**5. REPORT OF THE PORTFOLIO COMMITTEE ON HIGHER EDUCATION AND TRAINING ON ITS OVERSIGHT VISIT TO THE UNIVERSITY OF THE WESTERN CAPE (UWC) AND NATIONAL STUDENT FINANCIAL AID SCHEME (NSFAS), DATED 01 NOVEMBER 2017**

The Portfolio Committee on Higher Education and Training having conducted an oversight visit to UWC and NSFAS on 10 August 2017, reports as follows.

**1. Delegation list**

**1.1 Members of the Committee**

Hon C September: Chairperson (ANC), Hon D Kekana (ANC), Hon J Kilian (ANC), Hon M Nkadimeng (ANC) and Hon S Mchunu (ANC).

**1.2 Support staff**

Mr A Kabingesi: Committee Secretary, Ms M Modiba: Content Adviser, Mr L Ben: Committee Assistant and Mr S Maputi: Parliamentary Communications Officer.

**2. Introduction and background**

The Committee undertook an oversight visit to the University of the Western (UWC) and the National Student Financial Aid Scheme (NSFAS) on 10 August 2017. The Committee was made aware of various media reports about a group of approximately 45 male and female students from various provinces who were sharing a tiny office space in the hope that the University of the Western Cape (UWC) would find an alternative accommodation for them. The students had occupied the ResLife Centre Building at the beginning of the 2017 academic year demanding that their plight be addressed. The situation at UWC prompted the Committee to undertake its own investigation into the extent of student accommodation challenges at the University and also get an update on measures put in place to address the challenge of student housing.

The Committee had also visited various higher education and training institutions in the country at the beginning of the 2017 academic year, mainly to assess the readiness of these institutions in implementing the NSFAS student-centred model. The new student-centred model is aimed at managing a direct relationship between NSFAS and the funded students. The findings of the Committee through its interaction with various higher education and training institutions revealed that there were challenges with the first phase of the rolling-out of the new model at universities and TVET colleges. As a result, there were delays with the processing and payment of allowances by NSFAS to qualifying students, and this created frustrations amongst the students who resorted to protest and disruption the academic programme. Subsequent the oversight visits, the Committee undertook to visit NSFAS with the aim of obtaining an update regarding the roll-outing of the new student-centred model, and to conduct an onsite inspection to the systems and facilities in place for the roll-out of the new model.

**3. Summary of the presentations**

**3.1 University of the Western Cape**

**3.1.1 Presentation by the Student Representative Council**

Mr Z Kapa: Deputy Secretary-General made the presentation on behalf of the SRC. Mr Kapa began his presentation by informing the Committee that the provision of student accommodation remained as one of the serious challenges at UWC, and the University had a total capacity of 3 303 beds for 22 000 students registered in 2017. Of the 3 303 beds, nearly 1 093 students were accommodated at off-campus residences surrounding the University precincts. Mr Kapa alluded that the safety and security of students living at off-campus residences was of great concern, owing to recurring incidents of crime. He made mention of a student who was shot and killed in Belhar while walking from the campus. There were no dedicated security personnel at off-campus residences and students reported cases of mugging, gang-related crimes and rape.

In relation to student funding, Mr Kapa said that the majority of students at UWC came from poor family backgrounds and relied heavily on NSFAS bursaries to access higher education. Mr Kapa said that some of the students were evicted at off-campus residences owing to the delays by NSFAS in paying their accommodation allowances. NSFAS also introduced a new policy whereby students who resided within a radius of 60 kilometres from the University would not be considered for accommodation allowances. This policy was unjust and also disadvantaged students from poor family backgrounds who did not afford to commute to the campus on a daily basis.

Mr Kapa concluded his presentation by referring to the following proposals for consideration by management to: get rid of Belhar accommodation for students; provide a consistent shuttle for students residing in the surrounding areas; build more residences and get rid of the NSFAS 60 kilometre radius placement policy.

**3.1.2 Presentation by management**

Prof T Pretorius: Vice-Chancellor & Rector gave a brief background about the provision of student housing at UWC. He began his presentation by informing the Committee that UWC had nine student residences namely; Cecil Essau; Cassinga; Chris Hani; Liberty; Ruth First; Dos Santos; Colleen Williams; Basil February and Hector Peterson. Prof Pretorius said that the University’s residences were named after the former struggle icons.

With regard to the students who occupied the ResLife Centre building at the beginning of the 2017 academic year, Prof Pretorius informed the Committee that the ResLife Centre building was set alight in 2016 during the student protests. The ResLife Centre offices were previously used to provide support services to students. However, a group of students who could not be assisted by the University to obtain accommodation, occupied the ResLife Centre offices without management’s consent. The offices were turned into rooms and both male and female students shared the office space. The majority of the students who occupied the ResLife Centre building did not have the financial means to arrange their own private accommodation, and some of them came from homes that were not conducive for learning. The University did not evict the students upon finding out that they occupied the ResLife Centre building since it was not morally good to undertake such action given their circumstances. Subsequently, the University and the SRC managed to find an alternative private off-campus accommodation for them in order to allow for the renovation of the centre.

Prof P Dube: Deputy Vice-Chancellor for Student Development continued with the presentation and gave a synopsis of the University’s institutional operational plan and strategic goal areas. She informed the Committee that the University experienced challenges pertaining to the provision of private accommodation which included: high rates charged by landlords; private accommodation not meeting the minimum requirements as per the DHET norms and standards on student housing and the expectation that transport would be provided by the University. The challenges with regard to residence placement included: a limited residence space; insufficient NSFAS allocations; illegal occupation of residences; extension of the registration period and many postgraduate students who required accommodation and this impacted on the availability of space for first year students.

In relation to the expansion of student housing, Prof Dube informed the Committee that the University recently acquired two properties in Kuils River with 150 beds capacity. The University had also identified two sites nearby the main campus and the sites were earmarked for the construction of student residences that could take up to 2 600 beds. However, the City of Cape Town Municipality informed the University about its intention to develop low cost housing at one of the sites. The University was in a process of negotiating with the municipality and the provincial government to provide land for the development of student residences. The University was also concerned about the municipality’s plans to build low cost houses in close proximity to the University’s precincts as this would increase the vulnerability of students.

**3.1.3 Site visit to the student residences**

**3.1.3.1 Cecil Essau Residence**

Mr M Seale: Director for Residence Services led the site visit to the student residences. He informed the Committee that the Cecil Essau student residence accommodated both the undergraduate and postgraduate students. The residence setup had both the single and double rooms. The double rooms were mostly accommodating the first year undergraduate students. The bathrooms and kitchenettes at the residence had been refurbished and the University spent R22 million for the maintenance of the student residences. The refurbishments were completed in June 2017 while students were on vacation.

Students were allowed to bring appliances such as refrigerators and microwaves to the residences because the University was not providing such appliances. The residence floor visited by the Committee accommodated 30 students who shared a kitchenette with two (2) stoves (four plates), four (4) showers and five (5) toilets. Students at the residence had access to Wi-Fi and there was a computer laboratory to allow students to do their academic work.

**3.1.3.2 Chris Hani Residence**

Mr Seale informed the Committee that the residence accommodated students with different disabilities. There were 14 students with disabilities accommodated at the ground level of the residence. All the students with disabilities had laptops or a personal computer in their rooms. The ablution facilities were easily accessible to students with disabilities, and were also maintained by a private company contracted to the University.

The University ensured that it had proper infrastructure and support systems before accepting students with disabilities. Of concern to note was that the showers at this residence were not disability friendly due to the non-installation of handrails. The kitchenette was very small and adjacent to the ablution room, which may have adverse effects on student’s hygiene. The University planned to relocate the students with disabilities to a new residence because of maintenance related challenges.

**3.1.3.3 ResLife Centre Building**

The Committee was informed that the ResLife Centre building was a student support office, which was burnt during the student protests in 2015/16. The centre housed residence administration and doctoral students who provided academic support to students enrolled in high impact modules. The centre had social workers who provided psycho-social support, student leadership programmes as well as food security programmes. The centre was annually occupied by students due to the shortage of student housing at the University.

For the 2017 academic year, a group of 40 students who were desperately looking for accommodation occupied the building and shared the office space as their rooms. The building did not have functional lighting and it was neither habitable nor conducive for learning. Of great concern was that the building was burnt by students during the fees-must-fall protests in 2015 and was renovated. However, it was burnt again during the October 2016 student protests. The building was cordoned off by the University since it was no longer safe for use due to the fire damages and the renovations were underway.

**3.1.3.4 Ruth First**

The residence had a capacity of 399 beds, inclusive of single and double rooms. The residence had a reception area with security and an administrator for access control. The Committee interviewed a student who came from the Eastern Cape, and she noted that the living conditions and the security measures put in place for access control at the residence were satisfactory The residence was also closer to the study facilities. The student also noted that the residence was kept clean and the ResLife food security projects were providing food to needy students.

**3.1.3.5 Kovacs**

The Committee was informed that the Kovacs Student Village was a private-public partnership (PPP) between the University and a private property developer. The student village had a capacity of 1 100 beds. The facilities were developed through a build-operate-transfer agreement. The University tried to buy the development. However, it could not come to an acceptable agreement with the developer regarding the price of acquisition. As a result, the University agreed to a lease agreement of 30 years with the developer. The University was also not satisfied with the partnership with Kovacs. However, it would embark on other private-public partnerships since it did not have sufficient funding to expand its student housing.

The residence fees at Kovacs ranged from R38 124 for a double room to R39 528 for a semi-private room. The majority of the students who lived at Kovacs paid for their accommodation and others had bursaries. The setup of the rooms was also similar to other residences on campus.

**3.2 National Student Financial Aid Scheme**

**3.2.1 Presentation by the National Education and Health Allied Workers Union (NEHAWU)**

Ms L Mcetywa: Branch Chairperson began her presentation by thanking the Committee for acceding to the union’s request to present its challenges. She informed the Committee that the union had 196 members at NSFAS with four shop stewards.

With regard to the employee related challenges, Ms Cetywa said that the human resource processes at NSFAS were flawed, and there was a lack of transparency on human resource policies. She cited inconsistent job grading and job advertising as examples of flawed HR processes. With regard to the job grading processes, Ms Cetywa said that the management was delaying the process since 2014 and the union was on the verge of referring the matter to the Commission for Conciliation Mediation and Arbitration (CCMA).

Ms Cetywa said that the implementation of the performance management systems (PMS) at the organisation was inadequate. She made an example of herself and other colleagues in the loans and bursaries department who were employed without being properly contracted. She also indicated that the management had not presented a roll-out plan to the union on the implementation of the performance management systems. As a result, the organisation experienced a high volume of labour disputes and grievances. There was also a low staff morale, which could impact on service delivery to students.

In concluding her presentation, Ms Cetywa requested the management to: implement the job grading process; re-invent the HR department; conduct a skills audit and develop a succession plan.

**3.2.2 Presentation by the management**

Mr L Nage: Acting Chief Financial Officer (CEO) began his presentation by informing the Committee that NSFAS had funded 280 697 students in universities for the 2017 academic year, and of these funded students, 252 988 (90 percent) were registrations that had already been submitted by universities. The outstanding 10 percent applications were to be received during the month of August 2017. Of the remaining 10 percent, some registration data had been submitted with errors. However, NSFAS was engaging with the universities to finalise the outstanding registration data.

Mr Nage said that NSFAS funded 246 064 students in Technical and Vocational Education and Training (TVET) colleges for 2017. However, only 140 731 registration data had been received from TVET colleges to date. The number of loan agreement forms and schedule of particulars (LAFSOPs) signed by students in TVET colleges was 126 508 with a total value of R1 billion. However, only 80 354 LAFSOPs had been accepted by NSFAS with an estimated value of R704 million.

With regard to the approach in resolving the TVET colleges funding issues, Mr Nage said that NSFAS had written letters to the college principals requesting class attendance data for all students. NSFAS paid the tuition and other allowances based on class attendance information for TVET colleges. Alternatively, NSFAS would pay an additional 15 percent upfront of the outstanding amount to all TVET colleges by 25 August 2017.

In relation to the 2018 application roll-out, Mr Nage informed the Committee that NSFAS partnered with the National Youth Development Agency (NYDA) for learners to utilise their offices to apply online. The online application form was also upgraded and the completion time had been reduced from 20 minutes to 5 minutes. The system used to handle only 1 000 users at a time and now it was improved to accommodate 10 000 users.

**3.2.3 Site visit to NSFAS**

**3.2.3.1 Contact Centre**

The Committee was informed that the NSFAS contact centre was mainly responsible for handling inbound calls from students making enquiries about their applications and payment of allowances. The contact centre had a staff complement of 100 employees and could also handle up to 3 500 calls a day. The contact centre was opened from 08:00 to 20:00 during the week, and 08:00 to 16:30 on Saturdays. The call centre agents were able to communicate with the students in all the 11 official languages. The students with disabilities were assisted through emails regarding their queries.

The contact centre was mostly busy towards the applications due date and at the beginning of the year during the registration period. The top three call drivers were enquiries relating to loan agreement forms and schedule of particulars, allocation of allowances and resetting of passwords.

**3.2.3.2 Loans and Bursaries Department**

The Committee was informed that this department administered the applications of students for NSFAS funding. The majority of the applications were submitted on paper, and had to be scanned and captured into the system for processing. The capturing of the manual applications often took longer owing to incomplete documentation submitted by the students. The verification of the student’s details was undertaken in this department, including the decision to award or reject the applications.

The Committee was also informed that the Loans and Bursaries Department had 40 permanent staff who worked two shifts per day. However, NSFAS also hired contract staff during the peak period to assist with the processing of the applications. The applications for the 2018 academic year had been opened and 4 000 applications had been received.

**4. Observations**

The Committee having interacted with UWC and NSFAS made the following observations:

* 1. **University of the Western Cape**

4.1.1. The Committee expressed a concern about the burning and destruction of property during the student protests in 2015. Further concerning was that the management repaired the damaged building (ResLife Centre) and students burnt it again in October 2016. The SRC indicated that students were encouraged to continue the dialogue with the management. However, they did not trust the SRC leadership to negotiate on their behalf. The University indicated that the cost of repair of the ResLife Centre (Administration Building for residence students) stood at R3.25 million.

4.1.2. The Committee expressed a serious concern regarding an unfortunate incident whereby a group of angry students held a senior academic hostage at the ResLife Centre building.

4.1.3. The Committee observed that the University had a shortage of student housing for its student population. The University admitted that the majority of its students came from poor family backgrounds, and did not have the financial means to find alternative private accommodation on their own. This compelled the University to find other alternative means of securing off-campus accommodation for these students. However, the demand for student housing at the University surpassed its ability to assist the needy students. The University was embarking on public-private partnerships (PPPs) to expand its infrastructure and the Committee welcomed this initiative.

4.1.4. The Committee observed that whilst the University was providing off-campus accommodation for its students, it also experienced external challenges that were beyond its mandate such as crime, safety and security of students outside the campus. The University also received inadequate support and cooperation from the municipality (City of Cape Town) with regard to the provision of land to expand its infrastructure. The student housing challenges were also compounded by a lack of proper public transport system. The University indicated that it held a number of meetings with the City of Cape Town officials to enter into a long-term agreement about the use of the Belhar Indoor Sport Centre as well as acquiring the land adjacent to the facility.

4.1.5. The Committee expressed a concern with regard to the services offered by the private accommodation providers who had lease agreements with the University. The students informed the Committee that the private accommodation providers threatened the students who wanted to express their dissatisfaction to the management about the inadequate service offered at off-campus residences. The University indicated that where cases of student abuse by the landlords had been reported to the management, the affected students had been moved to other places, and were provided with professional support. The University also kept the record of such violations and the identified landlords would be de-activated as private accommodation providers.

4.1.6. The Committee expressed a concern about the student’s proposal for the management to close all the accommodation facilities in the nearby Belhar area due to crime. The Committee noted that crime control was beyond the University’s mandate.

4.1.7. The SRC complained about the delays by NSFAS in paying allowances due to qualifying students. The University indicated that it continued to support eligible students awaiting allowances with food vouchers. The University also facilitated together with the SRC, direct engagements with NSFAS on the list of students awaiting clearances.

4.1.8. The Committee encouraged the University to explore possible engagements with the Sector Education and Training Authorities (SETAs) as it plans to expand its infrastructure and student housing. The University indicated that it would seek advice from the DHET to ascertain whether SETA funding could be explored or was available for student housing.

4.1.9. The Committee sought clarity with regard to the implementation of the new student-centred model at the University. The University indicated that it had provided all the necessary documentation to NSFAS as part of supporting the implementation of the new student-centred model. The University has also regularly arranged meetings where it reviewed the progress and discussed the challenges with the implementation of the new model.

4.1.10. The Committee enquired about the latest developments regarding a rape case of a student which took place at the ResLife Centre building. The University indicated that the SAPS was currently handling the matter and the investigators were still looking for the alleged perpetrator. The University had also been in contact with the student and continued its efforts to assist the student, and to make her feel comfortable and safe as possible.

4.1.11. The Committee enquired about the implementation of the sexual harassment policy at the University. The University indicated that the review of the sexual harassment policy was ongoing, and a draft document would be circulated to the students and staff for comments at the end of August 2017.

* 1. **National Student Financial Aid Scheme**

4.2.1. The Committee expressed a concern about the delays in the processing and payment of allowances to students, especially in TVET colleges due to delays in the submission of registration data by the colleges. The delays in the processing of the applications impacted negatively on students’ abilities to meet the 80 percent attendance rule for exam admission due to the delays in the payment of transport allowances by NSFAS. NSFAS indicated that there was a serious concern with regard to the submission of accurate and complete registration data from TVET colleges. This delayed the processing and payment of allowances to students since allowances were paid based on student attendance data in TVET colleges. Furthermore, the processing of resulting data between NSFAS and TVET colleges was a challenge and this compounded the situation.

4.2.2. The Committee expressed a concern about the ability and capacity of TVET colleges to administer the new student-centred model in collaboration with NSFAS.

4.2.3. The Committee noted that some students were de-registering from universities and TVET colleges owing to financial constraints, and the delays by NSFAS in the processing and payment of allowances compounded the challenges.

4.2.4. The Committee expressed a concern about a backlog of applications for the 2017 academic year which had not been processed whilst a new application process for the 2018 academic year had been opened.

4.2.5. The Committee observed that there was an unworkable relationship between management and the union (NEHAWU). The union was no longer engaging the management with regard to workers’ grievances, instead it had approached the board chairperson to intervene. The management informed the Committee that the restructuring of the human resource department and the appointment of a human resource executive were underway. This process was expected to resolve most of the workers disputes.

**5. Summary**

The oversight visit to UWC afforded the Committee an opportunity to conduct a site visit to the student residences and also engage with the students about their living experiences at the residences. The Committee observed that the University residences were in a good state and were also conducive for learning. However, the Committee was concerned about the living conditions of the students who were accommodated at privately leased residences. The University did not have sufficient funding to build more residences, hence it was embarking on private-public partnerships to address the shortage of student housing.

The oversight visit to NSFAS provided the Committee with an opportunity to conduct a site visit to the different sections that were tasked with the rolling-out of the new student-centred model. Members had an opportunity to interact with the staff responsible for the processing of students’ applications and queries on a daily basis. Members were also afforded an opportunity to answer inbound calls from students making queries about their applications. The Committee was seriously concerned about the unworkable relationship between the management and union. The Committee noted that an external facilitator should be appointed to restore the broken industrial relations between the management and union.

**6. Recommendations**

The Committee recommends that the Minister of Higher Education and Training consider the following:

**6.1 University of the Western Cape**

6.1.1. The Department through universities should ensure that they monitor the implementation of the minimum norms and standards for student housing by the private accommodation providers that are rendering services to students adhere to these standards.

6.1.2. The safety and security of students at off-campus/private leased residences remain a challenge at the University. Students had reported accounts of gender based violence and rape, however, there was insufficient progress by the University in preventing these incidents from recurring. The University should implement its safety and security plan adequately. The South African Police Service should fast track its investigation into the reported cases of murder and rape of students, and those perpetrators should be held accountable. The Committee will also confer with the relevant Committees to assist the University in dealing with challenges beyond its mandate.

6.1.3. The Committee’s observation was that the students resorted to violence and burning of property as a means to pursue management to respond to their grievances. The Department should assist the higher education institutions in promoting the importance of open dialogue with the students to resolve issues.

**6.2 National Student Financial Aid Scheme**

6.2.1. The DHET needs to ensure that adequate support is provided to TVET colleges to address the challenges related to the processing and submission of student registration data required by NSFAS to pay allowances due to students.

6.2.2. The Committee’s observation was that the student-centered model lacked clear guidelines and responsibilities of universities, TVET colleges and NSFAS in the rolling-out of the new student-centred model. There should be clearly defined responsibilities that outline the functions of the stakeholders that are involved in facilitating the student-centered model.

6.2.3. The disbursements of allowances to students, especially at TVET colleges had been slow, partly due to information technology (IT) challenges experienced by NSFAS. The Department should ensure that the IT related challenges at NSFAS are resolved so that the disbursement of allowances to beneficiaries is expedited.

6.2.4. The concerns raised by the union (NEHAWU) in relation to the conditions of service of NSFAS employees should be speedily resolved, and a timeframe should be put by the NSFAS board in addressing the employees’ disputes.

Report to be considered.