

Beautiful Noise at University under Threat

Amidst the media on planned state spending of over R 800 billion on new infrastructure and the bemoaning of tardy rollout, obscured is the beautiful noise of exciting new construction at universities across the land and successful public-public and public-private partnerships.

In 2006, at one of the biannual meetings between president Mbeki, minister Naledi Pandor, several other ministers and vice-chancellors, the president suggested to minister Manuel that there was perhaps insufficient support for universities in the face of the demands on them to serve as catalysts of economic and social development.

This was the impetus for vital new Infrastructure and Efficiency funding for universities. If late minister Kadar Asmal will be recalled for university mergers and transforming the higher education landscape, securing critical funds for new higher education infrastructure after a long drought is a key legacy of minister Pandor.

Beginning in 2007, R3,628 billion was allocated between 2007-2010 and R3,265 billion between 2010 and 2012 to universities to support long overdue and much needed investment in academic buildings and facilities, equipment, student residences and other infrastructure critical to high quality higher education.

Last October, a further R6 billion was allocated for the period 2012-2015. There are good prospects that such investments, which are integral to building the institutional capabilities and capacities universities will continue into the future.

A feature of infrastructure funding and development at universities is successful public (state)-public (university) partnerships as well as public (university)-private sector partnerships.

In the first round of state funding, universities were not required to commit any of their own funding for infrastructure development or mobilise private sector or donor funding. However, as much as state support was welcome it was inadequate. In reality, universities invested R2, 247 billion (2010-12) and will add R2,085 billion (2012-2015) of their own funds (through their accumulated reserves, endowments or working capital) or/and through support from alumni, philanthropic foundations and business.

Noting the ability of universities to commit own funds and raise external funds, in the second round and latest round of state funding, universities have been required to co-fund developments in accordance with the strength of their balance sheets. As a result, state funding has leveraged R 4,332 billion in additional funding from universities.

At Rhodes University, a magnificent new library, indispensable for pursuing the core purposes of a university, has transformed the heart of its academic centre. Initially estimated to cost R97 million, the agreed tender price was R 86 million. The final cost was R75 million.

The state provided R50 million and R25 million was raised from alumni, the business sector and other donors. The library was built during the lead-up to the World Cup and opened in late 2010, yet came in R11 million under budget, when the final soccer stadium costs were billions over budget.

The reason: there was no tender rigging, involvement of tenderpreneurs, kick-backs, over-invoicing, and perverse self-enrichment – just disciplined and honest project management and an acute understanding that private gifts and taxpayer public funds have to be spent judiciously fully accounted for.

The new state investments in infrastructure facilitate long overdue institutional redress and equity for the historically black universities (HBUs) that relative to the historically white universities were poorly supported under apartheid. Understandably, a healthy proportion of funding has been reserved for the HBUs. A separate funding category for backlogs at HBUs amounting to R1.1 billion was introduced for the period 2012-2015.

The backlogs at HBUs remain considerable, as a recent Higher Education South Africa study on infrastructure and equipment shows. Continuing dedicated and targeted infrastructure funding for HBUs holds the promise of the backlogs being overcome sometime in the future.

In some areas, the backlogs at universities are severe. A report commissioned by Minister Nzimande shows dire conditions at some universities and that 207 800 (estimated for 2013) new student residence rooms are needed, at an estimated cost of R 109.6 billion over 15 years. In the current round of funding, only R1,6 billion could be devoted to student residence construction and refurbishment. In addition, universities added R700 million co-funding. The total of R2.3 billion provides about 9000 new beds at universities in the system.

While state infrastructure spending helps to make a dent in the backlogs, there are two challenges. One is continued investment in infrastructure in accordance with growth in enrolments. The new White Paper on the Post-Schoolsector and the National Development Plan both call for enrolments at universities to increase from the current 1 million students to 1.6 million by 2030.

The other challenge at all universities is investment in the effective maintenance of current buildings and facilities. The costs are likely to be many billions. The request by the Department of Higher Education and Training for comprehensive maintenance plans to be developed by each university is to be welcomed.

In a small town like Grahamstown with an unemployment rate of over 60% and massive socio-economic development challenges, the fillip to the local economy, job creation and skills development of the R 300 million in new infrastructure development at Rhodes since 2007 is not to be underestimated.

The weak capacity of the local municipality, however, is a grave concern and potential threat to current and future new infrastructure developments as well as the growth of the university generally.

Already, the university community has been obliged to march to the municipal offices to protest against the tardy and irregular provision of water. Inefficient processing of building applications delays construction, increases costs and delays workers earning livelihoods.

An effective and efficient municipality with officials who possess the requisite technical expertise to undertake and support infrastructure development and maintenance is critical to Grahamstown's and Rhodes development.

Following the water protest march there has been welcome and sustained involvement by the Presidential Infrastructure Coordinating Committee, the Ministry of Economic Development, the Department of Water Affairs and other relevant state departments. Such joined-up efforts are essential to address shortcomings and also develop the institutional and human capacities of Makana municipality.

New infrastructure investments and rollout at universities is a cause for celebration. It is wise investment by government in maintaining and enhancing the quality of graduates and knowledge produced, both of which are critical for addressing socio-economic development challenges of South Africa.

Rhodes infrastructure projects

Project	Value	State contribution
Completed		
University library	R 75 million	R 50 million
Teacher education building	R16.8 million	R15 million
Undergraduate residences x3& Dining Hall renovation	R66 million	R36 million
Current		
Life Sciences building	R 111 million	R95 million
School of Languages	R31 million	R26 million
Pharmacy laboratories	R22 million	R20 million
Undergraduate residence & renovation	R37 million	R31 million
Postgraduate residences	R19 million	Not funded
Campus Capital Development Plan& Campus Maintenance Plan	R2 million	R2 million
Campus Disability Access Improvement Plan	R3 million	R2.8million
Prospective new		
Lecture and tutorial venues	R35 million	
Postgraduate centre	R15 million	

Undergraduate residences	R156 million	
Postgraduate residences	R113 million	
Indoor sports centre	R25 million	

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