

**S**ection 29(1)(a) of our Constitution enshrines the fundamental right to basic education, including adult basic education. Section 29(1)(b) provides for the right to further education, (university education and technical and vocational education and training (TVET).

Government has an obligation, to progressively, through reasonable measures, make this education available and accessible to all. This resonates with the Freedom Charter, which states that "Education shall be free, compulsory and universal for all children"; and "higher education and technical training shall be open to all by means of allowances and scholarships, awarded based on merit".

The Constitution (and Freedom Charter) does not identify further and higher education as a fundamental right in the same way it does basic education, nor does it promise "free" further and higher education. Availability, in the context of our Constitution, refers to the creation of learning spaces to increase enrolment, and accessibility refers to affordability, without exclusion on the basis of financial need.

Recognising that limited funding constrains the ability of the state to provide free education for all, the 1997 White Paper 3 endorsed the principle of cost sharing, where the costs for higher education is shared between public and private beneficiaries. The White Paper 3 also emphasises that finances should not prohibit students from accessing higher education. It further declares that financially needy students should be supported with upfront payments to ensure that they are not denied access to higher education.

### The National Student Financial Aid Scheme (NSFAS)

The government established NSFAS as a loan and bursary scheme towards fulfilling its constitutional obligation of ensuring access to higher and further education to poor students. NSFAS provides income contingent loans

for first undergraduate qualifications to poor and academically eligible students at the 26 South African public Universities, as well as bursaries for the National Certificate (Vocational) and certain NATED courses at 50 TVET colleges.

Students at universities who are assisted receive an upfront allocation for their studies by way of low-interest loans. The NSFAS TVET college bursary is provided to students who wish to obtain a first qualification at any public TVET colleges in South Africa. This is a bursary and not a loan and therefore does not have to be repaid.

### Available funding

The funds allocated to NSFAS have increased substantially, from R441-million in 1999 to R9.5-billion in 2015/16 financial year. The total number of students assisted by the entity in the 2014 academic year consisted of 228 642 students at 50 Technical and Vocational Education and Training (TVET) Colleges and 186,150 students at 25 public universities and one National Institute for Higher Education. NSFAS funds are expected to increase to R10-billion in the 2016 academic year, assisting more or less the same number of students if substantial additional funding is not found. NSFAS is not able to assist all current financially needy students at the levels required to meet their tuition fees, accommodation, meals, books, etc.

NSFAS funding does not cover students from families who are not poor enough to qualify for NSFAS in terms of the threshold, but are not able to finance their education – the so-called "missing middle". The National Development Plan suggests that these students should be covered by loans underwritten by State sureties. A process led by the Chairperson of the NSFAS Board is currently underway to find mechanisms for supporting students through affordable loans.

### Loans & Recoveries

Interest is charged one year after a student has successfully graduated or exited the system.

# Financial Aid Supports education a

## Pearl Whittle

Students who qualify and receive NSFAS funding are not required to pay registration fees at universities. Up to 40% of the loan may be converted into a bursary dependent on the student's year-end results. If a student, studying towards a three year degree, is awarded a loan of R40 000, and successfully completes the first two years of study, R16 000 will be converted into a bursary each year.

Government has further given effect to the Polokwane resolution by introducing, in 2011, the conversion of the NSFAS loan to a full bursary for university students who complete their final year of an undergraduate qualification successfully. The final-year programme rewards students by converting their final year loans into a full bursary if they successfully pass and graduate. If a student is awarded a loan of R60 000 in his/her final year, and successfully graduates, the R60 000 is converted into a 100% bursary. This means that if a student is successful and completes in minimum time, then 60% of the full loan (R140 000) due to NSFAS is effectively converted into a bursary and will not have to be repaid.

These loans (capital and interest) are repayable as soon as the student begins to work and earns more than R30 000 per year. The parents of the student are not responsible for repaying the loan. If the student never earns gainful employment (they remain poor) the loan is not repayable and will be written off.

It is important for NSFAS beneficiaries to repay their loans. These repayments are returned to the pool of funds made available to assist future generations of poor students. If NSFAS receives R500-million in recoveries per year an estimated additional 7 000 students can be funded at an average NSFAS award of R71 000.

### Who qualifies?

A student first has to apply for academic acceptance at a public University or TVET



Given the country's dire need for medical professionals, many

college. Students qualify for NSFAS funding if they are South African citizens and are registered at a South African public higher education institution or TVET college. The student has to demonstrate potential for academic success and be financially eligible.

The decision to allocate funds is based on the student's financial need and ability to demonstrate academic success. Students are ranked according to financial need and their academic results. Top achievers are given preference, as available funding is limited. Staff at the Financial Aid Office will be able to assist with financial aid application process and will administer the NSFAS financial means test to assess whether or not a student is eligible for financial aid.

### Closing dates for financial aid applications

First time applicants must contact the Financial Aid Office at the institution where they wish to study regarding closing dates for NSFAS applications. Closing dates differ from institution to institution. All first-time applicants and returning students have to check with their financial aid offices or NSFAS (if the institution is part of the NSFAS pilot) to ascertain if applications received after the closing dates will be considered, depending on the availability of funds.

NSFAS will dispatch roving teams to give operational support to Financial Aid Officers at Non Student-Centred Model institutions as required.

### NSFAS student-centred model - Pilot

NSFAS implemented the student-centred model that will enable the organisation to build a direct relationship with students from the initial application phase until completion of their studies. Students who wish to study at any of the following institutions should apply online directly to NSFAS:

- \* Durban University of Technology;
- \* Nelson Mandela Metropolitan University;
- \* University of Venda;
- \* Sol Plaatje University;
- \* University of Mpumalanga;
- \* UNISA;
- \* King Hintsa TVET College;
- \* Motheo TVET College;
- \* Umfolozi TVET College;
- \* South Cape TVET College; and
- \* Ekurhuleni East TVET College

**MOVING FORWARD**



Welcome to all new and returning students to SA's post-school education & training system

# access to Post-school and training



## healthcare-related programmes are available to school leavers

The online application is accessible via the NSFAS website at [www.nsfas.org.za](http://www.nsfas.org.za).

In addition, NSFAS has selected the following 12 TVET Colleges to join the Student Centred Model as part of the phase 2 implementation plan for the 2016 academic year: Erkhuruleni West TVET College Gauteng, Kempton Park Central Johannesburg College, South West TVET College, Tshwane North TVET College, Tshwane Orbit FET College North West (Gauteng) Rustenburg Vhembe TVET College, Cape Town TVET College, Northlink TVET College West Coast TVET College, False Bay TVET College, Buffalo City TVET College and Port Elizabeth FET College. NSFAS has planned and will provide onsite support to these institutions. NSFAS will use the registration process at the TVETs to capture the student application as well as the means test.

*The required documents for application are listed below:*

Certified copy of the applicant's South African Identity Document, certified copy of Identity Document of each household member including parents or legal guardian of the applicant, and proof of your household income (i.e. copies of parents' salary advice, SASSA letter, etc.).

If the applicant is younger than 16 years of age and does

not have a green bar-coded ID, a certified copy of the birth certificate must be submitted. If the applicant has been exempted from paying school fees, a letter from the school must be provided. Where applicable, copies of statement of UIF, SASSA grants, and any other income must be submitted as well.

Continuing students The NSFAS rules indicate that students need to pass 50% of their registered courses, meet the progression requirements of the university and complete their qualification within up to two years of the prescribed period to qualify for continued funding. It is expected that all institutions should apply these

criteria to enable academically able NSFAS students to complete their qualification.

### Other funding opportunities

Bursaries for specific fields of study are also available, e.g. the Funza Lushaka Bursary for teaching from the Department of Basic Education (certain teaching subjects only), bursaries for social work studies, as well as bursaries for various scarce skills such as engineering, IT, through the National Skills Fund and SETAs.

Students are also advised to consult their respective financial aid offices for other bursary opportunities and website for bursaries-[southafrica.co.za](http://southafrica.co.za) where a wide range of bursaries are offered by both government and the private sector. Please note the closing dates for these bursaries.

### Frequently asked questions:

1. When I get the loan, where does the money go?

Once a student has been funded by NSFAS the funds are paid directly to the institution where the student is studying.

2. How long does one have to wait before being informed about the success of the application?

It can take up to a month after the closing date. This also differs from institution to institution.

3. If I fail, do I have to pay back my loan?

Yes, once you have completed your studies or have dropped out, and you are working and earning over R30 000 per annum, you are then required to pay back your loan. Bursaries are not repayable.

4. How much will my parents have to earn in order for me to get a loan at NSFAS?

Through the institutions, NSFAS administers a means test, which looks at family income and expenses to determine eligibility.

5. Are there costs involved to apply for NSFAS loan?

There is no cost involved in applying for NSFAS loan.

6. Is there a cut-off date for application at NSFAS?

Yes: to find out closing dates, the student needs to contact the NSFAS Contact Centre, the institution's Financial Aid Office and Student Support Office as the dates differ from one institution to another.

7. Can I study at a private institution such as Varsity or Damelin College with a NSFAS loan?

No, NSFAS does not fund students who are studying at private colleges.

8. What subjects must I have to qualify for the loan and

bursary?

All subjects accepted by the learning institution of your choice.

9. What is the interest rate on a NSFAS loan?

The current interest rate on a NSFAS loan is 4.6%.

10. If I have another bursary from another company, can I still apply at NSFAS?

Yes, you may still apply for NSFAS funding, provided that bursary does not cover the full cost of your studies for that year.

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