



**MINISTRY
HIGHER EDUCATION AND TRAINING
REPUBLIC OF SOUTH AFRICA**

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**MEDIA BRIEFING BY THE MINISTER OF HIGHER EDUCATION AND TRAINING,
MR BUTI K.B. MANAMELA, MP, ON THE APPOINTMENT OF AN ADMINISTRATOR
FOR THE NATIONAL STUDENT FINANCIAL AID SCHEME**

Date: 4 May 2026

Venue: GCIS

Programme Director,

Members of the media,

Representatives of student formations and institutions,

Colleagues,

Fellow South Africans,

Good afternoon.

We have called this media briefing to communicate an important decision regarding the governance and future stability of the National Student Financial Aid Scheme, commonly known as NSFAS.

NSFAS is one of the most important public institutions in our democratic project. It exists to ensure that young people from poor and working-class backgrounds are able to access higher education and training. For many families, NSFAS is not an abstract institution — it is the difference between exclusion and opportunity, between hope and despair.

Any instability within NSFAS therefore has implications not only for universities and TVET colleges, but for students, households, communities, the fiscus, and public confidence in the ability of the democratic state to advance social justice.

It is for this reason that government has a responsibility to act when the effective functioning of the institution is seriously undermined.

Today, after careful consideration of the legal, governance, financial and operational circumstances affecting NSFAS, and acting in terms of sections 17A to 17D of the National Student Financial Aid Scheme Act, 1999, I have taken the decision to place NSFAS under administration and appoint an Administrator.

This decision was not taken lightly.

It follows a long process of engagement, legal assessment, governance intervention, and consideration of alternatives.

Allow me briefly to explain how we arrived at this point.

When I assumed office as Minister of Higher Education and Training, concerns already existed regarding the constitution of the NSFAS Board. Following legal assessment

and advice, the Department approached the courts through self-review proceedings concerning the process through which the Board had been constituted.

We took this step because government cannot knowingly ignore potential legal irregularities in the constitution of a statutory body entrusted with billions of rands in public funds and the futures of millions of students.

As the process unfolded, the Board experienced a series of resignations, including the resignation of the then Chairperson and other members of the Board.

In an effort to stabilise governance and ensure continuity, an Interim Chairperson and Deputy Chairperson were appointed.

Subsequently, requests were made for the filling of vacancies on the Board. However, having already approached the courts regarding the legality of the Board's constitution, it would have been contradictory and potentially irrational for government to proceed as though that issue did not exist.

At the same time, broader institutional concerns at NSFAS continued to deepen.

These concerns did not emerge from rumour or speculation. Many of them emerged from NSFAS's own reports, engagements, governance records and responses to the Department.

In March this year, I issued a formal Ministerial Directive to NSFAS in terms of the NSFAS Act. That directive followed serious concerns arising from, among other matters:

- the 2024/25 disclaimer audit outcome;
- material irregularities identified by the Auditor-General;
- weaknesses in consequence management;
- serious data integrity concerns;
- unresolved student appeals caused substantially by system deficiencies;
- delays in ICT modernisation and systems integration;
- student accommodation failures affecting student dignity and safety; and
- broader governance and accountability concerns.

The Department also became increasingly concerned about the pace and adequacy of remedial interventions within the institution.

At the same time, governance instability within the Board itself intensified. There were increasing disputes around governance processes, executive appointment processes, and broader governance matters.

The issue before government therefore became much broader than the narrow question of whether the Board could technically convene meetings or whether a quorum could formally be achieved.

The real question became this:

Was NSFAS, as an institution, functioning effectively, sustainably and credibly in the interests of students and the country?

That is the question government had to answer.

Following the resignation of the Interim Chairperson and Deputy Chairperson, the governance situation deteriorated further.

At that stage, I initiated a formal process in terms of section 17A of the NSFAS Act.

Each remaining Board member was written to individually and afforded an opportunity to make representations regarding the governance position of the institution, possible alternatives, and whether intervention was necessary.

Those representations were considered carefully.

The Department also considered alternatives to administration, including:

- filling vacancies;
- appointing further interim leadership;
- continued directives;
- intensified departmental oversight; and
- allowing additional time for ordinary governance processes.

Ultimately, however, I was not satisfied that the ordinary governance arrangements were capable of adequately stabilising the institution within the urgency and seriousness of the challenges confronting NSFAS.

I was also not satisfied that continued Board-led governance, in the prevailing circumstances, would provide the level of assurance required to restore institutional stability, protect students and safeguard public resources.

Accordingly, and in the interests of NSFAS, students, institutions and the broader higher education and training system, I have today appointed Professor Hlengani Mathebula as Administrator of NSFAS.

Professor Mathebula brings extensive governance, financial management, regulatory and institutional leadership experience accumulated over more than three decades across both the public and private sectors.

His experience includes senior leadership roles in the financial services sector, corporate banking, central banking, public governance and higher education leadership. He has served in executive and governance positions at the South African Reserve Bank, the South African Revenue Service, major financial institutions, and on the boards of several public and private entities.

Importantly, he combines governance and financial oversight experience with academic and institutional leadership within the higher education sector. He currently serves as Director and Head of the Tshwane School for Business and Society at the Tshwane University of Technology and has held professorial and Senate leadership responsibilities within the university sector.

Government is therefore confident that Professor Mathebula possesses the experience, independence, leadership capacity and institutional understanding necessary to stabilise NSFAS during this period.

The Administrator's mandate will be focused on stabilisation, accountability, operational continuity and institutional renewal.

This will include:

- strengthening governance and internal controls;
- addressing audit and consequence-management weaknesses;
- accelerating ICT and systems integration reforms;
- stabilising student funding operations;
- improving student accommodation oversight;
- resolving appeals and service-delivery backlogs; and
- preparing the institution for a return to stable ordinary governance.

In terms of the NSFAS Act and the terms of reference published in the Government Gazette, the Administrator will also be empowered, subject to the necessary approvals, to recruit and appoint individuals with the expertise required to support the stabilisation and renewal process in areas such as audit remediation, ICT systems, governance, finance, student funding operations, risk management, legal services and organisational redesign.

The administration is intended as a temporary but necessary intervention to restore institutional credibility, operational effectiveness and public confidence in NSFAS.

The administration is not intended to disrupt NSFAS operations.

Let me state this clearly:

Student funding will continue.

Allowances will continue.

Appeals processes will continue.

Universities and TVET colleges will continue engaging NSFAS operationally.

The purpose of the intervention is precisely to protect continuity and restore confidence.

This intervention is not about personalities.

It is not about factions.

It is not about preferred individuals or internal contestation.

It is about protecting students, stabilising a critical public institution, restoring accountability, and ensuring that NSFAS performs its mandate effectively and lawfully.

Before I conclude, I wish to acknowledge and thank both the former and remaining members of the NSFAS Board for their service during a difficult and complex period for the institution.

While government has ultimately arrived at a different conclusion regarding the appropriate governance intervention required at this stage, I recognise that many

Board members served under challenging circumstances and engaged the process in good faith

Government remains fully committed to ensuring that NSFAS succeeds in fulfilling its mandate to poor and working-class students.

We will continue engaging institutions, students, Parliament, National Treasury, organised stakeholders and the public as this process unfolds.

I wish to thank the students, institutions and the broader public for their patience and continued commitment to protecting the integrity of our post-school education and training system.

Thank you.

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