



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

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**MINISTER MANAMELA, DEPUTY MINISTERS AND AUDITOR-GENERAL  
CONVENE JOINT ACCOUNTABILITY MEETING ON NSFAS & MINISTER ISSUES  
FORMAL DIRECTIVE TO NSFAS BOARD**

**TO ALL MEDIA**

**25 MARCH 2026**

**For Immediate Release**

The Minister of Higher Education and Training, Mr Kgwaridi Buti Manamela, together with Deputy Ministers Dr Mimmy Gondwe and Dr Nomusa Dube-Ncube, convened a joint meeting with the NSFAS Board, the Acting Chief Executive Officer, and the Auditor-General of South Africa to engage directly on the 2024/25 audit outcome and the state of NSFAS's service delivery to students.

Following that meeting, the Minister has issued a formal Ministerial Directive to the NSFAS Board.

**Being honest about the challenges**

NSFAS received a disclaimer of opinion for the 2024/25 financial year, the most serious audit outcome an institution can receive. The Auditor-General's report describes a deepening breakdown in governance, financial controls, and accountability. Nine material irregularities have been identified, four of them newly

notified. This administration did not cause these failures. They are the product of years of leadership instability, weak oversight, and a culture in which audit recommendations were acknowledged but not implemented. The Department is committed to fixing them.

The Auditor-General's data analytics findings are particularly disturbing and require frank public disclosure. The audit identified 822 students who were recorded as deceased in the Home Affairs database but continued to receive NSFAS bursary funding. It identified over 14 000 students whose household incomes exceed the NSFAS eligibility threshold but who were funded nonetheless. It identified 321 students simultaneously receiving NSFAS bursaries and the Social Relief of Distress grant, double-dipping that neither system detected. It identified tens of thousands of cases where students with prior qualifications, or who failed to meet academic progression requirements, continued to be funded.

These findings mean the following that funding allocations intended for poor and working-class students were diverted — whether through system failures, misrepresentation, or fraud. We are not in a position yet to determine the exact proportion attributable to each cause. What we are in a position to do is investigate, recover, and prevent recurrence. The

Minister has directed the NSFAS Board to activate its forensic unit immediately, to work with the Special Investigating Unit on the cases already under investigation, and to refer identified instances of fraud and misrepresentation to the appropriate authorities.

No student who genuinely qualifies for NSFAS funding has anything to fear from these investigations. The investigations are aimed at those who have misrepresented their circumstances, and at the system failures that allowed incorrect payments to continue.

### **The student accommodation crisis is unacceptable**

The Auditor-General's report documents accommodation conditions that are unsafe, undignified and in direct breach of the contracts that service providers signed with NSFAS. Students are being housed in areas near taverns. Students are stranded far from campuses at night because transport is inflexible. Landlords are threatening

and harassing students whose accommodation has not been paid because NSFAS payment systems have failed. Students' belongings are being confiscated.

These are not audit findings. These are violations of the basic dignity of young people who came to study, not to survive a housing crisis created by the state's own dysfunction.

The Minister has directed the NSFAS Board to immediately audit all accredited private accommodation providers and to suspend any provider found in material breach of contract standards. The department is also working with NSFAS to finalise the student accommodation policy framework, which will strengthen accreditation standards, enforcement mechanisms, and student recourse channels. This work will be concluded before the end of April 2026.

### **What has been achieved and why it matters**

The current NSFAS administration has, for the first time in several years, resolved the institution's backlog of late financial submissions. NSFAS is now on track to meet all PFMA reporting deadlines for the 2025/26 financial year. Four of the existing material irregularities are at a stage where the Auditor-General is satisfied with management actions. A Loan Management and Recovery Strategy has been approved. The South African Revenue Service has committed to reinstating data sharing with NSFAS based on governance improvements. This is a critical development that will significantly strengthen eligibility verification going forward.

The CEO appointment process is underway. The Minister has also initiated a legal process to review the Board appointment, which is before the courts. These governance steps are part of the same commitment to institutional stability.

These achievements do not offset the audit regression. They do however, demonstrate that the institution is capable of improvement when it is held accountable. The task now is to extend that accountability into every part of the organisation.

### **The Joint Accountability Framework**

The meeting established a joint accountability framework between DHET, the NSFAS Board and the Auditor-General. The NSFAS Board will submit a comprehensive report to the Minister and Director-General by 30 April 2026, covering the consolidated remedial plan for all repeat audit findings, the consequence management plan with named officials, a resolution plan for the data analytics findings, the ICT modernisation roadmap and a date for the HEMIS-NSFAS direct integration, the SARS data sharing agreement, the student accommodation provider audit findings, and the institution's position on the sustainable student funding model.

A further progress report, specifically aligned to the Auditor-General's own follow-up assessment on 31 May 2026, will be submitted at the end of April.

The Minister, together with both Deputy Ministers and the Director-General, will convene quarterly joint accountability sessions with the NSFAS Board, beginning with the Q1 report in July 2026. Progress will be reported to the Portfolio Committee on Higher Education at each parliamentary engagement.

### **What students should know**

The Minister has directed that a clearance plan and a permanent system fix be submitted within three weeks on the students who are waiting for appeals to be resolved, the 7 805 outstanding appeals, 98.8% of them caused by system failures.

The Minister has directed that students should not be waiting more than 70 days for an appeal outcome as it is not acceptable, and it will change.

The students living in unsafe, substandard accommodation have rights under the contracts that their accommodation providers have signed. NSFAS is being directed to audit and enforce those contracts. Any provider who cannot meet the required standards will be removed from the accreditation list.

To the 800 000 students who depend on NSFAS to access higher education, your funding is not at risk from the investigations underway. The investigations target fraud and misrepresentation. The administration of your legitimate funding will continue. And our commitment is to build an NSFAS that processes applications accurately, pays on time, places you in decent accommodation, and resolves your

appeals quickly. That is the institution that every student deserves and the institution we are building.

### **The Minister's commitment**

NSFAS is not beyond repair. It is an institution that carries a mandate of enormous national importance, to ensure that poverty is not a barrier to education and that South Africa can build the skilled, capable and educated society its people deserve. That mandate is worth fighting for.

This administration will not accept plans without delivery, oversight without accountability, or audit findings without consequences. The Ministerial Directive issued today establishes the framework within which NSFAS must operate going forward.

The Deputy Ministers will maintain active oversight of implementation. The Director-General will report to the Minister monthly. And the Auditor-General will assess whether the turnaround is real.

“We are committed to NSFAS. We are committed to the students. And we are committed to building an institution that can be trusted”, said Minister Buti Manamela.

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