



UNIVERSITY OF THE
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RESPONSE TO THE STUDENTS' REPRESENTATIVE COUNCIL'S REQUEST FOR CONCESSIONS IN 2021

Context

The Dean of Student Affairs acknowledges receipt of the request for concessions from the Students' Representative Council (SRC), which has been presented to the Senior Executive Team (SET) of the University. In considering these requests, the SET is aware and sensitive of the ongoing impact of COVID-19 on students, staff and broader society. Similarly, the SRC is acutely aware of the adverse impact of the current economic climate on the higher education sector, and the University. The SRC has been party to a number of presentations and discussions outlining the impending financial challenges facing the University, and we hope that the SRC and students will appreciate our current economic realities. Despite the constrained financial environment, the SET has made every effort to put in place a range of initiatives to help students and to mitigate the impact of the pandemic. The University will continue with efforts to increase funding pools and will rely on the efforts of all stakeholders, including students, to address the challenges that we face collectively.

1. Rising Student Debt

Student debt has increased dramatically over the last five years due to the effects of #FeesMustFall, the economic downturn, the COVID-19 pandemic, and other factors. In 2020, students owed Wits over R1 billion, which is unsustainable.

	2016	2017	2018	2019	2020
Student Debt (in R million)	405	538	697	859	1062
Student Bad Debt Provision (in R million)	154	252	291	361	538

2. Concessions

In order to assist students, the University has implemented a number of concessions including the following:

2.1 Re-registration with Historical Debt

Students with less than R10 000 debt

- A student who owes R10 000 or less from the previous year is able to register in the new academic year.

Students with balances greater than R10 000



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- A student who enrolled prior to 2018 and whose total household income is below R600 000 (the GAP Funding defined limit); or
- A student who enrolled from 2018 whose household income falls within the range of R350 000 (the defined NSFAS limit) and R600 000 (the defined GAP funding limit);

is able to apply for registration assistance by paying 50% of the outstanding debt due and making an arrangement to pay the balance of the debt during the course of the academic year. Proof of household income, consent of income verification and motivation for assistance is required.

2.2 Interest Free Payment Plan

A student who is unable to pay the full amount by the due date may enter into a payment plan agreement by signing an Acknowledgment of Debt (AOD) agreement with the Fees Office which allows the student to pay off their fees over the remainder of the year. Students who meet the obligations of the payment plan are not charged interest. Interest at the rate of prime + 1% will be levied on all outstanding balances as at the last day of each month, commencing on the day after the fees are due and payable.

The interest free payment arrangement is applicable to the following students only:

- A student who enrolled prior to 2018 and has a total household income below R600 000 (the GAP Funding defined limit); or
- A student who enrolled from 2018 whose household income falls within the range of R350 000 (the defined NSFAS limit) and R600 000 (the defined GAP funding limit).

Students need to apply for the AOD before the payment due date. Proof of household income, consent of income verification and motivation for assistance is required. All AOD's need to be signed before 30 June 2021 for outstanding fees. Second semester students will have until 30 September 2021 to sign their AOD.

2.3 No Interest on Fees Charges for 2020

There was no interest was charged for fees accrued in the 2020 period. Any reflection of interest on a student's fee statement is based on fees prior the 2020 academic year.

2.4 Graduation with Debt

- A student who enrolled prior to 2018 and has a total household income of below R600 000 (the GAP Funding defined limit), or
- A student who enrolled from 2018 whose household income falls within the range of R350 000 (the defined NSFAS limit) and R600 000 (the defined GAP funding limit), and who owes less than R15 000, must sign a Graduation Acknowledgement of Debt agreement to be eligible to graduate. The AOD must be accompanied by a payment plan for the debt to be paid after they have secured employment.

Proof of household income and motivation for assistance is required.



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3. Hardship Funding

Since 2017, the University has provided funding to assist students experiencing financial hardship to register and secure accommodation. This was originally a once-off arrangement with the former SRC but the SET has agreed to provide annual assistance where possible, due to the ongoing need for assistance.

Students are also assessed on a case by case basis on the merits of their situation in order to assist them with registration due to financial hardship.

4. Response to requests from the SRC made in January 2021

The SET considered the additional requests from the SRC made in 2021, and responds as follows:

1. The University should match every rand raised by the SRC towards its #20MillionIn2021 campaign

The University administers over R1billion in student funding, scholarships and bursaries annually, including R100 million from Wits' Council budget. In addition, R10 million is dedicated to the Wits Hardship Fund as additional support for students facing particular difficulties. The University has also launched a Centenary Campaign which includes an Endowment Fund for the support of Wits students.

The University welcomes and supports the SRCs #20MillionIn2021 fundraising campaign, however the University is not in a position to match the raised funds as R10million has already been contributed by the University towards the Hardship Fund.

2. The University should allow all capped NSFAS-funded students to apply for the SRC Hardship Fund as these students are now responsible for the accumulated debt and interest

Students funded by the National Students' Financial Aid Scheme (NSFAS) are covered by the NSFAS rules and the University thus undertakes to assist confirmed NSFAS-funded students. Students facing challenges may contact the Financial Aid and Scholarships Office to explore available options. All students are also encouraged to explore the FASO website for additional information and guidance: <https://www.wits.ac.za/study-at-wits/fees-and-funding/financial-aid-and-scholarships-office/>

3. Students who were rejected by residences in 2020 due to financial reasons be allowed to return to residence and the University should relax its N+2 residence policy for the 2021 academic year.



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Students unable to settle their residence fees and who qualify for assistance through the Wits Hardship Fund must apply for possible assistance from this Fund. Each case will be assessed on its own merits.

The University receives approximately 30 000 applications for accommodation annually and only has 6 495 available beds. Given the limited number of beds available, priority access is given to first year students and students meeting their re-admission criteria (including academic criteria). The University can therefore not accede to this request.

Council approved an Off-Campus Accommodation Accreditation Policy in June 2020. This enables the University to advise students of appropriately vetted and accredited private accommodation in close proximity to the University. We are pleased to inform the SRC that just over 15 000 beds are available in the off-campus private accommodation sector in 2021. Details of the accredited accommodation can be obtained from the Campus Housing and Residence Life Office.

4. The University concedes to scrapping all interest for outstanding fees for the 2020 Academic year.

Wits University did not charge interest on outstanding fees for the 2020 academic year. In light of the ongoing economic challenges faced as a result of the pandemic, the SET proposes again not to charge interest on late payments for the 2021 academic year.

5. The University commits to keeping registration open until the end of March

Students are required to register before the end of the registration period. The first block starts on 8 March 2021 and students are expected to be registered by 5 March 2021.

However, students experiencing difficulties may apply for late registration but the onus is on students to make late applications and to ensure that they are within the time frame stipulated by faculties. The last day for late registration differs for each programme and faculty and it is the responsibility of students to find out from the relevant faculty office when the last day of registration is for their programme and to register on or before that date.

6. The Hardship Fund should be open to previous beneficiaries

The Wits Hardship Fund is a University initiative funded from the Council budget, which was established to assist students with funds towards registration based on particular hardship that they may experience in a particular year. The Fund is limited and is not intended to serve as a bursary or scholarship fund. It was established to serve as a once-off support intervention for students who are in need and who meet the specific criteria.



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The University will consider applications from students who were previously supported through the Fund, based on their individual situation and a special circumstances motivation from the SRC. Such submissions will be reviewed only after first-time applications from students have been considered, and if funding is available. Students in this category must meet all other Hardship Fund criteria.

- 7. Students who qualify to receive assistance from the Hardship Fund but do not due to the lack of funds (in the Hardship) be allowed to register if they owe one hundred and fifty thousand (R150 000) or less.**

The University commits to allowing students to register if they have applied for, and meet the criteria of the Wits Hardship Fund, and if they owe R120 000 or less. Given the overall fiscal position of the University, this will be subject to the overall available funds.

- 8. All first years for the 2020 and 2021 academic year be allowed to return to campus as and when campus resumes**

The return to campus plan is informed by a health and safety risk assessment that is conducted based on national regulations and University policies and protocols, and that is informed by the impact of the pandemic at a given time. The University will adopt a blended form of learning and teaching, and will adjust its programmes based on the trajectory of the pandemic, and faculty requirements.

In terms of residence returns, the University commits to prioritise the following groups: students in programmes identified for return by faculties as per the academic requirements for that programme, 2021 first year students, and students who come from difficult home environments (on social justice grounds). Please note that admission to residence will be for students who have been accepted to a Wits residence for the 2021 academic year. Only students invited to return will be admitted to residence.

- 9. The University commits thirty percent of all the money raised toward the Centenary Campaign to clear student historical debt**

The Centenary Campaign is a wider University initiative, of which one project is fundraising for a student Endowment Fund. The proceeds will over time fund student bursaries and scholarships once sufficient interest had been earned on the capital. The University can therefore not concede to this request. The funds raised under the Centenary Campaign must also be spent in line with the wishes of donors, and must comply with the goals of the Centenary Campaign.

- 10. The 75% upfront payment fee be removed for African international students**



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The risk for the University is too large for international student's to not to pay the bulk of their fees at the time of the registration. The required 75% is already a concession in comparison to 100% that was previously required.

11. All students who are self-funded and can provide reasonable evidence of retrenchment for their parents who lost jobs due to the pandemic be allowed to register

Given the current economic situation and the financial uncertainties facing the higher education sector and Wits, the University cannot concede to this request. The University acknowledges that all students may not be able to secure funding and therefore students in this position are advised to apply for possible assistance to register through the Wits Hardship Fund, if they meet the criteria.

Students are however also encouraged to continue with their own efforts to secure funding towards registration. The University rules allow for students who have less than R10 000 debt from the previous year to register. Those with a balance greater than R10 000 can register if they arrange to pay 50% of the debt due and work out a payment plan for the remainder of the funds.

Conclusion

We live through unprecedented times amidst a global pandemic that is disrupting our society and creating a high level of uncertainty. The higher education sector, including Wits, has not been spared. We rely on funding from the state, the private sector and student fees to remain financially sustainable. At the same time, we acknowledge that students, families and parents are also severely impacted by the coronavirus. We have therefore went as far possible to make the concessions detailed above and we look forward to working with student leaders, students, parents, and the Wits community and broader society – together we can make it through this difficult period.