

Annual Performance Plan for the fiscal year 2021/22



10 Brodie Road, House Vincent, 2nd Floor, Wynberg, Cape Town, 7700 | Private Bag X1, Plumstead, Cape Town,
7800

Tel No.: 0800 067 327 | 021 763 3200 | Email: info@nsfas.org.za



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Executive Authority Statement

The country is experiencing unprecedented challenges from COVID-19 - the Coronavirus pandemic, that could reverse development gains for the country. The pandemic has impacted human capital, livelihoods, learning and future productivity.

SARS – Cov-2 (COVID-19) outbreak has impacted the economies of the world and the country negatively. The budget review in October 2020 has shown that, the National Treasury expects a GDP growth of 2.6% in 2021 FY and only 1.5% in 2022 and 2023.

Funds have been re-prioritised towards social grants and health care provision, in light of this pandemic. There have been budget cuts across government Institutions in order to accommodate Personal Protective Equipment (PPE's). Government has also extended the Academic year in Institutions of Higher Learning in response of this pandemic. Comprehensive measures have also been implemented to avoid the slowdown on economic growth. The emphasis now is on the need to use the situation to forge the new economy in a new global reality

The 2021/22 Annual Performance Plan of the National Student Financial Aid Scheme (NSFAS) takes into consideration the environmental and the economic challenges within which the institution is operating under and aims to address and manage the situation.

For the sixth administration, government has identified seven priorities from the State of the Nation Address delivered in parliament in June 2019. The National Student Financial Aid Scheme (NSFAS) contributes to priority 3; Education, Skills and Health.

Its vision is to enable access to public universities and Technical and Vocational Education and Training (TVET) colleges through financial aid to students that are financially and academically eligible.

The Annual Performance Plan defines the Outcomes, Outputs, key performance indicators (KPIs) and targets which will be utilised to measure performance. This document also identifies the funding required to achieve the stated outcomes.

The Annual Performance Plan sets out priorities for NSFAS in a manner that emphasizes the outcomes-orientated monitoring and evaluation approach of the Presidency and has been guided by:

- NSFAS Act (Act 56 of 1999);
- National Skills Development Strategy (NSDS) III;
- White Paper for Post-School Education and Training;
- Continuing Education and Training Act (Act 16 of 2006);
- National Development Plan;
- Mid-Term Strategic Framework; and
- Other relevant legislations, regulations, policies and the changing post-school environment in which NSFAS operates.

This Annual Performance Plan outlines a disciplined approach to supporting the ongoing transformation of NSFAS by continuing to build on the foundation that has been laid over the past years. It is based on the two strategic goals guiding the entity's strategic direction, namely:

Goal 1: An effective, efficient and transparent public entity in providing student financial aid

Goal 2: Increased access to higher education through an improved student financial aid environment to poor and working-class

In delivering the outcomes set out in this plan, NSFAS will be working with relevant stakeholders which share its dedication to providing access to higher education and training.

Dr. Bonginkosi E Nzimande, MP



.....(signature)

Minister of Higher Education, Science and Innovation

Accounting Authority Statement

A black swan event, Covid-19 hit the world and changed our normal ways of operations. This has impacted on the educational programme and the delivery thereof. Remote ways of learning had to be adopted due to challenges related to COVID-19 pandemic which had negatively impacted face to face ways of learning. Further to that, workplaces could not presume, and massive gatherings were not allowed due to the lockdown restrictions and a reduced number of the workforce enforced by National Government.

In response to Covid-19 pandemic; the National Student Financial Aid Scheme (NSFAS) activated a business continuity plan. The business continuity plan was implemented to facilitate continuous funding to students, resolution of student applications queries, processing of appeals and general assistance to institutions using virtual platforms to administer funding. NSFAS had to liaise with its internal and external stakeholders on virtual platforms.

NSFAS has established a virtual contact-centre for operations during the lockdown. The public entity remained fully functional and accessible through these platforms to ensure that students inquiries are attended to.

The National Student Financial Aid Scheme (NSFAS) will continue to deliver on its mandate with the vision of providing financial aid to all eligible public University and Technical and Vocational Education and Training (TVET) college students from poor and working-class families.

The achievements of NSFAS in terms of providing loans and bursaries are remarkable and represent success in terms of Government's redress agenda. It is also an example of best practice in promoting the access of previously disadvantaged students into higher education.

The performance of NSFAS in achieving the goal to provide access is remarkable, given the increase of loans and bursaries awarded for poor academically eligible students increasing substantially from R441 million assisting 29 176 students in the 1999 academic year to R37 billion assisting 346,270 TVET College students and 393,767 university students obtaining financial aid in 2019 academic year. The increase in the number of students funded in TVET colleges is in line with the White Paper for Post-School Education and Training, which states that the Department of Higher Education, Science and Technology (DHES) priority is to strengthen and expand the public TVET colleges.

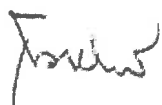
After the fee-free education pronouncement on 16 December 2017, Government has made available significant funding to cater for students coming from the poor and the middle-class families. Government has set aside more than R80 billion for the next three years to ensure that prospective students from poor and working-class families with a combined household income of R350 000 per annum have access to higher education and training. This is a massive investment in student support and an important policy of government to support and transform the higher education and training system and society.

Despite the initiative of the fee-free education by the South African Government, NSFAS performance and financial position has regressed as affirmed by the Auditor General's report during 2019/20 financial year. The Board and the Executive officer have been appointed to steer NSFAS towards good governance in an effort of stabilising the institution and improving audit outcomes.

The 2021/22 Annual Performance Plan has been revised in order to address the audit findings and the challenges that the entity is faced with in an effort of improving the financial and performance environment of the institution. A review of NSFAS business processes is in progress in order to provide advice to the Minister on the future development of the entity.

I am confident that the NSFAS will address the matters raised in the Report of the Auditor-General and will reposition itself to provide efficient and effective financial aid to students through the student-centred model.

Mr. Ernest Khosa



..... (signature)

Accounting Authority

Official Sign-Off

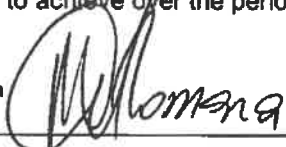
It is hereby certified that this Annual Performance Plan:

- Was developed by the management of the National Student Financial Aid Scheme under the guidance of Dr. Bonginkosi E Nzimande
- Takes into account all the relevant policies, legislation and other mandates for which National Student Financial Aid Scheme is responsible.
- Accurately reflects the Impact, Outcomes and Outputs which the National Student Financial Aid Scheme will endeavour to achieve over the period 2021/22

Mr. Luyanda Mathomana

Signature: _____

Acting Chief Information Officer



Ms. Sibongile Mncwabe

Signature: _____

Chief Corporate Services Officer



Ms. Nthuseng Mphahlele

Signature: _____

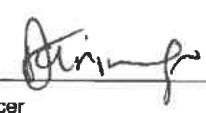
Chief Operation Officer



Mr. Itayi Daringo

Signature: _____

Acting Chief Financial Officer



Ms. Nqwenelwa Nceda

Signature: _____

Head Official responsible for Planning



Mr. Andile Nongogo

Signature: _____

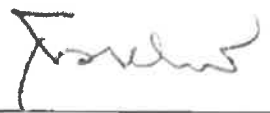
Executive Officer



Mr. Ernest Khosa

Signature: _____

Accounting Authority



Approved by:

Dr. Bonginkosi E Nzimande

Signature: _____

Executive Authority



PART A: OUR MANDATE

1. CONSTITUTIONAL MANDATE

The Constitution of the Republic of South Africa, 1996

The Bill of Rights of the Constitution of the Republic of South Africa Act (108 of 1996) states in section 29 (1) (a): “Everyone has the right...to a basic education, including adult basic education; and to further education, which the state, through reasonable measures, must make progressively available and accessible.”

NSFAS contributes to the attainment of the rights described in section 29 by providing financial aid to students from poor and working-class families. NSFAS enables these students to access post-school education, thereby redressing the results of past racially discriminatory laws and practices. The mandate includes the recovery of student loans and raising funds for student loans and bursaries.

The core objectives of the National Student Financial Aid Scheme are based on the following constitutional mandate:

i) The Constitution of the Republic of South Africa, 1996

NSFAS was established according to the National Student Financial Aid Scheme Act (Act 56 of 1999 as amended) and incorporated TEFSA (Tertiary Education Fund of South Africa) from 1993 to 2000, TEFSA was the primary non-profit company in terms of Section 21 of the Companies Act and ceased to operate in July 2000. All existing loans on the TEFSA books were transferred to NSFAS.

The Constitution of the Republic of South Africa, (Act 108 of 1996) also establishes two key bodies that play an oversight role over NSFAS. The Portfolio Committee on Higher Education and Training is established by the rules of the National Assembly as enshrined in Section 57(2) (a). The Committee is therefore an extension of the National Assembly and derives its mandate from Parliament. The Select Committee on Education and Recreation is a Committee of the National Council of Provinces (NCOP). Functions of this committee amongst others are to monitor the financial and non-financial performance of government departments and their entities to ensure that national objectives are met.

ii) NSFAS Act 56 of 1999 as amended; is established to provide the following;

- Provide loans and bursaries to eligible students;
- Develop criteria and conditions for the granting of loans and bursaries to eligible students in consultation with the minister of higher education and training;
- Raise funds;
- Recover loans;
- Maintain and analyse a database and undertake research for the better utilisation of financial resources;
- Advising the minister on matters relating to financial aid for students; and
- Undertaking other functions assigned to it by the NSFAS act 56 of 1999 as amended or by the Minister.

- iii) Following various Ministerial reports and task teams over the past few years, the need for the NSFAS Act to be reviewed has been recognised by the DHET. A task team was put in place to consider the critical changes to the Act that needs to be made. These changes had to be in line with key recommendations from the MTT report and the NSFAS practices, evolved over time and in response to changing needs within the sector and codified through rules produced by NSFAS.

Following the fee-free education announcement, the Minister of Higher Education and Training published regulations in the (Government Gazette Vol. 631, No. 413901) to the NSFAS Act for public comment which confirms NSFAS's mandate, in consultation with the Minister (Government Gazette Vol. 634, No. 415542) in that it may determine and revise:

- criteria for eligibility for financial aid; and
- set different eligibility criteria for different forms of financial aid.

The regulations also expand NSFAS's mandate to include:

- Entering into Public Private Partnerships (PPPs) to enable NSFAS to extend, and/or administer, and/or recover loans granted for financial aid; and
- Making payment of such amount of the loan or bursary as is not payable to the institution, to the borrower or bursar or to the approved service provider for payment to the borrower or bursar.

2. UPDATES TO THE RELEVANT LEGISLATIVE AND POLICY MANDATES

2.1 Legislative mandate

The legislations outlined below make provision for government planning, monitoring of performance, reporting and evaluation.

i) Public Service Regulations, 2016

Chapter 3 of the Public Service Regulations provides requirements for the preparation of Strategic Plans, Annual Reports and the Service Delivery Improvement Plan. Regulation 25 outlines the requirements for the development of Strategic Plans and related reporting systems. Regulation 31 makes provision for the development, tabling and submission of Annual Reports. Regulation 38 provides the requirements of Service Delivery Improvement Plans which must be informed by the Strategic Plans.

ii) The Republic of South Africa (1997) Higher Education Act, No. 101 of 1997 aims to:

- Regulate Higher Education;
- Provide for the establishment, composition and functions of a Council on Higher Education;
- Provide for the establishment, governance and funding of public higher education institutions;
- Provide for the appointment and functions of an independent assessor;

- Provide for the registration of private higher education institutions;
- Provide for quality assurance and quality promotion in higher education; and
- Provide for transitional arrangements and the repeal of certain laws; and to provide for matters connected therewith.

iii) Continuing Education and Training Act, No. 16 of 2006 aims to:

- Enable students to acquire-
 - The necessary knowledge;
 - Practical skills; and
 - Applied vocational and occupational competence; and
- Provide students with the necessary attributes required for-
 - Employment
 - Entry to a particular vocation, occupation or trade; or
 - Entry into a higher education institution.
- The Act applies to all education institutions which have been established or declared a public college or registered as a private college in terms of this Act.

iv) Public Finance Management Act 1 of 1999

As a public entity, NSFAS is also subject to the Public Finance Management Act (PFMA), Act 1 of 1999, in terms of which NSFAS is listed as a Schedule 3A public entity. The NSFAS Act specifies that the board must manage, govern and administer NSFAS. The Act requires the board to establish a five-member board executive committee and a board finance committee. NSFAS is listed as a Schedule 3A national public entity in terms of the PFMA. These entities are extensions of a department with the mandate to fulfil a specific economic or social responsibility of government. Boards of public entities have considerable fiduciary responsibility including the “reasonable protection of the assets and records of the public entity” and prevention of “any prejudice to the financial interests of the state”.

v) Treasury Regulations, 2005

The Treasury Regulations outlines the requirements for the development and submission of Strategic Plans, as well as, related quarterly performance reporting. In addition, National Treasury Note 33 of 2011 regulates the development of Strategic and Annual Performance Plans according to the framework for Strategic Plans and Annual Performance Plans.

vi) Public Audit Act, 2004 (Act 25 of 2004)

This Act assigns the supreme auditing function to the Auditor-General, which includes the auditing of the administrations of public entities. Audit reports on all entities are tabled in parliament.

vii) National Credit Act (Act 34 of 2005)

NSFAS is subject to the National Credit Act (NCA) (Act 34 of 2005), which requires all credit providers to register with the National Credit Regulator (NCR). The NCA prevails over all other legislation dealing with the provision of credit. NSFAS is registered as a credit provider under registration number NCRP 2655.

2.2 Policy Mandate

2.2.1 Government priorities that NSFAS contributes to as per the 2019 State of the Nation Address (SONA)

PRIORITY	DESCRIPTION	CONTRIBUTION
Priority 1	A Capable, Ethical and Developmental State	Indirect contribution
Priority 2	Economic Transformation and Job Creation	Indirect contribution
Priority 3	Education, Skills and Health	Direct contribution
Priority 7	A Better Africa and World	Indirect contribution

2.2.2 National Development Plan – 2030

Outcomes of the NDP which NSFAS directly and indirectly contributes to:

OUTCOME	DESCRIPTION	CONTRIBUTION
Outcome 5	Skilled and capable workforce to support an inclusive growth path.	Indirect contribution
Outcome 2	Further and higher education and training that allows people to fulfil their potential. An expanding higher education sector that boosts incomes and productivity and shifts South Africa towards a knowledge-based economy.	Direct contribution

The National Development Plan (NDP) - 2030 provides the policy framework within which NSFAS has developed its strategic plan. It details the challenges that the country is facing as well as the strategic choices that must be made to create a better life for all South Africans.

The NDP provides extensive detail on the nine challenges facing South Africa, amongst these and of particular importance to NSFAS is the challenge that “**The quality of school education for black people is poor**”. As a response to these challenges, the NDP aims to eliminate poverty and reduce inequality by 2030 by:

- Raising employment through faster economic growth;
- Improving the quality of education, skills development and innovation, and
- Building the capability of the state to play a developmental, transformative role.

On improving education, skills development and innovation, the NDP further provides a broad framework for student financial aid in South Africa:

(i) Funding for qualifying students

“Provide all students who qualify for the National Student Financial Aid Scheme with access to full funding through loans and bursaries to cover the costs of tuition, books, accommodation and other living expenses”.

(ii) Collections

“The National Student Financial Aid Scheme... should be recovered through arrangements with the South African Revenue Service”.

2.2.3 Policy Framework for the Government -Wide Monitoring and Evaluation System (GWME) (2005)

The Framework identifies programme performance information as one of the data terrains underpinning GWME, focusing on information that is collected by government institutions in the course of fulfilling their mandates and implementing the policies of government.

2.2.4 Framework for Managing Programme Performance Information (FMPPI) (2007)

The framework outlines the key concepts in the design and implementation of management systems to define, collect, report and use performance information in the public sector. This framework stipulates that performance information is essential to focus the attention of the public and oversight bodies on whether public institutions are delivering value for money, by comparing their performance against their budgets and service delivery plans and to alert managers to areas where corrective measures are required.

2.2.5 The Medium-Term Strategic Framework

- The Medium-Term Strategic Framework (MTSF) is Government's strategic plan for the 2020-2025 electoral term. It reflects the commitments made in the election manifesto of the governing party, including the commitment to implement the NDP. The MTSF sets out the actions Government will take and targets to be achieved. It also provides a framework for the other plans of national, provincial and local government.
- The MTSF sets targets on the achievement of the NDP goals over its 5-year period for each of the 14 outcomes. Table 1 below shows the three MTSF targets set for the DHET for which NSFAS is responsible for implementing as part of outcome 5 deliverables.

The following tables indicate the DHET MTSF targets which NSFAS is responsible for:

MTSF Outcome Priority 3; Education, Skills and Health

No	Indicator	Baseline	2020/21 Targets	2021/22 Targets	2022/23 Targets	2023/24 Targets
1	Amount of financial Aid raised from new funders for qualifying students per year	R39.9m	—	—	—	—
2	Amounts of funds recovered from NSFAS debtors per academic year	R551.3m	R386.8m	R425.5m	R489.3m	R587.2m

Impact indicators

No	Impact Indicator	Baseline	2020/21 Targets	2021/22Targets	2022/23 Targets	2023/24 Targets
3	Number of TVET college students receiving funding through NSFAS bursaries annually	346 270 per annum NC(V) and Report191 students awarded bursaries in the 2019 academic year	305 400 per annum qualifying NC(V) and Report191 TVET students awarded bursaries by 31 March 2019 (dependent on available funding)	310 900 per annum qualifying NC(V) and Report191 TVET students awarded bursaries by 31 March 2020 (dependent on available funding)	329 554 per annum qualifying NC(V) and Report191 TVET students awarded bursaries by 31 March 2021 (dependent on available funding)	346 258 per annum qualifying NC(V) and Report191 TVET students awarded bursaries by 31 March 2022 (dependent on available funding)
8	Number of university students receiving funding through NSFAS bursaries annually	393 767 (2019 academic year)	426 263 eligible students obtaining financial assistance annually from 2019 academic year	427 851 eligible students obtaining financial assistance annually from 2020 academic year	431 412 eligible students obtaining financial assistance annually from 2021 academic year	439 659 eligible students obtaining financial assistance annually from 2022 academic year

3. UPDATES TO INSTITUTIONAL POLICIES AND STRATEGIES

3.1 NSFAS policies are as follows:

- DPSA - Incentive Policy Framework for employees on salary level 1-12
- DPSA - Determination on leave of absence
- DPSA - Secondment Policy
- DPSA - Determination on Long Service Recognition
- DPSA - Determination on working time
- NSFAS - Recruitment and Selection Policy
- NSFAS – Remuneration – Travel and Subsistence Allowance
- NSFAS – Employment of staff – Relocation Policy
- NSFAS – Employment of Staff – People with Disabilities
- NSFAS – Staff education, Training and Development Policy
- NSFAS – Employment Relations Policy
- NSFAS – Performance Management Policy
- NSFAS – Employment of Staff – Employment Equity Policy
- NSFAS – Employment of Staff – Employment Relations – Sexual Harassment Policy
- NSFAS - Employee Relations – Employee Assistance Programme Policy
- NSFAS - Employee Relations – Substance abuse Policy
- NSFAS – Remuneration Policy
- NSFAS – Private work Policy
- NSFAS – Cellphone Allowance Policy
- NSFAS - Supply Chain Management Policy
- NSFAS – Performance Information Management
- NSFAS - Student Funding Policy
- NSFAS - Policy for the funding of students with disabilities
- DHET Bursary Rules and Guidelines for universities
- DHET Bursary Rules and Guidelines for TVETS
- NSFAS Eligibility Criteria
- N+ Rule: University
- N+ Rule: TVET

3.2 Strategies over the five-year period.

Strategic Outcome Oriented Goals	Goal 1	Goal 2
Goal Statement	<p>An effective, efficient and transparent public entity in providing student financial aid</p> <p>To implement effective, efficient and transparent processes and operations to ensure stakeholder objectives are achieved</p>	<p>Increased access to higher education and improved student financial aid environment to poor and working-class</p> <p>To increase access to funding for eligible students by raising funds, maximising loan recoveries and creating a student-centred bursaries model through improved communication support for students and a central application process</p>
Outcomes	<p>Outcome 6 - Clean governance embedded in all behavior practices</p> <p>Outcome 7 – An optimal organisation that deploys resources efficiently</p>	<p>Outcome 1 - Alternative pool of funding available for eligible students</p> <p>Outcome 2 - A sustainable and improved systems for recoveries</p> <p>Outcome 3 - Fund the right student, correct amount at the right time</p> <p>Outcome 4 - Engaged and informed stakeholders</p> <p>Outcome 5 - Research and knowledge management database for improved decision making and stakeholder needs</p>
Strategic objectives	<p>Strategic objectives 6 - Improve and maintain financial, performance management and IT governance audit outcomes</p> <p>Strategic Objective 7 - A conducive fit for purpose organisation of high performance and productivity</p>	<p>Strategic objectives 1 - Increase in funding (Rand value) raised for financial aid for qualifying students</p> <p>Strategic Objective 2 – Increase the recovery rate from NSFAS debtors</p> <p>Strategic objectives 3. - Improve the efficiency of the application, evaluation, funding of students and payments to institutions and eligible students</p> <p>Strategic objectives 4 - Improve service level to customers and stakeholders through monitoring customer satisfaction and taking corrective action where necessary</p> <p>Strategic objectives 5 - Undertake research for the better utilisation of financial resources</p>
Performance Indicator	<ul style="list-style-type: none"> • Audit Opinion of the AGSA • Status level 3 for CGICTAS achieved 	<ul style="list-style-type: none"> • Amount of funds (Rand value) raised from new funders • Amount of money recovered (Rand value) from NSFAS debtors • Percentage of all valid applications received in each academic cycle,

<ul style="list-style-type: none"> • Baseline level of maturity with respect to Cyber Security • Obtain ISO 9001 :2015 Certification in identified areas • Percentage of approved funded positions filled per annum • Percentage of training interventions rolled out according to the Human Resource Training Plan • Leadership behaviour 360-degree survey completed 	<p>where provisional funding decisions are communicated to applicants within 30 days of the closing date</p> <ul style="list-style-type: none"> • Percentage of continuing students where provisional funding process is completed within 10 days of receipt of academic progression or academic results from Institutions and DHET • Percentage of first-time entry students where bursary accounts are created within 10 days of receipt of registration data from institutions • Percentage Increase in the number of new applicants with disabilities that are provisionally funded. • Percentage of funded University students for which the instalments of tuition and allowances to institutions are paid on the 25th day of every second month • Percentage of TVET funded students for which the instalment of tuition and allowances (where NSFAS disburses directly to students or Institutions) are paid on the 25th day of each month. • A framework for the measurement of customer (student) and stakeholder satisfaction • Number of research reports produced each financial year • Number of Policy Advisory briefs per the research conducted
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4 UPDATES TO RELEVANT COURT RULINGS

4.1 In the matter between Red Coral Investments vs NSFAS & CPUT held at Cape Town High Court: case no: 15314/15

This matter was instituted by Red Coral investments against CPUT and NSFAS in August 2015. Red Coral Investments alleged that CPUT and/or NSFAS are liable for outstanding rental payments owed to Red Coral Investments. The matter / claim was subsequently withdrawn against NSFAS along with a cost order in favour of NSFAS in respect of its legal costs. The withdrawal by Red Coral Investments brought to an end a 30-month long accommodation dispute, which ended favourably for NSFAS. NSFAS' participation in the matter was minimal as CPUT and Red Coral Investments were contesting an exception to Red Coral's particulars of claim. The matter was appealed to the Supreme Court of Appeal. The appeal focused on payment of funds to institutions versus the payment to third parties.

Ruling: The applicant withdrew the case and was ordered to pay the respondent's (NSFAS) legal costs.

4.2 In the matter between Mr Ndlovu vs NSFAS - delays in Mr. Ndlovu's confirmation of registration and funding

Mr. Ndlovu, a prison inmate, was granted an order in the South Gauteng High Court on 4 August 2016 which required NSFAS to make funding available to him. This court order was complied with and tuition was paid for the 2017 academic year. Mr. Ndlovu was however not able to access his sBux allowances and the matter / request was referred to the sBux Servicing Team. The matter was not resolved, and Mr. Ndlovu again approached the South Gauteng High Court for an order to compel NSFAS to pay the sBux allowances. NSFAS could not comply to the court order due to short notice. Mr. Ndlovu once again approached the court for a contempt of court order against NSFAS. The hearing took place on Thursday 24 August 2017, the sBux Servicing Team was able to release the allowances prior to the hearing date. Mr. Ndlovu was then required to complete a Schedule of Particulars on the NSFAS website, was made available to him by Tuesday 30 August 2017. During February 2019 the NSFAS Legal Services Unit was advised that Mr. Ndlovu, who is now a parolee, again approached the South Gauteng High Court as his NSFAS Funding Application for the 2019 Academic Year through UNISA was not captured. NSFAS advised the court the matter was between Mr. Ndlovu and UNISA.

Outcome: The matter was resolved outside of court, Mr. Ndlovu was required to complete a Schedule of Particulars on the NSFAS website, his allowances were paid to him on Tuesday 30 August 2017 amicably.

4.3 In the matter between Mr. Njabulo Mavuso vs NSFAS held in the Grahamstown High Court: Eastern Cape division under case no. 1002 / 2018 – delays in NSFAS communicating funding decisions to students: Mr Njabulo Mavuso (Rhodes University).

Mr. Njabulo Mavuso, was granted a hearing date in the Grahamstown High Court, Eastern Cape Division under Case No: 1002 / 2018 on the 05th April 2018 on an urgent basis to compel NSFAS to provide a funding decision in terms of Section 6 (2)(g) and Section 6 (3)(a) of the Promotion of Administration of Justice Act 3 of 2000 (PAJA) for financial assistance for the 2018 academic year. Mr. Mavuso applied for financial assistance from NSFAS on the 16th November 2017 as he claims he qualifies for funding since his household income is below R350 000.00 per annum threshold. A list of 53 students / complainants was submitted to NSFAS where funding decisions / status updates were still pending a final outcome.

Outcome: The Applicant withdrew the case from the court roll pending the outcome of funding decisions for the additional 53 Students. As of the 03rd October 2018 there has been no further development in this matter or engagement with the Legal Resource Centre.

4.4 In the matter between student accommodation consultancy & 5 others vs NSFAS held at Eastern Cape High Court – Port Elizabeth Division - case no. 1966/18: delays in Nmmu paying accommodation merchants for NSFAS funded students

NSFAS (2nd Respondent) vs Student Accommodation Consultancy & 5 others: Case No: 1966/18 Eastern Cape High Court Port Elizabeth Division – NSFAS was served with a Notice of Motion requesting Immediate Payment of Arrear Accommodation fees for NSFAS funded Students at NMMU Campus on an urgent basis on the 20th May 2018. After perusing the application and communicating with opposing counsel, NSFAS was advised by its External Legal Counsel that no relief was sought against NSFAS.

Outcome: The matter was resolved between NMMU and the Applicants/ Accommodation Merchants on the 21st June 2018 and the case was removed from the court roll, subject to the signing of a Settlement Agreement between the Parties concerned.

4.5 In the matter between Mr Kent Smith vs NSFAS held at case no: 17006/18: – application in terms of the Promotion of Access to Information Act (PAIA)

NSFAS was served with an urgent High Court Application to appear in the High Court of South Africa: Western Cape Division – Cape Town on Thursday, the 08th August 2019 at 10:00am under Case No: 17006/18. The Applicant in the matter, Mr. Kent Target Smith, an adult male person brought an Application before the Court in terms of Section 82 (b) of PAIA, where NSFAS has been cited as the Third Respondent, along with the University of Stellenbosch (First Respondent) and the Legal Aid Board of South Africa (Second Respondent). Robert Charles Attorneys were appointed through the SCM process and represented NSFAS on the 08th August 2019.

Ruling: None

The matter was postponed to a future date to allow for the parties to mediate and / or present the Applicant with the requisite information.

4.6 In the matter between Sibongile Mani vs Intellimali & Walter Sisulu University case no: case 20/09/2017

Sibongile Mani is a NSFAS funded student. During June 2017 she received a NSFAS allowance in excess of R14 000 000 (fourteen million Rand). It is alleged by Mr. Jackson, a director at IntelliMali, that Sibongile Mani did not report the error to WSU and spent more than R800 000 (eight hundred thousand Rand) of the erroneous disbursement.

Dispatch Live reported that Mr. Jackson testified that IntelliMali was responsible for managing WSU's NSFAS allowances in 2017. He suggested that a hacker or a glitch in the IntelliMali disbursement system led to the erroneous disbursement. It is important to note that the IntelliMali officials did not apportion any blame to NSFAS in relation to the erroneous allowance disbursed to Sibongile Mani. However, Times Live reported that Mr. Jackson, in his testimony, mentioned that in 2017 NSFAS disbursed funds to institutions later than is necessary to allow for the timeous disbursement of NSFAS allowances to students. He explained that if the amount to be disbursed to students was limited, the student would not receive the lumpsum when the late disbursement was made to the institution by NSFAS. It is however noteworthy that NSFAS is not a party to the court proceedings.

Ruling: None

The matter was postponed to the 11th November 2019 for further investigation.

PART B: OUR STRATEGIC FOCUS

1. UPDATED SITUATIONAL ANALYSIS

The appropriation Bill for 2020/21 financial year which was tabled by the Minister of Finance on 26 February 2020 did not cater for the financial implications related to the Coronavirus.

SARS – Cov-2 (COVID-19) outbreak has impacted the economies of the world and the country negatively. This has led the National Treasury to table the supplementary budget to accommodate the socio-economic challenges related to COVID-19. The budget review has shown that, the National Treasury expects a GDP growth of 2.6% in 2021 FY and only 1.5% in 2022 and 2023.

Due to the negative impact of COVID-19 in society, the National Treasury has revised the global economic growth which was initially 3.3% to a negative 5.2% in 2020. Funds have been re-prioritised towards social grants and health care provision, in light of this pandemic. Government has also outlined ways to implement measures to avoid the slowdown on economic growth. The emphasis is on the need to use the situation to forge the new economy in a new global reality.

There have been budget cuts across government Institutions in order to accommodate Personal Protective Equipment (PPE's) due to COVID-19 pandemic. Government have also extended the academic year in Institutions of Higher Learning.

The 2020-2025 Mid Term Strategic Framework (MTSF) is a five-year strategic plan of government and forms part of the five-year implementation phase of the National Development Plan (NDP). The MTSF is structured around 7 priority outcomes, which the Department of Higher Education and Training, Science and Innovation (DHESI) is responsible for Priority 3; *Education, skills and health*. NSFAS is key to supporting this outcome by increasing access of students to TVET colleges and higher education institutions to make further education progressively available and accessible, as enshrined by the Constitution.

This context is further exacerbated by the historical income disparities within the country. This was demonstrated in a survey conducted in 2016 which was based on the census data at the time:

BMR household income* segmentation 2016

Household Income Group	2016 Income Brackets per annum	Description	% of Total Households	% Share of Income	Primary Sources of Income
Group 1	R0 – R20,500	Lowest	18.9%	0.9%	38% salaries, 37% grants
Group 2	R20,502 – R89,000	2 nd Lowest	43.4%	10.7%	58 % salaries, 30% grants
Group 3	R89,000-R202,500	Low emerging middle	16.3%	12.0%	86% salaries
Group 4	R202,500 -R412,000	Emerging middle	10.0%	16.0%	86% salaries
Group 5	R412,000 – R707,000	Realised middle	5.9%	17.5%	84% salaries
Group 6	R707 000– R1,512,000	Emerging affluent	4.3%	22.7	87% salaries
Group 7	R1,512,000 - R2,414,000	Affluent	0.8%	1.90%	90% salaries
Group 8	R2,414,000 plus	Wealthy	0.4%	12%	60% investments 36% salaries

Source: 2016 Standard Bank “BMR”

This research demonstrates that, based on 2016 estimated household income, over 90% of students in South African households would qualify for NSFAS funding in the current policy dispensation (i.e. households earning R350k per annum).

The former loan and bursary scheme was changed to a fully subsidised bursary scheme in 2018 with no repayable loan component. The financial definition of poor and working-class households was redefined from those with household income of less than R122,000 to ones with household income of up to R350,000 per annum. Prior to this change in 2018, there were two policy mechanisms that regulated the number of NSFAS funded students who qualified for funding to remain within the allocated budget:

- Each institution was given an allocation of NSFAS funding.
- Applicants were ranked according to their estimated family contribution and their academic performance, amongst other criteria.

This meant that while many students were eligible for NSFAS funding, the funding was not guaranteed.

The introduction of the bursary scheme in 2018 thus did not only expand the number of NSFAS funded students in terms of those with household income of R122 000 per annum to R350 000 per annum, but also allowed all those students within the R122 000 household income range to qualify for funding, pending a registration at an institution.

Trends in the increase in NSFAS funded students as a percentage of enrolment plans demonstrate the expansion of the demand for NSFAS funds.

Given the COVID-19 pandemic, combined with other negative economic indicators such as credit rating downgrades and reported job losses, NSFAS expects that the demand for NSFAS funds will increase sharply over the MTEF period.

Administratively, NSFAS has been faced with significant challenges. At the heart of these challenges are a suite of systems that are not-fit-for purpose and a poor governance environment with NSFAS funding policies not properly enforced. This has led to the entity adapting to changes in policy with difficulty leading to processing errors and inefficiencies. Significant effort has been directed at stabilising systems, implementing and enforcing NSFAS loan and bursary rules and improving funding and disbursement processes. These efforts will need to continue until target performance levels are achieved.

1.1 The Theory of Change in Planning

Given the background analysis, the theory of change in planning will be employed in order to tease out the problems that the entity is faced with, the effects of the problem and the possible solutions. This will assist the entity in identifying the outputs, developing the outcomes and how the theory will impact the entity and the society in the long run.

PROBLEM STATEMENT	
Strategic Outcome-Orientated Goal 1:	Strategic Outcome-Orientated Goal 2:
An effective, efficient and transparent public entity in providing student financial aid	Increased access to higher education and improve student financial aid environment to poor and working-class
Problems	
Regression in the audit Opinion of the AGSA	ICT Challenges (system to system integration)
Poor overall organisational performance	Application automatically retracted from the system
Low status level of the Corporate Governance of Information Communication Technology (CGITAS)	Communication barriers between the Contact-Centre and operations in terms of resolving student queries
Compromised policy environment	Poor system integration between NSFAS and institutions of higher learning. (corrupted data received from institutions and delays in receiving registration data from institutions)
Low staff morale	Missing supporting documentation during the application process
High turnover rate	Funding incorrect students
Irregular Expenditure as a result of contracts not being signed by students	Over disbursements to students
	Failure to recover monies owed by institutions due to upfront payments for registration of students

SOLUTION STATEMENT	
Strategic Outcome-Orientated Goal 1:	Strategic Outcome- Orientated Goal 2:
An effective, efficient and transparent public entity in providing student financial aid	Increased access to higher education and improve student financial aid environment to poor and working-class
Solutions	
To improve the financial environment	To improve ICT systems
To implement strategy in order to improve the overall performance of the organisation	To have an integrated ICT system
To improve internal controls and mitigate risk	To integrate system between the Contact-Centre and Operations to minimize risk to our external stakeholders
To have efficient and effective ICT systems in order to improve the performance of the institution	To have weekly meetings between Contact-Centre and operations
To develop and implement employee engagement programmes	Virtual Contact-Centre is in place
To conduct job satisfaction survey	Contact-Centre to consider and implement the call back option
To recruit employees who are fit for purpose	To have an integrated system between NSFAS and the institutions of higher learning
To create a conducive environment, adopt employee retention programme and make NSFAS the best place to work for	MyNSFAS for updating student particulars is in place
To improve policy environment, develop policies in line with the DPSA guidelines	Develop and implement strategies to recover funds owed by institutions
To improve the status level of Corporate governance of Information Communications Technology to be in line with the department of Communication and Technology and DPSA	
To be in line with MPAT (Management Performance Assessment Tool)	

2. EXTERNAL ENVIRONMENT ANALYSIS

2.1 The Impact of COVID-19 and recession in the South African Economy

According to recent statistics revealed by the Department of Economic Development and Tourism, the South African economy will only reach levels prior to COVID-19 levels in 2023/24. This means, the employment levels and the ability of the local economy to create jobs and minimise the high levels of unemployed is negligible. South Africa borrowed almost R70 Billion, indicating that we will be indebted to international banks for the foreseeable future.

Manufacturing production has plunged by 32.4% in May, following its steep 49.3% year on year decline in April 2020. Many businesses have closed, retrenching employees or cutting down wages in order to keep the businesses afloat. Government has responded by making money available to small and medium size businesses in order to pay salaries.

The travel and tourism sector have also fallen apart, and government has announced that this sector will take two to three years to get back to pre-COVID-19 conditions.

There have been budget cuts across government Institutions in order to accommodate Personal Protective Equipment (PPE's) due to COVID-19 pandemic. Government has also extended the academic year in Institutions of Higher Learning.

The Department of Public Service and Administration did not implement the last leg of salary increments of government officials, citing the economic slowdown and non-affordability of the public sector wage bill. Government is citing that government officials are highly compensated and a massive budget in the public sector caters for the Compensation of employees. Salary freeze was done in order to avoid a full-blown debt crisis.

The South African economy has faced further economic challenges due to a downward spiral. The rating agencies like Moody's has downgraded the country's economic status to junk status impeding economic development. Recent declines in the rate of the GDP has further exasperated the problem of economic recovery in the country.

2.2 Recoveries

NSFAS continues to recover loans from debtors. The fee- free education is impacting negatively on the recoveries. NSFAS has developed and implemented the recoveries strategy which includes obtaining payroll deduction agreements from public sector employees and debit order mandates from Private sector debtors via the engagement of external debt collectors. The entity has continued engagement with the long and short-term insurance companies and have onboarded a service provider to provide a platform for the integration between the entity and the insurance companies for payroll deductions.

Collections from the public sector which is the key driver on recoveries continues to stagnate, despite a number of efforts made to increase collections. There has been a decline on recoveries target for the past two financial years 2018/19 and 2019/20. The historic debt settlement announcement by the Department of Higher Education, Science and Innovation towards the end of the 2019/20 financial year has also contributed to unpaid debit orders by NSFAS debtors. Collections from the public sector, which were the key driver of performance in this area, stagnated despite a number of efforts made to increase collections. It should be noted that, the announcement of the historic debt settlement has contributed to unpaid debit orders as NSFAS debtors were under the impression that their debts will be written off.

The following strategies will be used to strengthen debt collection:

- The entity will continue to work with SARS in order to determine our current debtors that are in the employ of both private and public sector.
- NSFAS will engage with the public sector for all new employees (NSFAS debtors) to sign a consent form for NSFAS salary deductions.
- The entity will engage with the private sector in order to assist on identifying NSFAS debtors in order to collect monies that are still owed to the entity.
- NSFAS will engage with the broader community on different platforms to create awareness and encourage its debtors to pay in order to improve funding for first time entrants.

2.2 Fundraising

NSFAS continues to receive funding from government and the private sector in order to overcome the imbalances of the past by providing grants to individuals coming from poor and middle-class families. Government continues to provide support and make calls to the private sector to assist in providing access to education as one of the enshrined rights as embedded in the Constitution of the Republic.

In light of the Presidential Pronouncement on Fee-Free Education, NSFAS annual budget continues to expand from R11.8 billion in 2017/18 to R20.1 billion in 2018/19 and R37 billion in 2019/20 financial year. The change in policy has a direct bearing on the sustainability of the scheme.

Due to the increased burden on the pool of funding and an increase in FTENS' (first time entrants), the organization continues to incorporate fundraising strategies into its mandate.

Efforts are made by NSFAS to raise funds from the public and private sector in South Africa. NSFAS continues to build internal fundraising capability. This will allow the organisation to fully implement the fundraising strategy which is based on the following pillars:

- Raising funds from the private sector;
- Generating income through the student-centred model merchant commission;
- Increasing the amount of funding obtained from SETAs;
- Increasing the amount of funding obtained from other government departments; and,
- Entering into Public Private Partnerships (PPPs) with a variety of entities in the private or public sectors.

2.3 Stakeholder engagement

NSFAS has played a pivotal role in strengthening relations with its stakeholders. The entity has worked closely with DHET and its funder community, the university sector through Universities South Africa (USAf), the TVET college sector through the South African College Principals Organization (SACPO), the student movements such as South African Union of students (SAUS) and South African Further Education and Training Students Association (SAFETSA). This initiative was to ensure common understanding of the key issues, alignment on strategies to monitor, implement and communicate our responsiveness.

NSFAS developed a framework for stakeholder engagement to be a central coordinating mechanism for identified stakeholder groupings. With the support of the DHET, two coordinating structures in the university and TVET Colleges were established. Dedicated servicing team for the university and TVET sector has been operationalized.

These teams play a pivotal role in ensuring that synergy is created between NSFAS and Institutions by providing high quality support and service for all pre and post funding queries in a timely manner. A lot of effort has been put in place to ensure that all queries are resolved within the parameters of service level agreements.

The NSFAS Contact-Centre is also playing an important role in the operational aspect of NSFAS. Creating a positive student experience continues to be a major goal for the organisation.

NSFAS continues to engage and attempts to strengthen relationships with core PSET stakeholders, such as the Portfolio Committee on Higher Education and Training (PCHET), the DHET, Funder community, student and institution bodies. These relationships are key to improving the entity's service delivery.

3. INTERNAL ENVIRONMENT ANALYSIS

- 3.1 A black swan event, COVID-19 hit the world and changed our normal ways of operations. This has impacted on the educational programme and the delivery thereof. Remote ways of learning had to be adopted due to challenges related to COVID-19 pandemic which had negatively impacted face to face ways of learning. Further to that, workplaces could not presume, and massive gatherings were not allowed due to the lockdown restrictions and a reduced number of the workforce enforced by National Government.

- **NSFAS on student allowances during COVID-19 Coronavirus lockdown**

Following the announcement by the President on the national lockdown in response to COVID-19 pandemic; the National Student Financial Aid Scheme (NSFAS) activated a business continuity plan. The business continuity plan was implemented to facilitate continuous funding to students, resolution of student applications queries, processing of appeals and general assistance to institutions using virtual platforms to administer funding. NSFAS had to liaise with its internal and external stakeholders on virtual platforms.

Through an establishment of a virtual Contact-Centre for operations during the lockdown, NSFAS has processed a large number of inquiries on a daily basis. The public entity remained fully functional and accessible through these platforms to ensure that students inquiries are attended to.

Due to the extension of the academic year, NSFAS received an additional allocation amounting to R4.6 Billion which was later revised to R2.5 Billion due to the extension of the academic year. This revision was due to the Department of Higher Education, Science and Innovation revised plans and registrations received after July 2020, which provided clarity that some Institutions will be able to complete the academic year within the normal timeframes.

NSFAS supported the academic year by ensuring that students continue to receive their allowances during this time of hardship and uncertainty in the country and the world at large. This was done in light of supporting students in order to sustain themselves and continue with online academic activities. For all registration templates received from Institutions of Higher learning, NSFAS was able to process all applications received. NSFAS receives registration data from public Universities and TVET colleges across the sector.

3.2 ICT system challenges

Systems were negatively impacted as they were not capacitated to deal with huge application numbers. Technological challenges, data integrity and integration between disparate ICT systems (primarily Phoenix and Cordys) resulted in data, system and process deficiencies being carried forward to the 2018/2019, 2019/20 and 2020/21 financial years. Another contributing factor is the leadership instability in the ICT environment. This contributes to the significant regression in the NSFAS financials and compromises the service delivery performance. NSFAS must ensure the wrap-up and conclusion of the previous academic year backlogs, preparation and execution of the funding cycle for the 2021 academic year.

The ICT systems supporting the core operations of the entity are not fit-for-purpose. This is indicated by:

- Insufficient user interfaces and accurate operational reporting that allows operational staff to execute and manage business process. This results in a continued and extensive reliance on ICT for the day-to-day running of operational business processes and creates avenues for business process and control deviations,

The data redundancy in the database designs means that maintaining data quality is compromised and requires extensive effort and exception reporting,

- The systems are expensive to maintain. Support teams are based internationally and foreign exchange differences impact on the cost of ICT support to the entity. Local skills are also hard to procure and recruit,
- As a result of the scarce available skills in the local market, key dependencies have been formed; creating significant people related risks within the entity, and
- The systems lack agility to adapt to policy changes. Any policy change, even if minor, often requires extensive ICT system development and testing which, in turn, pressurises the delivery schedule for funding and disbursements.

NSFAS ICT OBJECTIVES

To review, design, procure and implement ICT solutions, leveraging all the advantages of modern technology to seamlessly deliver on the NSFAS mandate.

TACTICAL – Short Term Objectives

1. Maintain system stability and availability
2. Reduce dependency by business operations on ICT for the running of business processes through the development of increased user interfaces, process automation and improved business intelligence and management reporting
3. Continuously enhance integration with institutions
4. Improve data integrity
 - Develop and implement a Master Data Management strategy
 - Define and implement Data Governance model
5. Reduce risk
 - Improve maturity on information and cybersecurity
 - Improve ICT Compliance to governance standards and policies
6. Improve ICT capabilities and capacity to support the business
7. Develop and retain a motivated and skilled ICT workforce

STRATEGIC – Long Term Objectives

1. Develop Enterprise Architecture (Business led)
 - Develop ICT Architecture Target State and Standards
2. Standardise and simplify the IT Operating model and governance
3. Implement a fit for purpose ICT core operational systems, as well as supporting ICT infrastructure that will:
 - Enable the business to service TVETs and Universities seamlessly
 - Allow for the management of multiple products, i.e. both loans and bursaries with ease
 - Lower the Total Cost of Ownership (TCO)
 - Eliminate the need for manual interventions
 - Enable full audit trails and accountability
 - Improves the ease with which students and institutions are served
4. Attract, develop and retain a highly motivated and skilled ICT workforce that has been right-sized and organised to deliver according to business requirements
5. Continuous and sustainable data integrity improvement that:
 - Enables a consistent NSFAS-wide view of financial and operational performance with ease
 - Provides front-line staff with an integrated view of students and institutions

3.4 Funding decisions

A high volume of applications resulted in delays in the finalization of funding decisions as the entity needed to reconfigure processes and the funding criteria to align with the presidential pronouncement. The entity is currently operating under two categories: namely the loans and bursaries. First-time entrants in 2018 are receiving bursaries and financial eligibility is assessed against a household income threshold of R350 000 per annum. Continuing students, that registered before the Presidential Pronouncement are still assessed against a household income threshold of R122 000 per annum. The criteria for students with disability has increased to a threshold of R600 000 family income per annum.

3.5 Human Resource capacity

NSFAS will be compelled to increase the technical staff component in order to address the severe poverty of systems functionality, integration and data integrity. Furthermore, NSFAS should employ right people for the right jobs, with clear roles and responsibilities in a fit for purpose organisational structure. This will create a conducive working environment which will enhance the staff morale and increase productivity and service delivery. There is a broadscale recognition that training is necessary at all levels in the organisation to create a capable workforce reflective of the demographics of South Africa and be responsive to the human capacity initiatives stemming from our National Development Plan (NDP).

It remains important to ensure that the resources in the organisation are optimally engaged and deployed to further the achievement of organisational objectives. In this regard, we need to optimize progressive human resource policies, career laddering for young entrants and career development opportunities, processes and practices in the organisation.

Consistent policy development and alignment with the Department of Public Service and Administration (DPSA) frameworks is ongoing and critical to improving human resource capacity in the entity. This work has been supplemented by a skills audit which was conducted as an initial step towards ensuring that the right people are employed and capacitated in the right jobs and to identify opportunities to transfer skills and knowledge.

One significant area within the scope of managing and optimising the organisation's human capacity is the work towards creating and maintaining a conducive working environment under the notion of making NSFAS one of the best public sector employers to work for.

3.6 Financial capacity

NSFAS is funded by the government to give grants to the poor academically deserving students to attend Universities and TVET Colleges. The fee-free education pronouncement has seen government allocate 33 billion in additional funding for the 2018 MTEF period. The budget was increased based on the modelling carried out by the DHEST. Government has committed to increasing spending on universities at a percentage of the Gross Domestic Product (GDP) from 0.68 percent to 1 percent over the following five years. Government has thus made a significant commitment to funding all financially and academically eligible students.

3.7 Governance and Risk Management

Various internal audit reports have indicated the lack of governance, policies, standards and operating procedures. The internal auditors have assessed the effectiveness of the NSFAS lines of defense as poor and characterised by compromised risk management and controls. Basic controls such as reconciliations and compliance to key legislative prescripts were compromised.

The internal auditors recommended that all lines of defense be strengthened, including that of internal audit and governance oversight. Various forensic investigations have been launched with some cases handed over to the authorities. Governance initiatives are ongoing to improve risk management and internal control of NSFAS.

4. THE CAPACITY OF NSFAS TO DELIVER ON ITS MANDATE

Strategic Objective 1	Internal Environment	
Increase in funding (Rand value) raised for financial aid for qualifying students	Strength	Weaknesses
	<ul style="list-style-type: none"> • Fundraising Strategy to recruit new funders is in place. • NSFAS continues to receive funding from government and the private sector 	<ul style="list-style-type: none"> • Lack of internal fundraising capability. • Poor system capacity to support funder reporting and student account reconciliation requirements
	External Environment	
	Opportunities	Threats
<ul style="list-style-type: none"> • Entering into Public Private Partnerships (PPPs) with a variety of entities in the private or public sectors 	<ul style="list-style-type: none"> • The change in funding model has a direct bearing on the sustainability of the scheme (fee free education). 	

		<ul style="list-style-type: none"> Increased number of eligible students due to loss of income in 2020 as a result of the COVID-19 pandemic puts a burden on the pool of funding available
Strategic Objective 2	Internal Environment	
Increase the recovery rate from NSFAS debtors	Strength	Weaknesses
	<ul style="list-style-type: none"> Recoveries Strategy to recover loans from debtors is in place A service provider has been onboarded to provide a platform for the integration between the entity and the insurance companies for payroll deductions. 	<ul style="list-style-type: none"> The fee-free education is impacting negatively on recoveries Decline on recoveries target for the past three financial years 2017/18, 2018/19 and 2019/20.
	External Environment	
	Opportunities	Threats
	<ul style="list-style-type: none"> Working with SARS in order to determine our current debtors. Engagements with the public sector for all new employees (NSFAS debtors) to sign a consent form for NSFAS salary deductions Working with private sector in terms of identifying NSFAS debtors for recoveries. To engage with the broader community to create awareness and encourage its debtors to pay. 	<ul style="list-style-type: none"> Stagnation of recoveries from debtors due to high unemployment rate in the country and reversals of debit orders during the December holidays. The historic debt settlement announcement by the DHEST in 2018 contributed to unpaid debit orders by NSFAS debtors Fee Free Higher Education impacts negatively the recovery rate from debtors
Strategic Objective 3	Internal Environment	
Improve the efficiency of the application, evaluation, funding of students and payments to institutions and eligible students	Strength	Weaknesses
	<ul style="list-style-type: none"> Funding policy is in place Business Rules for funding eligibility NSFAS created different platforms of communication to 	<ul style="list-style-type: none"> Delays in the finalization of funding decisions Poor technological systems to support business processes. Delays in processing of funds

	<p>increase awareness on NSFAS funding</p> <ul style="list-style-type: none"> • NSFAS has different channels for submission of application • Direct payments of allowances to students through the NSFAS wallet • Increased support to institutions through Serving Teams 	<ul style="list-style-type: none"> • Centralised functions (the limited footprint of NSFAS has a negative impact on access)
	External Environment	
	Opportunities	Threats
	<ul style="list-style-type: none"> • To strengthen stakeholder relations and partnerships • Stakeholder buy-in • To fund according to the critical and skills and the Human Resources Development Strategy • Reconsider loan funding • Reconsider ranking and funding implemented by NSFAs in prior years 	<ul style="list-style-type: none"> • A high volume of applications received which compromises systems, processes and data integrity • Inability of NSFAS to fund eligible students • Delays of registration templates from institutions
Strategic Objective 4	Internal Environment	
Improve service level to customers and stakeholders through monitoring customer satisfaction and taking corrective action where necessary.	Strengths	Weaknesses
	<ul style="list-style-type: none"> • Stakeholder engagement framework developed • Established business units for the University and TVET Colleges. • Teams for the university and TVET sector have been operationalized • Contact-Centre has been established to respond to queries 	<ul style="list-style-type: none"> • Inadequate, incorrect information provided to stakeholders • Delays in resolving queries from stakeholders • Lack of integrated system to provide the right information to stakeholders. • Unclear roles and responsibilities within the entity
	External Environment	
	Opportunities	Threats
	<ul style="list-style-type: none"> • Strengthening relations with its stakeholders 	<ul style="list-style-type: none"> • Stakeholder dissatisfaction due to unmet expectations of NSFAS service delivery

Strategic Objective 5	Internal Environment	
Undertake research for the better utilisation of financial resources	Strengths	Weaknesses
	<ul style="list-style-type: none"> • Research unit of NSFAS is in place 	<ul style="list-style-type: none"> • Inability to provide research reports to meet the required standards. • Inability to advise the Minister on matters pertaining to the financial aid • Poor quality data to inform research on targeted audience. • Research agenda not aligned to business practice
	External Environment	
	Opportunities	Threats
<ul style="list-style-type: none"> • Research opportunities available to provide reliable data for policy reviews and decision making • Research forums available to conduct more research. • Publishing and engaging on the NSFAS Research products 	<ul style="list-style-type: none"> • NSFAS data IP may be overtaken by competitors 	
Strategic Objective 6	Internal Environment	
Improve and maintain financial, performance management and IT governance audit outcome.	Strengths	Weaknesses
	<ul style="list-style-type: none"> • Funding is available to give grants to poor and working class, academically deserving students • The planning, finance, internal audit and risk units are in place. • Reasonable ICT facilities • Accessibility 	<ul style="list-style-type: none"> • Organisational structure not aligned to functions • Qualified audit outcomes • Non-compliance with Corporate Governance of ICT • ICT system challenges • Syndicated fraud • Information and Cyber threat • Poor organizational performance culture
	External Environment	
	Opportunities	Threats
<ul style="list-style-type: none"> • Strengthening partnerships with organisations that can assist the NSFAS to deliver on its mandate 	<ul style="list-style-type: none"> • Reputational risk due to non-delivery of key services • Non-compliance with governance imperatives 	

	<ul style="list-style-type: none"> • Development of a new system aligned to the business value chain 	<ul style="list-style-type: none"> • NSFAS not attractive to staff high level ICT skills
Strategic Objective 7	Internal Environment	
To improve organizational culture by improving capability and employee engagement	Strengths	Weaknesses
	<ul style="list-style-type: none"> • Trainings are being conducted to build a fit for purpose organisation • Change Manager appointed to deal with culture and change management in the organisation • Staff engagement sessions are regularised • Staff communication through internal media platforms 	<ul style="list-style-type: none"> • Lack of accountability • poor integration and flow of information across departments and within business units • Lack of appropriate skills to deliver on the mandate. • Poor policy environment • Pension fund and benefits system misaligned
	Internal Environment	
	Opportunities	Threats
<ul style="list-style-type: none"> • Leveraging the NSFAS Brand • Attracting talent to the NSFAS • Communicating success stories and profiling of beneficiaries 	<ul style="list-style-type: none"> • Brand reputation damage due to poor service delivery 	

PART C: MEASURING OUR PERFORMANCE

1. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

- 1.1. Programme 1: Administration
 - 1.1.1. Purpose: To implement effective and efficient processes and operations to ensure stakeholder objectives are achieved.
- 1.2 Programme 2: Student Centered Model
 - 1.2.1 Purpose: To increase access of funding for eligible students by raising funds, maximizing loan recoveries and creating a student- centered loans and bursaries model through improved communication support for students and central application process

2. PROGRAMME1: OUTCOMES, OUTPUTS, PERFORMANCE INDICATORS AND TARGETS

Outcome	Outputs	Output Indicators	Audited /Actual Performance					Annual Targets				
			Performance					Estimated Performance				
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	MTEF Period		
Clean governance embedded in all behavior practices	Audit Report generated and obtained by NSFAS	6.1 Audit opinion of the AGSA	Qualified Audit	Qualified Audit	Unqualified audit	Unqualified	Unqualified	Unqualified	Unqualified	Unqualified	Unqualified	Unqualified
	Third party report on CGICTAS	6.2 Status level 2 for CGICTAS achieved	CGICTAS level not achieved	CGICTAS level 1 not achieved	Achieve CGICTAS Level 2	Achieve CGICTAS Level 2	Achieve CGICTAS Level 3	Achieve CGICTAS Level 4	Achieve CGICTAS Level 4	Achieve CGICTAS Level 4	Achieve CGICTAS Level 4	Achieve CGICTAS Level 4
	Report on the level of maturity obtained	6.3 Baseline level of maturity with respect to Cyber Security	-	-	Level 1	Achieve Level 3	Achieve Level 3	Achieve Level 3	Achieve Level 3	Achieve Level 3	Achieve Level 3	Achieve Level 3
	ISO 9001:2015 Certificate obtained	6.4 Obtain ISO 9001: 2015 Certificate in identified areas	-	-	-	ISO 9001:2015 Certificate obtained	ISO 9001:2015 Certificate obtained	ISO 9001:2015 Certificate obtained	ISO 9001:2015 Certificate obtained	ISO 9001:2015 Certificate obtained	ISO 9001:2015 Certificate obtained	ISO 9001:2015 Certificate obtained
Optimal organisation that deploys resources efficiently	An approved organizational structure	7.1 Percentage of approved funded positions filled per annum	-	-	-	90%	90%	90%	90%	90%	90%	90%
	Report on training interventions conducted	7.2 Percentage of training interventions rolled out according to the Human Resource Training Plan	-	-	-	100%	100%	100%	100%	100%	100%	100%
	Survey completed	7.3 Leadership behaviour 360-degree survey completed	70%	-	-	80%	85%	90%	90%	90%	90%	90%

Programme 2: Outcomes, outputs, performance indicators and targets

Outcome	Outputs	Output Indicators	Annual Targets						
			Audited /Actual Performance		Estimated Performance	MTEF Period			
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Alternative pool of funding available for eligible students	Funds raised	1.1 Amount of funds (Rand value) raised from new funders	R0.00	R39.9m	-	R43.9m	R48.3m	R53.1m	R58.4m
A sustainable and improved systems for recoveries	Funds recovered from debtors	2.1 Amount of money recovered (Rand value) from NSFAS debtors	R512.8m was recovered from debtors	R628m was recovered from debtors	R551.3m	R425.5m	R489.3m	R587.2m	R704.6m
Fund the right student, correct amount at the right time	Bursaries funded to students and bursary accounts created	3.1 Percentage of all valid applications received in each academic cycle, where provisional funding decisions are communicated to applicants within 30 days of the closing date 3.2 Percentage of continuing students where provisional funding process is completed within 10 days of receipt of academic progression or academic results from Institutions and DHET 3.3 Percentage of first-time entry students where bursary accounts are created within 10 days of receipt of registration data from institutions 3.4. Percentage increase in the number of new applicants with disabilities that are provisionally funded.	-	-	-	90%	90%	90%	90%

	Bursaries funded to students	3.5 Percentage of funded University students for which the instalments of tuition and allowances to institutions are paid on the 25 th day of every second month	-	-	90%	90%	90%	90%
		3.6 Percentage of TVET funded students for which the instalment of tuition and allowances (where NSFAS disburses directly to students or institutions) are paid on the 25 th day of each month	-	-	90%	90%	90%	90%
Engaged and informed stakeholders	Stakeholder engagement surveys conducted	4.1 A framework for the measurement of customer (student) and stakeholder satisfaction	Framework not developed	-	Framework to be developed and approved	Stakeholder engagement index of 70%	Stakeholder engagement index of 80%	Stakeholder engagement index of 90%
Research and knowledge management database for improved decision making and stakeholder needs	Research reports produced	5.1 Number of research reports produced each financial year	No research reports produced	4 research reports produced	4	4	4	4
	Policy Advisory briefs produced	5.2 Number of policy advisory briefs per the research conducted	-	-	4	4	4	4

3. OUTPUT INDICATORS: ANNUAL AND QUARTERLY TARGETS

Output Indicators	Annual targets 2021/22	Q1	Q2	Q3	Q4
1.1. Amount of funds (Rand value) raised from new funders	R43.9m	R11.0m	R11.0m	R11.0m	R11.0m
2.1 Amount of money recovered (Rand value) from NSFAS debtors.	R425.5m	R106.4m	R106.4m	R106.4m	R106.4m
3.1. Percentage of all valid applications received in each academic cycle, where provisional funding decisions are communicated to applicants within 30 days of the closing date	90%	90%	90%	90%	90%
3.2 Percentage of continuing students where provisional funding process is completed within 10 days of receipt of academic progression or academic results from Institutions and DHET	90%	90%	90%	90%	90%
3.3. Percentage of first-time entry students where bursary accounts are created within 10 days of receipt of registration data from Institutions	90%	90%	90%	90%	90%
3.4. Percentage Increase in the number of new applicants with disabilities that are provisionally funded.	5%	-	-	-	5%
3.5 Percentage of funded University students for which the instalments of tuition and allowances to institutions are paid on the 25 th day of every second month	90%	90%	90%	90%	90%
3.6 Percentage of TVET funded students for which the instalment of tuition and allowances (where NSFAS disburses directly to students or Institutions) are paid on the 25th day of each month.	90%	90%	90%	90%	90%
4.1. A framework for the measurement of customer (student) and stakeholder satisfaction	Framework is developed and approved	-	-	-	Framework is developed and approved
5.1. Number of research reports produced each financial year	4	1	1	1	1
5.2. Number of Policy Advisory briefs per the research conducted	4	1	1	1	1
6.1. Audit Opinion of the AGSA	Unqualified audit opinion	-	Unqualified audit opinion	-	-
6.2. Status level 2 for CGICTAS achieved	Achieve CGICTAS Level 2	-	-	-	Achieve CGICTAS Level 2
6.3 Baseline level of maturity with respect to Cyber Security	Level 3	-	-	-	Level 3
6.4 Obtain ISO 9001 :2015 Certification in identified areas	ISO 9001:2015 Certificate obtained	-	-	-	ISO 9001:2015 Certificate obtained

7.1. Percentage of approved funded positions filled per annum	90%	-	-	-	-	90%
7.2. Percentage of training interventions rolled out according to the Human Resource Training Plan	100%	-	-	-	-	100%
7.3 Leadership behaviour 360-degree survey completed	80%	Approved Leadership Behaviours Charter (LBC) and 360-degree Assessment tool.	Socialise LBC and 360-degree Assessment tool across the organization	Educate all employees on the LBC degree assessment tool	Record of training sessions	Complete LBC 360-degree assessment for 80% of employees in salary levels 11 and above Survey report
		Minutes of MANCOM approval	Record of engagement sessions with employees			

4. EXPLANATION OF PLANNED PERFORMANCE OVER THE MEDIUM-TERM PERIOD

Programme 1: Administration

Purpose: To implement effective and efficient processes and operations to ensure stakeholder objectives are achieved.

The aim of this programme is to conduct the overall management, administration and governance of the entity and to provide efficient and effective support services to sustain the student centred operating model.

Effective, efficient and transparent financial management and internal controls. NSFAS will improve on financial and non-financial reporting in order to equip those that are entrusted by government on decision making to ensure that public funds are utilised effectively for the betterment of the institution and country. This will build public confidence as the public resources are used in a transparent and effective manner. As stipulated in the mandate of the institution, NSFAS will continue to raise funds and recover loans from debtors. The entity will also allocate funds where there is a need to redress the imbalances of the past. This is linked to Priority 1 of building a capable, ethical and developmental state.

NSFAS will strive to improve and meet its obligations by complying with corporate governance of Information Communication Technology as per the DPSA Framework. Plans have already been formulated and initiated in order to achieve the targets set. This will strengthen internal processes such as acquisition, management and use of information technology. This will impact on effective and efficient governance, quality and value for money, trust between government and its citizens which impacts positively on service delivery.

Good governance impacts on Priority 1 of the SONA; a capable, ethical and developmental state and Priority 2 which addresses economic transformation and job creation.

The fit for purpose organisational structure will equip the entity in executing its mandate and enhance it to operate effectively. NSFAS will recruit right people for the right jobs as per the approved staff establishment and ensure fair recruitment and selection processes.

As per the government's call on transformation, representativity and inclusiveness; NSFAS will improve on its gender representation in management positions to address the previously disadvantaged groups such as woman and people with disabilities. Women, children and people with disabilities are the most vulnerable groups within society.

The entity will adhere to the Presidents call during his State of the Nation Address in May 2019, to realign priorities by responding to the needs of women, youth and persons with disability. This transformation agenda will have a positive impact on addressing high unemployment rate, improve skills, poverty alleviation and address gender representativity as per the vision of the National Development Plan which is aligned to the targets of the United Nations Sustainable Developmental Goals. This will impact on Priority 2: Economic transformation and job creation and Priority 7: A better Africa and world.

Programme 2: Student Centered Model

Purpose: To increase access of funding for eligible students by raising funds, maximizing loan recoveries and creating a student-centered loans and bursaries model through improved communication support for students and central application process

The aim of this programme is to improve the provision of financial aid to an increasing number of eligible students and to improve the efficiency of the application and funding of students.

NSFAS receives funding from government and the private sector in order to overcome the imbalances of the past by providing grants to individuals from poor and middle-class families.

Section 29 (1) of the Constitution states that "Everyone has the right to basic education, including adult basic education; and to further education which the state, through reasonable measures, must make progressively available and accessible", Constitution of the Republic of South Africa Act (108 of 1996).

Government provides support and make calls to the private sector to assist in providing access to education as one of the enshrined rights as embedded in the Constitution of the Republic. Increased funding will allow access to education to more students from the poor and working-class families. This will impact positively on the Strategic Outcome 5 of the NDP which is a "Skilled and capable workforce to support an inclusive growth path" as well as Priority 3: Education, skills and health, which NSFAS directly contributes to.

The NSFAS mandate includes recovering of loans from NSFAS debtors. The entity continues to engage with long and short-term insurance companies and have onboarded a service provider to provide a platform for the integration between NSFAS and the insurance companies for payroll deductions.

The following strategies will be used to strengthen debt collection.

- a) The entity will work with SARS in order to determine NSFAS debtors that are in the employ of both private and public sector.
- b) NSFAS will engage with the public sector for all new employees (NSFAS debtors) to sign a consent form for NSFAS salary deductions
- c) The entity will engage with the private sector in order to assist on identifying NSFAS debtors in order to collect monies that are still owed to the entity.
- d) NSFAS will engage with the broader community on different platforms to create awareness and encourage its debtors to pay in order to augment the amount of funding available for bursaries

The mandate further states that NSFAS must:

- Provide funding to eligible students from poor and disadvantaged communities
- Develop criteria and conditions for the granting of loans and bursaries to eligible students in consultation with the Minister of Higher Education and Training.
- Undertake other functions assigned to it by the NSFAS act 56 of 1999 as amended or by the Minister.

NSFAS will continue providing funding to eligible students as enshrined in the Constitution and in accordance with the Presidential pronouncement on 16 December 2017 to provide fee-free education for the poor. This contributes to Strategic Outcome 5 of the National Development Plan: "Skilled and capable workforce to support an inclusive growth path." This initiative will continue to improve the quality of education, skills and innovation.

Funding will also be increased for students with disabilities in order to address skills development in this vulnerable group. The new funding model aims to improve the efficiency of payments to students thereby decreasing the dropout rate in the Higher Education Sector. Having an educated society is equivalent to nation building.

Continuous research will enable the entity, Department of Higher Education, Science and Innovation, Parliament and other stakeholders to gain broader understanding and knowledge on how to provide fee-free education to the poor and middle class. This effort will assist on decision making to enhance better utilisation of resources. This will put the country in a better position on how to utilise funds and state resources effectively as per the National Development Plan, Strategic Outcome 2: "Further and higher education and training that allows people to fulfil their potential. "An expanding higher education sector that boosts incomes and productivity and shifts South Africa towards a knowledge-based economy".

5. PROGRAMME RECOURSE CONSIDERATIONS

Table: Budget Allocation for programme and sub-programmes.

5.1 Revenue Estimates

R thousand	Audited outcomes				Adjusted appropriation 2020/21			Medium-term expenditure estimate		
	2017/18	2018/19	2019/20	Original Appropriation	Adjustment	Revised Appropriation	2021/22	2022/23	2023/24	
Entity Revenue:										
1. Administration Fees	25,209	47,847	44,644	47,337	-	47,337	35,106	34,762	31,454	
2. Interest	1,470,790	1,367,335	1,643,833	1,354,245	-	1,354,245	1,346,493	1,339,587	1,305,606	
3. Recovered funds	11,098	15,548	2,208	32,048	-	32,048	35,052	37,856	40,128	
Total Entity Revenue	1,507,097	1,430,730	1,690,685	1,433,630	-	1,433,630	1,416,651	1,412,205	1,377,188	
Transfers Received:										
1. DHET Bursaries: Universities	7,519,497	14,901,269	25,785,590	28,222,023	2,617,001	30,839,024	28,509,710	29,411,904	29,524,902	
2. DHET Bursaries: TVET Colleges	2,437,620	5,164,002	6,517,926	6,569,745	445,000	7,014,745	6,644,063	6,854,316	6,880,649	
3. DHET Administration Grant	225,974	269,120	306,888	299,168	38,414	337,582	302,782	312,562	313,762	
4. Realisation of Deferred Transfers	3,536,557	(297,830)	(546,011)	-	-	-	-	-	-	
5. Other Government units	1,232,966	1,324,106	1,337,541	1,517,207		1,517,207	1,404,911	1,397,481	1,262,809	
6. Departmental agencies and accounts	537,346	203,997	470,828	332,877		332,877	346,656	310,456	277,444	
7. Higher education Institutions	120,968	78,557	70,701	70,701		70,701	14,649	13,917	13,221	
8. Local Non-government Donors	152	13,249	3,507	-		-	-	-	-	
9. International Donor Organisations	-	-	-	-		-	-	-	-	
Total Transfers Received	15,611,080	21,656,470	33,946,970	37,011,721	3,100,415	40,112,136	37,222,771	38,300,636	38,272,787	
Total Revenue	17,118,177	23,087,200	35,637,656	38,445,350	3,100,415	41,545,765	38,639,422	39,712,841	39,649,974	

5.2. Expenditure Estimates

R thousand	Audited outcomes			Adjusted appropriation 2020/21			Medium-term expenditure estimate		
	2017/18	2018/19	2019/20	Original Appropriation	Adjustment	Revised Appropriation	2021/22	2022/23	2023/24
1. Administration	189,275	294,691	306,303	275,446	31,198	306,644	274,393	283,872	286,880
2. Student Centered Financial Aid	7,480,634	24,689,482	28,050,803	36,810,821	3,067,750	39,878,572	37,018,535	38,089,382	38,057,487
2.1 Operations (administration)	92,594	96,491	122,190	103,107	7,216	110,323	100,324	100,673	99,744
2.2 Bursaries	7,388,040	24,592,991	27,928,613	36,707,715	3,060,534	39,768,249	36,918,212	37,988,708	37,957,743
Subtotal	7,669,910	24,984,173	28,357,106	37,086,267	3,098,948	40,185,215	37,292,928	38,373,254	38,344,367
Accounting expenses (depreciation / impairment losses)	5,060,974	3,154,806	2,746,614	1,359,083	1,467	1,360,550	1,347,773	1,341,660	1,308,668
Total Expenditure	12,730,884	28,138,979	31,103,720	38,445,350	3,100,415	41,545,765	38,640,701	39,714,913	39,653,035
Accounting Surplus/(Deficit)	4,387,293	(5,051,779)	4,478,655	-	-	-	-	-	-
LESS: Payment for Capital Assets	6,801	5,827	3,232	4,838	1,467	6,305	1,280	2,073	3,061
Surplus for The Year	4,394,094	(5,045,952)	4,481,887	-	-	-	-	-	-

5.3 Expenditure budget detail

R thousand	Audited outcomes			Adjusted appropriation 2020/21			Medium-term expenditure estimate		
	2017/18	2018/19	2019/20	Original Appropriation	Adjustment	Revised Appropriation	2021/22	2022/23	2023/24
Economic Classification									
Current payments									
Compensation of employees	149,111	193,537	222,551	234,622	259,351	234,881	236,317	236,317	228,642
Goods and Services	125,957	191,818	204,419	139,093	36,688	175,780	137,119	146,155	154,921
Communications	12,614	11,685	16,325	16,872	(3,989)	12,882	15,567	16,287	17,264
Consultants, Contractors and Special services	40,703	56,009	45,319	18,965	16,956	35,920	16,501	17,080	18,105
Outside Services, Maintenance	40,036	61,618	97,468	65,466	21,658	87,124	70,513	75,656	80,191
Staff education, training and development	1794,643	2,350	2,085	2,506	(892)	1,613	1,756	2,308	2,446
Postage, stationery and computer services	18,606	27,701	20,194	20,593	5,300	25,893	23,623	24,912	26,407
Official functions	12,203	32,454	23,028	14,692	(2,344)	12,347	9,159	9,913	10,508
Transfers and subsidies to	7,388,040	24,592,991	27,928,613	36,707,715	3,060,534	39,768,249	36,918,212	37,988,708	37,957,743
Households	7,388,040	24,592,991	27,928,613	36,707,715	3,060,534	39,768,249	36,918,212	37,988,708	37,957,743
Payments for capital assets	6,801	5,827	1,523	4,838	1,467	6,305	1,280	2,073	3,061
Furniture and office equipment	1889	1,247	699	1,098	-	1,098	253	608	826
Software and other intangible assets	-	-	-	-	500	500	-	-	-
Computer equipment	4,912	4,580	824	3,740	967	4,707	1,028	1,465	2,235
Vehicles	-	-	-	-	-	-	-	-	-
Total	7,669,910	24,984,173	28,357,106	37,086,267	3,098,948	40,185,215	37,292,928	38,373,254	38,344,367
Accounting expenses (depreciation / impairment losses)	5,060,974	3,154,806	2,746,614	1,359,083	1,467	1,360,550	1,347,773	1,341,660	1,308,668

5.4 Programme 1: Administration

Programme 1 R thousand	Audited outcomes			Adjusted appropriation 2020/21			Medium-term expenditure estimate		
	2017/18	2018/19	2019/20	Original Appropriation	Adjustment	Revised Appropriation	2021/22	2022/23	2023/24
1. Administration	189,275	294,691	306,303	275,446	31,198	306,644	274,393	283,872	286,880
Subtotal	189,275	294,691	306,303	275,446	31,198	306,644	274,393	283,872	286,880
Current payments									
Compensation of employees	72,233	106,644	128,197	141,439	149	141,588	143,273	143,273	136,981
Goods and Services	110,241	182,220	176,584	129,169	29,581	158,750	129,840	138,526	146,838
<i>Consultants, Contractors and Special services</i>	40,703	56,009	45,319	18,965	16,956	35,920	16,501	17,080	18,105
<i>Outside Services, Maintenance</i>	33,232	61,541	78,653	65,463	12,801	78,264	70,510	75,652	80,191
<i>Staff education, training and development</i>	1,795	2,350	2,085	2,506	(892)	1,613	1,756	2,308	2,446
<i>Postage, stationery and computer services</i>	18,606	27,701	20,194	20,593	5,300	25,893	23,623	24,912	26,407
<i>Official functions</i>	3,291	22,933	14,007	4,771	(593)	4,178	1,882	2,287	2,424
<i>Communications</i>	12,614	11,685	16,325	16,872	(3,989)	12,882	15,567	16,287	17,264
Payments for capital assets	6,801	5,827	1,523	4,838	1,467	6,305	1,280	2,073	3,061
<i>Furniture and office equipment</i>	1889	1,247	699	1,098	-	1,098	253	608	826
<i>Software and other intangible assets</i>	-	-	-	-	500	500	-	-	-
<i>Computer equipment</i>	4,912	4,580	824	3,740	967	4,707	1,028	1,465	2,235
<i>Vehicles</i>	-	-	-	-	-	-	-	-	-
Total	189,275	294,691	306,303	275,446	31,198	306,644	274,393	283,872	286,880
Accounting expenses (depreciation / impairment losses)	14,812	14,764	12,963	14,616	(4,000)	10,616	9,555	8,599	7,739

Performance and expenditure trends

The funding allocated to Programme 1: Administration decreased by 10.4% from R306.3m in 2019/20 to R274.4m in the 2021/22 financial year. The decrease was mainly due to consultants' costs which decreased by 63.5% from R45.3m in 2019/20 to R16.5m in 2021/22.

5.5 Programme 2: Student-Centred Financial Aid

Programme 2 R thousand	Audited outcomes			Adjusted appropriation 2020/21			Medium-term expenditure estimate		
	2017/18	2018/19	2019/20	Original Appropriation	Adjustment	Revised Appropriation	2021/22	2022/23	2023/24
2.1 Student Centered Financial Aid – Operations	92,594	96,491	122,190	103,107	7,216	110,323	100,324	100,673	99,744
2.2 Student Centered Financial Aid – Bursaries	15,133,664	24,592,991	27,928,613	36,707,715	3,060,534	39,768,249	36,918,212	37,988,708	37,957,743
Subtotal	15,226,258	24,689,482	28,050,803	36,810,821	5,749	36,816,571	37,018,535	38,089,382	38,057,487
Current payments									
Compensation of employees	76,878	86,893	94,354	93,183	110	93,293	93,044	93,044	91,661
Goods and Services	15,716	9,598	27,835	9,924	7,106	17,030	7,280	7,629	8,083
<i>Consultants, Contractors and Special services</i>	-	-	-	-	-	-	-	-	-
<i>Outside Services, Maintenance</i>	6,804	77	18,815	3	8,857	8,860	3,311	3,47	-
<i>Staff education, training and development</i>	-	-	-	-	-	-	-	-	-
<i>Postage, stationery and computer services</i>	-	-	-	-	-	-	-	-	-
<i>Official functions</i>	8,912	9,521	9,020	9,920	-1,751	8,169	7,276	7,626	8,083
<i>Communications</i>	-	-	-	-	-	-	-	-	-
Households	7,388,040	24,592,991	27,928,613	36,707,715	3,060,534	39,768,249	36,918,212	37,988,708	37,957,743
Loan Disbursements	7,745,624	-	-	-	-	-	-	-	-
Total	15,226,258	24,689,482	28,050,803	36,810,821	3,067,750	39,878,572	37,018,535	38,089,382	38,057,487
Accounting expenses (depreciation / impairment losses)	5,046,162	3,140,042	2,733,651	1,344,467	5,467	1,349,934	1,338,218	1,333,060	1,300,928

Performance and expenditure trends

The funding allocated to Programme 2: Student Financial Aid increased by 32.0% from R28.1 billion in 2019/20 to R37.0 billion in the 2021/22 financial year. DHET has significantly increased the funding to NSFAS after the fee-free announcement. The increased funding will allow NSFAS to improve access to higher education for financially eligible students.

6. UPDATED KEY RISKS AND MITIGATION FROM THE STRATEGIC PLAN

Outcome	Key Risk	Risk Mitigation
Alternative pool of funding available for eligible students on loans and bursaries	Failure to achieve alternative funding through public and private entities	A funding strategy is in place for fundraising initiatives. NSFAS is also maintaining relations with its funders
A sustainable and improved systems for recoveries	Inability to recover from student debtors	A recoveries strategy is in place for collections. An independent debt collector is collecting on behalf of NSFAS
Fund the right student, correct amount at the right time	Core systems are not fit for purpose	Review of the application life cycle to identify where the system is failing the institution. Review of all business processes to identify system failures
Engaged and informed stakeholders	Failure to collaborate with stakeholders and continuous communication	Legally enforcing Institutions to sign MOU's Timely and accurate communication to stakeholders.
Research and knowledge management database for improved decision making and stakeholder needs	Lack of integrated, accurate, complete and curated datasets, to support the execution of internal research work as well as external collaboration	Enforce a project to establish dataset to enhance strategic and financial decision making.
Clean governance embedded in all behavior practices	Poor internal governance controls	ISO9001 Project in place to ensure process governance and documentation. Policy renewal project to enforce documentation and conformance to the institutions policies and governing frameworks.
Optimal organisation that deploys resources efficiently	Reactive HR approach with insufficient skills plan, talent and performance management.	Workplace Skills Plan update. Human Resources Information Systems Project. Key person project. Critical and Scarce Skills proposed document. Developmental trainings to be conducted.

6. PUBLIC ENTITIES

Name of Public Entity	Mandate	Outcomes
-	-	-

8. INFRASTRUCTURE PROJECTS

No.	Project name	Programme	Project description	Outputs	Project start date	Project completion date	Total Estimated cost	Current year Expenditure
-	-	-	-	-	-	-	-	-

8. PUBLIC PRIVATE PARTNERSHIPS

PPP	Purpose	Outputs	Current Value of Agreement (R thousand)	End Date of Agreement
Department of Basic Education	To provide bursaries for students studying towards becoming teachers in the employment of the department of basic education	Administration of payments for tuition and allowances to students and institutions	1,262,644,000	Indefinite Signed 14-12-2018
Department of Agriculture, Forestry and Fisheries	To provide bursaries for students studying qualification related to Agriculture; Forestry & Fisheries	Administration of payments for tuition and allowances to students and institutions	23,336,640	01-11-2022
Department of Justice and constitutional Development TRC – Presidents Fund	Assistance to Victims in respect of Higher Education and Training: Promotion of National Unity and Reconciliation Act 1995	Administration of payments for tuition and allowances to students and institutions	25,000,000	As per Promotion of National Unity and Reconciliation Act 1995 as Gazetted
Department of Defence and Military Veterans	To provide bursaries for students all types of qualifications at institutions of higher learning	Administration of payments for tuition and allowances to students and institutions	14,000,000	Indefinite
Department of Social Development	To provide bursaries for students studying towards becoming Social Workers in the employment of the department of Social Development	Administration of payments for tuition and allowances to students and institutions	50,968,125	Expired Distributing roll-over funding
Department of Labour (Compensation Fund)	Provides compensation for disablement caused by occupational injuries or diseases sustained or contracted by employees, or for death resulting from injuries or diseases, and provide for matters connected therewith, which include amongst others medical benefits, orthotics and rehabilitation services.	Administration of payments for tuition and allowances to students and institutions	117,418,875	Active 01-01-2021 to 31-12-2025
National Skills Fund	To provide bursaries for students studying 12 top scarce skills as determined by the NSF	Administration of payments for tuition and allowances to students and institutions	404,896,222	Indefinite Signed 08-01-2019
FP & M SETA	To provide bursaries for students studying towards Clothing, Textiles qualifications	Administration of payments for tuition and allowances to students and institutions	19,771,875	Active period not stipulated Valid from 28-10-2019
WR SETA	Skills development needs of the Wholesale and Retail (W&R) Sector through the implementation of learning programmes, disbursement of grants and monitoring of education and training as outlined in the National Skills Development Strategy (NSDS).	Administration of payments for tuition and allowances to students and institutions	7,200,000	Active 01-10-2019 to 30-06-2022

PART D: TECHNICAL INDICATOR DESCRIPTION (TID)

Strategic objective 1: Increase in funding (Rand value) raised for financial aid for eligible students

KPI 1.1 Amount of funds (Rand value) raised from new funders

Indicator Title	Amount of funds (Rand value) raised from new funders
Definition	This is the amount of money, in South African Rands that is raised by NSFAS from new funders per financial year. A new funder is a funder who did not contribute for financial aid through NSFAS in the year immediately before the year being measured. Funding raised will be related to the financial year when it is utilized for that specific purpose. This excludes appropriated funds from DHET
Source of data	Reports from Finance showing funding raised (allocations) from new funders Signed MoAs with new funders, Letters of commitment from funders Bank statements confirming the receipt of funds.
Method of Calculation / Assessment	The total funding raised from new funders per the signed MoAs, letters of commitment from funders or Reports from Finance showing funding raised (allocations) from new funders
Means of verification	Reports from Finance showing funding raised (allocations) from new funders Signed MoAs with new funders, Letters of commitment from funders Bank statements confirming the receipt of funds.
Assumptions	Funds have been raised from new funders
Disaggregation of beneficiaries	Target for youth
Spatial transformation	Addressing the imbalances of the past e.g. access to institutions of higher learning
Calculation type	Cumulative
Reporting Cycle	Quarterly
Desired performance	Performance that is higher than the targeted performance
Indicator Responsibility	Chief Operations Officer

Strategic objective 2: Increase the recovery rate from NSFAS debtors

KPI 2.1 Amount of money recovered (Rand value) from NSFAS debtors.

Indicator Title	Amount of money recovered (Rand value) from NSFAS debtors.
Definition	This is the amount of money, in South African Rands that is collected by NSFAS from debtors per annum
Source of data	Collections Report – Total Rand value of debtors collected for current financial year
Method of Calculation / Assessment	The sum of the amount recovered from debtors per annum. This will be measured in monetary value (Rands) collected from debtors, less credit balances returned from institutions.
Means of verification	Collections Report – Total Rand value of debtors collected for current financial year
Assumptions	Availability data collections report
Disaggregation of beneficiaries	Target for youth
Spatial transformation	Addressing the imbalances of the past e.g. access to institutions of higher learning
Calculation type	Cumulative
Reporting Cycle	Quarterly
Desired performance	Performance that is higher than the targeted performance
Indicator Responsibility	Chief Financial Officer

Strategic objective 3: Improve the efficiency of the application, evaluation, funding of students and payments to institutions and eligible students

KPI 3.1 Percentage of all valid applications received in each academic cycle, where provisional funding decisions are communicated to applicants within 30 days of the closing date

Indicator Title	Percentage of all valid applications received in each academic cycle, where provisional funding decisions are communicated to applicants within 30 days of the closing date
Definition	<p>This is the percentage of all valid applications received in each academic cycle, where provisional funding decisions are communicated to applicants within 30 days of the closing date. A valid application is where all the required fields on the application form are completed accurately and all the relevant supporting documents attached.</p> <p>A student is provisionally funded when they have passed the financial and academic eligibility evaluation. The student is notified of the outcome of the application via NSFAS approved communication channels (My NSFAS portal and sms communication channel). The funding process is completed when registration of the student for the academic cycle is confirmed by the institution.</p> <p>Funding is communicated when all academic and financial checks have taken place.</p> <p>Academic cycles:</p> <ul style="list-style-type: none"> • Universities: Annual & Semester 1 and Semester 2 • TVETs: Annual; Semester 1 & 2; Trimester 1-3 as per TVET calendar provided by DHET
Source of data	<p>System generated report of applications received, the date the application was received and the date the provisional funding decision was communicated to the applicant</p> <p>Status update on my NSFAS portal or sms communication to the students</p>
Method of Calculation / Assessment	<p>The numerator is the total number of all valid applications received in each academic cycle, where provisional funding decisions are communicated to applicants within 30 days of the closing date.</p> <p>The denominator is the total number of all valid applications received in each academic cycle.</p> <p>The numerator is divided by the denominator and multiplied by 100 to get a %.</p>
Means of verification	System generated report of applications received, the date the application was received and the date the provisional funding decision was communicated to the applicant
Assumptions	Performance dependent on receipt of valid applications
Disaggregation of beneficiaries	Target for youth
Spatial transformation	Addressing the imbalances of the past e.g. access to institutions of higher learning
Calculation type	Cumulative
Reporting Cycle	Quarterly
Desired performance	Performance that is higher than the targeted performance
Indicator Responsibility	Chief Operations Officer

KPI 3.2 Percentage of continuing students where provisional funding process is completed within 10 days of receipt of academic progression or academic results from Institutions and DHET

Indicator Title	Percentage of continuing students where provisional funding process is completed within 10 days of receipt of academic progression or academic results from Institutions and DHET
Definition	<p>This is the percentage of continuing students where provisional funding process is completed within 10 days of receipt of academic progression or academic results from Institutions or DHET. Continuing students are defined as students that received funding from NSFAS in the preceding academic cycle. The provisional funding process is defined to be completed when the following conditions are met:</p> <ul style="list-style-type: none"> • Students are migrated to the current academic cycle, • academic results are loaded on the system, linked and • academic eligibility has been evaluated and confirmed.
Source of data	System generated reports of migrated students, academic results received, and funding decisions made.
Method of Calculation / Assessment	<p>The numerator is the total number of continuing students for which funding decisions have been concluded within 10 days of receipt of academic results for each academic cycle.</p> <p>The denominator is the total number of continuing students for which the academic progression and academic results have been received for each academic cycle.</p> <p>The numerator is divided by the denominator and multiplied by 100 to get a %.</p>
Means of verification	System generated reports of migrated students, academic results received, and funding decisions made.
Assumptions	Performance dependent on receipt of academic progression and academic results from institutions and DHET
Disaggregation of beneficiaries	Target for youth
Spatial transformation	Addressing the imbalances of the past e.g. access to institutions of higher learning
Calculation type	Cumulative
Reporting Cycle	Quarterly
Desired performance	Performance that is higher than the targeted performance
Indicator Responsibility	Chief Operations Officer

KPI 3.3 Percentage of first-time entry students where bursary accounts are created within 10 days of receipt of registration data from institutions

Indicator Title	Percentage of first-time entry students where Bursary accounts are created within 10 days of receipt of registration data from institutions.
Definition	This is the percentage of first-time entry students where Bursary accounts are created within 10 days of receipt of registration data from institutions. First time entry students are defined as students that will be receiving funding for the first time in any particular academic cycle.
Source of data	System generated reports of all registration received and the date the bursary accounts were created
Method of Calculation / Assessment	<p>The numerator is the total number of registration data received for provisionally funded first time entry students for which bursary accounts are created within 10 days of receipt of registration data for each academic cycle.</p> <p>The denominator is the total number of valid registrations received for all provisionally funded first time entry students for each academic cycle.</p> <p>The numerator is divided by the denominator and multiplied by 100 to get a %.</p>
Means of verification	System generated reports of all registration received and the date the bursary accounts were created
Assumptions	Performance dependent on receipt of registration data from institutions
Disaggregation of beneficiaries	Target for youth
Spatial transformation	Addressing the imbalances of the past e.g. access to institutions of higher learning
Calculation type	Cumulative
Reporting Cycle	Quarterly
Desired performance	Performance that is higher than the targeted performance
Indicator Responsibility	Chief Information Officer

KPI 3.4 Percentage Increase in the number of new applicants with disabilities that are provisionally funded.

Indicator Title	Percentage Increase in the number of new applicants with disabilities that are provisionally funded
Definition	This is the increase in number of new applicants with disabilities who are provisionally funded. A disabled applicant is a student who meets the definitive requirements as defined by the NSFAS policy for the funding of students with disabilities.
Source of data	System generated reports of the number of new applicants with disabilities that are provisionally funded.
Method of Calculation / Assessment	The numerator is the marginal number of new applicants with disabilities that are provisionally funded.in the current academic year. The denominator is the total number of students with disabilities who were provisionally funded in the previous academic year. The numerator is divided by the denominator and multiplied by 100 to get a %.
Means of verification	System generated reports of the number of funded students with disabilities.
Assumptions	Performance dependent on funding and records of students with disabilities
Disaggregation of beneficiaries	Target for people with disabilities
Spatial transformation	Addressing the imbalances of the past e.g. access to institutions of higher learning
Calculation type	Cumulative
Reporting Cycle	Annually
Desired performance	Performance that is higher than the targeted performance
Indicator Responsibility	Chief Operations Officer

KPI 3.5 Percentage of funded University students for which the instalments of tuition and allowances to institutions are paid on the 25th day of every second month.

Indicator Title	Percentage of funded University students for which the instalments of tuition and allowances to institutions are paid on the 25 th day of every second month.
Definition	<p>This is the percentage of funded University students for which the instalments of tuition and allowances are paid on the 25th day of every second month.</p> <p>The University students is eligible for payment in the academic cycle once registration data is received from Institution, linked and accounts are created. The payment date is considered as the date of disbursement from Cordys system</p> <p>University students are considered eligible when the following conditions are met:</p> <ul style="list-style-type: none"> • Registration data received and linked • Accounts is created
Source of data	System generated report showing the date of receipt of registration data and payment date.
Method of Calculation / Assessment	<p>The numerator is the total number of funded students for which the instalments of tuition and allowances are paid on the 25th day of every second month.</p> <p>The denominator is the total number of university funded students where valid registration data were received from Institutions</p> <p>registration data is received in the academic cycle.</p> <p>The numerator is divided by the denominator and multiplied by 100 to get a %.</p>
Means of verification	System generated report showing the date of receipt of registration data and payment date.
Assumptions	Performance dependent on availability registration data and account creation processes completed
Disaggregation of beneficiaries	Target for youth
Spatial transformation	Addressing the imbalances of the past e.g. access to institutions of higher learning
Calculation type	Cumulative
Reporting Cycle	Quarterly
Desired performance	Performance that is higher than the targeted performance
Indicator Responsibility	Chief Operations Officer

KPI 3.6 Percentage of TVET funded students for which the instalment of tuition and allowances (where NSFAS disburses directly to students or Institutions) are paid on the 25th day of each month.

Indicator Title	Percentage of TVET funded students for which the instalment of tuition and allowances (where NSFAS disburses directly to students or Institutions) are paid on the 25 th day of each month.
Definition	<p>This is the percentage of TVET funded students for which the instalments of tuition and allowances (where NSFAS disburses directly to students or Institutions) are paid on the 25th day of each month.</p> <p>A funded TVET student is a NSFAS qualifying student where a valid registration data has been received for the academic cycle.</p>
Source of data	System generated report showing the date of receipt of registration data and payment date
Method of Calculation / Assessment	<p>The numerator is the total number of TVET funded students for which the installments of allowances (where NSFAS disburses directly to students or Institutions) are paid on the 25th day of each month</p> <p>The denominator is the total number of TVET funded students for whom registration data is received from Institutions.</p> <p>The numerator is divided by the denominator and multiplied by 100 to get a %.</p>
Means of verification	System generated report showing date of receipt of registration data and payment date
Assumptions	Performance dependent on availability registration data and account creation processes completed
Disaggregation of beneficiaries	Target for youth
Spatial transformation	Addressing the imbalances of the past e.g. access to institutions of higher learning
Calculation type	Cumulative
Reporting Cycle	Quarterly
Desired performance	Performance that is higher than the targeted performance
Indicator Responsibility	Chief Operations Officer

Strategic objective 4: Improve service level to customers and stakeholders through monitoring customer satisfaction and taking corrective action where necessary

KPI 4.1: A framework for the measurement of customer (student) and stakeholder satisfaction

Indicator Title	A framework for the measurement of customer (student) and stakeholder satisfaction
Definition	A framework for the measurement of customer (student) and stakeholder satisfaction. The entity needs to measure the quality of service levels to customers and stakeholders. In order to do this, the entity needs to develop a framework to measure customer satisfaction.
Source of data	Report setting out the framework for the measurement of customer (student) and stakeholder satisfaction Minutes of MANCOM meeting indicating approval of the framework
Method of Calculation / Assessment	Not applicable
Means of verification	Report setting out the framework for the measurement of customer (student) and stakeholder satisfaction Minutes of MANCOM meeting indicating approval of the framework
Assumptions	Availability of system and data to conduct surveys
Disaggregation of beneficiaries	Target for students
Spatial transformation	Addressing the imbalances of the past e.g. access to institutions of higher learning
Calculation type	Non - Cumulative
Reporting Cycle	Annually
Desired performance	To achieve the target
Indicator Responsibility	GM: Corporate Services

Strategic objective 5: Undertake research for the better utilisation of financial resources

KPI 5.1 Number of research reports produced each financial year

Indicator Title	Number of research reports produced each financial year
Definition	The research is conducted according to an approved research plan. A research report is a document prepared to establish or confirm facts, reaffirm the results of previous work, solve new or existing problems, support theorems, or develop new theories. It can be commissioned or conducted in-house for use internally or by stakeholders. The report may have "actionable" recommendations. It is approved by the MANCOM.
Source of data	MANCOM approved research reports of research conducted for the period (quarterly) where applicable, including meeting documents, supply chain documents, etc. 4 research report approved by MANCOM, where applicable, including meeting documents, supply chain documents etc.
Method of Calculation / Assessment	Simple count the number of research reports produced and approved
Means of verification	MANCOM approved research reports of research conducted for the period (quarterly) where applicable, including meeting documents, supply chain documents, etc. 4 research report approved by MANCOM, where applicable, including meeting documents, supply chain documents etc.
Assumptions	Availability of staff and research data to produce reports
Disaggregation of beneficiaries	Target for youth
Spatial transformation	None
Calculation type	Simple count
Reporting Cycle	Quarterly
Desired performance	Performance that is higher than the targeted performance
Indicator Responsibility	SM: Policy and Research

KPI 5.2 Policy Advisory briefs to the Minister from research reports

Indicator Title	Number of Policy Advisory briefs per the research conducted
Definition	An advisory brief is a document that considers research evidence and makes policy recommendations to the minister of Higher Education, either generally towards student funding at a national level, or with regards to a particular funding instrument or type of student.
Source of data	<ul style="list-style-type: none"> • MANCOM approved policy advisory briefs outputs of research conducted for the period (quarterly), including meeting documents, supply chain documents, etc. • 4 Policy briefs approved by MANCOM. • Approved MANCOM minutes
Method of Calculation / Assessment	Simple count the number of policy briefs produced and approved
Means of verification	<ul style="list-style-type: none"> • MANCOM approved policy advisory briefs outputs of research conducted for the period (quarterly), including meeting documents, supply chain documents, etc. • 4 Policy briefs approved by MANCOM. • Approved MANCOM minutes
Assumptions	Availability of staff and research data to produce reports
Disaggregation of beneficiaries	Target for youth
Spatial transformation	None
Calculation type	Simple count
Reporting Cycle	Quarterly
Desired performance	Performance that is higher than the targeted performance
Indicator Responsibility	SM: Policy and Research

Strategic objective 6: Improve and maintain financial, performance management and IT governance audit outcomes KPI 6.1 Audit opinion of the AGSA

Indicator Title	Audit opinion of the AGSA
Definition	<ul style="list-style-type: none"> • The Auditor General South Africa Audit Report • Clean Audit - Unqualified audit opinion with no material findings.
Source of data	<ul style="list-style-type: none"> • AGSA Audit Report 2020/21.
Method of Calculation / Assessment	<ul style="list-style-type: none"> • AGSA Audit Report 2020/21.
Means of verification	<ul style="list-style-type: none"> • AGSA Audit Report 2020/21.
Assumptions	Audit scope and reliable data available
Disaggregation of beneficiaries	Not applicable
Spatial transformation	Not applicable
Calculation type	Non - cumulative
Reporting Cycle	Annually
Desired performance	Performance that is higher than the targeted performance
Indicator Responsibility	Chief Financial Officer

KPI 6.2 Status level 2 for CGICTAS achieved

Indicator Title	Status level 2 for CGICTAS achieved
Definition	Third party report on – CGICTAS (Corporate Governance of Information and Communication Technology Assessment Standards)
Source of data	Third party report on CGICTAS
Method of Calculation / Assessment	Third party report on CGICTAS
Means of verification	Third party report on CGICTAS
Assumptions	Dependent on the availability of ICT systems and compliant with CGICTAS
Disaggregation of beneficiaries	Not applicable
Spatial transformation	Not applicable
Calculation type	Non - cumulative
Reporting Cycle	Annually
Desired performance	Performance that is higher than the targeted performance
Indicator Responsibility	Chief Information Officer

KPI 6.3 Baseline level of maturity with respect to Cyber Security

Indicator Title	Baseline level of maturity with respect to cyber Security
Definition	<p>This is a report that will be generated by the Governance Risk and Compliance (GRC) Unit on the extent to which NSFAS has progressed towards its target cybersecurity maturity level in terms of the Federal Financial Organisations Examination Council (FFIEC) framework.</p> <p>In terms of NSFAS, all domains refer to the Business functions and operations, Applicant Information and Data, Information Systems, Technology and IT Infrastructure.</p>
Source of data	<p>Report on the level of maturity in terms of the Federal Financial Organisations Examination Council (FFIEC)</p> <p>Framework as issued by the GRC unit by March 31 annually.</p>
Method of Calculation / Assessment	The Federal Financial Organisations Examination Council (FFIEC) framework will be used as a basis for determining the maturity level.
Means of verification	Cyber Security Maturity Assessment Report
Assumptions	The GRC unit will either have the skills in house to perform this assessment, or source the skills externally.
Disaggregation of beneficiaries	None
Spatial transformation	None
Calculation type	Non - cumulative
Reporting Cycle	Annual
Desired performance	Higher
Indicator Responsibility	Chief Information Officer

KPI: 6.4 Obtain ISO 9001 Certification in identified areas

Indicator Title	Obtain ISO 9001 Certification in identified areas
Definition	<p>ISO 9001: 2015 quality management certification will be obtained for the following departments: Operations, Human Resource, ICT and Finance.</p> <p>The ISO 9001:2015 Certificate will be achieved through an extensive external audit process by a registered and accredited consultant by Lloyd's Register. The four departments of NSFAS such as, Operations, Human Resources, ICT and Finance will be audited independently against the ISO 9001: 2015 Quality management System. A compliance certificate will be issued if all requirements as specified within the ISO 9001: 2015 framework are met. The certificate will be valid for a period of a year.</p>
Source of data	ISO 9001:2015 Certificate
Method of Calculation / Assessment	ISO 9001:2015 Certificate obtained
Means of verification	ISO 9001: 2015 Certification
Assumptions	NSFAS quality management system will be implemented
Disaggregation of beneficiaries	N/A
Spatial transformation	N/A
Calculation type	N/A
Reporting Cycle	Annually
Desired performance	ISO 9001: 2015 QMS Certification achieved
Indicator Responsibility	SM: Business Process Management and Analysis

Strategic objective 7: To improve the organizational culture by improving capability and employee engagement

KPI 7.1 Percentage of approved funded positions filled per annum

Indicator Title	Percentage of approved funded positions filled per annum
Definition	Filling of approved funded vacancies in terms of the funded organisational structure. A funded organisational structure is when the institution positions are planned and budgeted for.
Source of data	An approved organizational structure, Minutes of the board indicating approval and data from approved HR system
Method of Calculation / Assessment	The numerator is the number of positions filled The denominator is total number of funded positions multiplied by 100.
Means of verification	An approved organizational structure, Minutes of the board indicating approval and data from approved HR system
Assumptions	A fit for purpose organizational structure with the recruitment based on the right people for the right jobs. Dependent on the availability of funded and approved positions
Disaggregation of beneficiaries	Not applicable
Spatial transformation	Not applicable
Calculation type	Non - cumulative
Reporting Cycle	Annually
Desired performance	To reach the target
Indicator Responsibility	Chief Corporate Services Officer

KPI: 7.2 Percentage of training interventions implemented

Indicator Title	Percentage of training interventions implemented
Definition	This is extent to which staff training interventions are implemented in according to the annual training plan. The annual training plan includes interventions for employee training in order to deliver against the organization's strategic outcomes. The intervention is based on sector skills priorities, individual personal development plans and budget availability
Source of data	<ul style="list-style-type: none"> Report on the percentage of training interventions rolled out according to the HR Training Plan
Method of Calculation / Assessment	Numerator = the number of training interventions achieved Denominator = the total number of interventions planned for the year multiplied by a 100
Means of verification	<ul style="list-style-type: none"> Report on the percentage of training interventions rolled out according to the HR Training Plan
Assumptions	Dependent on the HR Training Plan and the budget availability. Employees attend training that have been scheduled for.
Disaggregation of beneficiaries	Target for all employees (males and females)
Spatial transformation	Addressing the imbalances of the past e.g. building a capable state
Calculation type	Cumulative
Reporting Cycle	Annually
Desired performance	To reach the target
Indicator Responsibility	Chief Corporate Services Officer

KPI 7.3 Leadership behaviour 360-degree survey completed

Indicator Title	Leadership behaviour 360-degree survey			
Definition	This is the leadership behaviour 360-degree survey. Leaders are defined as employees in salary level 11 and above			
Source of data	Q1 Approved Leadership Behaviours Charter (LBC) and 360-degree Assessment tool. Minutes of MANCOM approval	Q2 Socialise LBC and 360-degree Assessment tool across the organization. Record of engagement sessions with employees	Q3 Educate all employees on the LBC 360-degree assessment tool Recording of training sessions	Q4 Complete LBC 360- degree assessment for 80% of employees in levels 11 and above Survey report
Method of Calculation / Assessment	The numerator is the total number of salary level 11 employees and above where the leadership behaviours 360-degree survey is completed The denominator is the total number of salary level 11 employees and above. The numerator is divided by the denominator x 100 to get the percentage			
Means of verification	Q1 Approved Leadership Behaviours Charter (LBC) and 360-degree Assessment tool. Minutes of MANCOM approval	Q2 Socialise LBC and 360-degree Assessment tool across the organization. Record of engagement sessions with employees	Q3 Educate all employees on the LBC 360-degree assessment tool Recording of training sessions	Q4 Complete LBC 360- degree assessment for 80% of employees in salary levels 11 and above Survey report
Assumptions	Dependent on the availability of information and records			
Disaggregation of beneficiaries	Not applicable			
Spatial transformation	Not applicable			
Calculation type	Non - cumulative			
Reporting Cycle	Quarterly			
Desired performance	To reach the target			
Indicator Responsibility	Chief Corporate Services Officer			

Annexure A: Conditional Grants

PPP	Purpose	Outputs	Current Value of Agreement (R thousand)	End Date of Agreement
Department of Basic Education	To provide bursaries for students studying towards becoming teachers in the employment of the department of basic education	Administration of payments for tuition and allowances to students and institutions	1, 262, 644, 000	Indefinite Signed 14-12-2018
Department of Agriculture, Forestry and Fisheries	To provide bursaries for students studying qualification related to Agriculture, Forestry & Fisheries	Administration of payments for tuition and allowances to students and institutions	23, 336, 640	01-11-2022
Department of Justice and constitutional Development TRC – Presidents Fund	Assistance to Victims iro Higher Education and Training; Promotion of National Unity and Reconciliation Act 1995	Administration of payments for tuition and allowances to students and institutions	25, 000, 000	As per Promotion of National Unity and Reconciliation Act 1995 as Gazetted
Department of Defence and Military Veterans	To provide bursaries for students all types of qualifications at institutions of higher learning	Administration of payments for tuition and allowances to students and institutions	14, 000, 000	Indefinite
Department of Social Development	To provide bursaries for students studying towards becoming Social Workers in the employment of the department of Social Development	Administration of payments for tuition and allowances to students and institutions	50, 968, 125	Expired Distributing roll-over funding
Department of Labour (Compensation Fund)	Provides compensation for disablement caused by occupational injuries or diseases sustained or contracted by employees, or for death resulting from injuries or diseases, and provide for matters connected therewith, which include amongst others medical benefits, orthotics and rehabilitation services.	Administration of payments for tuition and allowances to students and institutions	117, 418, 875	Active 01-01-2021 to 31-12-2025
National Skills Fund	To provide bursaries for students studying 12 top scarce skills as determined by the NSF	Administration of payments for tuition and allowances to students and institutions	404, 896, 222	Indefinite Signed 08-01-2019
FP & M SETA	To provide bursaries for students studying towards Clothing, Textiles qualifications	Administration of payments for tuition and allowances to students and institutions	19, 771, 875	Active period not stipulated Valid from 28-10-2019
WR SETA	Skills development needs of the Wholesale and Retail (W&R) Sector through the implementation of learning programmes, disbursement of grants and monitoring of education and training as outlined in the National Skills Development Strategy (NSDS).	Administration of payments for tuition and allowances to students and institutions	7, 200, 000	Active 01-10-2019 to 30-06-2022

Annexure B: Consolidated Indicators

Institution	Outputs	Output Indicator	Target	Data Source
National Financial Aid Scheme	Funds raised	1.1. Amount of funds (Rand value) raised from new funders	R43.9m	Reports from Finance showing funding raised (allocations) from new funders Signed MoAs with new funders, Letters of commitment from funders Bank statements confirming the receipt of funds Collections Report – Total Rand value of debtors collected for current financial year
	Funds recovered from debtors	2.1 Amount of money recovered (Rand value) from NSFAS debtors	R425.5m	
	Bursaries funded to students and bursary accounts created	3.1 Percentage of all valid applications received in each academic cycle, where provisional funding decisions are communicated to applicants within 30 days of the closing date	90%	System generated report of applications received, the date the application was received and the date the provisional funding decision was communicated to the applicant Status update on my NSFAS portal or sms communication to the students
		3.2 Percentage of continuing students where provisional funding process is completed within 10 days of receipt of academic progression or academic results from Institutions and DHET	90%	System generated reports of migrated students, academic results received, and funding decisions made.
		3.3. Percentage of first-time entry students where bursary accounts are created within 10 days of receipt of registration data from institutions	90%	System generated reports of all registration received and the date the bursary accounts were created
		3.4. Percentage Increase in the number of new applicants with disabilities that are provisionally funded.	5%	System generated reports of the number of new applicants with disabilities that are provisionally funded.

Bursaries funded to students	3.5 Percentage of funded University students for which the instalments of tuition and allowances to institutions are paid on the 25 th day of every second month.	90%	System generated report showing the date of receipt of registration data and payment date
A framework has been developed	3.6 Percentage of TVET funded students for which the instalment of tuition and allowances (where NSFAS disburses directly to students or Institutions) are paid on the 25 th day of each month. 4.1 A framework for the measurement of customer (student) and stakeholder satisfaction	90% Framework is developed and approved	System generated report showing the date of receipt of registration data and payment date Report setting out the framework for the measurement of customer (student) and stakeholder satisfaction Minutes of EXMA meeting indicating approval of the framework
Research reports produced	5.1 Number of research reports produced each financial year	4	MANCOM approved research and policy advisory outputs of research conducted for period (semester) where applicable, including meeting documents, supply chain documents, etc. 2 research report approved by MANCOM, where applicable, including meeting documents, supply chain documents etc.
Policy Advisory briefs produced	5.2 Number of Policy Advisory briefs per the research conducted	4	•MANCOM approved research and policy advisory brief per research conducted for the period •Policy brief approved by MANCOM.
Audit Report generated and obtained by NSFAS	6.1 Audit opinion of the AGSA	Unqualified audit opinion	•Approved MANCOM minutes AGSA Audit Report 2020/21.
Third party report on CGICTAS	6.2 Status level 2 for CGICTAS achieved	Achieve CGICTAS Level 2	Third party report on CGICTAS
Report on the level of maturity obtained	6.3 Baseline level of maturity with respect to Cyber Security	Level 3	Report on the level of maturity in terms of the Federal Financial Organisations Examination Council (FFIEC) Framework as issued by the GRC unit by March 31 annually

	ISO 9001:2015 Certificate obtained	6.4 Obtain ISO 9001 :2015 Certification in identified areas	ISO 9001:2015 Certificate obtained	ISO 9001:2015 Certificate
	An approved organizational structure	7.1 Percentage of approved funded positions filled per annum	90%	An approved organizational structure, Minutes of the board indicating approval and data from approved HR system
	Report on training interventions conducted	7.2. Percentage of training interventions rolled out according to the Human Resource Training Plan	100%	Report on the percentage of training interventions rolled out according to the HR Training Plan
	Survey completed	7.3 Leadership behaviour 360-degree survey completed	80%	Complete LBC 360- degree assessment for 80% of employees in levels 11 and above Survey report

Abbreviations

AGSA	Auditor-General South Africa
CFO	Chief Financial Officer
CIO	Chief Information Officer
COO	Chief Operations Officer
CGICTAS	Corporate Governance of Information and Communication Technology Assessment Standards
DBE	Department of Basic Education
DHESI	Department of Higher Education, Science and Innovation
EO	Executive Officer
MANCOM	Management Committee
FTE	Full Time Equivalent
GM	General Manager
LAFSOP	Loan Agreement Form / Schedule of Particulars
NBA	New Bursary Agreement
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
MTT	Ministerial Task Team
NDP	National Development Plan
NBA	New Bursary agreement
NSDS	National Skills Development Strategy
NSF	National Skills Fund
NSFAS	National Student Financial Aid Scheme
PCHET	Portfolio Committee on Higher Education and Training
PPPFA	Preferential Procurement Policy Framework Act
SARS	South African Revenue Service
SETA	Sector Education and Training Authority
SMART	Specific, Measurable, Achievable, Realistic and Time-bound
SONA	State of the Nation Address
SRCs	Student Representative Councils
STUCEM	Student-Centred Model
TVET	Technical and Vocational Education and Training