

Nzimande appoints new NSFAS administrator, addresses other matters

The Minister of Higher Education and Innovation, Professor Blade Nzimande has announced the appointment of Sithembiso Freeman Nomvalo, as the administrator of the National Student Financial Aid Scheme (NSFAS) while also explaining the reasons for dissolving the scheme's previous board.



Source: [SA news](#)

At a media briefing held in Pretoria on Sunday, 14 April, the minister said Nomvalo possesses extensive knowledge and an impeccable record of accomplishment in public finance and government processes.

He has been tasked to take over the governance, management, and administration of NSFAS for 12 months depending on progress made.

His task also involves resolving the data integration challenges as a matter of urgency, finalising all the necessary funding decisions and outstanding payments including student accommodation, and overseeing the opening of the 2025 online applications process.

Nomvalo has over 25 years of working experience, 17 of which were at senior level both in the public and private sector.

He was the first African and longest-serving accountant-general of a democratic South Africa.

Responsibilities

In explaining the reasons for dissolving the board of the National Student Fund Financial Aid Scheme (NSFAS), the minister said the board had failed to carry out its “basic” responsibilities.

“Through various formal engagements, as minister, I have consistently raised my concerns and unhappiness with the outgoing NSFAS Board, about the inability of NSFAS to carry out and implement some of the most basic responsibilities allocated to it,” he said.



Nzimande dissolves NSFAS board

12 Apr 2024



He said the board has faced several challenges. One of the critical issues pointed out by him was the termination of the contracts of direct payment service providers, who were appointed without following due process. The board was dissolved on 11 April 2024 and the scheme was placed under administration the next day.

The decision was also made due to the board's failure to oversee the timely payment of student allowances by the management.

“This has resulted in unnecessary stress for students and their parents, and also continues to threaten the very stability of some of our TVET (Technical Vocational Education and Training) colleges and universities.”

He pointed out that the Board has been unable to resubmit an accurate annual report to Parliament, manage and finalise the close-out report, and address significant capacity deficiencies within the organisation, including the non-functional call centre, which is still not functional.

According to Nzimande, the Board also failed to respond to student queries in a timely and efficient manner and consult on the guidelines for the missing middle funding.

“In an attempt to resolve these challenges or mitigate their impact, as Minister, I engaged the board on several occasions on various solutions, including a turnaround strategy, which has not been achieved within agreed timelines.

“Despite several engagements with myself, NSFAS continues to face serious challenges in its business processes, IT [information and technology] systems, capacity, and policies and controls,” he explained.

The minister is of the view that this has impacted the well-being of students negatively but has also brought serious reputational damage to NSFAS, the department and government.

NSFAS achievements

Nzimande said the institution has supported more than five million beneficiaries since its inception, producing hundreds of thousands of skilled professionals and the middle class, especially from within the poor and working-class sections of society.

“This is definitely one of the most important achievements of this government over the past 30 years of our democracy and

this must be celebrated as such.

“Flowing from this, I am also sensitive to the public expectation on NSFAS, as it relates to its role in enabling poor and working-class families to give their sons and daughters the gift of education.”

Continuity

The Minister said the dissolution of the board will not affect the normal functioning of NSFAS, including all payments that have to be made.

“The decision to dissolve the NSFAS board was not a light one and I wish to assure the public that, in taking this decision, I have considered all possible implications, including the impact that it might have on NSFAS employees and the students.”

However, he said he aimed to ensure that deserving students receive the necessary financial support and that NSFAS remains focused on its mandate, which is to provide financial assistance to students from poor and working-class backgrounds.

For more, visit: <https://www.bizcommunity.com>