is progressive and developmental. We hold the view that MUT has a rich potential that needs to be unlocked.

We were also informed that there are elements of negative stereotyping about the institution and about its history. There is a view that while the community of Umlazi is claiming the university as their own, it is difficult to see how the university can build on that positive support and cast a relationship of responsibility between 'gown and town'. Even more important the university should aim to avoid negative relationships especially becoming sucked in the political contestations of the communities that surround it. We are aware that the university is building relationships with schools, business and with churches in Umlazi. The same resolve can be extended beyond Umlazi to the other surrounding communities: Merebank, Wentworth, Jacobs, Amanzimtoti, and Port Shepstone.

The location of the university should not be a matter for regret. Rather, the university must see itself as the only higher education institution on the South Coast, all the way to Port Shepstone, Richmond, and the North Eastern Regions of the Eastern Cape. The university could be more intentional in building a truly non-racial, non-ethnic campus. There is every

reason to believe that if the institutional culture becomes all-embracing, it could attract academic staff and students from far and beyond. In other words, the university ought to understand that it is not a university of Umlazi for the people of Umlazi – it is a national institution for the advancement of learning and skills for South Africa. Yes, MUT needs to break away from the ‘iron cage’ of parochialism.

## FINDINGS

### Preamble

1. It is difficult for us to imagine how an institution entrusted with such large public resources, and responsible for the futures of so many South Africans could function for so long without critical policy instruments. To that extent it does not surprise us that the institution is in danger of hitting the rocks.
2. Secondly, it is impossible to understand how an institution of this size could have operated for so long without paying sufficient attention to its personnel and human capital responsibilities. By all accounts, recruitment at the institution has been bedeviled by the contestations between Council and Management. There may even be evidence, it has been suggested to us, that the university has not been able to attract people with the right skills for the right jobs. The skills deficit in the institution, we are told, is a major factor. Given that, it would seem obvious to us that such an institution should have a programme, properly budgeted for, of continuous training and skills development, in-service training, and where necessary academic advancement especially for academic staff.
3. Our insights and thinking draw very much from the interviews we conducted with a large segment of the university population. In addition, we received a large number of confidential submissions by e.mail. While we can affirm that all were carefully considered and some of them has been reflected in this Report, many of the submissions contained complaints about management issues that were not the purpose of this investigation. We trust, however, that we have provided sufficient of a policy framework to minimize the recurrence of what has been a debilitating experience for some members of the community.

4. Finally, none of that would work, unless the institutional ethos and culture was open, creative, innovative, critical and affirming. Approaches to management may need to change, and the university must become a forum for the free expression of ideas, and critical debate. It is necessary to create a relationship of trust and collegiality between management and the rest of the staff. At the same time there ought to be systems of accountability and performance management. Hopefully, such an atmosphere will not lend itself to people feeling a need to seek favours, and self-aggrandizement, or to cast a blind eye to wrong-doing. The institution ought to have an Ethics Code for all staff, and management must be the first ones to bind themselves to such a code. Personal relations ought to be humanizing, affirming and positive in order to bring out the best in everybody.
5. Student Life and experience ought to be a big issue for the university. Being an urban-based university has great advantages. Race and gender equality and empowerment could be the strength of the university. As among the smaller-sized universities in the country, it could be attractive to parents as an institution that is intimate, and offers personal relationships and growth, with a culture of teaching and learning and quality outcomes second to none. Student life and experience begins with the integrity and affirming processes for applications and recruitment, and orientation of students. It includes how support staff at residences are trained to care for the students. It includes those who provide service to the university being held to a standard of provision and care that is quality assured by the university. It includes, the manner in which residences become centres of academic life and an environment of social and human development. The university cannot abdicate its responsibility to service providers. It must set the standards required and ensure that facilities meet those standards.

It is our view, therefore that the university must set for itself a framework of excellence, accountability, efficiency, a humanizing institutional environment, and inculcating a high-level principle of service. To achieve that transformation must loom large in the way in which the institution seeks to operate. So far, we have found that the institution does not address for itself the challenge of transformation.

Our specific findings are:

- All matters considered, it is surely irresistible to opine that the appointment of an Administrator to succeed himself and become Vice Chancellor was a mistake. We hope that the Minister will take note of this and prescribe that the Administrator is precluded from becoming Vice Chancellor at the same institution.
- Systems of accountability are clearly not working at the institution. The reason they do not is in part because policies are not in place, and those that are available have not been tested and popularized within the university, and those who apply them have not been trained to do so fairly, honestly and in a transparent manner. Equally, there are not adequate monitoring systems, and a performance management system that is trusted.
- One can gather from above that there are real problems about governance and management. In reality governance systems are in danger of total breakdown unless trust between Council and Management is rebuilt all over again. More care should be taken in appointing members of Council especially in the categories of Ministerial appointments and in the category of skills etc. All members of Council should be required to undergo a *probity* assessment by an independent body. Appointments should not be subjected to political brinkmanship at Council or among university stakeholders. Besides, among those elected from internal stakeholders, it must be made clear that members of Council are not delegates of constituency or interest groups, or should they be perceived to be acting according to a mandate from such bodies that have elected or nominated them. All members of Council must act at all times in the best interest of the university.
- The university should be more intentional about creating an academic culture in the institution. That may explain that, as some allege, that Senate Meetings are reduced to a “war zone”, or the atmosphere of intolerance to the views of others or to the formations of factions. It would accentuate the normality of difference and diversity, and indeed, of contesting opinions and ideas. Student life, especially, would be better informed, and intellectual engagement would become the norm.
- An institutional plan about student housing should be prepared. It should be part of the university’s strategic plan, both mid-term and long-term. A student village

can be constructed near enough to the campus, by acquiring land in the nearby townships of Merebank, Isipingo. It seems to us that the idea of leasing disused hotels in the central business district of the city cannot be a long-term solution to the housing crisis. Unless, of course, the universities in eThekweni were to collaborate and create a city student village that connects the hotels, with shared facilities, and thus create a village in an inter-connected city block that would make student life easy and possible. It may be that the universities could seek a partnership with the EThekweni Metropolitan Council to undertake such an experiment.

- The Vice Chancellor is undertaking a review of Management systems at the university and reviewing the organogram as well. We believe that such is welcome. The university actually needs a wholesale review of management. There are embedded attitudes of non-performance, mediocrity, and lack of capacity. The Vice Chancellor, we counsel, must avoid taking on too much himself, and must resist the temptation to expand his span of control, but rather ensure that performance and accountability systems are functioning well. Towards this end, we believe that resources must be found to undertake a thorough check of qualifications and capacity among all managers at all levels. It should then be possible to remove any who do not meet the standards set. The university does, in any event, need a critical mass of new thinking and fresh ideas. The Office of the Vice Chancellor must be equipped to enable the Vice Chancellor to function as a strategic leader and manager of the institution.
- As a rule, Senate must have on the Agenda academic matters beyond the bureaucratic. Senate must debate philosophy and policy, Senate must be analytical and must assure high levels of academic management and performance. Papers can be presented to stimulate discussion and debate about emerging trends and academic philosophies, for example in teaching and learning, academic management, research and technology drivers for research. Senate can be engaged in systems and processes for policy formation. Guest speakers can be invited to stimulate discussion at Senate. It is possible for Senate to divide its time and sessions to be both deliberative, as suggested above, and business matters.

- The Quality Management Directorate must, among others, undertake an institutional culture audit every three years to gauge attitudes among staff, staff morale, ideas about performance management and enhancement, and test attitudes to initiatives undertaken to upgrade the institution. Such a survey would also instill a culture of service, and of performance, of excellence, and of institutional ethics. A separate student survey, we understand is already being undertaken.
- The university must review the Office of the Registrar. The Registrar is the fulcrum of the Governance and Management delivery of the university. We have stated that we believe that the current Registrar just does not understand his responsibilities and may be more harm than good to a progressive agenda of the university, rooted as he seems to be in the past, with a very casual attitude to his work. The vacant positions of Deputy Registrars for Governance and Academic Affairs need to be filled with speed. Committee Services must be overhauled. For that it may well be necessary to ensure high-level capacity development for the mission-critical staff.
- The university must understand that its public relations has suffered irreparable harm over the years. As the university seeks a new outlook, it should invest in aggressive and creative public relations systems. The new campaign must reflect a bold and fresher, visionary perspective about the university. The university can avoid being in the news for all the wrong reasons, and for silence to prevail because no one knows what to say about the university. Both attitudes may kill the spirit of the university. What the students have expressed as something to worry about being the quality of MUT qualifications needs urgent attention.
- Council needs a new lease of life. It may well be that members of Council should be challenged once again to consider offering their resignations, and new appointments made. A Council appointments Committee be established, with at least one expert from outside the university, and that Ministerial Appointees be equally carefully selected following interviews. The system adopted by the Department of Public Enterprises recently whereby a call for expressions of interest and nominations was made for appointment of members to the Boards of

State Owned Companies (SOCs) may be worth emulating. Selection could be undertaken by the Department with the support of, say, the CHE. Council must also adopt a procedure for the discipline of members who violate the Code of Conduct and fail to act in the best interests of the university. The Council must show cause why a multiplication of meetings of Council and Committees of Council is necessary, and that in any event, no allowance should be payable for any meetings additional to the statutory four quarterly meetings.

- The relationship of trust between the Chair of Council and the Vice Chancellor, and between Council and the Executive Management of Council must be restored. That means that the roles between the two statutory structures must be better managed. The Chairperson of Council must assert his/her role as responsible for governance and oversight, and the Vice Chancellor as chief executive responsible for Management, and Administration, as well as the Academic Leader of the university. At best a protocol that both sign and where matters of concern are first discussed among them would be the way to go. Without inviting Council participation in operational matters, reports to Council must be adequate and informative and strategic, policies must be drafted in such a manner that Council can be satisfied about the quality of what is being proposed, and time frames and existing policies must be honoured, or deviations must be sought from Council ahead of implementation, and not after the fact.
- The university must establish the Office of the Ombudsman. This should allow complaints to be raised internally and adjudicated and resolved without recourse to the law, and that labour relations and relationships that breakdown can be attended to without recourse to legal processes. This alternative dispute resolution mechanism must be undertaken by an independent person, outside of the structures of the university, and both Council and Executive Management must undertake to honour the rulings of such an ADR system. This should also help to reduce the enormous cost of legal fees. The university must review the brief that Attorneys Jafta & Co and Bruce MacGregor have enjoyed with the university over a long time. Such relationships, ideally, should never be for much more than five years at a time.



- A Fraud and Ethics Hotline must be established. Whistleblowers must be assured of protection, as the law applies.

## RECOMMENDATIONS

Within the fourteen findings set out above, there are also recommendations. In this section however, we wish to make proposals at a high-level, presenting a bird's eye view approach to the institution.

1. *Universities Ombudsman:* We propose that the Minister should consider seriously the introduction of an independent Office of the Universities Ombudsman. Such offices have become very common in South Africa under our Constitution. The latest example has been the establishment of the Office of the Health Ombudsman. The Office of the Ombudsman should be an independent office provided for by the Higher Education Act. The Minister may consider whether such an Office could be established as part of the CHE system or independently altogether. The Office of the Ombudsman would ensure that the Ministry does not deal with many of the matters of breakdown in Governance and Management, failure to adhere to the Code of Conduct, financial malfeasance – all matters that currently may be implicated in and therefore unable to resolve to satisfaction. This will relieve the Ministry so that the Ministry can attend to the duties set out in the Act.
2. *Policies:* Mangosuthu University of Technology (MUT) has been bedeviled by an inability to produce policies at the right level of competence and standard for a very long time. One can hazard a guess what happens in instances where no policies are available. We ask the Department (maybe through the Office of the Auditor General) to produce a template on key policies like Supply Chain Management, Human Resources Policies, and appropriate academic management systems. The Department received APPs and annual Reports, is there a system of monitoring these submissions and engaging with the institution about the adequacy or otherwise? We are of the view that Council may not be giving itself sufficient time to interrogate these submissions, and definitely may not have in place a system of evaluation and monitoring. One

should avoid allowing such a strategic responsibility to become reduced to a tick-box exercise.

3. *Partnerships:* We observe that, maybe because of its location and its history, MUT is very isolated among the Universities of Technology. The university should establish a relationship with another UoT as in, for example, the Central University of Technology in Bloemfontein, or the CPUT. Such a close relationship would mean that there would be an intense sharing of ideas and practices, exchanges of managers and scholars and students, and an engagement in management systems and establishing benchmarks for the university. It may be that the HDI Fund made available by the Department could be utilized to establish such a developmental approach to stepping up the university. There is provision for such an intentional and strategic collaboration in s.38 of the Act. In any event, the situation demands that a consortium of universities be established (if one does not exist already) and that MUT commit to affiliating to it for its own benefit.
4. *Council:* As a matter of principle we are not recommending that the Department should use any of the powers vested in the Minister in terms of the Act. We would rather this university be assisted in a developmental approach, that sets identifiable steps to development over a five-year time-frame. It also means that the university will not be left entirely to its own resources but would be subjected to annual reviews (as in ICU). What however, calls for serious consideration is that Council must be disbanded in its entirety. We note that when an Administrator was appointed in 2008, the provision that such an Administrator should “take over the authority of the Council” once an Administrator is appointed (s.41A(3)(b)) was never put into effect. Instead, the Council continued to exist and to exercise authority over the Administrator thereby reducing the Administrator to an *interim* Vice Chancellor. We believe that that was a mistake as it created the perception of business as usual.
5. In our view a process of appointing members of Council must be undertaken afresh by all constituencies. This must include constituencies disclosing reasons for the nominations they make to Council. The Minister must also

undertake the painstaking task of selecting credible Ministerial appointees to Council. Every member of Council must be required to undergo a probity evaluation by a credible independent body outside of the institution. We note that the Act provides that the Council on Higher Education “may advise the Minister on *any* aspect of higher education...” While the CHE does not have the mandate to advise on governance and management of higher education institutions, we advise that the Minister consider requesting the CHE to advise on the appointments to Council in the manner suggested. A new Council will give enough confidence to the institution, we hope, that the winds of change are blowing at MUT.

6. A thoroughgoing review of the Strategic Plan for the university must be undertaken. The Strategic Plan must embrace a radical view of institutional culture and academic ethos, a new identity characteristic for the university, and a new way of understanding the university’s place and purpose. This means that such a Strategic Plan must be shaped by new expressions of Transformation. Sadly, we do not see that spelt out clearly enough in the Performance targets agreed between the Chair of Council and the Vice Chancellor.

Pretoria and Cape Town, 30 June 2018.