**Memorandum from the Parliamentary Office**

**NATIONAL ASSEMBLY**

**FOR WRITTEN REPLY**

**QUESTION 834**

**DATE OF PUBLICATION OF INTERNAL QUESTION PAPER: 18/03/2016**

**(INTERNAL QUESTION PAPER 09 OF 2016)**

**Mr Y Cassim (DA) to ask the Minister of Higher Education and Training:**

(1) (a)What is the maximum loan amount that may be awarded by the National Student Financial Aid Scheme in the 2016-17 financial year, (b) (i) when was it determined, (ii) by what body was it determined, (iii) under what legislative or regulatory provision and (iv) how was it determined;

(2) whether he will provide the document recording its determination to Mr Y Cassim; if not, why not; if so, by when;

(3) what is the average expected cost of study at universities for the 2016 academic year?

**NW953E**

**REPLY:**

(1) (a) The maximum loan amount that may be awarded by the National Student Financial Aid Scheme (NSFAS) to a university student in the 2016 academic year is R71 800.

 (b) (i) and (ii) The maximum loan awarded from the DHET general fund for university students is determined annually and approved by the NSFAS Board as part of the allocations process each year. For the 2016 academic year, the maximum loan amount was approved by the Board in the third quarter of 2015/16 and communicated to institutions in December 2015.

 (iii) The university loan amount is determined based on the provisions within the NSFAS Act 56 of 1999 under Sections 4(a) and 4(b), which specifies that it is the function of NSFAS “to allocate funds for loans and bursaries to eligible students; to develop criteria and conditions for the granting of loans and bursaries to eligible students in consultation with the Minister”. It is further provided for under Section 19(1) that “Loans and bursaries granted by the board may be subject to such conditions as it may determine, either generally or in respect to a particular loan or bursary”.

 (iv) The maximum loan is calculated by taking into consideration factors such as the increase received from the national budget process and weighted average full cost of study at universities.

(2) An extract of the NSFAS Board meeting minutes of 25 November 2015 is attached.

(3) According to data received from universities, the average full cost of study across the 26 universities was R70 679.11 and weighted average full cost of study was R71 878.40. Based on the weighted average full cost of study, the maximum-capped award was determined as R71 800.

COMPILER/CONTACT PERSONS:

EXT:

DIRECTOR – GENERAL

STATUS:

DATE:

QUESTION 834 APPROVED/NOT APPROVED/AMENDED

Dr BE NZIMANDE, MP

MINISTER OF HIGHER EDUCATION AND TRAINING

STATUS:

DATE: