



National Student Financial Aid Scheme

MEDIA STATEMENT

TO ALL EDITORS/EDUCATION REPORTS

DATE: 17 FEBRUARY 2024

NSFAS STATEMENT ON UPDATES ON THE COMMENCEMENT OF THE 2024 ACADEMIC YEAR

The National Student Financial Aid Scheme (NSFAS) Board met yesterday, 16th February 2024, to consider various policy and operational matters relating to the commencement of the 2024 academic year.

2024 APPLICATION PROCESS

The NSFAS Board thanks all applicants who applied for the NSFAS bursary and loan funding for the 2024 academic year.

The NSFAS received **1 936 330** bursary applications (as of 16 February 2024) and applications closed on the 15 of February 2024.

Of the 1 936 330 applications received, **1 000 389** are provisionally funded, **395 265** are awaiting evaluations, **80 111** have been withdrawn by the student, **141 886** are in progress and **136 558** applications are on the NOT-STARTED status as applicants only created profiles and did not submit applications. NSFAS has rejected **124 918** applications and **1 258** appeals have been lodged thus far.

NSFAS received **22 954** loan applications (as of 16 February 2024), and the application closing date was also on the 15 of February 2024.

Of the **22 954** loan applications received, **139** are provisionally funded, **12 890** are awaiting evaluations, **841** have been withdrawn by the student, **30** are in progress and **8 345** applications are on the NOT-STARTED status as applicants only created profiles and did not submit applications.

NSFAS has rejected **476** loan applications and only **5** appeals have been lodged so far.

DEPLOYMENT OF NSFAS SERVICING ADMINISTRATORS

The NSFAS has deployed its Servicing Administrators to all institutions (TVET colleges and universities), to provide registration support related to all NSFAS processes. The servicing team will assist institutions to conclude all NSFAS outstanding processes, including data preparation

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and uploading.

The team will also assist students who have been confirmed for funding with their inquiries. They will assist students in uploading supporting documents, and guide students in the appeals process and the student accommodation processes.

UPFRONT PAYMENT TO INSTITUTIONS

The NSFAS advanced an upfront payment to both the universities and the Technical and Vocation Education and Training (TVET) colleges.

For universities, NSFAS disbursed **R2.8 billion** in January 2024. This disbursement does not include the calculation of the tranche payments, which NSFAS will disburse at the beginning of April 2024.

This upfront payment covers one month of student accommodation and the book allowance. The book allowance is calculated at half of the total cost whilst the accommodation is calculated as one month of the accommodation cost.

For TVET colleges, a total of **R580,150,950.00** was paid to colleges as tuition upfront in January 2024. An additional **R1 billion** is earmarked for three (3) months' worth of allowances to be paid based on registration from the January-march period.

All these upfront payments are meant to enable institutions to register all NSFAS approved students for the academic year 2024.

CONSENT FORM

The NSFAS Board has considered the report on the meeting between the NSFAS management and SARS officials on NSFAS compliance to the Memorandum of Understanding (MOU) between NSFAS and SARS, particularly on the Consent Form.

Following this meeting, the NSFAS submitted the assurance framework to SARS in order to comply with the conditions of the MOU and SARS compliance standards.

Following the submission of the NSFAS assurance framework, SARS sent auditors to NSFAS together with their Group Executive for Legal, Risk, and Compliance, as part of the delegation to conduct an onsite evaluation of NSFAS systems, policy documents, and processes. The NSFAS will await the decision by SARS on their evaluation.

Whilst NSFAS awaits this process to conclude, NSFAS is exploring the option of using Credit Bureaus to confirm the financial eligibility of all applicants.



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It must be noted that the delays in the finalisation of this process, affected the funding decisions of non-SASSA beneficiaries.

The NSFAS Board has considered the impact of these delays in institutions finalising their registration processes. The NSFAS will engage the University South Africa (Usaf), for institutions to consider the extension of the registration period to cater for these delays.

Equally, NSFAS has contracted an additional hundred (100) case workers to ensure that there are no further delays in confirming funding decisions for non-SASSA beneficiaries.

The NSFAS Board regrets and apologises to all applicants for these unintended delays in the finalisation of the outstanding funding decisions.

STUDENT ACCOMMODATION PILOT PROJECT

The NSFAS Board notes with concern instances of instability in some institutions as a result of student accommodation challenges.

The NSFAS Board and management will visit all the hotspot institutions to engage the management of the institutions and student leaders.

Amongst the first institutions to be visited, is the Buffalo City TVET College (BCC), the Cape Peninsula University of Technology (CPUT) and the University of KwaZulu Natal.

NSFAS has been engaging with the Buffalo City TVET College since November 2023. The scheme sent out a support team to assist the college with the placement of NSFAS-funded students in NSFAS-accredited private accommodation.

Out of 900 students registered at the college, NSFAS beneficiaries were 732 and all were confirmed accommodated in NSFAS-accredited private accommodation.

The College is currently reaching out to all students who have not responded or onboarded or reported to their accommodation places to do so urgently. Accommodation Providers are urged to only work with the NSFAS Accrediting Agents and the College to place students.

The NSFAS Board confirms that the Cape Peninsula University of Technology (CPUT), requested to be exempted for the 2024 pilot project. However, the Board remains committed to working with the university and student leaders to find solutions to all accommodation challenges at the university.

It remains the NSFAS commitment to ensure that CPUT students are provided with student accommodation that is accessible, decent, safe, and conducive to learning.



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The NSFAS will also continue to provide institutions viewing rights to the NSFAS student portals, including providing institutions with the day-to-day operating rights to the Accommodation Providers (APs) in terms of their premises.

Importantly, NSFAS will continue to provide weekly training on application and registering processes for Accommodation Providers (APs) and students.

To date, out of the total of **40 522** beds registered on NSFAS platforms in TVET Colleges, **32 272** beds have been accredited and are available for registered NSFAS-funded students and about **8 250** are in the process of being accredited.

Out of the total of **72 241** beds registered on the NSFAS platform in universities, **47 150** beds have been accredited and are available for registered NSFAS-funded students and about **25 091** are in the process of being accredited.

STATUS ON THE DIRECT PAYMENT SERVICE PROVIDERS

The NSFAS Board restates its decision to terminate the services of the direct payment service providers, namely, Ezaga Holdings, Coinvest Africa, Norraco Corporation, and Tenet Technologies as per the recommendations of the Werksman Attorneys Report, which was appointed, among others, to investigate the appointment of these four Direct Payment service providers.

NSFAS has commenced with the legal process which will lead to the termination of the services of these direct payment service providers.

While the legal process is underway, the Board has decided that, in the transitional period, these direct payment service providers continue to onboard and disburse allowances to students.

Universities and TVET Colleges will continue their collaboration with the designated direct payment service providers allocated to their respective institutions for the purpose of onboarding and disbursing allowances to students.

It is imperative that institutions adhere to this directive to ensure the smooth facilitation of student allowances.

NSFAS will continue to communicate further developments in this regard.

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