

customer care & collections report

NATIONAL STUDENT FINANCIAL AID SCHEME

SINCE THE INCEPTION OF THE SCHEME IN 1991 THE total loan recovery to date amounts to R1.3 billion. Collections for the financial year, which ended 31 March 2006, amounted to R329.4 million compared to R245.4 million collected for the previous financial year, resulting in an increase of 34%. Recovered monies are re-injected into the Scheme to provide assistance for new students. On average NSFAS collects nearly R1.3 million each working day with more than 3 000 transactions being processed daily.

Credit for the increase in collections can be given to loanees who have realised the importance of paying back their loans. Co-operation from NSFAS's recipients of assistance has resulted in a gradual increase in debit orders month after month. With the co-operation of the State ensuring the deductions of its employees debt owing to NSFAS, this mode of collections has increased by 51% over the past financial year.

The commitment of past beneficiaries to paying back their loans is therefore enabling more than 25 000 students to be assisted with funds to study at higher education institutions in 2006. In addition a further 75 000 students are being assisted out of direct government grants and a number of smaller donors funds.

Currently NSFAS is able to trace debtors via the ITC using the Internet. This facility has enabled NSFAS to make contact with many more loanees, thus accurately placing these loanees into their correct repayment categories.

A survey recently confirmed that the NSFAS service delivery is of high standard. With the enhancement of the telephone system we are able to attend to our loanees in an efficient and effective manner. The staff complement has been increased to accommodate the growing volumes of telephone requests.

CUSTOMER CARE TEAM



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NSFAS has also established a working relationship with the Umsobomvu Youth Fund. This Fund was established in January 2001 by the South African Government with the mandate to create a platform for skills development and job creation for the youth (18 to 35 years) of South Africa. In order to provide funding to NSFAS loanees, unemployed graduates are also encouraged to register themselves on the Umsobomvu website.

MONEY RECOVERED

