

MEDIA STATEMENT

DATE: 04 November 2023

TO: All Media

ATTENTION: News Editors/ Reporters

For Immediate use:

MINISTER NZIMANDE CORRESPONDENCE TO THE NSFAS BOARD ON THE URGENT MATTERS ARISING FROM THE INVESTIGATION REPORT RELATING TO BID NO. SCMN022/2021 AND RELATED MATTERS

The Minister of Higher Education, Science and Innovation, Dr Blade Nzimande, wrote to the Board of the National Student Financial Aid Scheme (NSFAS) on the outcomes of the investigations by the Werksmans attorneys relating to BID NO. SCMN022/2021 and related matters.

“Given the serious and sensitive nature of the report, officials of the department are still studying the report, guided by our legal department, to be in a good stead to advise me on how best comprehensively to respond thereto,” said Minister Nzimande.

In the letter to the Board, Minister Nzimande said that notwithstanding and given the urgent need to address the challenges currently facing NSFAS, he wrote to the NSFAS Board to communicate his initial response to the report, request some information, and direct the Board to take certain steps immediately to avert further descent into the abyss of the current challenges.

Minister Nzimande expressed his deep disquiet about the irregularities, mismanagement and poor governance that is revealed in the report and that the findings of the report are of a very serious nature, and need to be taken as such.

In this regard, the Minister commended the Board for having accepted the report, its findings, and its recommendations. “Given the serious nature of the matters that were under investigation however, the question does arise as to what was the role of the board throughout the whole saga. I therefore require a detailed explanation of the role played by the board during the entire process, outlining what information was provided to the board and at what stages of the process, and what approvals were sought from, and given by the Board,” asked Minister Nzimande.

The Minister requested the Board to furnish him with a detailed plan of how they will implement the recommendations of the report, given the very serious risk of instability that it poses to the system, and the inherent implications thereof. “I trust that this plan

will have considered all options available, and motivated for the best option, with clear timelines, and resource requirements,” said Minister Nzimande.

“Without turning the board into being an operational structure, I would like to implore you to work very closely with management, as they implement the organizational turnaround plan that you devised at your last board bosberaad a few weeks ago. This is crucial in ensuring that we strengthen and capacitate the organisation moving forward and ensure that such lapses, as the very serious ones we have seen in the recent past, do not occur again. This must inevitably include close monitoring of the very important service delivery aspects, which include the timeous payment of student allowances, as well as the continued accreditation of student accommodation,” emphasized the Minister.

The Minister also directed the Board to conduct a full investigation into the allegations made the former NSFAS CEO about the process of issuing off-take agreements. The Board is expected to provide the report to the Minister within the next three weeks.

Enquiries:

Issued by the Minister of Higher Education, Science and Innovation.

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