

**THE MINISTER OF HIGHER EDUCATION, SCIENCE AND TECHNOLOGY, DR  
BLADE NZIMANDE, STATEMENT ON POST SCHOOL EDUCATION AND  
TRAINING SECTOR STATE OF READINESS FOR THE ACADEMIC YEAR 2020**

**23 January 2020**

**Programme Director;  
Director Generals of the Department of Higher Education, Science and  
Technology, Mr Gwebinkundla Qonde and Dr Phil Mjwara;  
DDGs Present;  
Chairpersons and CEOs of our Entities;  
Administrator of NSFAS;  
Vice Chancellors and TVET Principals;  
Student formations;  
Labour Unions;  
Members of the media;  
Fellow South Africans**

The Department of Higher Education and Training was established in 2009, with its primary goal being to provide post-school education and training opportunities to all South Africans, whether they attended school or not, and whether they have passed or not, to acquire further education and skills.

In this task, we are guided by our White Paper for Post-School Education and Training (PSET), which was adopted by Cabinet in 2013, and by the National Development Plan.

The 2020 academic year is getting underway, with universities and TVET colleges beginning to register students, and with academic programmes commencing in some institutions.

We are hopeful that the start of the 2020 academic year will be smooth, and we urge all involved to work together with government and our department so that we address whatever challenges that are there.

A successful academic year will require all of our energies, working together as institutions, government the National Student Financial Aid Scheme, and student representatives to resolve any challenges that may arise.

To this end and to ensure positive engagements at this time, I have been holding briefings and listening to concerns and suggestions with various role players and stakeholders in the sector since Tuesday, 21st January 2020, focusing on our preparations for the new academic year.

Our briefings have included SRCs and student organisations, political formations, political parties, trade unions, representatives of university vice-chancellors and TVET college principals, SALGA, faith-based organisations, and traditional leaders, amongst others.

I am grateful for the support and cooperation that I received from many stakeholders which led to fruitful engagements.

In my earlier statement on 16 January 2020, I focused on the opportunities available at our public institutions in the post-school sector, particularly opportunities for the 2019 matriculants. In this statement, I would like to address our state of readiness some of the matters that relate to our system readiness for the 2020 academic year, against the backdrop of both the successes of the system, and the challenges that confront us.

Indeed a lot has been achieved since the establishment of our department in 2009.

The year 2020 marks the first academic year of the decade, and in the previous decade we have laid a solid foundation, through a number of significant achievements and advances in post-school education and training, including the following:

We have established three new universities of Sol Plaatjie University, the University of Mpumalanga and the Sefako Makgatho Health and Sciences University, the first new institutions in post-apartheid South Africa;

We have developed the vision and policy of the PSET system, as contained in the White Paper approved by Cabinet in 2013;

We have strengthened and incorporated the TVET colleges into the PSET system, including migrating their staff into permanent employees of our department

We have approved massive infrastructure developments across the system of approximately R30 billion for universities since 2007, and more recently since 2018, with the introduction of an earmarked grant of R2.384 billion, with an additional revenue of about R2.5billion from the National Skills fund to the total value of R4.884 billion.

We have improved access, participation and throughput rates, with university enrolments rising to over one million students; significantly improved funding available for students from poor and working-class backgrounds. We reduced the dropout and improved throughput in the university system.

We have developed the TVET college Turn-Around Strategy, including a significant increase in enrolments in the TVET Colleges to approximately 720 000 enrolments

We are rolling out the new DHET bursary scheme for students from poor and working-class backgrounds from the 2018 academic year, at our public universities and TVET Colleges. I will provide further detail on this.

On the 12th April 2019, we published a draft policy on the new National Norms and Standards for funding Community Education and Training (CET) Colleges, so we can strengthen the role of colleges in the provision of skills, education and training for out of school youth and adults.

In the year 2020, we will be implementing a new SETA landscape to further respond to the skill demands of our economy. We will ensure that we strengthen, realign and repurpose SETAs so that they respond to the skills needs of our economy.

A draft Central Application Service Bill, 2019 for the PSET system was approved for public comment by Cabinet.

We have committed ourselves to train 780 youth in artisan skills through the Centres of Specialisation (CoS) programme. These centres will further assist 26 TVET College campuses to improve their capacity to develop artisans with industry partners in 13 priority trades comprising skill sets in bricklaying, electrician, millwright, boilermaker and automotive mechanics, amongst others.

We have made strides by commencing the building of nine (9) new TVET colleges campus sites scheduled for completion in 2020. They include Sterkspruit, Aliwal North, Graaff Reneit, Ngungqushu, Umzimkhulu, Greytown, Msinga, Nongoma and Kwagqikazi. Construction will commence with a new campus site for Mitchells Plain in 2020.

Contracts will be awarded for a further four (4) new campus sites in 2019/20. The sites include Balfour, Giyani, Nkandla B and Vryheid.

While there have been many positive achievements, we are determined to work more harder to address challenges in the post-school system in order to meet our policy goals of addressing social justice in and through education; building a single, coordinated, and articulated post-school education and training system; expanding access, improving quality and increasing diversity of provision; improving the relationship between education and the workplace; and building a responsive system.

Amongst other achievements we pride ourselves on is the fact that in 2018 we undertook a due diligence exercise to quantify the historic debt of NSFAS qualifying senior students registered in the 2018/2019 academic year.

Through this exercise, all returning NSFAS qualifying students with university debt were allowed to register provided that they signed an Acknowledgement of Debt form. This exercise was meant to effectively ensure that students with NSFAS historic debt will be able to graduate debt free, subject to available funds.

We have also worked with the university sector to keep fees at affordable levels, while substantially increasing the funding for poor and working-class students.

We are also working with the university sector to develop a fee regulatory policy framework that will ensure the affordability of tuition fees, while ensuring the sustainability of our universities.

For 2020, the sector wide agreement has been on an inflation-linked university tuition fee for 2020 of 5.4% on tuition fees and 7.4% on accommodation fees. This is in-line with the agreement of the previous year.

In 2017 and 2018 we also provided support to poor and missing middle students through the fee adjustment or “gap” grant for students in the family income category of up to R600 000.

In 2019 this funding was transferred into the block grant of universities, to allow for students who had benefited from the gap grant to continue to be supported until graduation.

I have received requests from a number of young people to re-open the NSFAS applications to allow them to access institutions of higher education and training.

I wish to indicate that the NSFAS process is not closed to those students who will be accepted at universities and colleges who might not have applied for NSFAS assistance. As soon as universities and colleges bring these to our attention, these students will benefit from NSFAS if they qualify. There is already a process in place to manage this between institutions and NSFAS to ensure that late applicants that have been accepted for registered places can access funding if they qualify.

Ladies and gentlemen

There have been significant improvements in operations at NSFAS since the appointment of the Administrator and improved working relationships between NSFAS and institutions, which has resulted in a relatively successful registration period in 2019.

It is our firm believe that through improved information management systems and augmented management structure, NSFAS will be able to deliver effectively in the 2020 academic year.

I also want to re-emphasise the point I made during the press briefing I held on the 16th January 2020, that in 2020, we have arranged through NSFAS to pay the registration or first fee instalment for all NSFAS qualifying students as an upfront payment to universities and TVET colleges in January.

Therefore, NSFAS qualifying students will not pay any registration or upfront fees in 2020. However, all other students are expected to pay their upfront/registration fees.

All institutions have been requested to register returning NSFAS qualifying students who meet the academic requirements but who still owe institutions fees in 2020.

NSFAS qualifying students will be requested to sign an acknowledgement of debt form, similar to what was implemented in the 2018 and 2019 academic years, to enable them to register.

All universities have also been requested to continue to implement processes to enable academically successful students who have outstanding student debt to continue with their studies in 2020, wherever possible.

**FIGHT AGAINST CORRUPTION IN THE PSET SYSTEM**

Despite the advances outlined above, one of the most serious challenges we face is corruption in the PSET system. Not only do we sometimes just deal with corruption but also against a fight back strategy by those who have or maybe found with their fingers on the tills.

In 2016, after continuous allegations, I launched an investigation on allegations of corruption in NSFAS.

Five (5) internal forensic investigations being launched, of which 2 are completed;

Four (4) criminal cases opened & currently being investigated by SAPS;

A further 510 instances of alleged fraud have been handed over to Commercial Crimes Unit;

Due our commitment to fight against fraud and corruption, we unravelled a total irregular expenditure in the system which amounted to R4.3 billion.

I want to acknowledge the public interest in the turnaround of the National Student Financial Aid Scheme, and the recent focus on the forensic investigations underway at the entity, which will result in holding accountable those who are responsible for fraud at the entity.

I would also, however, like to link this to a broader point about corruption and maladministration within our post-school education and training system. As you know, NSFAS is currently under administration, which includes two of our public universities, the Vaal University of Technology (VUT) and the University of Fort Hare. We also have the Central Johannesburg TVET College (CJC) also under administration.

As funding from government has increased to universities and colleges, we have also substantially increased infrastructure projects across the system, but, we have seen worrying acts to “capture” of institutions by external groups, sometimes in cahoots with internal forces.

Many of these acts are driven by personal financial interests which stands in opposition to our focus of providing high quality education and training and building excellent institutions for the good of our country.

I want to make it clear here today that we will not stand back and allow our institutions to be captured by narrow selfish interests.

We are committed to ensuring that our institutions are well governed and effectively administered in the best interests of South Africa and our citizens.

I will do everything in my power to ensure that we put a stop to corruption and maladministration in all our entities and institutions.

**STUDENT FUNDING POLICY**

I have approved the Guidelines for the DHET bursary scheme for university students in 2020. The release of the Guidelines followed extensive analysis of the 2019 bursary provision and engagement with universities and student leaders.

The Guidelines considers principles of fairness and rationality as well as the affordability of the bursary provision in line with the allocation from national government.

Considerations are also made to ensure that the policy decisions in the Guidelines are implementable, as bursary administration is a joint responsibility between the National Student Financial Aid Scheme (NSFAS) and public universities and TVET colleges.

DHET is responsible for policy determination, NSFAS for assessing financial eligibility and ensuring that students receive funding and managing effective data exchange, and universities and colleges for many aspects of the administration and monitoring of student funding.

In 2020, government is providing R34.5 billion to NSFAS to support students from poor and working-class backgrounds in their studies at public TVET colleges and universities.

Funding to students through NSFAS has increased from R5.9 billion in 2014/15 to the current levels of R34.5 billion. This is a massive commitment from the South African government to support students to access and succeed in higher education and training.

2020 will be the third year of implementation of the fully-subsidised funding for students, which is being phased in over a five-year period. More and more students are benefiting from the increased funding subsidy, which covers tuition, learning materials and support for living expenses for eligible students.

In 2019, over three hundred and seventy-five thousand (375 000) students in universities benefited from the scheme, of whom approximately two hundred and seventeen (217 000) were students benefiting from the new fully subsidised funding.

Government has rightly prioritised the funding needs of the poorest students in the system, and has scaled up support to provide improved financial aid for all students from families earning up to R350 000 per annum.

We are aware that there are many students who fall outside this category and struggle to afford higher education and, during this year, will be working with the sector and other partners on identifying more universal solutions to problems of student financing and student debt.

As government we remain committed to developing a student funding eco-system, which would include funding for the poor, but also address a more sustainable scheme for missing middle students (incorporating initiatives already underway, funding from private sector and non-profit funders, funding from other government departments), and addressing the critical issue of post-graduate funding.

We therefore will maintain our focus on ensuring the effectiveness of the DHET bursary scheme, including our focus on improving operations at NSFAS.

The Guidelines provides for the implementation parameters for the 2020 DHET bursary scheme, and sets out the high-level policy applicable to the scheme, including the roles and responsibilities of students, universities and NSFAS.

The following information is provided in respect of the subsidized allowances for contact university students qualifying for the DHET bursary scheme in 2020, that is, students who meet the financial eligibility criteria and are registered for approved qualifications in contact institutions:

All students receive support for the full actual tuition fee subject to the agreed sector increases for 2019, paid to the relevant university;

All students receive a learning materials allowance, paid on an annual basis. For 2020, the allowance will be R5 200 per student. This amount is paid in cash to students to allow for student choice in determining their needs;

Students in university owned and managed catering residences receive support for the full residence cost including catering (this amount is paid directly to the institution), as well as the incidental allowance;

In 2020 the incidental allowance will be R290 per month for the ten months of the academic year. For other students, the incidental allowance is incorporated into the living allowance;

Students in university owned and managed self-catering residences receive support for the full residence cost (paid directly to the institution) and receive the living allowance, which is R1500 per month for the ten months of the academic year;

Students living in accredited off-campus accommodation, that is, the accommodation that has been formally accredited by the institution, receive the cost of accommodation plus the living allowance. It is assumed that transport is included in the cost of accommodation, as is the practice in most institutions. A lease agreement is a necessary pre-condition for receiving this funding;

Students living in non-accredited accommodation, which could include a family home, the home of a relative or any other form of accommodation that is not formally accredited, receive the living allowance (R1500) and a transport allowance (R750 per month in 2020). These students can make their own decisions about how to best utilise the allowances.

Distance university students qualify for tuition fees and the learning materials allowance only. However, distance students studying an equivalent full-time course load of a contact student also qualify for the incidental allowance. This requires a student to be registered for a minimum of ten courses in one academic year.

For those students still subject to the funding cap, this will be R93 400 in 2020. Government is aware that there are some students at some institutions for whom this amount is inadequate to cover their costs and that some students will continue to incur debt until they complete their studies. I have discussed above how we are addressing this debt, subject to the availability of funds.

Universities should continue to engage with private accommodation providers to ensure that accommodation targeted at students is affordable and not offered at inflated rates. This intervention is important because currently, NSFAS only supports students at a cost no higher than the rate of the equivalent university owned/managed accommodation.

This is an issue that requires ongoing engagement between universities and the Department and private providers.

It will be necessary in 2020 to establish a forum where private accommodation provision, norms and standards, costs, university accreditation processes, and the link with NSFAS funding, can be discussed and debated. This may have to be supported by further research and engagement.

I must indicate that, following engagements with universities, we have agreed that university students who are only able to access single-use accommodation that is not formally accredited, will be able to access support for this accommodation, subject to the provision of a lease agreement, and subject to the verification processes at institutions.

In this regard we are seeking to protect students from exploitation, prevent fraud, and ensure that funding is directed to support the appropriate costs and quality of accommodation as far as possible.

Amongst the consultations, I will be prioritising in the coming weeks, will be meeting with major private providers of student accommodation to discuss these and other related matters on quality and safety of such accommodation.

## TVET STUDENT FUNDING

Since 2018 TVET students with a joint family income of R350 000 are also financially eligible for bursary funding. 95% of poor and disadvantaged students who register at TVET colleges are found to be eligible for NSFAS funding.

All qualifying students will receive two types of allowances to help them succeed in their studies, namely, accommodation and personal care, or travel and personal care.

Students who stay in college accommodation receive thirty-three thousand (R33 000) per annum, whilst those in private accommodation are funded in three categories, urban twenty five thousand two hundred (R25 200); peri-urban eighteen thousand nine hundred (R18 900) and rural fifteen thousand seven hundred and fifty (R15 750).

Travel allowances are provided at seven thousand three hundred and fifty (R7 350) per annum and the personal care allowance two thousand nine hundred (R2 900) per annum.

It is very important that TVET students using private accommodation ensure that, before they sign contractual agreements with landlords, they satisfy themselves with the quality of the physical accommodation as well as any services that they will be paying for.

It must be noted that despite the difficult fiscal situation, and the many social demands requiring support, government has been able to maintain the levels of support to students originally committed for 2018 onwards.

I think you will agree with me that the subsidized funding being provided through the DHET bursary scheme is generous. I urge students to make the best possible use of the support being provided to focus on their studies, and to access all other forms of academic and other support available at our public institutions.

To those who are fortunate enough to access universities and TVET colleges, we want you to succeed and graduate and committed to making sure that this funding is able to assist you to do this.

Students on the new bursary scheme are required to sign agreements with NSFAS which also signal their commitment to and understanding of the requirements of the scheme.

They receive a maximum of the minimum qualification time plus one year of funding on the fully-subsidised scheme.

#### TVET NSFAS APPLICATIONS APPLICATION

In relation to the TVET sector, a total of 90 157 online applications were received by NSFAS from TVET college students as at 15 December 2019.

For the remainder, the 2020 walk-in application process commenced on 9 January 2020 and will close on 31 January.

The aim is to minimize and finally eliminate walk-ins over the next 3 years.

In addressing the capacity constraints to capture bursary applications in colleges, NSFAS has contracted the services of Metrofile. In this arrangement Metrofile will capture the forms completed by students and verified by the college, and will be forward to NSFAS.

Based on this new process for capturing student application forms NSFAS will provide a funding decision within 10 working days upon receiving complete and valid new applications.

Despite the achievement of the relative stability within NSFAS, pressing challenges remain. The administrative capacity of TVET colleges, coupled with the neglect of

this sector within NSFAS, compelled the introduction of a cellphone activated NSFAS Wallet.

Initially this measure was aimed at only 6 colleges but quickly ballooned to 26 colleges, significantly increasing costs to NSFAS. Sufficient progress had been achieved to move the entire TVET student allowances, to direct payments into bank accounts by the commencement of the 2020 academic year.

This funding has been ring-fenced, and is over and above the funding for the planned enrolments into the various programmes.

Furthermore, colleges will claim the 20% tuition fees and allowances from NSFAS for these students.

#### NATIONAL RESEARCH FOUNDATION (NRF) POSTGRADUATE FUNDING

The National Research Foundation (NRF) is currently in the process of screening the honours applications. Funding outcomes will be available by 31 January 2020.

From the eligible Masters degrees applications submitted by the institutions, 31% were approved by the NRF for funding in the 2020 academic year with 32% approved for the Doctoral degrees. The balances in these percentages could not be funded due to budget constraints.

#### CAMPUS SAFETY AND GENDER BASED VIOLENCE

Our institutions are a place of teaching and learning and should be safe and comfortable places for all students and staff.

In dealing with the spate of violent attacks on students on and off our campuses, we are currently finalizing the Policy Framework on Gender-Based Violence for the post-school sector. This policy will guide the whole sector in its management of and response to gender-based violence.

I held a meeting with the leadership of Universities South Africa (USAf) on 13th September 2019, at which we agreed that USAf would work with the Department to develop a joint plan of action towards a plan to address campus security, including preventing acts of violence, and gender-based violence in particular, on university campuses.

We agreed that this would include a process to gather information on the status of safety and security plans and strategies on campuses across the country, to identify urgent matters at individual institutions.

This will include looking at infrastructure requirements for better security on campuses that could be funded through the Department's infrastructure and efficiency fund.

I must, however, emphasise that infrastructure alone will not solve our problems. The problems of violence are much deeper and require all members of the university and

TVET community, students, staff, management, and surrounding communities and businesses to work together.

USAf also met with the Minister of Police in October 2019 to further find ways to respond to safety and security issues on our institutions.

I thank you