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| MEMORANDUM FROM THE PARLIAMENTARY OFFICE |

**NATIONAL ASSEMBLY**

**FOR WRITTEN REPLY**

**QUESTION 1752**

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**INTERNAL QUESTION PAPER NO 29 OF 2020**

**Prof B Bozzoli (DA) to ask the Minister of Higher Education, Science and Technology:**

(a) How precisely will the R5 billion cut and/or reprioritization of funding in the National Student Financial Aid Scheme be broken down, (b) what will not be able to be funded, (c)(i) what number of devices will be obtained with the reallocated funding and (ii) at what cost per device, (d) what other Covid-19 related expenses will be covered by the reallocated funding, (e) how many fewer students will be funded as a result of the cuts and reprioritizations and (f) what amount in additional funding will be required for the extension of the academic year?

**NW2142E**

**REPLY:**

1. The actual budget cut is R5.5 million on the Administration budget with no budget cut on the student-funding budget.
2. The budget reduction of R5.5 million will affect the Compensation of Employees budget line. This will result in delaying the filling of vacant positions.
3. (i) The maximum number of digital devices as per the advertised request for proposals in the public tender is 730 000, which is the projected number of NSFAS beneficiaries for 2020 academic year.

(ii) The cost per device cannot be disclosed as the tender process is currently still in progress.

1. All other COVID-19 related budget expenses have been contained in the reprioritized Administration budget baseline.
2. The number of funded students will not be affected by the budget cut or reprioritization. The R2.5 billion reduction in student bursary funding arising from the R2.5 billion suspension of student bursary funding for devices will be funded with R1.0 billion from recovered funds and R1.5 billion from accumulated TVET funds.
3. The maximum total amount required for the extension of the academic year is R4.4 billion, i.e. R319 million for TVET colleges and R4.1 billion for universities. It should be noted that NSFAS has modelled the increased costs based on a full extension of allowances for the additional months of the academic year. This is therefore the maximum amount that could be required. Should the national framework be effectively applied for university-owned and leased accommodation, keeping the original costs of accommodation for the extended academic year, then it is likely that some of these costs will be contained.