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**Memorandum from the Parliamentary Office: National Assembly**

**FOR WRITTEN REPLY**

**QUESTION 28**

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**(INTERNAL QUESTION PAPER NO 1 OF 2018)**

**Ms H Bucwa (DA) to ask the Minister of Higher Education and Training:**

(a) What is the total number of students at each higher education institution who are eligible for National Student Financial Aid Scheme (NSFAS) living allowances but have so far not received (i) all or (ii) part of the grant that they are entitled to, (b) in each case, (i) what is the amount of the grant that has (aa) not been received and (bb) only partially been received and (ii) what is the specific reason for the nondelivery of allowances at each institution and (c) what steps has NSFAS taken to address the problems through (i) communicating with students, (ii) changing administrative procedures and (iii) any other measures?

**NW32E**

**REPLY:**

The National Student Financial Aid Scheme (NSFAS) has provided the following response to the questions posed.

1. (i) and (ii) Of the 243 853 students for whom allowances are due, 17 147 have not had all or part of their allowance grant paid. The breakdown per institution is shown below:

| **Institution** | **Committed** | **Paid** | **Variance** |
| --- | --- | --- | --- |
| Cape Peninsula University of Technology | 7 604 | 6 330 | 1 274 |
| Central University of Technology | 5 224 | 2 276 | 2 948 |
| Durban University of Technology | 10 421 | 10 381 | 40 |
| Mangosuthu University of Technology | 6 179 | 5 832 | 347 |
| Nelson Mandela University | 9 471 | 8 779 | 692 |
| North-West University | 11 428 | 11 134 | 294 |
| Rhodes University | 1 065 | 1 048 | 17 |
| Sefako Makgatho Health Science University | 1 368 | 970 | 398 |
| Sol Plaatje University | 582 | 495 | 87 |
| Tshwane University of Technology | 28 537 | 28 095 | 442 |
| University of Cape Town | 3 204 | 3 126 | 78 |
| University of Fort Hare | 8 319 | 7 182 | 1 137 |
| University of Free State | 9 431 | 8 972 | 459 |
| University of Johannesburg | 18 726 | 16 424 | 2 302 |
| University of Kwazulu-Natal | 14 077 | 12 414 | 1 663 |
| University of Limpopo | 13 073 | 12 374 | 699 |
| University of Mpumalanga | 799 | 764 | 35 |
| University of Pretoria | 6 626 | 6 089 | 537 |
| University of South Africa | 24 551 | 24 102 | 449 |
| University of Stellenbosch | 1 973 | 1 779 | 194 |
| University of the Western Cape | 5 788 | 5 672 | 116 |
| University of the Witwatersrand | 6 278 | 5 645 | 633 |
| University of Venda | 10 426 | 10 102 | 324 |
| University of Zululand | 12 648 | 11 551 | 1 097 |
| Vaal University of Technology | 8 164 | 8 041 | 123 |
| Walter Sisulu University | 17 891 | 17 164 | 727 |
| **Total** | **243 853** | **226 741** | **17 112** |

1. (i) In total, R5.839 billion in allowances was due for payment, of which R5.094 billion has been paid to students. R745 million has not yet been paid. The amount of the grant that has not been received or partially received, per institution, is shown below:

| **Institution** | **Committed** | **Paid** | **Variance** |
| --- | --- | --- | --- |
| Cape Peninsula University of Technology | 137 432 417 | 116 484 318 | 20 948 099 |
| Central University of Technology | 157 337 657 | 48 828 171 | 108 509 486 |
| Durban University of Technology | 241 792 016 | 234 865 589 | 6 926 427 |
| Mangosuthu University of Technology | 147 049 832 | 128 170 935 | 18 878 897 |
| Nelson Mandela University | 236 204 938 | 221 471 372 | 14 733 566 |
| North-West University | 256 567 331 | 235 145 717 | 21 421 614 |
| Rhodes University | 43 806 171 | 42 701 655 | 1 104 516 |
| Sefako Makgatho Health Science University | 41 378 310 | 28 554 446 | 12 823 864 |
| Sol Plaatje University | 25 227 413 | 21 007 590 | 4 219 823 |
| Tshwane University of Technology | 618 136 559 | 592 291 068 | 25 845 491 |
| University of Cape Town | 97 237 579 | 87 058 023 | 10 179 556 |
| University of Fort Hare | 314 839 318 | 245 148 868 | 69 690 450 |
| University of Free State | 375 375 276 | 345 504 509 | 29 870 767 |
| University of Johannesburg | 491 118 366 | 453 468 326 | 37 650 040 |
| University of Kwazulu-Natal | 430 477 076 | 355 556 200 | 74 920 876 |
| University of Limpopo | 289 567 323 | 262 659 558 | 26 907 765 |
| University of Mpumalanga | 36 366 365 | 34 933 912 | 1 432 453 |
| University of Pretoria | 263 981 511 | 215 125 745 | 48 855 766 |
| University of South Africa | 132 043 165 | 121 891 229 | 10 151 936 |
| University of Stellenbosch | 79 723 199 | 63 436 894 | 16 286 305 |
| University of the Western Cape | 116 087 400 | 106 251 130 | 9 836 270 |
| University of the Witwatersrand | 216 338 395 | 191 433 151 | 24 905 244 |
| University of Venda | 113 050 968 | 106 991 531 | 6 059 437 |
| University of Zululand | 357 812 858 | 252 590 625 | 105 222 233 |
| Vaal University of Technology | 202 833 183 | 195 706 935 | 7 126 248 |
| Walter Sisulu University | 417 126 467 | 386 779 143 | 30 347 324 |
| **Total** | **5 838 911 093** | **5 094 056 640** | **744 854 453** |

(ii)The reason for the variances is due to a combination of the following factors, which are not specific to any particular institution:

* Returning NSFAS students are eligible for continuous funding and are automatically funded by NSFAS for the next academic year/semester, provided they pass their modules and meet the progression requirements of the course and institution. Some universities submitted the academic results late to NSFAS;
* Requests from institutions to do “top up” allowances throughout the academic year. Tuition and allowance payments to institutions and students are initially made based on registration data that is sent by the university to NSFAS at the start of the academic year. However, during the year, universities submit tuition and allowance adjustments after NSFAS has received the original registration files, processed tuition and initial allowance payments. This situation was exacerbated by the increased volume of “top up” allowances processed in 2017;
* Given that 2017 represented the first year that NSFAS systems were integrated with institutional student funding systems, there were challenges experienced with the transfer of registration information. These included instances where the course code information at universities did not match the NSFAS records and where allowance values and tuition values have not been transferred in the required format to NSFAS systems;
* Challenges experienced with ensuring that students signed their Loan Agreement Forms/Statement of Particulars (LAFSOPs). This is partially attributed to the frequency with which students change their cell phone numbers. Efforts to ensure that NSFAS staff have been present and visible at campuses to assist in the signing of these LAFSOPs have been ongoing through the latter half of the year and has made a significant difference to the effectiveness of the LAFSOPs signing process. In addition, in some instances, NSFAS has made paper-based forms available to universities for signature and then reviewed and reconciled by NSFAS prior to payment. From 2018, students will be able to change their cell phone numbers online by accessing the MyNSFAS Portal; and
* In some cases, due to unexpected NSFAS system time-outs, a full funding processing cycle was not completed resulting in incomplete student loans being created in the systems. As a consequence, lengthy manual checks and reconciliations needed to be performed to ensure that correct loan accounts were created and allowances subsequently disbursed.

1. (i) NSFAS has communicated with students in the following ways in an effort to increase awareness of the importance of students’ signing their loan or bursary agreements:

* Media releases;
* Social media, for instance, Twitter and Facebook; and
* Direct SMS’s and emails sent to students.

(ii) NSFAS is busy with the “close-off” of all 2017 funding and allowance processing to ensure that all eligible funded students receive any allowances that are still due to them. Additionally, there are a number of projects introduced, which have the objective of improving the funding and allowance disbursement process in 2018. All processes will be automated and data exception reporting will be implemented.

(iii) None.