**MEDIA STATEMENT**

**COMMITTEE CONCERNED BY NSFAS’S DISMAL PERFORMANCE, DESPITE OVERSPENDING**

**Parliament, Wednesday, 13 November 2019,**The Portfolio Committee on Higher Education, Science and Technology has expressed a grave concern over the dismal performance by the National Student Financial Aid Scheme (NSFAS) in the 2018/19 financial year.

NSFAS has achieved two of the 16 targets planned for the financial year under review. It is seriously concerning that NSFAS has not been performing for a number of years, especially on the core mandate of disbursing funds to eligible students.

The Chairperson of the committee, Mr Philly Mapulane said: “It is unacceptable that the entity attributes its poor performance on the fact that the key performance indicators were not developed in line with the SMART criteria. Notwithstanding the fact that the Administrator was appointed to take over governance and management and bring stability to the entity, it appears that more focus was on crisis management and less focus on ensuring that predetermined targets were achieved.”

Furthermore, Mr Mapulane said, of great concern is that the entity incurred R7.6 billion in irregular expenditure and that more irregular expenditure is being uncovered, which means that the amount of irregular expenditure will possibly increase. “We are concerned that NSFAS has not investigated irregular expenditure and implement consequence management,” added Mr Mapulane.

The committee urges the Minister of the Department of Higher Education, Science, and Technology, Dr Blade Nzimande to expedite the establishment of the Ministerial Task Team to review the business processes of the entity which will make long term recommendations on the future models, structures, systems and business processes necessary for effective NSFAS.

The committee will also convene quarterly meetings with the entity to assess progress made in the disbursements of funds and progress towards achieving the predetermined targets.

**ISSUED BY THE PARLIAMENTARY COMMUNICATION SERVICES ON BEHALF OF THE CHAIRPERSON OF THE PORTFOLIO COMMITTEE ON HIGHER EDUCATION, SCIENCE AND TECHNOLOGY, MR PHILLY MAPULANE.**