**COMMITTEE CONCERNED BY NSFAS’S DELAYED SUBMISSION OF ANNUAL REPORT**  
   
**Parliament, Wednesday, 16 October 2019**, The Portfolio Committee on Higher Education, Science and Technology has noted with concern the delays in the tabling of the 2018/19 annual report by the National Student Financial Aid Scheme (NSFAS).  
  
The committee is committed to conducting robust oversight over the entity as the entity is currently experiencing governance and management challenges as well as data related challenges that delay the disbursement of funds to eligible students.  
  
“We urge both NSFAS and the Office of the Auditor-General to speed up the process of finalising the outstanding matters relating to the audit of the financial statement of the entity. We will, at our earliest convenience, schedule a meeting to consider and report on the annual report when it is tabled and referred to the committee in terms of the National Assembly Rules 339 and 340 respectively,” said Mr Philly Mapulane.  
  
The committee also noted with grave concern the stagnant audit outcomes of the Higher Education and Training portfolio, in the main, the Technical and Vocational Education and Training (TVET) Colleges, and the Sector Education and Training Authorities (SETAs). The Auditor-General (AG) raised concerns with most financial statements that were submitted with material misstatements and also noted lack of capacity within many of the auditees to submit statements that are free of misstatements.   
  
The increase in irregular expenditure amounting to over R1.2 billion and the fact that R1.1 billion of the total irregular expenditure was incurred by four entities, Construction SETA, Energy and Water SETA, Media, Information and Communication Technologies and the Services SETA is an area of concern.  
The committee noted the lack of implementation of consequence management against those who have transgressed the law. The committee will, in the near future, summon these entities to account to Parliament on irregular expenditure.  
   
The committee calls for the arrest of the department’s official responsible for the fraudulent payment of R24 - million to Community Education and Training lectures, and that the department should recover the funds that were fraudulently lost.  
  
The Department of Higher Education and its entities and Auditor- General of South Africa appeared before the committee at Parliament yesterday where the department briefed the committee on its annual report for the 2018/19 financial year and on its first quarter expenditure and performance report for 2019/20 financial year. Also, the AG briefed the committee on the department’s and its entities’ audit outcomes for the 2018/19 financial year.  
  
**ISSUED BY THE PARLIAMENTARY COMMUNICATION SERVICES ON BEHALF OF THE CHAIRPERSON OF THE PORTFOLIO COMMITTEE ON HIGHER EDUCATION, SCIENCE AND TECHNOLOGY, MR PHILLY MAPULANE.**