



National Student Financial Aid Scheme

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**OFFICE OF THE CHIEF EXECUTIVE OFFICER**  
CONFIDENTIAL

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**CIRCULAR NOTICE 16 of 2018**

**To: All Vice Chancellors**

Dear Vice Chancellors

**Allowances for NSFAS students in 2018**

The communication from NSFAS dated 23 April 2018 on the notional allowances for first time entrants and new senior students has reference. We have noted with concern that there is still some confusion in the sector with regards to the determination of allowances to students for the 2018 academic year. The purpose of this communication is to provide clarity and correct any misunderstandings that have arisen from the new arrangements announced as a result of the changes to the NSFAS Bursary Scheme within the university sector.

**First time entrants (FTENS)**

NSFAS has identified students as first-time entering only where there is no prior enrolment at any higher education institution for that student before 2018. The implementation in 2018 of the standardisation of allowances for FTENS will effectively address the disparities in allowances between institutions in 2018 and going forward.

**Allowance Category**

- Books
- Meals
- Transport (applied per institution travel allowance policy and to qualifying students only)
- Accommodation

**Capped Amounts**

R5 000 per year  
R13 500 per year  
R9 300 per year  
Paid according to the Individual University student housing policy.

**Senior students**

It should be reiterated that standardised allowances will not be determined for senior students for the 2018 academic year. The new DHET bursary scheme is being phased in over a 5-year period, and it will take time to regularise allowances across the system for all students.

Senior NSFAS students from families with household incomes below R122 000 per year will receive bursaries under the **same conditions** as when they first received the financial support

(capped at R83 600). Institutions were thus requested to determine and allocate allowances for books, meals and transport on the same basis as in 2017 for senior students.

We would further like to clarify the following:

1. The disparity in allowances for senior students between universities are recognised. This is a result of historic differences in student funding policy across different institutions. Going forward this will be addressed through the development and introduction of a new student funding policy, which is in the process of being developed.
2. Those universities whose 2017 allowances (books, meals and transport) are already at the level or above the 2018 FTENS notional allowances **must** keep the 2018 allowance at the same level as 2017. This will ensure that the current disparity in national allowances for senior students between institutions are addressed and to gradually, over time bring senior students allowances in line with FTENS.
3. For those universities whose allowances are below the FTENS thresholds an increase on the allowances for senior students is capped at 5% for the 2018 academic year. This is line with the 5% increase from the National Treasury on the NSFAS baseline from 2017 to the 2018 academic year. Despite the overall increase in funding available because of the new allocation for full cost bursaries for FTENS, the costs per institution have been worked out based on the average cost per institution in 2017, and that institutions needs to remain within these budget parameters.
4. No university is allowed to exceed this 5% cap. NSFAS will ensure through their processes/systems that 2018 allowances to senior students are in line with the above principles. (NSFAS to identify the process). Institutions that do exceed the cap will not be able to claim the additional funding from NSFAS.

Yours Sincerely



**Steven Zwane**  
**Executive Officer**  
**NATIONAL STUDENT FINANCIAL AID SCHEME**



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