**Memorandum from the Parliamentary Office**

**NATIONAL ASSEMBLY**

**FOR WRITTEN REPLY**

**QUESTION 974**

**DATE OF PUBLICATION OF INTERNAL QUESTION PAPER: 5/05/2017**

**(INTERNAL QUESTION PAPER 15 OF 2017)**

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

(1) With regard to protests at the University of Venda during the last week of March 2017 over the non-payment of living allowances by the National Student Financial Aid Scheme (NSFAS) through the sBux system, (a) what was the cause of late payments to students awarded NSFAS funding at a number of the country’s higher education institutions, (b) what are the names of all the institutions that were affected by late payment as on Tuesday, 28 March 2017; (c) what is the total number of students who were affected at each institution;

 (2) have all of the students now received their allowances; if not, what is the total number of students who remain affected?

 **NW1102E**

**REPLY:**

The National Student Financial Aid Scheme (NSFAS) responded to the questions as follows:

1. (a) Allowances can only be paid to students after an institution has sent proof of their students’ registration to NSFAS for the generation of Loan Agreement Forms (LAFs) and Schedules of Particulars (SOPs) for students to sign.

It should be noted that NSFAS pays allowances directly to students who are on the sBux system.

The following challenges have resulted in students receiving late payment or not receiving allowances through the sBux system:

* Once funding decisions are made, students are expected to acknowledge their funding by signing a loan agreement form (university students) and schedule of particulars (TVET students). For this process to be completed, institutions must exchange registration information with NSFAS, which serves as confirmation that students are registered. NSFAS implemented the registration system without sufficient testing and incomplete requirements. This resulted in delays in the processing of student registration information by institutions.
* Students not signing LAFs and SOPs. The NSFAS Communications Department has commenced a campaign to encourage students to sign their LAFs and SOPs.
* Frequency with which students change their cell phone numbers between the time they register with institutions and sign their LAFs and SOPs. Measures have been put in place by NSFAS to speed up the process of updating cell phone numbers.
* Technical and administrative challenges in the rollout of the new student centred model.
1. Institutions on the sBux system, i.e. 5 Universities and 19 TVET colleges, were affected by the challenges highlighted in 1(a):

Universities:

1. Durban University of Technology
2. Nelson Mandela University
3. Sol Plaatje University
4. University of South Africa
5. University of Venda

 TVET Colleges:

1. Central Johannesburg
2. Boland
3. Buffalo City
4. Coastal KZN
5. Ekurhuleni East
6. Ekurhuleni West
7. Esayidi
8. King Hintsa
9. Mnambithi
10. Motheo
11. Mtashana
12. Orbit
13. Port Elizabeth
14. Sedibeng
15. Thekwini
16. Tshwane North
17. Umfolozi
18. Umgungundlovu
19. Vhembe

The remaining 52 institutions received direct payments, i.e. the first payment on 16 January 2017 and second payment on 21 April 2017, for the distribution of allowances to their respective students.

1. sBux institutions are expected to send proof of their students’ registration to NSFAS before LAFs and SOPs can be generated for students to sign. It is important to note that allowances can only be disbursed to students once they have signed their LAFs and SOPs. Not all sBux students who qualify for funding automatically qualify for allowances.

The majority of TVET colleges still need to submit their student registration information and allowance allocations for SOPs to be generated before students can sign and have their allowances disbursed.

1. As at 30 March 2017, 27 400 students eligible for sBux had signed their LAF and SOPs of which 25 120 students were receiving sBux and a further 2 280 students still needed to be processed.

COMPILER/CONTACT PERSONS:

EXT:

DIRECTOR – GENERAL

STATUS:

DATE:

QUESTION 974 APPROVED/NOT APPROVED/AMENDED

Dr BE NZIMANDE, MP

MINISTER OF HIGHER EDUCATION AND TRAINING

STATUS:

DATE: